The Crisis and the Third Sector: An Opportunity for Social Transformation

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Introduction and Objectives

The third sector is not protected from the crisis that we are currently experiencing. Faced with this new context, complex and uncertain as it is, the organizations of the third sector must be able to develop strategies to meet the two-sided challenge that they have: on the one hand, they must confront the impact that the crisis may have on the operation of nonprofit organizations; on the other hand, they must respond to new social needs.

Nevertheless, the crisis may be seen also as an opportunity for social transformation. From a historical point of view, the world crisis indicates a moment of transition from one phase to another. Beyond the inherent difficulties of any period of crisis, it signals a moment of change and, therefore, an opportunity to transform the prevailing economic and social models to move towards a more just and supportive world.

In the context of opportunity, the transformative role of the third sector must be made stronger. As a social agent the third sector now has the opportunity and the responsibility to make the most of this moment to promote not only structural changes but also the internal improvement of institutions.

Methodology

The methodology used on this research has combined different tools:

- A meeting with representatives of nonprofit organizations and other agents:

  At the end of 2008, with the aim to think about future strategies, a meeting was held with representatives from the main Spanish nonprofit organizations (not only from the development field, but social action, cultural, environmental, etc.) and other agents involved (such as politicians).

  Leaders from nonprofit organizations and other agents reflected on the diagnosis of the current crisis situation, analyzed the vulnerability factors of the third sector organizations facing the crisis and identified action plans for the future.

  Initial teamwork was carried out in heterogeneous groups. Afterwards, a common session took place in order to share the different points of view.

- A panel for representatives of nonprofit organizations:

  This panel took place linked to the Panel of the Social Third Sector, a common project of a research center and an umbrella organization in Catalonia.

  The panel is a tool to collect regularly the opinion on relevant issues of qualified people related to the Social Third Sector.

  A questionnaire was sent to social nonprofit organization leaders. Questions about the nonprofit organizational activities, employee and volunteer management, economic resources and the future of the nonprofit sector were included.

- A publication collecting the main conclusions:
The publication is a short paper of 24 pages included in the OTS Debates Collection that collects the diagnosis of the situation and action proposals based on the meeting with nonprofit representatives.

Moreover, the panel conclusions complement this publication with the perspectives and trends provided by the social nonprofit leaders.

**Conclusions**

The main headlines of the conclusions have been summarized below:

**Diagnosis of the situation:**
- A trend towards the reduction of public and private income
- An increase in social needs
- Changes in the priorities of all parties
- Uncertainty over the future of volunteer work

**Ways in which organizations are vulnerable:**
- Financial dependency and weakness
- The difficulties of long-term planning
- The diversification of activities
- The process of consolidating collaborative relationships and networking
- A model of labour relations in development
- The lack of a collective discourse as a sector

**Strategies for action to improve the efficiency of organizations:**
- Prioritizing and specializing efforts on the types of work that are most in line with the mission and values of the organization
- Reinforcing networking and looking for common strategies in the organizations of the Third Sector
- Thinking of ways to competitively improve organizations
- Revising organizational management models without renouncing the specific values of the third sector
- Putting effort into quality and continuous evaluation
- Boosting innovation and ingenuity in order to respond to new and emerging social needs

**Actions to raise the profile of the third sector:**
- Moving towards a culture of transparency and accountability as a key mechanism to visualize and understand the purpose of the third sector
- Communicating more frequently and effectively to explain the differential value of the nonprofit sector
-Promoting greater knowledge of the subject to be able to analyze and measure the real impact that the economic crisis has had on nonprofit organizations

-Improving political advocacy

-Developing a collective discourse as a sector based on common elements and shared values

-Promoting social mobilization as a catalyst for nonprofit organizations

References

Articles

Fantova, Fernando; «El Tercer Sector, agente de transformación social en tiempos de crisis», www.fantova.net, 23 March 2009.
