

Strengthening the St. Louis Region's Community Benefit Organizations



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For four years Jessica served as Director of United Congregations of Metro-East (UCM), a small nonprofit that partnered with faith based institutions to fight for social justice issues such as equity in education and the workforce, and restorative justice practices. During this time, she led a national campaign to update federal hiring regulations to make way for the infrastructure workforce to be reflective of our communities and more inclusive of women and minorities.

During her time at Social Innovation STL, Jessica explored ways to build an aligned infrastructure of supports for nonprofits and other organizations that do good work throughout the region. She emphasized the need to better support underrepresented organizations, and to challenge our idea of what a model nonprofit looks like.

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Recently he has served as senior advisor to the leadership of large, collective impact initiatives (including Social Innovation STL). He is a trainer and advisor for extensive array of grass roots, community-based organizations.

John earned his B.A. from Cornell University and his M.A. and Ph.D. from the University of California-Berkeley. He is the recipient of over a dozen academic and professional awards, including the Outstanding Senior Award from Cornell University, the (national) Danforth Graduate Fellowship, and a National Endowment for the Humanities Fellowship. He is the author of numerous publications in leading academic and professional practice journals on nonprofit organizational leadership, governance, effectiveness, collaboration and capacity building.

John was a nonprofit organization executive for more than 20 years, serving as a program executive at the Danforth Foundation; chief executive of the St. Louis Center of the Coro Foundation and subsequently its national president; vice chancellor for external relations (advancement) at the University of Missouri-St. Louis; and, the academic vice president of the Washington Center, a national higher education institution in Washington, D.C.

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STRENGTHENING THE ST LOUIS REGION'S COMMUNITY BENEFIT ORGANIZATIONS

BACKGROUND

How do we strengthen the organizations working to improve our region?

This question guides the capacity building arm of Social Innovation St. Louis (SISTL). SISTL promotes and aligns resources for community benefit organizations in order to better equip them to meet our region's needs. The term *community benefit organization* (CBO) is used intentionally throughout this paper to include groups that do not typically come to mind when using the term nonprofit¹. Recognizing that the "CB" in CBO is also commonly used to denote "community based" or "community building" organizations, our use of *community benefit* includes organizations that may or may not have a 501(c)3 or other nonprofit IRS classification, but whose social mission and purpose is to positively impact the community. Examples of some of the groups that we believe are better represented using this broader term include grassroots public advocacy organizations, neighborhood organizations, religious congregations, and voluntary associations. While scholars agree it is impossible to identify all such organizations, recent estimates suggest that in addition to the approximately 1.6 million registered nonprofit organizations, there are at least another half million voluntary groups in the United States². These groups are vital to improving community life and therefore should be included in any discussion about capacity building.

LANDSCAPE *The St Louis and National Landscape*

We began exploring how to better support CBOs by interviewing relevant stakeholders in the St. Louis metro area.

We asked:

- What is your own experience of capacity-building?
- What capacity-building strategies, methods, and tools have you used, and what works well?
- What is your perspective of the overall landscape of capacity-building in our region?

To gain a broad range of perspectives, our interviewees represented a myriad of stakeholder groups including: CBOs of varying sizes and missions, funders, capacity-builders, and other intermediaries that play a capacity-building role [Appendix A]. Some of the interviewees had experience in multiple roles such as having served as an organizational executive as well as a consultant which added unique perspective.

In addition to the interviews, we performed an extensive review of the scholarly and professional practice literature on the subject. We searched for models, tools, and perspectives on the broader landscape of capacity building [Appendix B].

In brief, we found there is no widely agreed upon language or understanding of capacity-building including no commonly accepted definition for capacity-building, no universally agreed upon best models or practices, and no pervasively used tools. There are few avenues for CBOs to discover and convey their capacity needs in a low-stakes environment. Low stakes means that the process and results are not tied to those who provide resources upon which CBOs depend.

In the St Louis region, capacity-building efforts focus more on larger organizations than smaller ones. These efforts also emphasize managerial professionalism and financial sustainability (such as pursuing organizational resilience through diversifying income streams) over the distinctive civic activism and voluntarism functions and values of CBOs. As a corollary, capacity building efforts in St Louis focus more on individual leadership or organizational development and generally exclude the community context in which all organizations are nested.

We found that the conversation about capacity-building is separate from that of racial equity. Lastly, most stakeholders are not tied to a specific set of capacity building processes and tools. This last finding is not surprising given that there is no agreed upon language or accepted definition for capacity-building.

¹ For additional discussion see <http://www.ibosswell.com/nonprofit-vs-community-benefit-organization-debate/>

² Salamon, L.M. (2012). The resilient sector: The future of non-profit America. In L.M. Salamon (Ed), *The state of non-profit America* (2nd Ed, pp. 3-88). Washington, DC: Brookings Institution Press.

Summary of the St Louis Capacity Building Landscape

- ① There is no widely agreed upon language or understanding of capacity-building.
- ② There are few avenues for CBOs to discover and convey their capacity needs in a low-stakes environment.
- ③ Capacity-building efforts focus more on larger organizations than on smaller ones.
- ④ Managerial professionalism and financial sustainability are prioritized over civic activism and voluntarism.
Corollary: There is a current focus on individual leadership and organizational development that often excludes the community context in which all organizations are nested.
- ⑤ The conversation about capacity-building is separate from that of racial equity.
- ⑥ Most stakeholders are not tied to any specific capacity building process or tool.

