

Why They Last

The Historic and Contemporary Strengths of the Settlement House Model

Settlement houses have existed in America since 1886, representing one of the oldest and most sustainable models for providing a comprehensive community based range of social, educational and cultural services in cities across the country. As we try to account for this longevity, we ask what is it that makes for this success over time and this unique ability to transcend and flourish irrespective of the dramatic shifts in political movements, economic upheavals, major societal challenges, and dramatic historic events?

We would argue that there are two essential themes within this story, one rooted in the mission and values of the settlement house movement and the other rooted in the business paradigm, both of which remain strong, adaptive and viable. These themes have co-existed to enable settlement houses not only to survive but also to play a critical role in their communities over generations.

Examining settlement houses is not an exercise in nostalgia. In the United States we have witnessed the rise, and almost inevitable fall, of government sponsored attempts to work within or to shape communities. Lessons learned from the War on Poverty, from the attempt to create Model Cities, from the more recent high expectations of Promise Neighborhoods, and other such high-end top-down concepts, have taught us that successful community building is an organic process. In the truest sense of “conservative” thinking, institutions evolve over time, growing and learning and influencing. Settlement houses are not created whole, from scratch. They grow from the human and physical communities where they are nurtured.

We do not present this as an historic overview, nor do we attempt to provide a definitive description of what in fact constitutes a settlement house. We also recognize that each of the factors described below is not unique to settlement houses, nor is the settlement house the only successful historic social support model which still flourishes in this country. Our focus is on the “gestalt” which frames the movement, valuable for both its historic and contemporary strengths. These factors have allowed and reinforced continuity as well as critical adaptation to change.

Settlement Houses Are Private Institutions

Even though they may now rely heavily on public financing and support and can sometimes be seen as just an extension of government, settlement houses are firmly rooted in the non-profit private sector. They are not government agencies. They have been created by individuals, or groups, who believed that their creation would serve some important social or community purpose.

Each of the characteristics described below originates with that fundamental premise: a settlement house has a purpose driven by private motivations and beliefs, often related to a local problem or cause. As such, settlement houses are able to be reasonably immune from, or less vulnerable to, the vicissitudes of government sponsorship and control. Obviously, this factor alone does not make settlements unique, but it does distinguish them from the many attempts by government over the years to try and create comprehensive approaches to community building or social services.

Historically, almost all of these have fallen short or have failed for various reasons in achieving their intended goals.

Therefore, settlement houses are somewhat insulated from inevitable shifting policy perspectives or political agendas about how to define or address pressing issues. Settlements have been relatively free to make choices as to their mission, structure, operational and programmatic activities. They are, when they choose to be, independent of political influence and positioning. They can see things on a long term clock, applying a historian's yardstick to their work, which is essential when attempting to make lasting change. They can, when necessary, take on the powers that be and, as the saying goes, speak truth to power and even occasionally bite the hands that feed them. Of course, all these characteristics are constrained by the extent to which they operate on government funds, or are influenced by their governing Boards of Directors, so the extent of freedom is perhaps exaggerated and never as complete as one would wish. But freedom exists nonetheless.

The settlement movement has, at different times, defined the evolving progressive policies of our country, and at other times been declared a relic of the past, no longer suited to the complexities of contemporary issues. But facts are facts. There may be fewer settlements in New York City today than in 1920, but their scale and scope and impact far exceed any point in the past. In 2017 in NYC there are 38 members in the United Neighborhood Houses federation, with 670 different program sites, running programs for more than 750,000 people, employing almost 14,000 staff, using 13,000 volunteers and with an aggregate budget of \$935 million. Settlements have survived and flourished for the reasons described in this essay, with the first operating principle being that they are "private" institutions, fully responsive and adaptable to the changing political, social, and demographic landscape.

Diversification of Funding Streams

As with virtually all non-profits with long histories, settlements initially operated solely on the contributions of private dollars from wealthy individuals. The dominant model for at least the past 75 years, however, has been what some of us have referred to as a balanced economy or portfolio. This diversification or balance, comes on two dimensions. First, the major revenue categories can include some or all of the following: government contractual funding, fees for services (originating from government funding or private sources), investment income, rental income, private or corporate or foundation grants or gifts, contributions from individuals, endowment income, and earned income. There are cases where government revenue so dominates the financial model that the advantages of independence and freedom associated with being a non-profit look blurred, but to survive as a settlement house, we believe a balance over time must be established among these sources.

The second dimension is that within each of these revenue categories, there is diversification of sources. For example, describing a settlement as receiving government funding is insufficient. Depending on the range of programs provided (see below), there is likely to be a plethora of contracts from government agencies at all levels (Federal, State and local). By definition, settlements are multi-purpose organizations, so by definition they receive money from varied sources. The same

concept applies to foundation grants and major gifts as well as the types of fees or earned income generated.

Looking at an agency's audit statement does not answer all the basic income questions and no mandatory fiscal reporting mechanisms (e.g. A133, 990) can tell the whole story.

