RESEARCH REPORT

The State and Future of the National Social Sector Infrastructure

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We appreciate the guidance we received from the Infrastructure Research Collaborative advisory group and our advisory committee for the project (see appendixes A and B). We also thank Tené Traylor for reviewing this report and Elizabeth Boris and Jesse Lecy for serving as senior advisers to this project.
Executive Summary

The social sector of the United States is vital to the functioning of our democratic society, and it needs a strong support system to help it thrive. This report examines the state of that support system, which we call the social sector infrastructure, and discusses how to strengthen it. We focus on philanthropic and nonprofit organizations and networks at the national level that support the social sector's sustainability, learning, relationships, and influence by serving, leading, and building bridges between people and organizations within the sector.

Drawing on sources including interviews, focus groups, and consultations with over a hundred infrastructure providers, infrastructure funders, and infrastructure users (a group whom we refer to as “participants” in this report); a literature review; a survey of over two hundred infrastructure users; and our Urban Institute / George Mason University team members’ knowledge and experience as infrastructure researchers, users, staff, and former infrastructure leaders and funders, we explore three themes: challenges and opportunities of social sector infrastructure growth, inequities and disparities in the social sector and its infrastructure, and the importance of well-being for staff and leadership in the social sector and its infrastructure.

We worked with the Urban/GMU advisory committee (appendix A) on distilling the main findings from these themes into the eight objectives presented in this report, and we coauthored with the committee A Guide to Strengthening the National Social Sector Infrastructure: Objectives and Action Steps, which prioritizes key action steps for meeting these eight objectives.1 We also published An Overview of The Financing of National Social Sector Infrastructure Providers, which examines the financial health and needs of national infrastructure providers.2 An earlier report, The Social Sector Infrastructure: Defining and Understanding the Concept, documents the development of our definition of the social sector and its infrastructure.3 We intend for these reports to provide a centralized understanding and definition of social sector infrastructure, help strengthen the infrastructure's value to the sector, and reinforce its utility in years to come.

Challenges and Opportunities of Social Sector Infrastructure Growth

Participants in our study who referenced the growth of the social sector infrastructure celebrated that growth but noted it can create challenges for infrastructure providers, users, and funders related to
defining infrastructure and communicating its value, choosing among its many offerings, and assessing the quality of its services. Further, despite the infrastructure’s growth, participants said that it is still underresourced, that some infrastructure users—especially smaller organizations—struggle to afford infrastructure services, and that convincing funders to support infrastructure remains challenging.

Social sector infrastructure providers, funders, and users can use the following objectives to strengthen the infrastructure as it continues to grow:

- **Objective 1:** Develop and disseminate clear narratives that communicate the importance of infrastructure to current and potential infrastructure funders and users.
- **Objective 2:** Offer current and potential infrastructure funders, providers, and users regular opportunities to learn about the full scope of the social sector infrastructure.
- **Objective 3:** Create tools that provide feedback on infrastructure services by adapting current assessment models to the social sector infrastructure or initiating efforts to design new feedback systems.
- **Objective 4:** Increase revenue sources for infrastructure providers to improve their financial security and the accessibility of infrastructure services for everyone in the social sector.

### Inequities and Disparities in the Social Sector and Its Infrastructure

Participants spoke about many inequities and disparities in the social sector and its infrastructure. Most frequently, participants cited disparities related to size and the inequities to funding. With respect to size, large-scale philanthropy, whether institutions or individual donors, and large nonprofits seem to have more infrastructure services and opportunities than small nonprofits, everyday donors, and volunteer-led or unincorporated groups. And there have been inequities in historical funding patterns between organizations that are led by and serve BIPOC people (Black people, Indigenous people, and other people of color) and other marginalized communities with respect to geographic location, language, disability, sexual orientation, and class, for example, versus the rest of the social sector, referenced by participants and noted in the literature.

Participants also mentioned inequities and disparities with respect to class, geographic location, language, and disability, and inequities and disparities between start-ups and large, mature organizations versus medium-sized and “teenage” (also known as mezzanine) organizations. Lastly,
participants expressed concerns about a lack of diversity among infrastructure staff and leadership with respect to race, ethnicity, religion, and lived experience. The following objectives can help infrastructure providers, users, and funders address these inequities, disparities, and diversity considerations:

- **Objective 5:** Ensure infrastructure providers have adequate financial resources, have the flexibility to spend these resources to meet the needs of infrastructure users, and do not face undue reporting and other burdens from the funding they receive.
- **Objective 6:** Adopt inclusive practices that ensure infrastructure providers offer services that meet the needs of all social sector organizations, especially those led by and serving people of color and other marginalized communities.
- **Objective 7:** Strengthen technology for national infrastructure providers and users to improve the accessibility and security of infrastructure services that rely on technology.

### The Importance of Well-Being

Participants expressed concerns about exhaustion, burnout, conflict, and unmet care needs, such as living wages and strong benefits, for staff and leadership in the social sector and its infrastructure. These problems are not new, but pressures on this workforce have been exacerbated by the turbulent past few years, marked by the COVID-19 pandemic, racial reckoning, economic precarity, climate change, and polarization in American society. Participants discussed the importance of well-being for the entire social sector infrastructure ecosystem, including infrastructure providers, users, and funders.

To promote well-being, we share this objective developed from our research findings:

- **Objective 8:** Prioritize the well-being of infrastructure providers and users through practices and services and by recognizing, addressing, and preventing burnout and other impediments to well-being.

We present these objectives and insights from our study to help infrastructure providers, funders, and users strengthen the infrastructure so it can meet the needs of the entire social sector and support a vibrant society.
The State and Future of the National Social Sector Infrastructure

The multifaceted social sector plays a critical role in the functioning of US society. In an earlier report, we defined the social sector and the infrastructure—or support system—that it needs to thrive (box 1).

BOX 1
The Social Sector and Its Infrastructure

The US social sector consists of private organizations (nonprofit, for-profit, and hybrids of the two), groups, and individuals acting to advance social missions as their primary purpose. This definition includes incorporated organizations as well as unincorporated groups and movements, and institutions as well as individuals.

The social sector infrastructure is the support system that helps the social sector thrive. It is an ecosystem of providers that offer services focused on sustainability, learning, relationships, and influence to social sector organizations, groups, and individuals. These infrastructure providers serve and support at least one of the sector’s core constituencies.

For more detail on these definitions, see our report, *The Social Sector Infrastructure: Defining and Understanding the Concept*, and interactive feature, "Exploring the Social Sector Infrastructure."

Notes:
- Available at [https://socialsectorinfrastructure.urban.org/](https://socialsectorinfrastructure.urban.org/).

In this report, building on these definitions of the social sector and social sector infrastructure, we explore the state of the infrastructure for the US social sector in 2021 and 2022 and what the infrastructure needs for the future. We focus on the national-level philanthropic and nonprofit organizations and networks that provide infrastructure support. A recent report from the Building Movement Project (Kunreuther and Thomas-Breitfeld 2022) analyzes the social sector infrastructure at the state and local levels.

Our project team includes people who have researched the infrastructure, led and served in infrastructure organizations, funded infrastructure organizations, and received infrastructure services. Our experiences studying, writing about, working within, supporting, and benefiting from the infrastructure inform our perspectives on its value. For our study, we spoke with over a hundred people
who serve as infrastructure providers, infrastructure funders, and/or infrastructure users. We interviewed leaders of national infrastructure organizations, hosted focus groups with funders of infrastructure, consulted with our study’s advisory committee and the Infrastructure Research Collaborative advisory group (see appendixes A and B), and reviewed relevant literature. We also analyzed results from a nonrepresentative survey of about two hundred infrastructure users. Because we used a nonrandom survey sampling method, we used those survey results to complement findings from other data sources rather than to draw independent conclusions. (For more about our methodology, please refer to appendix C.)

We are publishing our analysis from these sources in three places: in this report, in an overview of the financing of national infrastructure providers, and in a guide to strengthening the national social sector infrastructure. We hope our findings will help social sector providers, funders, and users understand the state of the national social sector infrastructure and learn how they can strengthen it in the years to come.

Our research is the latest in a series of explorations of the social sector infrastructure. In their 2008–2009 study of the nonprofit and philanthropic infrastructure, Boris and coauthors described their study period as “an era of intense turbulence” (2009, 9), as the US experienced the Great Recession and a presidential transition. Similarly, we conducted our 2021–2022 study during a turbulent era marked by the COVID-19 pandemic, racial reckoning, economic precarity, climate change, and polarization in American society.

The onset of the COVID-19 pandemic in the United States in March 2020 marked the start of a period of unprecedented disruption that continued for the duration of this study. Loss of life and disruptions to school, work, caregiving, health care, and the economy upended life, and the ensuing economic and health effects disproportionately affected some groups more than others (Breslin et al. 2021). Two months after the start of the pandemic in the United States, the murder of George Floyd by Minneapolis police officers sparked a racial reckoning during which many people and institutions have grappled with the legacies of systemic racism in this country. An estimated 26 million people in the US participated in protests affiliated with Black Lives Matter, making these protests potentially the largest movement in US history.

The past two years were also marked by economic precarity and increased climate disasters and political polarization. The stock market experienced its worst first half since 1970 in the first six months of 2022, and more than 47 million Americans quit their jobs. In addition to economic challenges, the US experienced 29 unique billion-dollar weather and climate disaster events in 2021 and the first half
of 2022, and the 2021 death count from these disasters was more than double that of 2020, representing the highest in a decade. Throughout these turbulent years, political polarization in the US increased along with challenges to democratic norms and institutions.

Organizations, groups, and individuals in the social sector and its infrastructure have pivoted to offer a myriad of direct services in response to these crises and have found themselves adjusting their operations as a result. The Nonprofit Finance Fund’s 2022 State of the Sector survey reveals how nonprofits, one part of the social sector, experienced events between 2019 and 2021. Nearly all nonprofits reported that the COVID-19 pandemic had impacted their organizations and the clients they serve somewhat or a great deal, with 92 percent saying it had impacted them a great deal. Demand for nonprofit services during the pandemic increased for nearly three-quarters of nonprofits, and half of nonprofits could not fully meet the demand. About two-thirds of nonprofits reported that George Floyd’s murder and the subsequent protests impacted their organizations and the clients they serve somewhat or a great deal, and the same share said their organizations’ focus on racial equity had somewhat or greatly increased since the beginning of 2020. Just over a third of nonprofits reported that extreme weather events had already impacted their organizations and the clients they serve somewhat or a great deal (Nonprofit Finance Fund 2022). And just over half of nonprofits reported that “instances of politically or racially motivated violence and threats of violence” had impacted their organizations and the clients they serve somewhat or a great deal (Nonprofit Finance Fund 2022, 14).

Changing economic conditions and the country’s racial reckoning have also brought financial changes to social sector organizations. When the stock market fell at the beginning of 2022, foundation assets decreased by 17.3 percent, or approximately $235 billion. And since mid-2021, inflation has increased social sector organizations’ costs and threatened their ability to fulfill their missions. Because the cost of living has gone up for workers, many organizations have increased payroll costs to compensate. Foundation leaders have also more explicitly considered racial equity in their work since the pandemic began (Buteau et al. 2021) and have as a result increased the percentage of their grant funding to organizations serving Black and Latino communities by 40 and 25 percent, respectively (Buteau et al. 2021). But in the process, many foundations have overlooked Asian American, Pacific Islander, and Native American communities (Buteau, Malmgren, and Martin 2021; Buteau, Martin, and Malmgren 2021).

Polarization in American society is also affecting nonprofits and philanthropy, and social sector leaders have different perspectives on whether the sector should address it. The US has experienced declining and partisan trust in nonprofits, with Democrats reporting more trust in nonprofits than Republicans and Independents (Independent Sector 2022). Some argue that philanthropy should seek
to counter polarization;\textsuperscript{19} others disagree, stating that attempts to bridge divides often prioritize niceties over the pursuit of justice.\textsuperscript{20}

The central themes that emerged from our Urban Institute / George Mason University study reflect our period of focus and come at a pivotal moment for determining how the social sector infrastructure might shape American society in the years to come. We begin this report with a brief discussion of the roles of the social sector infrastructure, focusing on the four primary areas it supports (sustainability, learning, relationships, and influence) and three common approaches infrastructure providers take (serving, leading, and bridge-building). We then discuss the three main themes that emerged from our research: challenges and opportunities of infrastructure growth, inequities and disparities in the social sector and its infrastructure, and the importance of well-being. In each of these sections, we provide an overview of the state of the infrastructure and summarize what participants said could strengthen the infrastructure for the future.

The Roles of the Social Sector Infrastructure

When we think about what the infrastructure does, we think about both the supports of infrastructure and the different approaches the infrastructure can take to meeting the needs of the social sector. In box 2, we describe the infrastructure’s four areas of support—sustainability, learning, relationships, and influence—and what they are intended to accomplish.

BOX 2
Four Areas the US Social Sector Infrastructure Supports: Sustainability, Learning, Relationships, and Influence

\textbf{Sustainability} infrastructure activities provide the base of financial resources, the mission and talent, and the operations support social sector organizations need to form, function, and survive. These enable organizations to pay salaries; operate programs; determine the best way to meet their missions; cultivate talent; take care of leadership, staff, and volunteers; and keep critical behind-the-scenes services, such as legal, financial, and technology services, going strong.

