# THE CHRONICLE OF PHILANTHROPY

OPINION APRIL 30, 2018 PREMIUM

## **Rise of Robots Makes Nonprofit Workers More Essential Than Ever**

By George Weiner communications adviser to nonprofits



TRISTAN FEWINGS/GETTY IMAGES FOR JUST EAT

In March of 2017, a small fleet of GPS-enabled delivery robots took to the streets of Washington to deliver food. These automated 35-pound, six-wheeled takeout containers — created by the <u>co-founders of Skype</u> — are just at the head of the oncoming wave of automation.

Although <u>robots on wheels</u> may be on pace to replace food-delivery jobs in our nation's capital, one thing they won't be threatening are groups like Meals on Wheels. More important than delivering food, programs like these are delivering human contact that helps connect homebound older people with the outside world. This is the kind of work that depends on social intelligence, and it won't easily be replaced by a robot.

So even as experts predict half the American workforce could find their jobs wiped out in coming decades, the nonprofit world faces a great opportunity: The jobs that are the safest from automation rely on creativity, social intelligence, perception, and manipulation. For at least the next two decades, machines will continue to struggle in matching the human brain's ability to understand and empathize with others.

This means that, in the coming decade, America's nonprofits will go from a nice addition to a necessary player in our economic and labor success.

### Promote an "Empathy Economy"

That nonprofits are destined to flourish in the age of artificial intelligence is by no means a passive, Pollyannaish statement. Rather, our inability to automate empathy should put industry leaders and policymakers on notice to stop overlooking the nonprofit world's role in our economy. And nonprofits and foundations face an important challenge now: They must start using the power they will increasingly have as the nation's biggest employers to push adoption of an empathy economy.

The empathy economy is not just about the jobs nonprofit workers hold, but also the compassion we all show to one another in public policies that find ways for people who lose their jobs to automation to transition smoothly to new approaches, be it training for new types of jobs, a guaranteed basic income, a new wave of public-service jobs that pay people who volunteer to help others, or other efforts that ensure every American can pay for the necessities of life and find a sense of purpose and community.

Many nonprofits are already working on ways to ease the transitions in the workforce.

Organizations like <u>Goodwill</u>, which has placed over 313,000 people into jobs as of 2016, set an example for how nonprofits can influence change in the business world. Local groups like <u>Opportunities for a Better Tomorrow</u> in New York City work to create adult education and career building for thousands of disadvantaged people. There are also operations like the <u>Opportunity Fund</u> and <u>Fund Good Jobs</u>, which seek to support families and businesses whose hiring practices meet both living wages and living standards. By offering financial incentives such as loans and management training to provide better working-wage jobs, such organizations are changing the way companies do business.

Although we may still be a couple decades away from any significant job elimination from automation, we do know that this is an eventuality — not a possibility. Forecasts for elimination rate <u>vary greatly</u>, yet whether the eventual number of jobs lost is 38 percent (according to PricewaterhouseCoopers) or 47 percent (per <u>University of Oxford</u>estimates), that total won't be zero, as Treasury Secretary Steven Mnuchin would have us believe. For jobseekers, hope lies in an industry that has made hope its currency — a currency earned through action and empathy. The nonprofit world is built on our service to each other and the world around us. The work being done is real and depends on compassion, insight, and a community of interests.

### **Technology Leads to Efficiency**

Focusing on the human touch doesn't mean nonprofits aren't using technology to transform their work — and they certainly will continue to do so. Case in point: New York Common Pantry, a nonprofit that helps feed over 300,000 annual visitors, transitioned to a digital system nearly a decade ago. Before the transition, volunteers made the same package of items for everyone based on family size. Now, 10 percent of the organization's customers <u>order online</u> while the other 90 percent use on-site tablets. The importance of volunteers, however, hasn't changed. They are still needed to support and connect with visitors as they interact with the tablets and wait to be served. The tablets and tech didn't put people out of work — in fact, they enhanced the quality of service and helped the organization to grow.

The resilience of the nonprofit labor market has been clear for more than a decade. A 2012 <u>study</u> from the Johns Hopkins University notes that, through the Great Recession, nonprofits gained jobs at an average of 1.9 percent per year while businesses lost jobs at an average of 3.7 percent a year.

That's in part because more people were in need — and they turned to nonprofits for help.

More recently, the 2017 Nonprofit Employment Practice Survey <u>showed</u> that 50 percent of nonprofits surveyed were planning to create jobs in the coming year, well above 40 percent of for-profits planning to hire.

#### **Demographics Drive New Jobs**

It's not just automation driving growth in the nonprofit workforce. It's also demographics, as more baby boomers move into retirement, more millennials level up in their careers, and the first members of Gen Z enter the workforce. More than <u>half</u> of nonprofit jobs come from the health care and social-services industry because those groups rely on millions and millions of people to provide aid — and they will soon need millions and millions more.

That's why it's time for policy makers to act: Rather than penalizing nonprofits with tax-code updates, the federal government should be looking to build labor-friendly policies. Right now, despite being tax exempt, nonprofits still pay payroll tax for their employees at the same rate that companies like Amazon and Apple do. Removing or reducing this tax burden on nonprofit employees is one place to start in supporting the job growth needed in the coming years.

Meanwhile, the next time you hear about the impending unemployment wave coming at the hands of automation, consider that with this wave will come a greater need for the human touch. Rather than fight the wave of artificial intelligence and risk being swept away by the undertow, let's also invest and promote the Empathy Economy. George Weiner is chief executive and founder of Whole Whale, a communications company that works with many nonprofits. Good Jobs, Opportunities for a Better Tomorrow, and the Johns Hopkins School of Public Health are all former clients of Whole Whale.