This balanced portfolio principle is critical when we move to the next issues, and is key to preserving the integrity of the settlement model over time. Though not a guarantee for survival, diversification increases the odds of withstanding changes in the fiscal environment and in being able to weather almost any storm. As settlement leadership has discovered, the fiscal balancing process is both an annual and multi-year goal, and certainly one that is routinely affected by many external factors outside their control. But are the attributes of being private and having diversified funding sufficient to make a successful organization? Not yet, and not quite.

The debate over what defines a settlement house seems to be never-ending. This was as true in the late 19th century as it is today. Even the name or branding has been subject to criticism. In New York City, the sign on the door of such institutions might read neighborhood center or association, guild or community development corporation, or even the name of a person or street. But at the very least, there is a core operational definition which enables an organization to be part of the "settlement house tradition." There must be a set of programs which range across age groups, populations, economic and social strata, and any other critical demographic characteristics which are reflective of the communities being served. A settlement cannot be designed for a single program or purpose or population; it cannot be solely reliant on one funding stream. Is there a typical rigidly enforced portfolio of programs? No. Some combination of pre-school, after school, older adults, counseling and mental health, cultural arts, recreation, literacy, youth and adult employment, housing, supportive services, health services...the list can and does go on...must be present. Over time, the list of programs has grown, in many ways reflecting the long history, and in other ways reflecting expansion to address emerging issues. In all cases, the financial statements of today are far removed from what they would have been 100 years ago. But while the operational values and principles have remained constant, the business practices have evolved.

Fluid, Integrative, and Comprehensive Programs

The most commonly understood characteristic of the settlement house model is that each organization runs a range of programs across age and income groups, activity areas, and often at various locations, addressing many of the needs and issues challenging any community. In most communities, this also explicitly means that all ethnic and racial groups are included in the mix. They are, simply stated, as comprehensive as they can be. No two settlements run the same set of programs and services over time, and some specialize in one or more categories, but they all are defined as multi-service. This is not just an important component of the mission statement but also

as part of the business model, because it is inseparably linked to the issue described above, diversification in funding sources.

In response to changing community needs, the availability of funds, or changing political or social priorities, settlements can sustain their core operational and value principles and still evolve and adapt. In well-run settlement houses, however, running a comprehensive set of programs is not considered to be sufficient. There needs also to be integrative and fluid forces which tie these programs together, facilitating easy access to the organization as a whole through any of its component parts and reinforcing movement of participants across programs. At any given moment in time, or over time, individuals or families could and do use various programs, interacting with the settlement in multiple and sometimes unpredictable ways. The best programs are not staged in isolated boxes....or spaces. Programs are designed to bind the community and its members together. Why is this a business proposition as well as an institutional value? Because settlements make their case and build their longitudinal stability on the notion of breaking down categorical interpretations of complex social issues and interventions. The goal, the underlying theme, is service integration for consumers and participants and neighbors.

The programmatic theory is simple. Over time, members of a family, people living in a community, will participate in more than one program conducted by a settlement house, sometimes sequentially, sometimes simultaneously. Equally important, neighbors will see the local settlement as providing a range of non-stigmatized programs in an accessible, open, welcoming manner, reducing the challenges faced by too many people who have trouble navigating our public systems. When settlements have tested this proposition with more refined data analysis (not an easy task even with advanced technology!), the theory of multi-generational use is verified.

Ownership or Control of Real Estate

We do not know of any readily available hard data regarding how many settlements own or control some or most or all of their real estate (program and administrative sites), but anecdotal information reinforces the proposition that control of space (in one way or another) is central to sustaining continuity, integration and flexibility of operations on a geographic basis. Settlements are essentially “place based institutions,” fully embedded in the communities they serve. Nothing accomplishes this mission better than physical presence and identification. Certainly this is the case in the New York City settlement system. The first generation of settlements still frequently own their original buildings from the late 19th or early 20th centuries (many now landmarked), but settlements have evolved in this arena as well. Public Housing Authority facilities, schools, rental properties, storefronts, residential sites, camps, and parks now comprise the eclectic range of properties where settlements operate programs. While owning or controlling properties creates burdens, it also enables settlements to be less dependent on fluctuations in sale or rental markets, to be less affected by uncontrollable leases which frequently extend beyond government or program contract terms and assured revenue sources, and to be less subject to the difficulties of having to share space with other organizations. The place-based concept applies not just to program uses, but to administrative functions as well. Having such space and physical presence reinforces the cultural and physical

neighborhood identity of a settlement, which is key both to the value system and business structures on which it is based.

Almost every settlement house in New York actually has multiple locations, a natural phenomenon associated with expanded budgets, program reach, and responsiveness to local needs. This expansion is still founded on the place-based principle, with multiple communities/places being served by a particular organization. What makes this model of growth viable and sustainable is that the “business” of keeping a settlement house financially secure is separate from the realities of how neighbors see a settlement in their specific communities. To use the example of two of the oldest NYC settlement houses, University Settlement had three program sites in 1988, and 31 in 2017. Henry Street Settlement began with some row houses on the street which gave the organization its name, but now has 43 sites.