\textbf{Learning} infrastructure activities, which focus on education and training as well as knowledge development and dissemination, are critical for the growth, development, and reputation of the social sector. These services prepare people for their roles in social sector organizations through formal and informal training opportunities, explore key issues of interest to the social sector, and widely share information about the social sector.
Relationship infrastructure activities cultivate connections and strengthen bonds of shared values and interests in and outside of the social sector through convenings, networks, and leadership development. Strong relationships develop through small and large gatherings, collaborations, coalitions and affiliations that bond people together, and fellowships that help people grow and learn from peers.

Influence infrastructure activities focus on the communications, civic engagement, and advocacy needed to ensure the social sector is present and heard throughout society, including in shaping public and private sector activity. These activities include narrative change, public education, grassroots and community power building, and organizing and coalition building.

Note: For more details on these supports, see "Exploring the Social Sector Infrastructure," available at https://socialsectorinfrastructure.urban.org/.

Three Approaches to Serving, Leading, and Building Bridges

Infrastructure providers can provide these supports in ways that meet social sector organizations’ current needs or with the intention of pushing and transforming the field. In other words, they can provide supports that address immediate needs but also essentially preserve the status quo, or they can actively reconceptualize norms and practices for the social sector to lead the sector in what they see as the most beneficial direction. Often, they take a mix of these approaches.

Social sector leaders do not always agree on whether infrastructure providers should serve the social sector by deferring to what organizations say they need or lead the social sector by bringing their own points of view and imagine different possibilities. This dichotomy was raised by Pablo Eisenberg, an influential and often critical voice in the social sector, in a 2014 opinion piece in the Chronicle of Philanthropy. Eisenberg asked whether the Council on Foundations, which he referred to as “the most prominent trade association in the grantmaking world,” would be a change agent that would embrace clear values and stand for principles, maintain its position as “just a trade group,” or combine those goals to serve and push members.

Eisenberg also noted that some people had criticized the Council on Foundations for not collaborating well with other organizations within the nonprofit infrastructure. This point suggests a third approach for infrastructure organizations: building bridges. Lucy Bernholz, a senior research scholar and director of the Digital Civil Society Lab at Stanford University’s Center on Philanthropy and Civil Society, offers recommendations for improving the philanthropic infrastructure’s policy capabilities, and several involve cultivating relationships and coalitions with adjacent industries and different sectors. She recommended separating “policy expertise from big-tent membership
associations so these experts can be more proactive, flexible, and coalition-oriented” (Bernholz 2015, 2). When it comes to advocating for philanthropy, this suggests some limits to the service-oriented model of infrastructure and favors a bridge-building approach.

Infrastructure organizations commonly engage in activities that combine the approaches of responsive serving, leading, and bridge-building. WINGS, a global network of philanthropy support organizations, surveyed foundations that support the philanthropic infrastructure and found that they believe philanthropic infrastructure organizations excel at building relationships and developing and disseminating knowledge but that they could improve their policy influence and ability to build bridges with other philanthropic infrastructure organizations and sectors (Knight and Ribeiro 2017).

Many variables, including sources of funding and mission, influence whether an infrastructure organization prioritizes responsive services, field leadership, or bridge-building. The flexibility and purpose of the funding an infrastructure organization receives determines its autonomy to define its approach, as does its mission, which is developed and stewarded by the organization’s leadership. Infrastructure providers focused on meeting the short-term needs of people and organizations in the social sector might prioritize activities that they believe benefit the social sector as it exists today. Providers whose mission is to transform policy and practice in the social sector might focus on the underlying causes of people’s and organizations’ needs through long-term solutions and activities that will push the sector where they think it should go. And providers that value collaboration in and outside of the social sector might prefer to focus on building bridges.

How should infrastructure providers balance serving the social sector as it exists with the need they might feel to push it in a specific direction? Would the social sector benefit most from infrastructure providers that steward the sector as it is, lead the sector in a different direction, or build bridges and serve as vehicles for collaboration?

These questions arose in our interviews and focus groups not only with calls for infrastructure organizations to embrace a more transformative vision, but also in reference to observed disunion and division among infrastructure organizations and concerns that polarization in the sector reflects the polarization of US society. Do infrastructure providers see themselves as complementing one another or as competitors? Do social sector infrastructure providers bear any responsibility for bridging ideological differences within the sector, or should providers silo themselves by ideology? Should the infrastructure have values embedded in it? If so, what should those values be and who should determine them?
We find that a uniformly appropriate approach to supporting the sustainability, learning, relationships, and influence of the entire social sector does not exist because of the numerous and varied needs and aspirations of people and organizations in the sector. Responsive serving, leading, and bridge-building are all important for different reasons, and we do not promote one over the others. Rather, we encourage social sector infrastructure providers, funders, and users to reflect on which approach or combination of approaches works best for their goals.

A Summary of Our Findings on the State of the Social Sector Infrastructure and Objectives for Its Future

The next three sections discuss the challenges and opportunities of US social sector infrastructure growth, inequities in the social sector and its infrastructure, and the importance of well-being for people in the social sector and its infrastructure. In each of these sections, we describe the state of the infrastructure at a moment marked by a pandemic, racial reckoning, economic precarity, climate disaster, and polarization, and we draw out themes and associated objectives for how to strengthen the infrastructure.

In the first of these sections, Challenges and Opportunities of Social Sector Infrastructure Growth, we identify benefits of and concerns about infrastructure growth. We celebrate this growth while noting the challenges it can create, including defining and communicating the value of infrastructure, choosing among its many offerings, and assessing the quality of its services. Further, despite the infrastructure’s growth, participants in this study said that it is still underresourced, that some infrastructure users—especially small organizations—struggle to afford infrastructure services, and that convincing funders to support infrastructure remains challenging. We offer objectives from our research on how infrastructure providers, funders, and users can be clear about why infrastructure matters, help knowledge of infrastructure offerings reach the social sector, and improve the quality of infrastructure services and make them more affordable.

In the second of these sections, Inequities in the Social Sector and Its Infrastructure, we discuss the many inequities and disparities we found in the social sector and its infrastructure. Most frequently, participants cited disparities related to size and the inequities to funding. With respect to size, large-scale philanthropy, whether institutions or individual donors, and large nonprofits seem to have more infrastructure services and opportunities than small nonprofits, everyday donors, and volunteer-led or unincorporated groups. And there have been inequities in historical funding patterns between
organizations led by and serving BIPOC people (Black people, Indigenous people, and other people of color) and other marginalized communities with respect to geographic location, language, disability, sexual orientation, and class, for example, versus the rest of the social sector, referenced by participants and noted in the literature. Participants also mentioned inequities and disparities with respect to class, geographic location, language, and disability, as well as disparities and inequities between start-ups and large, mature organizations versus medium-sized and “teenage” (also known as mezzanine) organizations. Lastly, participants discussed a lack of diversity among infrastructure staff and leadership with respect to race and ethnicity, religion, and lived experience. To address these inequities, disparities, and diversity considerations, we suggest research-based objectives on how infrastructure funders can help improve equity, how infrastructure providers can best meet the needs of the people and organizations they serve by appreciating community context and identity, and how technology can be used to promote accessibility.

In the third of these sections, The Importance of Well-Being, we share concerns about exhaustion, burnout, conflict, and the importance of prioritizing the well-being of staff and leaders in the social sector and its infrastructure. These problems are not new, but they have been exacerbated by the turbulent past few years, which have been marked by the COVID-19 pandemic, racial reckoning, economic precarity, climate change, and polarization in American society. Participants discussed the importance of well-being for everyone in the social sector infrastructure ecosystem, including infrastructure providers, users, and funders. To prioritize and promote the importance of well-being, we share an objective from our research on how infrastructure providers, funders, and users can help to identify and prevent burnout among staff and leaders and meet their needs.

We believe the social sector is vital to the functioning of our democratic society, and it needs an infrastructure that will help it thrive. The themes and suggestions presented in this report are intended to help infrastructure providers, funders, and users improve and strengthen the infrastructure in years to come.
Challenges and Opportunities of Social Sector Infrastructure Growth

Overview of Current State

One dominant theme from our research on social sector infrastructure was its expansion in terms of the number of infrastructure providers and their size, scope, and scale. The expansion of social sector infrastructure over the past several decades has been noted in many domains. As Moody explained in a recent Dorothy A. Johnson Center for Philanthropy report, “This explosion in such organizations also means there are more conferences, published resources, peer networks, etc., in our field now compared to 30 years ago” (2022, 8). People we interviewed also understood the expansion in terms of the growth of certain types of services they see nonprofits use, such as communications (including narrative-based and data-based work), strategic planning, meeting facilitation, coaching, and marketing. Recent studies also point to the growth of funder collaboratives (Powell, Morfit, and John 2021); intermediaries, including donor-advised funds (Brown and Strawser 2022); fiscal sponsors (Abalo et al. 2023); and fellowships (Kapila and Takamine 2015). Generally speaking, this growth in social sector infrastructure means more services are available to the social sector, but it also comes with drawbacks and challenges.

Drawbacks and Challenges of Growth

The expansion of social sector infrastructure can create definitional challenges that raise issues of conceptual clarity. Participants raised questions about what happens when the definition of infrastructure expands, and whether the loss of precision could have costs. Relatedly, some participants expressed concern about the difficulty of finding common ground and promoting collaboration among the infrastructure’s disparate parts. For example, participants said that academics, think tanks, and social sector associations do not always intersect with the growing corps of movement and grassroot groups. With so many infrastructure providers in the ecosystem, a scarcity mindset about available funding, members, and clients can lead some providers to focus more on competition and working in a siloed environment, rather than on more active coordination to seek partnerships, align messages, and focus on strengths. The larger and more diverse the infrastructure, the more difficult it can be to bridge different parts of it if a scarcity mindset prevails.

Interviewees also expressed concerns about balancing an abundance of infrastructure resources with the countervailing need for screening. They reported frequently feeling deluged with potential resources at a time when people’s attention spans are relatively short and how they consume
information is changing. In fact, nearly a quarter of survey respondents reported feeling overwhelmed by the choices available and struggling with how to make decisions about infrastructures services.

Another concern is how the expansion of infrastructure can lead to issues of quality and duplication of services. In the literature we reviewed and our interviews, we found a suspicion that some of the growth in infrastructure has come at the expense of quality or diverged from the actual needs of the social sector. We heard these concerns most frequently with respect to consultants, and particularly with the "DEI-Industrial Complex," but also with respect to other elements of infrastructure. For instance, some participants expressed concern that the growth of funding collaboratives means fewer opportunities to develop relationships with foundation program officers; rather than having close, direct bonds with their funding sources, recipients interact with intermediaries instead.

Many participants mentioned issues of quality and duplication of services with regard to hiring high-quality consultants. Over a decade ago, evaluations from grantees of the Meyer Foundation indicated the importance of taking time to vet a consultant and ask the right questions during the hiring process. Similarly, a report by the Management Assistance Group recommended training nonprofits on how to select, contract with, and monitor the performance of outsourced providers (Leach 2009). We found that people in the social sector still feel this assistance is needed, especially because infrastructure users want to be able to ascertain the quality of providers before making a commitment.

Difficulties finding the right consultants are important because consulting has been a prominent area of infrastructure growth. Finding the right consultant-client match requires consultants to determine whether their services can actually help potential social sector clients and requires potential clients to be more selective about consultants, seeking the services of people who, for instance, have relevant lived experience and demonstrate a clear engagement with equity (Grantmakers for Effective Organizations 2021). Yet selectivity in hiring or contracting takes time and effort and thus requires adequate financial cushioning. This is also true of hiring fiscal sponsors, recruiters, and leadership development providers (Thomas-Breitfeld and Kunreuther 2017).

These concerns about definitional clarity around infrastructure, an abundance of infrastructure resources, and quality and duplication did not negate a more general celebration among participants of the infrastructure’s expansion, including the increasing number of consultants and intermediaries. But participants were a bit apprehensive when they reflected on trends and appreciated that growth often comes with costs and challenges.
SCARCITY CONCERNS

Alongside recognition of the social sector infrastructure’s expansion, and in some tension with it, was a sense among interviewees and focus group participants that the infrastructure is still underresourced, especially compared with other sectors. Interestingly, this sentiment did not necessarily entail the belief that their own organizations were experiencing financial distress; in fact, many interviewees reported being in better shape financially than in the past. So why do scarcity concerns persist and coexist with a sense of the infrastructure’s expansion? Of course, these concerns could simply be a manifestation of the fact that infrastructure organizations do not have all the funding they could use, even if those organizations are not in perilous financial situations. They could also reflect the general condition of nonprofit finances, which research suggests tend to run on slim margins (Nonprofit Finance Fund 2022), or they could owe to the “nonprofit starvation cycle.”27 If funders paid the “full cost”28 of providing services, including the cost of critical infrastructure support, nonprofits would have more to spend on infrastructure membership dues and fees.

