

# Social Justice Leaders on What Matters: Hilary Pennington & Tim Delaney

This video transcript captures a Zoom conversation between Tim Delaney, president and CEO of the [National Council of Nonprofits](#), and Hilary Pennington, executive vice president of programs at the Ford Foundation.

To return to the website, go to [Social Justice Leaders on What Matters](#)—and scroll down to access more videos in the series.

## **Transcript begins.**

[Tim Delaney, a white man with gray hair, wearing glasses and a blue shirt, sits for a video conversation with Hilary Pennington, a white woman with short blonde hair, wearing a pink sweater.]

[on-screen text: Tim Delaney, President & CEO, National Council of Nonprofits]

**TIM DELANEY:** I see this as the Great Disruption, where we as people need to then start paying attention that we're all in this together. And if I might illustrate it with this.

[Tim holds up a Hoberman sphere, a multicolored plastic toy made of interconnected rods with hinged joints that allow it to expand and contract. In its collapsed form, it's about the size of a basketball and the folded rods make for a spiky surface. Tim points to different areas on the surface to indicate the "separate silos" the nonprofit world tends to operate in. He then pulls on the edges of the toy and its scissor-like joints cause the structure to open up, expanding threefold until the surface becomes a smooth network of interconnected pathways.]

This is the nonprofit community, and we are normally jammed into separate silos. We are in the silo of health care or education or faith-based. We are jammed in the separate silos of geography, of Hawaii and Massachusetts ... But what if we started to share that information and have it go around, so we're not having to duplicate it but we are then enlarging what we do? And that's really what I see to connect people together and expand out so we have greater impact.

[on-screen text: Hilary Pennington, Executive Vice President of Programs, Ford Foundation]

**HILARY PENNINGTON:** I couldn't agree with you more and, you know, I think that, you know, strong policies require strong movements.

[on-screen graphic: Social Justice Leaders on What Matters, Hilary Pennington with Tim Delaney]

**HILARY:** Tim is the president and CEO of the National Council of Nonprofits, which is the leading resource and advocate for the nonprofit sector in the United States. Today, we're here to talk with Tim about our field in this moment and going forward.

I'm really glad to be talking with you, Tim.

**TIM:** Great. Thank you, Hilary.

**HILARY:** The first thing I'd love to talk about with you is, you know, one of the old frames for the nonprofit field is—quote, unquote—the third sector, meaning, ostensibly filling the gaps and need where government and business fail. And in the COVID-19 era, as we've certainly seen, governments, in some cases more than others, struggle to meet the moment. And businesses have been focused mainly on survival. Has the nonprofit sector stepped up in new ways?

**TIM:** The nonprofit community has done a phenomenal job of stepping forward. We are filling the gaps of government and the business sector. We've already been in those gaps, and we've had challenges before COVID hit. And what's happened since is it's actually gotten worse, with more Americans relying on charitable nonprofits.

Nonprofits, just like in the for-profit business community, we have to make our financial ends meet, as well. And yet, most nonprofits—97% of charitable nonprofits—have revenue of \$5 million or less a year, and 92% have a million or less. And so all these organizations and the people are out there in communities working with folks, but they themselves are having to struggle just to survive.

**HILARY:** You hear that, you know, as many as half of nonprofit organizations could really be damaged, could even conceivably go out of business. You know, we see in the newspaper, all the headlines are really more about small businesses and restaurants. But to what extent have any of the relief packages helped the nonprofit sector out?

**TIM:** I'm proud that the National Council of Nonprofits has played a leadership role, working with our colleagues to step forward. It started with the Families First Act. We had a solution that would make sure that nonprofits were involved, because in all previous stimulus packages, historically, nonprofits get forgotten. And so we were able to jump in there and convince them to then include nonprofits. And, ever since, nonprofits have been in all the other packages.

Then, in the Cares ACT, we were able to make sure that nonprofits—all 501(c)(3) organizations—were eligible for the forgivable PPP loans, which has brought billions of dollars to the nonprofit community, not so much just for nonprofits to survive but to actually do the work for people in their local communities.

**HILARY:** Well, that's—you, you have really been a force on behalf of all of us, I have to say, Tim.

You know, there have always been two somewhat opposed ways of seeing the role of the nonprofit sector. You know, one is sort of downstream, meeting needs and solving problems where government and business fail or are not as well equipped as the nonprofit sector. But the other role, that I think gets less attention, is more upstream. In other words, that it is the nonprofit sector that holds government and business accountable, and helps to create and shape the norms and, really through advocacy, the very laws through which the other sectors operate. And I'm curious how you think about that. You know, is this an either-or—those upstream and downstream roles? How do you see those roles balanced?

**TIM:** I see it more as a both-and, as opposed to an either-or, because all are needed where there are failures. Government can't regulate itself. It needs to have someone else playing those roles. Here at the National Council of Nonprofits, we don't see ourselves as a trade association that's trying to protect nonprofits. We see nonprofits as simply the vehicle through which the American people can come together to make community decisions about items of interest to themselves, advancing their self-interest with the community. If I'm concerned about literacy, I can then start or join a nonprofit focused on that. If I'm concerned about the arts, I can do that. If I'm concerned about government accountability, if I'm concerned about making sure kids have something to eat, I can do that. I really view it as a place where we as Americans come together to work together to solve community problems.

**HILARY:** And to hold ourselves, all of us, accountable.

But what does the nonprofit sector need in this moment?

**TIM:** The threats to the sector are significant. Just as the threats to the American people are significant right now. And I'm really proud of the role that nonprofits have played, to step forward and speak out to make sure that governments take certain actions.

I believe in my core that the problem is we have for too long, as the American people, not engaged with our government, and we've been sitting back on the sidelines. For the last 50 or so years, there has been a decline of the view of "we," and it's been shifting more and more towards "I." I see this as the Great Disruption, where we as people need to then start paying attention that we're all in this together. And if I might illustrate it with this.

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**HILARY:** Really powerful.

There's a lot of controversy over whether foundations support nonprofits in the best possible way. And so I'm curious how you think the sector itself may change coming out of this crisis.

**TIM:** There are a couple of trends we're already seeing. One is the consolidation. We are seeing more and more nonprofits at the local level turning to each other as a matter of survival, of just coming together because so many are on the ropes, and it's a way to make sure that their missions live on. There's not a lot of funding for that consolidation work, which is important.

In terms of where the sector needs to head? Again, I think it comes back to advocacy. Individuals need—and I think they have a right to—have a voice in their own futures. And if I, as an individual, go out there and say, "We need this" or "We need that," I'm not heard in the cacophony of noise. But if I join together with others, I can be heard. And then we can have an impact.

**HILARY:** You know, strong policies require strong movements. You know, really, thank you for that, but also just so much thanks for your work and your leadership.

**TIM:** Thank you.

**HILARY:** And I look forward to keeping in conversation with each other.

**TIM:** Be safe. Be well.

**HILARY:** You, too.

[on-screen text: What's your take? Join the conversation]

[on-screen graphic: Ford Foundation logo]

**End of transcript.**