Boards of Directors

Non-profit organizations are required to have Boards of Directors with certain defined responsibilities and a wide array of expectations. Again, the tradition of how settlements utilize their Boards is a reinforcement of both the business and mission goals. Two critical features are generally emphasized: generate resources and relationships for the organization; and represent the communities in which the settlements are located and who they serve. Balancing these two can actually be quite challenging, and oftentimes one or the other is (overly) emphasized. Settlements need private dollars, and having reasonably wealthy Board members is a key component of the balanced financial portfolio construct. In addition, settlements also frequently need political and/or social influence to survive in a competitive environment. Legitimacy in the community is also critical, hence the need to have appropriate representation. Combined, these attributes tend to create stability over time to the mission. There is history carried through the longitudinal investment made by Boards of Directors.

Board governance is a subject which seems to be a constantly moving target, subject to the shifting norms of inclusion and diversity and the need for major donors. But if this essay is correct in its assumptions, then Boards have played a major essential role in sustainability and continuity even if membership characteristics vary over time and place. The point to be made here, though possibly unpopular, is that settlements (and other non-profits) need to be clear as to Board expectations and outcomes. Is it a “community” board, representative of those being served? Is it supposed to generate huge resources? Is it made up of political leaders? These are not mutually exclusive defining variables, but very few of us have been fortunate or talented enough to construct exactly the right Board for all the needs of an organization.

But two challenges are worth noting. First, as the argument for diversity of Board membership increases, as it should, the balance between Board characteristics (money, power, skills, representation of populations served) can become more difficult to achieve. Second, an increasing number of settlement type organizations originated in the community development or housing development movements. They have were founded with by-laws that require their Boards to have representatives from constituents of the organization. But it is clear in any scenario that the longitudinal value of having a committed and engaged Board is key to the success of the model.

Staff Longevity and Long Term Relationships

Do you see yourself as a “stayer” or a “goer?” What is an expected or appropriate length of tenure when you accept a position at a settlement house? No topic comes up more among students today than the concept of longevity and commitment at work. Is it possible that a basic tenet of settlement life may be over i.e. staying at one place or within the settlement house community of organizations (even with changes in job status) over years if not decades? It is important to analyze current trends and data to understand if this aspect of the settlement house model will survive.

There is a belief, perhaps an assumption, that people remain working at settlements for longer periods of time than in many other human service agency settings. Settlement life has been described as a “calling,” or being part of a “family.” This is counter to the growing 21st century trend of a more transient labor force, willing to move after only a few years in any one place. We refer to this as “settlement years,” mimicking the comparison with “dog years.” True or not, myth or reality, this commitment is a powerful force in promoting stability over time. It also reinforces the notion that settlements facilitate and allow employees to move up through the ranks, gaining and utilizing new skills.

Why do we think this is critical? Because almost all theories of change (within an organization, within a community, within

larger social contexts) require a longitudinal commitment among staff and the capacity to grow and be invested in the institution and one another. Success in this work is about relationships, not just with participants, but also with colleagues. And success in relationships is about commitment over time.

In addition, any settlement with a robust roster of programs is also likely to employ personnel ranging from the unskilled and minimally educated to highly skilled with advanced degrees. This has always been the case. We see such a diversified staffing pattern as essential in doing the work which needs to be done. A diversified workforce enriches the perspective of employees and strengthens the organization itself.

Advocacy

It is not sufficient for a settlement house to simply operate quality programs; it must take risks, be inventive, help to change the world, and advocate for and with its constituents and community.

Advocacy is an integral component of the settlement tradition, built in from the start by Toynbee Hall in London in 1884 and University Settlement in New York City in 1886. What does it mean to be an organization that has advocacy as a core part of its mission? to believe in advocacy as a guiding principle?

We believe a settlement house must have an implicit and explicit cultural orientation as a force for advocacy in the communities it serves. Every program and every person within the organization must be helped to figure out an advocacy role in addition to the important direct service work required of programs and the organization as a whole. A settlement should choose one or more areas in which it wants to be seen as a leading advocacy player while also deciding when to play the role of collaborator or partner or co-sponsor. We are asserting that a robust settlement movement requires that our organizations be part of something larger than ourselves.

A local AIDS nursing facility sold to a private developer to turn into luxury condos. A City re-zoning which will result in low-income residential and commercial displacement. A community's opposition to any kind of supportive housing program or a proposed homeless shelter. Fear that young immigrants will be deported. High youth unemployment in the community. Government cutbacks in critical program funding. The list is endless. But all are examples of emerging public policies we know will be detrimental to those served by settlement houses. Settlement houses have to fight on behalf of these issues,

In sum, the historic longevity and contemporary effectiveness of most settlement houses is correlated with the factors we have described above. When one or more of these essential factors are missing, the settlement house is presented with real risks to its survival. While we have based our discussion on knowledge rooted in our New York City experiences, we believe these factors must be substantially present in other settlement houses across the United States and the world in order to allow them to thrive.

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