Research suggests that certain segments of the social sector—especially BIPOC-led organizations and smaller organizations—are generally less financially secure than others (Dorsey, Bradach, and Kim 2020; Kunreuther and Thomas-Breitfeld 2022). An Echoing Green and Bridgespan study found, for instance, that compared with their white-led counterparts, a sample of Black-led organizations had average revenues that were 24 percent smaller and unrestricted net assets that were 76 percent smaller (Dorsey, Bradach, and Kim 2020). A Building Movement Project study found that the biggest infrastructure challenge facing small, community-based nonprofits is funding, with slightly more BIPOC-led, small, community-based nonprofits (52 percent) facing issues related to a lack of reserves for a “rainy day” than similar white-led nonprofits (46 percent) (Kunreuther and Thomas-Breitfeld 2022). Research also suggests that smaller nonprofits find it difficult to pay for infrastructure services and conversely, that nonprofit infrastructure providers find it difficult to maintain sustainable finances by catering to small nonprofits (Boris et al. 2009; Kunreuther and Thomas-Breitfeld 2022).

Convincing funders to support infrastructure is still very much a “hard sell,” as one interviewee termed it. Participants proposed several reasons this might be the case, including the communication challenges and failures we describe in depth below. The need to better make the case to potential funders for funding the social sector infrastructure is especially acute given the rise of engaged living donors, who have begun to dominate the philanthropic landscape. Many of these donors have chosen not to establish large philanthropic institutions that could rival legacy foundations, instead maintaining relatively small permanent staffs and relying on intermediaries and consultants, who might not have the
deep relationships with infrastructure organizations that the small number of dedicated infrastructure program officers at foundations have.

Yet one of the most prominent instances in recent memory of public promotion of social sector infrastructure’s importance came from such an engaged living donor. In June 2021, MacKenzie Scott announced a tranche of gifts to 286 nonprofit organizations totaling $2.74 billion. She named social sector infrastructure as a specific funding priority:

We also assessed organizations focused on supporting community engagement itself. The 1.6 million non-profits in America employ 10% of our country’s workforce, and 63 million volunteers. While political pendulums swing back and forth, redistributing and re-concentrating wealth, we can choose to fund organizations with the potential to increase the impact of every dollar and hour donated by others. Social sector infrastructure organizations empower community leaders, support grassroots organizing and innovation, measure and evaluate what works, and disseminate information so that community leaders, elected officials, volunteers, employees, and donors at every level of income can make informed decisions about how to partner and invest. These organizations, which are themselves historically underfunded, also promote and facilitate service, which in turn inspires more people to serve.29

The attention generated by Scott’s announcement boosted the profile of infrastructure organizations as a funding cause in general and of the organizations she funded in particular. For instance, the head of Native Americans in Philanthropy appeared on Good Morning America to talk about the gift.30 The extent to which Scott’s focus has led to a significant increase in other donors’ funding of social sector infrastructure organizations is as yet unclear (that dynamic will be worth following closely). Still, that focus may help other infrastructure funders join Scott in promoting the importance of supporting these organizations among their peers.

Another source of scarcity concerns could be the so-called free-rider problem. Some infrastructure services function as non-excludable and non-rivalrous goods—meaning when one person uses them, others can still use them and they are difficult or impossible to prevent others from using—with the result that social sector organizations, including funders, can enjoy their benefits without paying for them. For example, if an infrastructure provider successfully advocates for a public policy that leads to increased charitable giving, the entire social sector benefits, not just the organizations that contributed resources to the provider’s campaign. Because that provider’s advocacy is a non-excludable and non-rivalrous good, it is prone to the free-rider problem. But if an infrastructure provider offers a fee-based training program with limited spots to leaders in the social sector, only those who pay the fee can access the course—making it excludable—and once the spots are full, nobody else can access the program—making it rivalrous. The training program is less prone to the free-rider problem because it is excludable and rivalrous.
Interviewees also raised the issue that many funders want to know precisely what they are getting with their money; but the benefits of some infrastructure supports and services can be diffuse and difficult to quantify. Other funders resist supporting the infrastructure needs of organizations that are not their grantees. Lastly, interviewees discussed that when an infrastructure organization’s funding derives from just a few funders, it is left especially vulnerable if those funders withdraw funding or leave the scene entirely. A recent Johnson Center report cited research centers as one type of infrastructure organization that has often derived support from a small number of funders and therefore might have to close after the loss of a major funding source (Moody 2022).

RECOGNIZING ASSETS
Infrastructure growth can be looked at as a problem or an opportunity. It could be seen as a negative: there are an overwhelming number of services to pick from; there are too many providers to determine who to fund; it is difficult to discern quality; and there is a lot of competition for revenue. Or growth can be seen as a positive: there are a lot of providers who want the social sector to thrive, there are many organizations for infrastructure funders to support, the field is mature and can push for quality services, and there is a plethora of potential partners. Participants spoke about how identifying assets and having an abundance mindset can benefit the social sector.

An abundance mindset shifts focus from competition to coordinating services, seeking collaborative solutions, and coalition-building. For example, noting that others offer the same service affords a provider an opportunity to assess whether their service is unique and high quality—and thus, whether they want to continue offering it—or whether they should ramp it down or offer it in collaboration with a similar provider. Similarly, providers can think about whether their voice or another voice is best suited to take the lead on an issue and when they should support and amplify the voice and message of a fellow provider. Forums that enable many entities to come together help break down silos and provide providers a chance to build on their unique strengths.

Objectives for the Future
Given the state of a growing social sector infrastructure, if social sector entities had more resources, such as subsidies, to spend on infrastructure supports, would they make use of those supports? Or do they lack information about what services infrastructure providers offer? Or, alternatively, are the services that social sector entities want not offered, either because of funders’ demands that certain services be provided or because infrastructure providers do not have a good sense of what social sector entities need? These questions about the supply and demand of infrastructure services connect to four
objectives that we, along with the Urban/GMU advisory committee (appendix A), distilled from the main findings gleaned from interviews, focus groups, feedback from our advisers, a survey, a literature review, and our research team’s knowledge of and experience with the infrastructure. These objectives center on the need to be clear about why infrastructure matters and how information about infrastructure offerings can reach the social sector. They also provide ideas about how to improve infrastructure services when needed and how to make services more affordable for infrastructure users and responsive to their needs. The four objectives are the following:

- Develop and disseminate clear narratives that communicate the importance of infrastructure to current and potential infrastructure funders and users.
- Offer regular opportunities to current and potential infrastructure funders, providers, and users to learn about the full scope of the social sector infrastructure.
- Create tools that provide feedback on infrastructure services by adapting current assessment models to the social sector infrastructure or initiating efforts to design new feedback systems.
- Increase revenue sources for infrastructure providers to improve their financial security and the accessibility of infrastructure services for everyone in the social sector.

Objective 1: Develop and Disseminate Clear Narratives that Communicate the Importance of Infrastructure to Current and Potential Infrastructure Funders and Users

Many participants noted the importance of making the case for why infrastructure matters widely so that it reaches all organizations, groups, and individuals, but also tailoring that case to different audiences, such as potential infrastructure funders and users. This starts with having a clear message about the value of infrastructure.

CULTIVATING THE MESSAGE

We heard calls to describe the importance of infrastructure for sustaining our democracy and for a thriving social sector, and a desire to express the infrastructure’s role as a critical public utility that benefits organizations, groups, and individuals in the social sector, as well as the people and communities the social sector serves.

The challenge of better describing the value of the social sector infrastructure is essentially a communications challenge that results from a lack of public awareness of infrastructure and indicates a
need to more persuasively make the case for infrastructure and disseminate that message broadly and effectively. Building on previous studies that sought to define and make the case for infrastructure, our project team put forward a definition of social sector infrastructure that articulates the infrastructure’s supports (sustainability, learning, relationships, and influence) and describes who provides and receives those supports. We recently published a report that explains how we arrived at this definition, along with an infographic and an interactive feature that communicate the core components of the definition.

THE ROLE OF RESEARCH AND COMMUNICATIONS EXPERTISE
Ongoing research on the impact, effectiveness, and influence of the social sector infrastructure can help make the case to funders and the social sector about its value. Abramson and McCarthy’s recommendations about developing large databases that broaden research beyond individual case studies, improving training in quantitative methods to analyze large datasets, and creating more practitioner-relevant research that bridges academics, practitioners, and policymakers remain important for developing key messages about the impact of the infrastructure on the social sector, and in turn, the impact the social sector has on society (2012).

Improving knowledge cocreation and community-engaged research that values lived experience and diverse communities (Kan 2021a), hiring narrative communications consultants, and packing messaging about the infrastructure into digestible, sharable, and actionable insights can help improve dissemination to people with high demands on their time and little knowledge of the infrastructure nor interest in reading long reports.

TAILORING THE MESSAGE TO INFRASTRUCTURE FUNDERS AND USERS
Advocates for strengthening infrastructure within specific nonprofits and for the field have articulated challenges in making a more compelling case to potential funders and users. Some of our participants discussed the need for infrastructure organizations to develop more targeted, direct outreach to individual donors and their support staff. Others raised the need to overcome the reluctance of funders to support any sort of nonprofit “marketing,” which can be viewed as “dirty.” Participants also suggested cultivating a message catered to funders stressing the extent to which infrastructure represents a smart investment—or, spun a different way, that the failure to invest now in social sector infrastructure would merely lead to incurring higher costs in the future. The smart-investment message can also work for potential infrastructure users who might need to hear the case about why to invest time and resources in supports for their work, as opposed to in direct service.
Objective 2: Offer Regular Opportunities to Current and Potential Infrastructure Funders, Providers, and Users to Learn about the Full Scope of the Social Sector Infrastructure

Accompanying a clearly crafted message about the importance of infrastructure, information about infrastructure offerings should be regularly available and accessible to the right audiences. Critically, potential infrastructure users need to be able to find the infrastructure supports and services that meet their needs. This remains a difficult challenge, one exacerbated by the experience of a superabundance of resources. Nearly a third (31 percent) of our survey respondents did not know where to look to find the right infrastructure supports. It is possible this proportion could be even higher because the vast majority of those who responded to our survey (65 percent) subscribe to the Urban Institute’s Social Sector Update, indicating they already have some connection to the social sector infrastructure.

REACHING USERS WHO MIGHT FEEL DISCONNECTED

The communication and dissemination challenge will require what one source referred to as “purposeful targeting” of infrastructure users, especially users who feel disconnected from infrastructure services and supports. This source acknowledged that the marketplace for social sector infrastructure is far from perfect; many are left out of it and do not even have the opportunity to decide whether to use its services, in part because they are not aware of the options available. (Objective 4 addresses another critical barrier: affordability.) Those consulted for this project specifically cited unincorporated and smaller groups, as well as organizations led by BIPOC and other marginalized communities, as falling into this category. This speaks to the need to develop cultural competencies to further disseminate infrastructure service opportunities to a wide variety of communities through different outreach channels. For national providers seeking to reach local audiences, this might require turning to smaller and trusted intermediary organizations to serve as bridges to local groups. Without such local connections, the reports and conferences frequently discussed among national circles of national infrastructure providers do not always reach activists in local networks.

ORIENTATION SESSIONS AND AN ONLINE DIRECTORY

One participant suggested offering regular orientation sessions on the breadth and availability of infrastructure offerings at a range of social sector conferences and staff orientation sessions to help reach a diverse group of potential infrastructure users. Posting online recordings of these sessions would enable people who cannot easily attend conferences in person, whether because of financial, health, geographic, or other constraints, to understand the scope of infrastructure services available. These sessions could be general to all of the social sector or target subfields or geographic areas.
We also heard calls to compile an online directory or list of the various infrastructure providers and services available nationally, regionally, and locally, and to ensure it can be easily updated and disseminated. Given the breadth of the social sector and its infrastructure, this would be an enormous undertaking, but it could be more feasible if broken down by social sector subfield, audience, or geographic area. Like the recommendation to offer online recordings of infrastructure orientations, an online directory of infrastructure providers and services will help people with access to broadband. In that sense, improving access to information about infrastructure offerings also requires advocacy to address impediments to broadband, especially in rural areas. (See objective 7 for more on the importance of technology for access.)

**Objective 3: Create Tools that Provide Feedback on Infrastructure Services by Adapting Current Assessment Models to the Social Sector Infrastructure or Initiating Efforts to Design New Feedback Systems**

For our participants, the growth of the infrastructure has come with concerns about the quality of infrastructure services offered. These include concerns about understanding what quality means, how to identify quality services, and how to improve quality when needed. In our social sector survey, 75 percent of respondents cited “quality of provider’s services” and 69 percent cited “provider’s reputation” as elements that most influence them to select infrastructure providers. Through our interviews and focus groups, we also heard concern about the quality of services and the need to better be able to discern quality, especially in light of the expansion of infrastructure offerings.

**DEFINING AND MEASURING QUALITY**

It should be noted that although participants noted a strong desire to improve the quality of infrastructure services, there was also uncertainty about how to define and measure “quality.” Some organizations have already done important work developing standards with respect to certain infrastructure services (Abramson and McCarthy 2012). But there were also concerns that relying excessively on quantitative criteria, marching under the banner of an “evidence-based” approach, could slight the contributions and work of some organizations that do not have the resources for external evaluations and of services that do not easily lend themselves to quantitative evaluation. It is important to ensure that the evaluation process is culturally competent and appropriately engages the user community so that external assessments of infrastructure quality mirror the experiences of those served (Dean-Coffey, Casey, and Caldwell 2014), and in turn, provide value to potential infrastructure users.
Balancing rigor and inclusivity to assess the performance of infrastructure organizations remains a challenge. One approach could involve a research and dialogue initiative with providers, funders, and users to develop criteria for quality infrastructure that center the voices of users, summarize past efforts to gather feedback, and propose models for discerning the quality of infrastructure services. Acknowledging the importance of evaluating philanthropic infrastructure organizations, WINGS called for infrastructure organizations to grow and improve their evaluation practices (Knight and Ribeiro 2017).

