

# How Nonprofit Human Service Organizations Are Founded in Neighborhoods of Concentrated Poverty: A Case Study from Los Angeles



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# Overview & Research Questions



- **Founders of NPOs in Watts**
  - **Qualitative research:**
    - ✦ Interviews, participant observations, 990 forms
  
- **Research Questions:**
  - **Why do people found NPOs in poor, predominately minority neighborhoods?**
  - **Why are they committed to doing so?**
  - **What are the challenges that they encounter?**

# Background



## ➤ Why Watts?

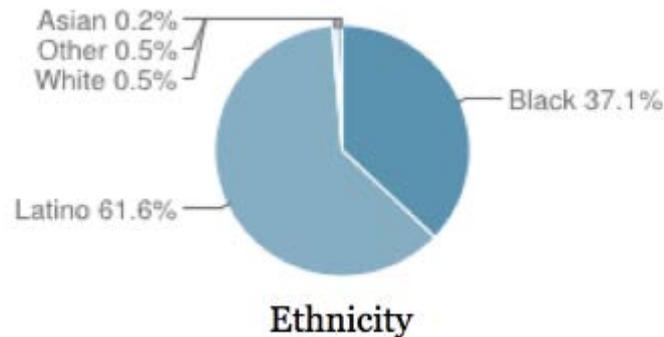
- Its inclusion in a larger study of NPO density, of which I am a part
- Demographic characteristics are an ideal representation of a high-poverty, high-minority neighborhood
- Its physical location and neighborhood boundaries center it near other high-poverty neighborhoods, thus it can be categorized as a *neighborhood of concentrated poverty*

- **Low levels of educational attainment**

- 64% less than high school diploma

- **Low median incomes**

- (\$25,161, with 47.8% of households earning less than \$20,000)



# Methods



- **Snowball sampling**
  - In-depth semi-structured face-to-face interviews, with follow-up interviews as needed
    - ✦ N=24 over a 2-year period
- **Participant observation**
  - Weekly community meetings at least 1x a month over 18 months
    - ✦ (total 18 times)
- **Document analysis**



# Preliminary Findings



- “Grassroots Entrepreneurs”

Biggest challenge is coming without resources

- Why do people found NPOs in poor, predominately minority neighborhoods?
  - ✦ Motivations and very strong commitment
- Why are they committed to doing so?
  - ✦ Religious calling
  - ✦ Commitment to social justice
  - ✦ Help “own people”
- What are the challenges that they encounter?
  - ✦ Trust
  - ✦ Social capital / external networks
  - ✦ Collaborators / partnerships
  - ✦ Legitimacy

# Social Capital / External Networks



- ***“...joined a lot of business groups, I joined different chambers of commerce, I tried to find out places like doctors offices where I know people can afford to be able to support a small program like mine.”***
- ***“And then I found out about these little people that I had heard about all along and really hadn’t paid too much attention to them except for election time, and they are called politicians. And I realized, wow, there’s a lot of politicians and they have a lot to do with nonprofits, so I started attending their meetings as well and getting on their mailing lists and then they sent information out about nonprofits, um, so I pretty quickly learned the landscape: who’s who and what’s what.”***

# Challenges – having to be **Self-Funded**



- *“It is still a cheaper area but it is hard to get the funding. If I wasn’t self-funded, I wouldn’t be able to do this.”*
- *“Because I started this in 2012, I didn’t get any financial assistance until 2014 with the Apply Yourself Foundation and that was all I got for that year.”*
  - When probed about how she supported her organization throughout those initial two years:
    - ✦ *“I still had money that I had saved. So I hadn’t had any grants, funding, or anything, and so... up until actually last year, I lived through money I actually had or through donations from people who said, okay, I know you need to pay your house note or whatever.”*
- *“In the beginning until now it all comes out of my pocket.”*



# Thank you

Contact Information

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