



Stanford eCorner

Sustainability for Non-Profit Organizations

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Kavita Ramdas, President and CEO of The Global Fund for Women (GFW) understands the importance of sustainability for its grantees because it must also be a sustainable organization. GFW helps grantees by discussing up front ways for strengthening and expanding funding in local communities. She stresses that sustainability is not to be confused with creating a profit-making venture. GFW also perceives that funding should continue over longer periods of time and groups should be encouraged to diversify funding base, build more capacity, engage with others in the community.



Transcript

Thanks. I think the questions around sustainability, particularly for nonprofit organizations are really important questions. I think for the Global Fund, we know that firsthand because we have to deal with our own sustainability as well and I think it's one of the things that perhaps places us in a different position vis-a-vis our grantees because we know from our own experience what it's like to write a proposal, how it is to be on the receiving end of a no, and how difficult it is when people say well, but you've grown, you've done so well, now you don't need our grant. Our grant doesn't mean that much anymore, when we know that every small bit makes a difference. I think one of the ways in which we've tried to address that with the groups that we support through our grants is by discussing upfront ways within which you can begin to strengthen and expand fundraising in your own community. This is very difficult in cultures and traditions in countries where there isn't a tradition either of nonprofits but also not of philanthropy in the kind of organized sense that we understand it here in the U.S. On the other hand, I think that most organizations have some sense of how to raise resources in one way or another. They haven't necessarily formalized that. The Global Fund has made it a point and we both have this sort little red book that's not related to Mao but it's our little red fundraising handbook and it's something we share with all of our grantees. It's been translated into many different languages.

We're also very, very committed to linking our grantees to our larger funders. In many instances, we have been successful in getting groups that have had maybe four or five years of funding from the Global Fund at the small grants level that we provide but have grown and have become mature enough to really absorb larger amounts of money. Indeed, they need larger amounts of money, and we've been successful in linking them up to the Ford Foundations and the Carnegies and the McArthurs of the world who have funded us. We found that groups are able to leverage our funding because it gives them credibility. So that's another way, but I think the third point which I think is an important one to make is we have to be very careful about when we use the word sustainability, not confusing that with somehow needing to make having sort of a profit-making, income-generating venture that somehow provides the money for the nonprofit organization to do its work. The reason for that is I think we have to appreciate that in many of these countries, nonprofits exist precisely because the state is failing in some of its key responsibilities to deliver key services and basic services to its people, or the private sector has failed to acknowledge that there are a set of things that are its responsibility. So to then turn around and say to a nonprofit well, after three years of funding, you should be on your own and show us how you can be sustainable is I think a really very problematic way in which to look at this whole question. I think one should be looking much more at being able to say diversify your funding base, build

more capacity, think about ways in which you can engage with others in the community but not sort of have this three years and then you're on your own kind of thing. At the Global Fund, we've had a very strong commitment to not having that kind of an approach. Many people say but you know, you've been funding organizations for years and we talk about the fact that it took many, many thousands of years for gender and equality to get to where it is and you don't kind of change the practice of FGM or dowry debts or gender-based violence in one or two years.

So I think that that's sort of a combination of years in which we look at those issues.