INTEGRATING USER FEEDBACK

The Center for Effective Philanthropy and National Committee for Responsive Philanthropy have published in-depth feedback reports on foundations through their Grantee Perception Reports39 and Philamplify40 initiative, respectively. This method of having a third party gather feedback could be used as a model for infrastructure users to share feedback with infrastructure providers on their services.

The challenge of improving the quality of social sector infrastructure supports and services will also depend on infrastructure users' openness to sharing feedback and making it accessible to the social sector more generally. This could involve the development of an open-source review system, following a Yelp-like model for infrastructure providers, that allows infrastructure users to offer ratings and comments by service category and search for services by area of need and geographic location. Light-touch surveys, such as Listen4Good,41 could also be used to directly receive and integrate feedback from infrastructure users.

Regardless of the model selected, the key will be ensuring it is adapted well to infrastructure providers and populated with information from infrastructure users. And any approach will need to account for the fact that needs, preferences, and perceptions of quality vary from one person to another. What one might consider helpful and high-quality might not resonate with another. An experiment toward determining the most useful approach will require significant and sustained philanthropic support and infrastructure user engagement.

THE ROLES OF INFRASTRUCTURE PROVIDERS AND FUNDERS

Participants also made clear that quality control or maintenance should be a priority activity of infrastructure providers. We heard calls for infrastructure organization leaders to exercise some restraint and deliberateness when considering whether to offer an infrastructure service. In particular, we heard about the time-consuming nature of conference planning for infrastructure providers and
how the overwhelming number of conferences can tax people in the social sector, especially people who feel obligated to attend.

The challenge of helping infrastructure providers improve quality when needed can be best met with increased general operating support from funders. Like potential users of their services, infrastructure providers require infrastructure assistance. Flexible funds can support activities such as communities of practice (Grantmakers for Effective Organizations 2021) and incubators to help infrastructure providers determine who they can best serve and how they can provide the highest-quality services. When making funding decisions, it is important to be aware of the ways that correlating providers’ quality with their sizes and histories of consistent funding can perpetuate inequities. Supporting infrastructure organizations that also have the potential to provide high-quality services, regardless of their sizes or funding histories, or those that are new, emerging, or serving underserved populations, can help a wider range of infrastructure providers get the infrastructure support they need.

Objective 4: Increase Revenue Sources for Infrastructure Providers to Improve Their Financial Security and the Accessibility of Infrastructure Services for Everyone in the Social Sector

To accomplish the previous objectives and fulfill their missions, infrastructure providers need financial security. Our study of the 990 forms of a set of national infrastructure organizations revealed that providers operate on thin margins. Previous studies from the Foundation Center have sought to determine the number of grants going to infrastructure organizations and the foundations that provide the most support for the infrastructure (Bokoff et al. 2018; Dillon et al. 2015). Improved fundraising and fund-development capabilities, including assistance and technology to navigate the funder landscape and engage in financing planning, can help providers. And continual research on infrastructure financing will be an important step in monitoring the financial health of infrastructure organizations and noting any disparities that arise.

LONG-TERM, FLEXIBLE FUNDS WITHOUT UNDUE BURDEN

Beyond the amount of revenue infrastructure providers earn, whether from contributions and grants, program service revenue, investment income, or other sources, participants overwhelmingly expressed a desire for infrastructure providers to have the flexibility to spend their revenue to meet the needs of infrastructure users and not face undue reporting and other burdens from the funding they receive. This is especially relevant to public and philanthropic funders that provide restricted grants that fit
their strategies rather than the grantees’ strategies and needs. These same refrains for increased multiyear, general operating support or other forms of flexible funding that cover the full costs of providing services come from the entire social sector. Some have cited Scott’s unrestricted donations to social sector infrastructure providers and the social sector more generally as a model for how funders can support grantees.43

IMPROVED AFFORDABILITY
Long-term, flexible funds allow infrastructure providers to implement services they believe will best meet the needs of the social sector and develop financial plans that balance the affordability of infrastructure services with a sustainable business model. Our research highlighted evidence that affordability is a major issue for infrastructure users; 78 percent of respondents to our social sector survey cited the cost of obtaining services from providers as an obstacle to accessing infrastructure supports. One approach to this challenge cited by participants and which other social sector organizations might consider adopting is a sliding scale, in which lower fees are assessed to organizations with fewer resources or limited capacity to pay. There is some evidence from those we consulted that when such an approach has been adopted, it has in fact resulted in a significant uptake in the service offered at the reduced fee, demonstrating that for at least some organizations, cost sensitivity is a key determinant in whether they use infrastructure services. But sliding scales, though helpful for improving access to services, can prove challenging and time-consuming to administer, another reason funders should offer multiyear, general operating support or other flexible funding to providers to compensate for this time and effort. Another approach infrastructure providers could take to address the challenge of affordability is to package infrastructure services together, assisted in part by multiyear, general operating support to infrastructure providers.

More generally, many research participants noted the importance of balancing inclusivity with financial security by cultivating mixed revenue streams that include grants, fees, and membership dues. At the same time, those we consulted acknowledged the difficulty of arriving at the right mix. They recognized how important private philanthropy can be in advancing financial security for infrastructure providers, but they also expressed apprehension about an excessive reliance on it—both because that reliance leaves infrastructure organizations vulnerable to the vicissitudes of funding decisions, but also because relying on foundation grants and individual donations might undermine certain infrastructure organizations’ ability to hold the philanthropy field accountable. Given concerns about relying too much on philanthropy, it is important for infrastructure users to pay fees and membership dues and join networks to support the financial stability of infrastructure providers that they see as providing high value.
While some participants proposed increasing earned revenue as one means of addressing such concerns, not all were able, or willing, to adopt it. Participants discussed the reluctance of some infrastructure providers to monetize certain services and said they are therefore “leaving money on the table.” But participants also expressed concern that focusing excessively on monetization can warp an infrastructure organization’s priorities toward “what pays” (i.e., services demanded by well-resourced organizations) and away from the needs of less-resourced organizations.

ADVOCACY FOR INCREASED PHILANTHROPIC AND PUBLIC SUPPORT

Not surprisingly, many participants called for funders to increase their financial support for infrastructure and for funders that do not support infrastructure to begin doing so, whether through grants or other means, such as membership dues. These echo recent calls for funders to allocate certain percentages of their grantmaking portfolios (1 percent in one case) for the support of infrastructure (Boris et al. 2009). The rationale for such a contribution—one rooted in the value proposition of social sector infrastructure more generally—is that it would provide the supports that allow all of a funder’s other grantees to function well. Relatedly, participants also suggested eliminating “no solicitation” policies and practices in meetings and creating spaces for authentic conversations between infrastructure providers, users, and funders that might benefit from knowing one another better.

Lastly, several people we consulted mentioned the possibility of increased financial support from state or federal governments as a means of improving infrastructure organizations’ finances. The recent Paycheck Protection Program–Small Business Administration loans demonstrated how beneficial such government support could be for infrastructure organizations, both directly when receiving funds, and indirectly, since the funds directed to nonprofits more generally provided a cushion they could use to pay for infrastructure services. In fact, the National Council of Nonprofits’ analysis of Paycheck Protection Program data found that these loans supported 6.2 million nonprofit jobs, which is nearly half the number of nonprofit jobs that existed before the pandemic. The inclusion of nonprofits in the program was a major win for nonprofit sectorwide advocacy and policy influence, and so in itself demonstrates the vital role government can play as a social sector infrastructure funder. It should serve as inspiration for further advocacy on the part of social sector organizations for public funding that could help sustain social sector infrastructure.

Beyond emergency programs like the Paycheck Protection Program, the federal government could support the social sector infrastructure through new programs and data. Similar to how the government supports small businesses through the Small Business Administration’s Small Business Development
Centers, the federal government could demonstrate the critical importance of the social sector infrastructure by developing a comparable program that provides counseling, training, and other resources to small nonprofits and unincorporated social sector groups that cannot access the Small Business Administration's program.\textsuperscript{47} Another idea is to offer federal guarantees to help nonprofits secure loans.\textsuperscript{48} On the data front, Boris and coauthors (2009) recommended an advocacy effort to secure federal funds for new and expanded databases on nonprofits and philanthropy, similar to data other sectors of the economy get from government. And a 2022 report from the Johnson Center (Moody 2022), while recognizing some progress on the federal government data front thanks to sector advocacy, highlights the lack of parity in data that the government makes available about nonprofits in comparison with other industries and sectors. To increase the government's supply of data about nonprofits, among other goals, social sector and infrastructure leaders are advocating for the Nonprofit Sector Strength and Partnership Act of 2022.\textsuperscript{49} One section of this proposed legislation directs the Bureau of Economic Analysis, the Bureau of Labor Statistics, and the Office of Management and Budget to gather and release data on the nonprofit sector.\textsuperscript{50}

### Inequities and Disparities in the Social Sector and Its Infrastructure

#### Overview of Current State

In our research and consultations with infrastructure providers, users, and funders, equity emerged as both an increasingly important consideration within social sector infrastructure and a focus that has generated significant expansion within the social sector infrastructure itself. Research participants noted a dramatic increase in diversity, equity, and inclusion (DEI) consultants and in research, leadership development, and other services that center equity.

As discussed in the previous section, the growth in equity-focused sections of infrastructure was largely celebrated by people we spoke to, though some of the challenges it brings were also noted. We heard suspicion that some providers had opportunistically taken up a focus on equity without sufficient regard for the quality of the services provided, and that different components of social sector infrastructure, and of the social sector more generally, had not uniformly engaged with equity considerations. Potential reasons cited for the lack of uniformity include differing levels of interest, commitment, resources, and capacity. We also heard that whereas some parts of the infrastructure formally commit to making advances in equity, other parts of the infrastructure resist or seek to
moderate these advances. There was also a general sense that even as equity becomes a more central consideration for and component of infrastructure, the infrastructure as currently configured reifies power imbalances and best serves the most powerful organizations.

One of the most striking themes from our conversations on equity in the social sector infrastructure was people’s different understandings of equity. Examples of how they understand equity include disparities in access to infrastructure, demands for more attention and resources, and attention and resources tailored to the needs of specific groups. A major theme in many of these categories was the inaccessibility of existing infrastructure, whether for lack of necessary funds, time, or availability of networks to navigate infrastructure offerings. In our social sector survey, 84 percent of respondents said the biggest factor they consider when selecting a provider for infrastructure supports is the extent to which the provider understands their organization and its identity. This underscores the importance of infrastructure providers understanding the organizations they serve. Nearly half of respondents (49 percent) reported facing obstacles accessing infrastructure supports because service providers do not understand their needs.

Most frequently, participants cited disparities related to size and the inequities to funding. With respect to size, large-scale philanthropy, whether institutions or individual donors, and large nonprofits seem to have more infrastructure services and opportunities than small nonprofits, everyday donors, and volunteer-led or unincorporated groups. And there have been inequities in historical funding patterns between BIPOC organizations and other marginalized communities versus the rest of the social sector, referenced by participants and noted in the literature.

DISPARITIES BY SIZE
Participants frequently claimed that social sector infrastructure is weighted toward large-scale philanthropic funders and nonprofits. This is largely a function of the market. As one source noted, those “who pay the bills” shape infrastructure. In other words, those with resources to support infrastructure, whether through grants or fee payments, dominate the attention of infrastructure organizations, as do those with strong networks and relationships, especially among large national infrastructure organizations. Participants noted that this dynamic often leads to a skewing or warping of infrastructure offerings, as funders’ interests get priority, and some donors dictate which infrastructure services are provided, even if those services do not reflect the actual needs of the majority of the social sector. For example, although a growing percentage of Americans want the nonprofit sector to advocate for important issues, philanthropists are hesitant to support advocacy.
This tension speaks to the social sector’s more general problem of third-party payment and the proliferation of funders that insist on controlling how funds are spent. Participants raised questions about the extent to which the interests of philanthropy and large nonprofits align with those of smaller, community-based nonprofits and other elements of the social sector, especially when funders insist on controlling the use of grant funds. The surging interest in the campaign for “trust-based” philanthropy, which was given even more visibility with Scott’s high-profile unrestricted giving, as well as by a shift to more flexible funding and core support at the start of the pandemic (Orensten and Buteau 2020), could have a major impact on social sector infrastructure if these welcome shifts continue.

As we heard, infrastructure providers tend to benefit large-scale philanthropic funders and nonprofits, while neglecting smaller, volunteer-led or unstaffed organizations. We heard several reasons, including costs, time constraints, and business models, that help explain these disparities in sufficient attention from social sector infrastructure. The Building Movement Project study noted that time constraints and a lack of affordability keep small community-based nonprofits from accessing services (Kunreuther and Thomas-Breitfeld 2022). Smaller nonprofits do not always have resources to spend on infrastructure services, and their access to those services can depend on a funder alerting them to and paying for services the funder determines would benefit them. Infrastructure providers struggle to find sustainable business models that can serve the entire social sector, including entities that might have trouble paying for services, especially smaller and volunteer-led groups. Providers determine earned-revenue service offerings based on who can afford to pay, and those unable to pay are often not served absent philanthropic funding to support their participation. And in the presence of subsidies that make infrastructure services affordable, whether the services offered match organizations’ needs remains a question.

Funding disparities affect the social sector infrastructure as well as the social sector. Participants suggested that infrastructure providers that have already received a grant from a funder are most likely to get additional infrastructure funding from that funder or another one, contributing to a self-perpetuating schism between infrastructure haves and have-nots where funding is concentrated among a small number of infrastructure providers, a point also noted in the literature (Bokoff et al. 2018; Boris et al. 2009; Dillon et al. 2015). Participants even directed this concern to the most significant recent funding of infrastructure organizations by Scott.

INEQUITIES FOR BIPOC AND OTHER MARGINALIZED GROUPS
The other dimension related to inequities that participants frequently raised was that less funding is given to organizations that are led by and focus on BIPOC and other marginalized communities than to
white-led organizations. Participants also acknowledged that many BIPOC-led infrastructure organizations, especially national ones, have received more funding in recent years than in the past, especially with Scott’s recent spending on the social sector infrastructure. Recent developments notwithstanding, participants assume that white-led social sector infrastructure organizations receive more funding and support, a point supported by data showing that nonprofits led by people of color have smaller endowments and get less funding than nonprofits led by white people (Emergent Pathways 2019).

A recent Building Movement Project study of community-based organizations offers some evidence that although local BIPOC- and white-led organizations have similar infrastructure needs, local BIPOC-led organizations have a harder time “finding providers that are representatives of the communities [they] serve,” “who have a track record of working with BIPOC-led organizations,” and who have “expertise in addressing racism and other systems of oppression” (Kunreuther and Thomas-Breitfeld 2022, 18). As mentioned earlier, responses to our survey of the social sector highlighted the importance of infrastructure providers understanding the identities and needs of the organizations they serve. The Building Movement Project’s study also showed that BIPOC-led and white-led organizations have some different needs that necessitate different supports. For example, whereas white-led organizations typically face internal DEI issues, BIPOC-led organizations face external ones (Kunreuther and Thomas-Breitfeld 2022).

Moreover, participants suggested that BIPOC-led organizations are not only getting fewer resources but are not getting the right kinds of resources, such as general operating support (Dorsey, Bradach, and Kim 2020), resources for setting up an endowment, or leadership programs tailored to BIPOC leaders. Disparities also exist in the types of organizations served by infrastructure. Emergent Pathways (2019) notes that to address these disparities, social sector infrastructure organizations must reach entities that do not have IRS tax-exempt status, which are disproportionately BIPOC-led. This speaks to the importance of ensuring that some infrastructure providers can serve small volunteer-led and unincorporated groups. These same considerations apply to the infrastructure needs of other marginalized communities.

It is critical that equity considerations be additive and not competitive. Those we consulted at times expressed concerns that some marginalized communities do not receive enough attention compared with other groups. For example, early in the pandemic, the racial reckoning sparked by Minneapolis police officers’ murder of George Floyd focused on anti-Black racism. As the pandemic led to an increase in hate crimes against Asian Americans and Pacific Islanders, some noted disparities in attention between these crimes and anti-Black racism, and some emphasized the importance of
solidarity between Black and AAPI activists. Efforts to promote equity with respect to one group should increase concern for others.

OTHER DIMENSIONS OF DISPARITIES AND INEQUITIES
Participants expressed some concerns that insufficient attention is being paid to inequities in infrastructure supports and services with respect to social class and wealth. For example, participants noted that infrastructure funders and providers focus less on infrastructure users who are not wealthy. At the same time, they observed disparities even among the wealthy, with ultra-high-net-worth donors receiving disproportionate attention compared with merely wealthy donors. Some participants suggested that infrastructure organizations address the latter disparity by building closer relationships with tax and wealth advisers who have relationships with wealthy donors (not just ultra-high-net-worth donors) to become more familiar with infrastructure offerings.

Geographic location was another commonly cited dimension of inequity. Participants cited disparities in access, noting that national organizations get more infrastructure attention and resources than state and local organizations. They also noted regional disparities; some participants suggested that many infrastructure services are disproportionately available in coastal cities and that the South’s social sector infrastructure is underdeveloped and underresourced. Light’s Nonprofit Quarterly infrastructure study noted how important it is “that management and technological aids for nonprofit work are spread evenly across the country and particularly to rural and marginalized populations” (2009, 67). In our study, participants mentioned the gap between available infrastructure in urban versus rural areas, even those in the same regions, and they emphasized access to technology, especially the internet.

Participants cited several other dimensions around equity, including around language and disability, and around disparities between incorporated organizations and unincorporated groups, including movements, which have their own infrastructure service needs. There were also concerns about the disparate attention paid to organizational leadership compared with staff and concerns that infrastructure caters to start-ups and large mature organizations and tends to neglect medium-sized and “teenage” (or mezzanine) organizations.

Respondents also raised the shift to remote technology triggered by the COVID-19 pandemic as a potential source of organizational disparities in accessing infrastructure. In some cases, the move to virtual work helped to improve equity and expand access and inclusivity, but in other cases, the move had the opposite effect, especially because of preexisting technology divides. Participants said that the pivot to virtual enabled some smaller or less-resourced organizations to participate in certain
infrastructure events that they could not have attended in person, and that it expanded access for some people with disabilities.

Participants’ emphasis on remote infrastructure events highlights the significance of connectivity divides in the social sector. For example, many infrastructure providers have moved to hybrid events, which are expensive to convene and may exacerbate disparities based on resources and capacity. The shift to virtual services has shed light on disparities in access to and the quality of virtual infrastructure services, but has also afforded an opportunity for infrastructure providers to begin experimenting with different models of working and serving the social sector that could be a step toward ameliorating some of the field’s disparities.

THE DIVERSITY OF INFRASTRUCTURE LEADERS AND STAFF

Alongside concerns about inequities and disparities in who is served by and has access to social sector infrastructure, participants expressed related concerns about the diversity of social sector infrastructure organizations’ staff and leadership with respect to race and ethnicity, religion, and lived experience. The general consensus was that this diversity is uneven—that is, that diversity is more apparent in certain areas of the infrastructure, such as among providers who offer DEI training or who build racial justice movements, and less in other areas, such as accounting or technology support. For example, the 2022 Diversity Among Philanthropic Professionals Report, which provides data on one segment of the social sector and its infrastructure (philanthropy), shows that only 7 percent of philanthropic professionals are Hispanic (Jordan and Kan 2022), whereas Hispanic people represent 19 percent of the US population.60 Participants expressed concerns that the commitment to diversity in social sector infrastructure has become somewhat politicized, which places an additional burden on BIPOC leaders at the forefront of advocating for diversity.

Objectives for the Future

Given the aforementioned inequities, disparities, and diversity considerations, we, along with the Urban/GMU advisory committee (appendix A), developed three objectives informed by interviews, focus groups, feedback from our advisers, a survey, a literature review, and our research team’s knowledge and experiences of the infrastructure. These objectives focus on how to shift the role of infrastructure funders to best address inequities and disparities, how to appreciate community context and identity, and how to improve technology to best meet the needs of the social sector:
- Ensure infrastructure providers have adequate financial resources, have the flexibility to spend these resources to meet the needs of infrastructure users, and do not face undue reporting and other burdens from the funding they receive.

- Adopt inclusive practices that ensure infrastructure providers offer services that meet the needs of all social sector organizations, especially those led by and serving people of color and other marginalized communities.

- Strengthen technology for national infrastructure providers and users to improve the accessibility and security of infrastructure services that rely on technology.

**Objective 5: Ensure Infrastructure Providers Have Adequate Financial Resources, Have the Flexibility to Spend These Resources to Meet the Needs of Infrastructure Users, and Do Not Face Undue Reporting and Other Burdens from the Funding They Receive**

Building on objective 4, this objective speaks to the importance of having not only sufficient financial resources, but the freedom to spend these resources in ways that benefit infrastructure users and do not overburden infrastructure providers.

**Adequate and Flexible Resources for Providers**

In general, there are steps infrastructure funders, users, and providers can take to ensure providers have adequate financial resources to reduce disparities in access to infrastructure. Funders can provide flexible grants to providers, especially grants that subsidize services through sliding-scale fees to address the cost barriers that some in the social sector face—and infrastructure providers can ask for these types of support. Infrastructure users with the means to do so can support infrastructure organizations that provide them value by paying for services and becoming paid members of networks.

Funders can also play a role in reducing funding disparities among infrastructure providers. In interviews, we heard repeated calls for infrastructure funders to provide multiyear, general operating support to population- and issue-specific providers rather than only large national providers that serve general populations. To support small and medium-sized infrastructure providers, Boris and coauthors (2009), Abramson and McCarthy (2012), and Zimmer in a recent article in *Forbes* have recommended a dedicated source of grant capital, managed by an intermediary, that could help smaller infrastructure providers grow or offer mezzanine financing for those that need to expand and develop new revenue-generating strategies. We see an example of this in the impact investing field, which has a dedicated...
donor collaborative, The Tipping Point Fund on Impact Investing, focused on supporting the impact investing infrastructure. This intermediary coordinates funds from donors interested in supporting the field who either do not have knowledge and time to make the grants themselves or who prefer to support collective, field-wide action. It also ensures that public goods, or infrastructure, critical to the impact investing field, some of which may be historically underfunded, receive the support they need so the field can thrive.62

ADEQUATE AND FLEXIBLE RESOURCES FOR USERS
To address disparities in access to infrastructure, it is critical that small organizations, underresourced organizations, and organizations led by and serving BIPOC people have the resources to afford infrastructure services. Recognizing funding disparities that exist among nonprofits in the social sector, funders can make a conscious effort to direct more funding to nonprofits led by and serving marginalized communities, which can enable those communities to afford infrastructure services that will help them thrive.

A Center for Effective Philanthropy study (Martin, Gehling, and Buteau 2021) showed that at the start of the pandemic, when many nonprofits reported that their funders were more flexible, responsive, and communicative, nonprofits serving some communities of color and led by women did not experience these changes to the same degree. A Building Movement Project study looking at how COVID-19 and structural racism affect nonprofits led by people of color recommends that philanthropy provide unrestricted and multiyear funding to these groups on the frontlines to demonstrate they trust that grantees can determine the programs and services that their communities need. Asian Americans / Pacific Islanders in Philanthropy issued a similar recommendation to provide multiyear general operating support to strengthen Asian American and Pacific Islander organizations (Kan 2021a). Participants also suggested that state, regional, and local groups could work with national providers to offer a suite of services, subscriptions, trainings, or memberships for small local nonprofits in their areas at subsidized rates. All of these strategies can help infrastructure users better afford infrastructure services that would benefit their work.

Participants also commented on the importance of infrastructure funders not only implementing their own strategies regarding infrastructure but also seeing their role as helping generate more overall support for infrastructure. One participant described this as shifting the funder role from one focused on developing strategies for the infrastructure to one focused on mobilizing additional resources and support for the infrastructure. One way funders can do this is to help infrastructure providers navigate the foundation world by making connections and encouraging peer foundations to support their
grantees; another is to educate federal, state, and local governments about the critical role social sector infrastructure organizations play in a thriving social sector, with the goal of increasing public resources to support the infrastructure. Infrastructure providers and users can also educate the government about the infrastructure’s importance.

REDUCED BURDENS AND RESTRICTIONS
Far and away the most common refrain among participants, including funders in focus groups, was the importance of funders giving up control over how infrastructure organizations spend their grants and reducing the burdens of their funding. Funders can do this by offering infrastructure organizations and nonprofits in the social sector more and consistent, long-term, multiyear general operating grants, seed funding, and flexible funding. Participants also called for funding over longer periods than the typical one-year grants. This point has also been made in the literature, promoting its benefits for driving effectiveness, ensuring sustainable racial equity and justice impact (Cyril et al. 2021), and showing trust in grantees and understanding that improving an organization takes time (Grantmakers for Effective Organizations 2021).

Additionally, nonprofit grantees, including infrastructure providers and users, appreciated the reduced application and reporting requirements that materialized at the start of the pandemic. Reducing the burdens of funding has always been a more general social sector goal, one that recent pieces from the Building Movement Project, Center for Effective Philanthropy, and Nonprofit Finance Fund, among others, have advocated for; these pieces stress the importance of simple applications and straightforward funding requirements, and of only requiring the most critical grant reporting (Douglas and Iyer 2020).

Finally, it is critical for infrastructure providers to have a say over how they use their funding. Like calls for multiyear support without burdensome application and reporting requirements, requests for general operating or flexible grants are requests to put decisionmaking in the hands of grantees rather than funders. Trust-based philanthropy, a movement focused on addressing power imbalances between foundations and nonprofits, is cited in many reports and articles calling for changes in philanthropic practices (Kan 2021a). At their core, general operating support and trust-based philanthropic practices demonstrate respect for grantees, a desire for them to steer their own strategy, and the recognition that they know what they need to succeed. In the case of social sector infrastructure, these would demonstrate that funders trust infrastructure providers to do what they are set to do: to serve the sector by meeting its needs, providing leadership, or building bridges. In determining what
infrastructure providers need, it is important that they seek feedback from current and potential users, learn about their needs, and ensure their offerings meet those needs.

Funders that want some degree of engagement in strategies would benefit from identifying infrastructure providers that share their strategies and giving those grantees the resources they need to succeed. This is especially important when a foundation is making grants to fulfill its pledge to advance equity. For example, when supporting communities of color serving their own communities, funders can promote equity by ensuring those communities have final say over what will work best. Vanessa Daniel, former CEO of Groundswell Fund, put out a call urging white donors and white-led institutions that might want to support people of color to fund existing institutions led by people of color rather than developing new infrastructure organizations that are virtually identical. When funders do seek to develop something new, our participants suggested that they collaborate with communities to collectively design funding opportunities, as an ABFE study by Emergent Pathways recommends for Black communities and Black-led organizations (Emergent Pathways 2019). Our participants emphasized that funders’ insights can help grantees but that funders should recognize that grantees should have the authority to decide what services and programs they want to provide.

Objective 6: Adopt Inclusive Practices that Ensure Infrastructure Providers Offer Services that Meet the Needs of All Social Sector Organizations, Especially Those Led By and Serving People of Color and Other Marginalized Communities

Appreciating community context and identity came up as a key recommendation for how infrastructure providers can help address inequities and disparities in the sector. As noted above, in our social sector survey, 84 percent of respondents indicated that an infrastructure provider’s understanding of their organization and its identity is what most influences them when selecting a provider. Asked about obstacles to accessing infrastructure supports, nearly 50 percent of respondents answered, “we don’t think service providers understand our needs.” Ensuring infrastructure users can identify infrastructure providers that understand their identities speaks to the importance of infrastructure funders supporting a range of infrastructure providers with lived experience or high praise among marginalized communities. The need for understanding also highlights the importance of infrastructure providers hiring leaders and staff with that same lived experience and track record. And finally, advocating for the needs of smaller organizations that serve communities of color and other marginalized communities can be another step to meeting the needs of all social sector entities.
SUPPORTING PROVIDERS WITH LIVED EXPERIENCE AND POSITIVE REPUTATIONS IN COMMUNITIES

Marginalized communities deserve infrastructure providers that have first-hand experience with the assets their communities bring to the social sector and the unique disparities and inequities they face. Funders committed to advancing equity and reducing disparities would benefit from considering which infrastructure providers they currently support and making a point of supporting communities underrepresented in their portfolios and in the infrastructure overall.

For example, reports from a wide range of philanthropy- and nonprofit-focused infrastructure organizations emphasize the importance of funding organizations led by and serving communities of color (Bond et al. 2019; Kan 2021a), especially organizations with deep ties to their communities (Douglas and Iyer 2020), and of developing strong bonds with communities of color. Vanessa Daniel has written, “The gold standard of racial justice giving is to move flexible resources on a large scale to people of color-led organizations that are primarily accountable to movements in their communities and capable of redistributing these funds...This type of giving supports the self-determination of people of color.” These calls for intentional funding recognize the funding disparities that owe to historic exclusion from traditional pathways to funding, and they recommend a proactive approach to remedying these structural inequities. In addition to funding, these infrastructure organizations call for funders to learn about communities of color (including the diversity that exists within them) (Buteau, Malmgren, and Martin 2021), develop an understanding of their history (Bond et al. 2019; Emergent Pathways 2019; Kan 2021a), and build relationships with them (Bond et al. 2019).

While supporting infrastructure for communities of color has received increased attention in recent years, calls for reducing funding disparities and supporting infrastructure focused on communities of color have been made for far longer. In a report prepared for ABFE, Emergent Pathways writes, “One of the first steps to creating authentic and effective relationships with Black communities and BLOs [Black-led organizations] is acknowledging the field’s, and individual foundations’ histories of systemic under-investment in Black leadership, BLOs and Black-led innovation” (Emergent Pathways 2019, 14). The report goes on to recommend that in addition to acknowledging and remedying historic disinvestment, funders should encourage their peers to do the same (Emergent Pathways 2019). The Building Movement Project has also recommended that foundations and other funders examine the race of partners they meet with and who they fund (Thomas-Breitfeld and Kunreuther 2017), and affirmatively reach out to nonprofits led by people of color (Douglas and Iyer 2020). And infrastructure users committed to racial equity can pay fees and membership dues to infrastructure providers led by and
serving communities of color that receive positive feedback from those communities to help support their financial sustainability.

Just as infrastructure for communities of color would benefit from funders and users examining who they support and adjusting their practices accordingly, infrastructure providers would benefit from conducting the same analysis of their partnerships and making a point of collaborating with other providers that are led by and serve different communities, particularly providers that receive positive feedback from those communities. This applies to communities of color as well as other marginalized communities with respect to geographic location, language, disability, sexual orientation, and class, for example.

DIVERSIFYING AND RETAINING PROVIDER LEADERSHIP AND STAFF
Infrastructure providers can help ensure they offer services that meet the needs of all social sector entities, especially those led by and serving people of color and other marginalized communities, by diversifying their leadership and staff to reflect the communities they hope to serve. A diverse staff with people from marginalized communities with lived experience who are fairly compensated can enable infrastructure users to feel like providers understand their organization and its identity, which 84 percent of survey respondents indicated as a paramount consideration. This process involves intentional strategies related to recruitment, hiring, retention, and internal policies and culture, for both infrastructure providers and the entire social sector.

When building a diverse staff, CHANGE Philanthropy’s Diversity Among Philanthropic Professionals report notes the importance of specific outreach to the populations an organization hopes to attract, including communities of color and other underrepresented communities, such as LGBTQ people and people with disabilities (Jordan and Kan 2022). Reports and articles from Candid, Native Americans in Philanthropy, Center for Effective Philanthropy, Building Movement Project, and Nonprofit Quarterly call for organizations in the social sector, including infrastructure providers, to hire people of color, especially into leadership positions, and to have board members of color, ensuring their organizations are staffed and led by people from the communities they serve (Bond et al. 2019; Buteau, Malmgren, and Martin 2021; Thomas-Breitfeld and Kunreuther 2017). Well-structured and culturally competent internships, fellowships, and other training programs can help get people who have lived experience and are from marginalized communities into the social sector and infrastructure pipeline early in their careers (Douglas and Iyer 2020; Lubin, Clabel, and Goldstein 2019), and leadership development opportunities can support people later in their careers (Douglas and Iyer 2020; Emergent Pathways 2019; Thomas-Breitfeld and Kunreuther 2017).
Once diverse staff and board members are recruited and hired, it is paramount to focus on retaining them (Jordan and Kan 2022; Kan 2021b). Fair compensation and promotion opportunities are two commonly cited ways to retain diverse staff (Biu 2019; Kan 2021b; Lubin, Clavel, and Goldstein 2019). In a report on equity in the workforce, Fund the People notes, “Overwhelmingly, study findings indicate that people of color and young people are feeling burdened by unpaid internships and low-paying, entry-level jobs in the early phases of their careers” (Lubin, Clavel, and Goldstein 2019, 35). That report indicates that competitive salaries and benefits can “help dismantle structural barriers that reinforce racial and economic inequities that may deter diverse talent from pursuing and launching nonprofit careers” (35). Developing internal policies and fostering an inclusive culture can also help in the retention of diverse leaders and staff. This process starts with noting issues with the existing culture (Kan 2021b) and recognizing “deeply embedded racialized organizational structures, policies, and practices” (Thomas-Breitfeld and Kunreuther 2017, 18). It then involves making ongoing revisions to internal nondiscrimination and DEI policies and practices (Kan 2021b) and providing learning opportunities for continual improvement (Kan 2021b).

FOCUSING ON THE NEEDS OF UNDERSERVED POPULATIONS AND COMMUNITIES OF COLOR

Infrastructure providers can also help ensure they offer services that meet the needs of all social sector entities by conducting more knowledge cocreation and community-engaged research to learn from the communities they serve. They can also think about ways to ameliorate obstacles to participation by offering hybrid options for participating in infrastructure services, and specific services that could be useful, such as back-office supports that meet the needs of organizations led by people of color, organizations serving people of color, and small organizations.

Finally, organizations serving marginalized populations and communities of color, especially smaller ones, can benefit from sector-wide advocacy that reflects their needs, not just the strategies of infrastructure funders or the goals of large infrastructure organizations. Well-resourced infrastructure providers can help to increase the influence of leaders closer to the issues they want to address without completely pulling away by engaging without centering their own brands. Instead, they can focus on how to use their voices and networks to show solidarity with and support for smaller organizations. This can also involve creating spaces for education about sector issues that introduce a full range of perspectives.
Objective 7: Strengthen Technology for National Infrastructure Providers and Users to Improve the Accessibility and Security of Infrastructure Services that Rely on Technology

The COVID-19 pandemic made clear how important technology is for the social sector to accomplish its work, connect people, and access virtual infrastructure offerings that share knowledge and build relationships. Participants described technology as a cause of disparities in the social sector and a way to improve equity and meet the needs of infrastructure users. This objective speaks to the importance of ensuring access to technology that is secure and affordable so that infrastructure providers can offer technology-based services and so the social sector can receive them.

Secure and Affordable Technology for the Social Sector and Its Infrastructure

Access to technology services and equipment and disparities in cybersecurity came up as important equity considerations for the sector. As the COVID-19 pandemic increased the need for technology, it also shined a spotlight on questions of access to key technology, such as laptops and good internet, and also the importance of lower service costs, dropped paywalls, and digital tools for organizing and outreach (Thomas-Breitfeld and Kunreuther 2017). Our participants highlighted the importance of infrastructure providers, funders, and users advocating for improved access to broadband, especially in rural areas, because without it, some infrastructure users cannot access infrastructure services and some infrastructure providers in rural areas may have trouble providing virtual services. Finally, participants indicated that social sector cybersecurity lags behind other sectors and identified this as an area for infrastructure providers to prioritize and for funders to fund.

Improved Competency of the Social Sector in the Technology Industry

We heard that though technology companies have recently recognized the nonprofit sector as a distinct market and offer nonprofit-specific services, there is some dissatisfaction with the products and the market overall remains underserved given the administrative products and services that could help advance the field. In addition to products and services specifically for the social sector, one participant discussed the need to improve the competency of the social sector in the technology field. Culture clashes can occur when technology professionals do not understand the unique needs of diverse social sector organizations. One option is to offer more flexible and varied technology approaches that align with the diversity of the social sector; participants also suggested supporting training and fellowships for a pipeline of technologists dedicated to serving the social sector and funding social sector technology providers (Bernholz, Skloot, and Varela 2010).
The Importance of Well-Being

Overview of Current State

One dominant theme that emerged from our research is the heavy weight of burnout. This is by no means a new phenomenon; executive directors have long experienced burnout and difficulty recruiting leaders and staff (Abramson and McCarthy 2012). But as Rusty Stahl of Fund the People has recently explained, a crisis of well-being within the sector has been deepened by a number of recent developments, including the Great Recession, the 2016 election, the COVID-19 pandemic, the Great Resignation, and “the new era of racial politics,” layered on top of a decades-long investment-deficit in nonprofits from narratives that vilify overhead and keep nonprofits in a notorious starvation cycle. As Stahl writes, “The weight of these layers of crisis has grown to the point where organizations are starting to rip at the seams.”

Participants discussed the relationship challenges that affect remote workers, whose numbers soared at the start of the pandemic, some on a temporary and others on a more permanent basis. Questions were raised about how a geographically dispersed workforce will change organizational culture and connection with communities served and how virtual programming has affected networking and relationship building. One participant spoke of the “invisible well-being” that can come from being in community, celebrating, and learning in person, and wondered whether limited opportunities for in-person gatherings could have exacerbated burnout and lack of connection among people and organizations.

THE TOLL OF BURNOUT

Burnout, by which we mean the constellation of forces compromising and eroding the well-being of people who work within the social sector infrastructure ecosystem, profoundly shapes the needs the infrastructure is called upon to address and the means and resources available for doing that work. We heard frequently that people in the social sector are exhausted, suffer from low morale, and are overworked—and this includes social sector infrastructure providers. Negative effects of exhaustion include shortened attention spans, higher emotional volatility, and trouble making decisions. The effects of this exhaustion on well-being can have negative effects on the well-being of others. Recent articles and our findings suggest that burnout is leading nonprofit workers to leave the sector, resulting in staffing shortages and service cutbacks. We also heard that workers at nonprofits are increasingly unionizing, often in search of better pay and benefits, increased diversity and equity, and flexible work arrangements.
The aforementioned exhaustion not only highlights problems the infrastructure needs to mitigate but limits the resources—of time and emotional and staff capacity—with which social sector entities can engage with infrastructure supports and services like professional development, education, and training. It also points to an important realization that came out of our research: the lack of uptake of infrastructure services and supports is not necessarily indicative of an absence of demand; it can also be a manifestation of exhaustion and lack of bandwidth—and participants made it clear that the only way to distinguish between the two is to ensure that the decisions made by people who work for social sector entities are not constrained or warped by burnout or inadequate resources.

Many social sector staff and leaders simply do not have time to invest in their own development because they are overworked, which is especially true in underresourced organizations and those led by women of color, who face the double challenge of taking on more emotional labor at work while dealing with their own challenges related to the pandemic and systemic racism (Douglas and Iyer 2020). Shawn Ginwright, an author and professor of Africana Studies at San Francisco State University, identifies rest inequality—“the gap in the quality, duration, and amount of rest people get depending on their status in Western culture”—as a threat to social movements and emphasizes that rest is crucial on the road to justice. The Building Movement Project’s study of small, community-based nonprofits found that although BIPOC- and white-led organizations face similar issues related to preventing staff burnout, managing workloads, and developing staff members, BIPOC-led organizations that sought support for these challenges were less likely than white-led organizations to receive it (Kunreuther and Thomas-Breitfeld 2022).

AN ETHIC OF SELF-SACRIFICE

Participants noted that even as those who work in the social sector experience burnout and are asked to assist in mitigating and overcoming it, there are also persistent narratives from inside and outside the sector that are intended to normalize or excuse burnout and to explain it in terms of a sacrificial ethos that people who work in the sector are sometimes assumed to have subscribed to. As one source explained, there is an expectation that people who work in the social sector will “bleed for the cause.” As Stahl writes, the real problem facing the sector is how thoroughly entrenched a “scarcity mindset” has become, the product of decades of underinvestment.

In addition to a recognition of the unsustainability of this mindset, there is a corresponding conviction that people in the sector deserve to have their well-being attended to. Our research affirms that view, and we assert that the human flourishing of the social sector workforce is a key responsibility of infrastructure. In our typology of social sector infrastructure, we include “mission and talent” as
one of the three pillars of infrastructure services that support sustainability, and we distinguish “mission and talent” from “operations” to make the point that tending to the needs of human talent in the social sector should be given as much priority as meeting the operating needs of sector entities (Tomasko et al. 2023).

A FOCUS ON WELL-BEING

Just as the pandemic deepened societal needs that the social sector attends to, it also encouraged an increased focus on well-being and care and calls to recognize the need to promote healing and rejuvenation. The pandemic reshaped people’s priorities around work-life balance. According to the Work Trend Index Annual Report, over half (53 percent) of workers are more likely to prioritize their health and well-being over their work than they were before the pandemic. This has led to a call for greater infrastructure supports that tend to health and well-being needs, and a recognition that users might have less time to engage with infrastructure services, such as learning and professional development opportunities that workers might have deprioritized.

Some funders also took note of the need for well-being in the social sector. In 2022, a group of funders formed a learning collaborative, the Funders & Wellbeing Group, to work toward addressing the well-being of social sector workers, including by shifting funding practices that lead to burnout and the departure of leaders with knowledge and wisdom from their years in the field. They want to make clear that the ability to achieve social change is linked to the welfare of changemakers. Rather than funding well-being as a “nice to have,” the group believes it should be viewed as essential.

Objectives for the Future

Informed by interviews, focus groups, feedback from our advisers, a survey, a literature review, and our research team’s knowledge and experiences of the infrastructure, we, along with the Urban/GMU advisory committee (appendix A), developed one objective to address the toll of burnout, a sector-wide ethic of self-sacrifice, and calls for focus on well-being:

- Prioritize the well-being of infrastructure providers and users through practices and services and by recognizing, addressing, and preventing burnout and other impediments to well-being.
Objective 8: Prioritize the Well-Being of Infrastructure Providers and Users through Practices and Services and by Recognizing, Addressing, and Preventing Burnout and Other Impediments to Well-Being

Recognizing the ways in which well-being affects the interconnected web of leaders, staff, and communities within the infrastructure ecosystem, it is critical that all parts of the ecosystem, including infrastructure providers, users, and funders, take steps to minimize burnout and value well-being. This will help move the field toward what Tiloma Jayasinghe refers to as an “upbuilding” of the nonprofit infrastructure to become more caring, equitable, and anti-oppressive for people within nonprofits and the communities nonprofits serve. And though these suggestions apply generally, they are especially meaningful to organizations led by and serving communities of color and other marginalized communities. This section begins with actions that all social sector organizations and infrastructure providers can take, followed by specific guidance for funders.

The goal of these steps should be a social sector infrastructure ecosystem of infrastructure providers, social sector organizations, and funders that focus on the well-being of their colleagues as much as they do on the communities they serve. Trying to address and prevent burnout and other impediments to well-being can help promote a more thriving social sector, with talent that feels appreciated and supported to minimize burnout, turnover, and internal challenges. Researchers should continue efforts to regularly track the well-being, stress, and burnout of people in the social sector.

SERVICES AND APPROACHES TO FOSTER WELL-BEING

After acknowledging and elevating the importance of well-being, social sector organizations and infrastructure providers can offer services and advocacy that promote well-being, both to their staff and the communities they serve, whether those communities include infrastructure users or people served by the social sector, and funders can support these services. Yet though aiming to improve well-being is a critical goal, it should come with realistic expectations about the amount of discomfort people might reasonably experience at their workplaces from time to time and the level of healing workplaces can offer. This entails striking a delicate balance between the pursuit of well-being in the workplace with the acceptance that it will unlikely be absolutely achieved.

Health should be the center of focus when promoting well-being. On an organizational level, this entails paying living wages and offering staff affordable and high-quality health insurance; flexible work environments; paid time off to encourage rest, reflection, and rejuvenation; and opportunities to participate in retreats and sabbaticals. When possible, organizations can make resources available for
remote and hybrid work environments and provide personal protective equipment for employees who do not work remotely (Douglas and Iyer 2020).

Beyond individual benefits, organizational culture plays a key role in fostering a healthy environment. Leadership can model rest and taking time off as one way to demonstrate the value of prioritizing health. It can also consider ways to balance the needs of the organization while making accommodations for the toll enacted by trauma from events outside of the workplace, including, for example, the illness and loss of loved ones, as well as mass shootings and violence in communities that disproportionately affect some more than others. And with nonprofits increasingly looking to unions as vehicles to improve wages, benefits, advancement opportunities, and diverse and equitable workplaces, promoting opportunities for shared learning about unionization and how to support healthy organizational culture during the process can benefit the field.

Positive relationships between people within organizations, with the communities they serve, and with peers at other organizations can also contribute to well-being. Prioritizing connection and relationship-building when it enriches, even if the outcomes are not easily measured, ultimately contributes to both staff well-being and positive outcomes for those served. This includes time to get to know colleagues, but also training on how to provide constructive feedback and mediate conflict when needed (Lubin, Clabel, and Goldstein 2019). This is especially important given forces that can fray intraorganizational relationships, including a climate of increased polarization and generational differences that some research participants noted have become exacerbated during the COVID-19 pandemic and racial reckoning. Value from relationship building can also come from outside of one’s organization. Making time available for networking meetings and conference attendance will allow opportunities to connect with people outside of one’s day-to-day environment.

ROLE OF FUNDERS IN PROMOTING WELL-BEING
Funders can have an enormous influence on the well-being of the nonprofits they fund through the type of support they provide and attentiveness to the well-being of people within these organizations. Rusty Stahl and his organization, Fund the People, are advocating for philanthropy to prioritize the well-being of nonprofit workers by having 80 percent of grant funding go to overhead and 20 percent to programs, an inversion of typical practice. Citing research on burnout in caring professions, he notes that a change like this, “will make an enormous difference to morale, productivity, performance, impact, and retention rates.” In a similar vein, participants highlighted the importance of multi-year, general operating support with minimal reporting requirements to relieve the burden of fundraising, contribute to equity within organizations, and allow organizations to hire sufficient staff, pay living wages, and offer good
benefits packages and training opportunities. Our research participants suggested that funders name well-being as a goal for general operating support grants. In particular, additional grants to support DEI and training can contribute to well-being within grantee organizations seeking to improve workplace conditions for staff of color and provide tools to white employees for managing their biases (Lubin, Clabel, and Goldstein 2019). Stahl also recommends funders ask their grantees about worker needs as a part of their due diligence on the health of the organization. 92

Funders should also note that when they ask their grantees to attend convenings or meet with partners, these activities might take a disproportionate amount of time in relation to the value they provide grantees. While these meetings could be of great interest and benefit to the grantee, they just as easily might not be. And because of the power dynamics between funders and grantees, funders should be mindful that their grantees might feel compelled to oblige their request, even if not a good use of their time.

Research participants also noted that funders should proactively look for burnout symptoms as warning signs that grantees are suffering and take steps to address it, such as offering grants for rest, respite, retreats, care, and no-strings-attached fellowships and sabbaticals for both leaders and staff to help ameliorate the negative effects of exhaustion, overwork, and oppression. Our research participants noted that these services are sometimes offered to leaders only, but they should be offered to leaders and staff. The Building Movement Project emphasizes the importance of funders providing this support to leaders of color in particular, given the toll that COVID-19 and systemic racism has taken on their well-being (Douglas and Iyer 2020). Relatedly, participants highlight the importance of setting new infrastructure leaders of color up for success by providing them and their organizations with coaching and other resources for handling internal racial problems and tensions, rather than expecting them to solve racial problems that pre-date their tenure. One suggestion from participants included adopting the Justice Funders “Just Transition” model to move from “extractive to restorative to regenerative philanthropy” and applying these principles focused on the well-being of grantees and communities across an organization’s investments, grants, and operations. 93

Conclusion

In this report, we examine the state of the national social sector infrastructure and offer objectives for the future based on our research. We worked with the Urban/GMU advisory committee (see appendix A) on distilling the main findings into the eight objectives presented in this report and together with them co-authored a guide on strengthening the national social sector infrastructure 94 that prioritizes
key action steps to meet these eight objectives. With a clear and compelling narrative about the value of infrastructure, easy access to high-quality infrastructure services, support that sustains and empowers providers while meeting the needs of the social sector, and a commitment to well-being, a strengthened national social sector infrastructure can amplify the impact of the social sector.

With our focus on the philanthropic and nonprofit organizations and networks at the national level that provide infrastructure support, we recognize that we have only scratched the surface of the infrastructure and hope that future studies will continue to uncover the current state and future needs of other dimensions of the social sector and its infrastructure that our research does not address. We hope this report will offer helpful guidance to national infrastructure providers, users, and funders who want the infrastructure to be as strong as possible so that it can help the social sector reach its full potential. The social sector plays an invaluable role in our society, and we want it to have a strong infrastructure to help it thrive.
Appendix A. Project Advisory Committee

We engaged an advisory committee to provide counsel on all aspects of our project and want to thank the committee members for their input and support of the project:

- Ana Marie Argilagos, president and CEO, Hispanics in Philanthropy
- Vanessa Daniel, principal, Vanessa Daniel Consulting, LLC
- James D. Gibbons, founder and president, Forward Impact Enterprises, LLC
- Rahsaan Harris, CEO, Citizens Committee for New York City
- Deth Im, director of faith leadership strategies, Faith in Action
- Sarah Kastelic, executive director, National Indian Child Welfare Association
- Kathy Ko Chin, CEO, Jasper Inclusion Advisors
- Hanh Le, co-CEO, If, A Foundation for Radical Possibility
- Larry McGill, founder and principal, Ambit 360 Consulting
- Jon Pratt, senior research fellow, Minnesota Council of Nonprofits
- Chera Reid, co-executive director, Center for Evaluation Innovation
- Pier Rogers, president, ARNOVA, and director, Axelson Center for Nonprofit Management at North Park University
- Sherece Y. West-Scantlebury, CEO, the Winthrop Rockefeller Foundation
Appendix B. Infrastructure Research Collaborative Advisory Group

The Infrastructure Research Collaborative advisory group, hosted by New Venture Fund, is a coordinated effort of funders and practitioners that supports efforts to better understand the country’s social sector infrastructure. Its members are:

- Melanie Audette, Mission Investors Exchange
- Greg Baldwin, VolunteerMatch
- Chris Cardona, Ford Foundation
- Nick Deychakiwsky, Charles Stewart Mott Foundation
- Edward Jones, ABFE
- Monisha Kapila, ProInspire
- Frances Kunreuther, Building Movement Project
- Donna Murray-Brown, National Council of Nonprofits
- Urvashi Vaid, the Vaid Group (in memoriam, 1958–2022)
- Victoria Vrana, Bill & Melinda Gates Foundation
Appendix C. Methodology

To develop the objectives we discuss in this report, we conducted interviews, focus groups, and a survey; consulted with our advisory committee and the Infrastructure Research Collaborative advisory group; and reviewed relevant literature. We discuss these methods in more detail below.

Interviews

From May through August 2022, our team interviewed 31 people representing 29 national infrastructure providers. Nineteen represented 18 nonprofit organizations, 5 represented 5 for-profit organizations, and 7 represented 6 unincorporated groups. We did not interview anyone from public sector agencies. During the interviews, we asked providers to comment on the value and gaps of the infrastructure, answer questions related to equity, and share thoughts about how the infrastructure might need to change in light of current trends.

Focus Groups

In March 2022, our team held four focus groups with 21 people representing 17 funders of national infrastructure. Twenty represented 16 private foundations, and 1 represented a public charity. Each focus group had five or six participants and addressed one area of infrastructure supports and services: sustainability, learning, relationships, or influence. During the focus groups, we asked the participants to comment on the value and gaps of the infrastructure, answer questions related to equity, and share thoughts about how the infrastructure might need to change.

Survey

From May 2 through May 24, 2022, our team fielded a survey to infrastructure users. Because the social sector is vast and varied, creating a representative sample of social sector users would have been an extremely difficult and time-intensive task. Not being able to randomly sample a representative group of social sector users, we disseminated our survey widely to try to reach as many users as possible, including through the Urban Institute’s Social Sector Update newsletter; to focus group participants; via the project page on the Urban Institute’s website; through project funders, advisers, and their networks; and through additional partners. We received 204 usable responses from people who self-
identified as part of the social sector. The survey asked about the types of infrastructure supports and services respondents’ most rely on, who provides these supports, whether respondents pay for these supports, which of these supports they find challenging to receive, the obstacles they face in accessing these supports, and demographic questions.

It is important to note that our survey respondents are not representative of the entire social sector. There are no comprehensive data on the people who make up the social sector, so we do not know the extent to which our data are unrepresentative. Below, we compare the demographic characteristics of our respondents with those of the US population and the Diversity Among Philanthropic Professionals (DAPP) Survey to provide a sense of the representativeness of our respondents. The DAPP Survey collects demographic data on foundation staff and board members, so it is also not representative of the entire social sector, but it is a useful comparison point. We then compare the characteristics of the organizations and groups these respondents come from with those of the organizations that people who responded to the State of the Nonprofit Sector Survey come from. The State of the Nonprofit Sector Survey collects data on nonprofit organizations, so it is also not representative of the entire social sector, but it is also a useful frame of reference.

**Representativeness by Age**

Only 6 percent of our respondents were 18 to 29 years old when they took our survey, compared with 20 percent of the US population (figure 1).\textsuperscript{95} The percentage of DAPP Survey respondents who are in their twenties or younger is also lower than that of the US population (9.5 percent; Jordan and Kan 2022), so it is possible younger people are underrepresented in the social sector. However, it is also possible that younger people are not underrepresented in the social sector, but that our survey and the DAPP Survey both underrepresent them. (Figure 1 does not include DAPP Survey data because the age ranges used in that survey did not align with ours.)
FIGURE 1
Fewer 18-to-29-Year-Olds Responded to Our Survey than Are in the US Adult Population

Ages of our survey respondents and US adult population

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Our survey respondents</th>
<th>US adult population</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-29 years old</td>
<td>6%</td>
<td>20%</td>
</tr>
<tr>
<td>30-44 years old</td>
<td>22%</td>
<td>26%</td>
</tr>
<tr>
<td>45-59 years old</td>
<td>24%</td>
<td>36%</td>
</tr>
<tr>
<td>More than 60 years old</td>
<td>3%</td>
<td>32%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>3%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Sources: Authors’ data from a survey of the US social sector conducted in May 2022; US Census Bureau; American Community Survey, 2021 American Community Survey 1-Year Estimates, Table S0101; generated by Hannah Martin; using data.census.gov; <https://data.census.gov/table?q=age&tid=ACSST1Y2021.S0101> (19 December 2022).

Notes: Number of respondents to this question in our survey: 188. Number of US adults with American Community Survey data included in this figure: 258,418,467.
This figure does not show data for “prefer not to say” for the US adult population because this was not an option on the American Community Survey.

Representativeness by Race and Ethnicity

The racial and ethnic breakdown of our survey respondents is mostly in line with that of the US population, with one exception: Latinx/Hispanic people represent 19 percent of the US population but only 4 percent of our survey respondents (figure 2). Only 7 percent of DAPP survey respondents were Hispanic (Jordan and Kan 2022), so it is possible that Latinx/Hispanic people are underrepresented in the social sector overall, or that both surveys underrepresent Latinx/Hispanic people.
FIGURE 2
Fewer Latinx/Hispanic People Responded to Our Survey and the DAPP Survey than Are in the US Population

Races/ethnicities of our survey respondents, US population, and DAPP survey respondents

Sources: Authors’ data from a survey of the US social sector conducted in May 2022; US Census Bureau; Decennial Census, 2020 Decennial Census Redistricting Data, Table P2; generated by Hannah Martin; using data.census.gov; <https://data.census.gov/table?q=race&g=0100000US&tid=DECENNIALPL2020.P2> (19 December 2022); (Jordan and Kan 2022).

Notes: DAPP Survey = Diversity Among Philanthropic Professionals Survey. Number of respondents to this question in our survey: 188. US population with Decennial Census data included in this figure: 331,449,281. Number of respondents to DAPP’s survey: 2,199. This figure does not show data for “prefer not to say” for the US adult population because this was not an option on the Decennial Census. The race/ethnicity categories shown reflect those used in our survey, fielded from May 2 through May 24, 2022, of users of the national social sector infrastructure. The Decennial Census and DAPP Survey use slightly different categories. The Decennial Census uses White, Black or African American, Asian, Native Hawaiian and Other Pacific Islander, Hispanic or Latino, American Indian or Alaska Native, Two or More Races, and Some Other Race. We combined Asian and Native Hawaiian or Other Pacific Islander into Asian/Pacific Islander for this figure. The DAPP Survey uses White, Black/African American, Asian, Latinx, Indigenous, More Than One Identity, Different Identity, Middle Eastern, and I decline to state/No response. We combined Different Identity and Middle Eastern into Other for this figure.

Representativeness by Gender/Sex

More than two-thirds of our respondents (71 percent) are women, compared with 51 percent of the US population (figure 3). Seventy percent of DAPP Survey respondents identified as female (Jordan and Kan 2022).
Kan 2022). These figures suggest people identifying as men and males may be underrepresented in the social sector, or the surveys may underrepresent them.

**FIGURE 3**

Fewer Men Responded to Our Survey and the DAPP Survey than Are in the US Population

*Gender identities of our survey respondents, US population, and DAPP survey respondents*

<table>
<thead>
<tr>
<th>Gender Identity</th>
<th>Our Survey</th>
<th>US Population</th>
<th>DAPP Survey Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Woman/female</td>
<td>51%</td>
<td>71%</td>
<td>70%</td>
</tr>
<tr>
<td>Man/male</td>
<td>26%</td>
<td>26%</td>
<td>49%</td>
</tr>
<tr>
<td>Gender non-conforming/non-binary</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Trans</td>
<td>2%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Prefer not to say</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

**Sources:** Authors’ data from a survey of the US social sector conducted in May 2022; US Census Bureau; “QuickFacts United States,” United States Census Bureau, July 1, 2021, https://www.census.gov/quickfacts/fact/table/US/PST045221; (Jordan and Kan 2022).

**Notes:** DAPP Survey = Diversity Among Philanthropic Professionals Survey. Number of respondents to this question in our survey: 188. US population with US Census data included in this figure: 331,893,745. Number of respondents to DAPP’s survey: 2,199. This figure does not show data for “gender non-conforming/non-binary,” “trans,” “other,” or “prefer not to say” for the US adult population because the US Census Bureau does not offer these data. The gender identity categories shown reflect those used in our survey of users of the national social sector infrastructure. The US Census Bureau and DAPP Survey use slightly different categories: they both use female and male, while we use woman and man.

**Representativeness of Incorporated Organizations and Unincorporated Groups**

Most of the entities represented in our data (93 percent) are incorporated organizations, rather than unincorporated groups (figure 4). We do not know the percentage of actual social sector entities that are unincorporated groups, but we suspect it is higher than five percent and that our data underrepresent these groups.
Most of Our Survey Respondents Represent Incorporated Organizations

Types of entities represented by our survey respondents

- Incorporated organizations: 93%
- Unincorporated groups: 5%
- No response to this question: 2%

Source: Authors' data from a survey of the US social sector conducted in May 2022.
Note: Number of respondents to our survey: 204.

Representativeness by Organization Age

More than half the entities represented in our data (61 percent) have existed for more than 20 years (figure 5). (Figure 5 does not include State of the Nonprofit Sector data because the year ranges used in that survey did not align with ours.) Sixty-one percent of State of the Nonprofit Sector Survey respondents come from nonprofits that have existed for at least 22 years (Nonprofit Finance Fund 2022), so it is possible a large share of organizations are in this age range or that both surveys overrepresent these organizations.

More than Half of Our Survey Respondents' Entities Have Been in Operation for More than 20 Years

Number of years our survey respondents' entities have been in operation

- Under 5 years: 10%
- 5-10 years: 9%
- 11-20 years: 20%
- More than 20 years: 61%

Source: Authors' data from a survey of the US social sector conducted in May 2022.
Note: Number of respondents to this question in our survey: 188.
Representativeness by Geographic Location

About one-third of the entities represented in our data are headquartered in the East (36 percent), with fewer in the Midwest (22 percent), West (16 percent), South (13 percent), Southwest (6 percent), or Mountain West (2 percent), or headquartered virtually (4 percent) (figure 6). (Figure 6 does not include State of the Nonprofit Sector data because the regions used in that survey did not align with ours.) In comparison, 23 percent of respondents to the State of the Nonprofit Sector Survey come from organizations in the Northeast (Nonprofit Finance Fund 2022), which, although not exactly the same region as the East, suggests that our survey may overrepresent entities in the East. Alternatively, it is possible that the State of the Nonprofit Sector Survey underrepresents organizations in the East/Northeast.

FIGURE 6
About One-Third of Our Survey Respondents’ Entities Are Headquartered in the East

Regions in which our survey respondents’ entities are headquartered

- East: 36%
- Midwest: 22%
- West: 16%
- South: 13%
- Southwest: 6%
- No headquarters, we are virtual: 4%
- Mountain West: 2%

Source: Authors’ data from a survey of the US social sector conducted in May 2022.
Note: Number of respondents to this question in our survey: 188.

Consultation with Our Advisory Committee

To guide and inform this study, we established an advisory committee comprising a diverse group of 13 social sector infrastructure leaders (see the list of advisory committee members in appendix A). In June 2022, we held two virtual meetings with the committee to gather committee members’ thoughts about what they see working well in the social sector infrastructure, what they do not think is working well, and what changes they would like to see. Before these meetings, we sent committee members a survey
asking for their thoughts on these questions. We used their responses to prime the committee members for the meetings and as a data source for our research.

We began the first June 2022 meeting by sharing preliminary findings from our survey of infrastructure users, but we spent the bulk of this meeting and the second one facilitating a series of discussions about what the committee members see working well in the social sector infrastructure, what they do not think is working well, and what changes they would like to see. We recorded these conversations so we could analyze the data for our research. We further engaged committee members through email correspondence.

In September 2022, after we had completed our data collection and analysis, we met virtually with the advisory committee again to share our preliminary findings. During this meeting and through email correspondence, committee members provided valuable feedback on our preliminary findings that helped us shape and strengthen the recommendations we present in this report.

Consultation with the Infrastructure Research Collaborative

In addition to consulting with our advisory committee, we received input from the Infrastructure Research Collaborative advisory group, a group of funders and practitioners hosted by our funders, New Venture Fund (see the list of this committee’s members in appendix B). In September 2022, we met virtually with this advisory group to share our preliminary findings. During this meeting and through email correspondence, the group provided valuable feedback on our preliminary findings that helped us shape and strengthen the recommendations we present in this report.

Literature Review

To deepen our understanding of the social sector infrastructure, we began this study by reviewing literature on this topic. We conducted searches covering academic and nonacademic sources to find literature on the value of and gaps in the infrastructure, equity issues related to the infrastructure, and trends impacting the infrastructure.
Notes


3 That report is available at https://www.urban.org/research/publication/social-sector-infrastructure-definition.


8 Jeff Cox, “This Was the Worst First Half for the Market in 50 Years and It’s All Because of One Thing — Inflation,” CNBC, June 30, 2022, https://www.cnbc.com/2022/06/30/the-markets-worst-first-half-in-50-years-has-all-come-down-to-one-thing.html.


12 Cox, “This Was the Worst First Half for the Market in 50 Years and It’s All Because of One Thing — Inflation.”


26 Moyers, “Lessons Learned: Hiring Consultants.”.


33 Available at https://www.urban.org/research/publication/social-sector-infrastructure-definition.

34 Available at https://www.urban.org/research/publication/social-sector-infrastructure-definition.

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36 Gibson, “Why Every Foundation Should Fund Infrastructure.”


42 See https://www.urban.org/research/publication/overview-financing-national-social-sector-infrastructure-providers.


44 Gibson, “Why Every Foundation Should Fund Infrastructure.”


55 Foster and Isom, "Endow Black-Led Nonprofits."


61 Zimmer, "Why The Nonprofit Sector Can No Longer Dance Around Infrastructure Challenges."


68 EchoHawk, “Unpacking Capacity Building.”


70 EchoHawk, “Unpacking Capacity Building.”


73 EchoHawk, “Unpacking Capacity Building.”


75 Jayasinghe, “Don’t Rebuild, Upbuild!—Reimagining Nonprofit Infrastructure.”


78 Stahl, “Five Layers of Crisis: An Existential Threat to the Nonprofit Workforce.”


83 Ginwright, “Rest: A Middle Finger to Oppression, a Road Map to Justice.”

84 Wolfe, “Fund the People is Fighting for the Wellbeing of Nonprofit Workers — and Funders are Listening.”

85 Available at https://www.urban.org/research/publication/social-sector-infrastructure-definition.


89 Jayasinghe, “Don’t Rebuild, Upbuild! — Reimagining Nonprofit Infrastructure.”


91 Jim Rendon, “Here Come the Nonprofit Unions.”


93 Wolfe, “Fund the People is Fighting for the Wellbeing of Nonprofit Workers — and Funders are Listening.”


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