Figure 1

ELABORATING ON THE LANDSCAPE FINDINGS

1. *There is no widely agreed upon language or understanding of capacity-building (no common definition for capacity building, no agreed upon best models or practices, and no pervasively used tools).*

In our search for helpful capacity building tools and resources, we quickly learned that the term capacity-building meant different things to different people. Some placed an emphasis on technical assistance or back office support, while others considered capacity to be additional staff or funds. Still others primarily thought of capacity building as training and leadership development. We found that this lack of shared language around capacity building was not unique to St. Louis. Our review of the academic and practice literature also found little or no agreement on core vocabulary.

2. *There are few avenues for CBOs to discover and convey their capacity needs in a low-stakes environment.*

We consider a low-stakes environment one where the process and results do not have a real or perceived impact on a CBOs resources. CBOs generally rely on third parties for funding rather than on those they directly benefit. As a result, they spend a significant portion of their time presenting a case to third parties for why the organization is deserving. Highlighting an organization's limitations or weaknesses may contradict this instinct, and can even be seen as dangerous if a CBO leader perceives that a poor organizational image will affect the ability to secure needed resources.

In high stakes environments it is likely that CBO leaders will hesitate to be transparent about performance areas where they struggle or need improvement. This undermines the process of discovering and sharing their capacity building needs. Since a significant portion of capacity building in the St Louis region is facilitated through funders (both directly and indirectly), there is little opportunity for CBOs to experience capacity building in a low-stakes environment.

We did hear that having a good relationship between a CBO and the person or entity facilitating capacity building is important in helping to increase transparency. But these relationships cannot fully negate the real or perceived power imbalance when prospective funding sources play a pivotal role in the process.

3. *Capacity building efforts focus more on larger organizations than on smaller ones.*

Within the capacity building landscape, there is an inclination to work with organizations that have budgets of \$500,000 or more and have a designated nonprofit classification. One reason for this may be that larger organizations are considered to have the "capacity for capacity-building." Capacity building is seen by many leaders of smaller organizations as a luxury that they cannot pursue because of the time and resources it can require.

For example, in an understaffed organization, there may not be a person who has the time to consider opportunities for leadership development for employees or board members. Similarly, if an organization is struggling to pay its minimum expenses every month, there is less likely to be an immediate priority for thinking about and working through a long-term strategic plan. Capacity building takes time and energy that under-resourced organizations may not feel they have. Simply put, current capacity building entails daunting opportunity costs.

This pattern frequently leaves behind smaller organizations. Many of these smaller organizations possess essential community ties and are vital to community improvement. Despite these critical roles they have far less access to the resources needed to strengthen their effectiveness and impact.

4. *Managerial professionalism and financial sustainability are often prioritized over the distinctive civic activism and voluntarism functions and values of CBOs.*

Current approaches emphasize the pursuit of organizational resilience through diversifying income streams, and increasing service delivery and administrative efficiencies and effectiveness. These approaches are generally prioritized over strengthening the civic activism and voluntarism functions of CBOs.

As a corollary, capacity building efforts tend to focus more on individual leadership or organizational development than development at the community level in which organizations are nested and interact in networks, partnerships, and even large-scale, cross-sector collaborations.

The weighted focus on managerialism and professionalism isn't as helpful for organizations that are structured differently. For example, it may not work well for organizations who receive no grant or government funding, have little to no staff, have leadership structures outside of the typical board of directors model, don't deliver direct services, or don't have a 501(c)3 designation. Neglecting the civic activism and voluntarism functions could also hinder the success of nonprofit organizations that are more traditionally structured. They too need a more balanced approach. We do note that the curricular guidelines for academic programs in nonprofit leadership have begun in recent years to give modestly greater attention to the civic activism roles of nonprofit and community benefit organizations. However these standards have not been fully reflected in professional training among practitioners in the field³.

5. *The conversation about capacity building is separate from that of racial equity and capacity building efforts do not intentionally integrate racial equity practices.*

Racial equity has resurfaced as a major topic of conversation within and among many St Louis area CBOs over the past few years. As a part of its 189 recommendations following the death of Michael Brown⁴, Forward Through Ferguson has challenged organizations in the region to apply a racial equity framework to existing practices and initiatives. CBOs are responding in various ways such as exploring trainings to learn more about racial equity, and by reviewing their hiring practices, staff leadership, and board representation. However, racial equity and capacity are not necessarily viewed as correlated, and are therefore not often intentionally integrated in our conversations or practices. Consequently, these two major topics of discussion and priority in our region are kept largely separate.

6. *Most stakeholders are not tied to a specific set of capacity-building processes or tools.*

In our quest for alignment around capacity building, we sought to find widely used tools and models. While we found a few noteworthy models used by some stakeholders we also found that these stakeholders were not strongly attached to any one model or tool. In addition, most stakeholders seemed open to exploring new tools and processes.

REFLECTING ON THE LANDSCAPE FINDINGS

As we reflected on our findings about the capacity building landscape, we identified a few questions and concerns. Our

³ See the latest guidelines from the international association that sets curricular standards. Nonprofit Academic Center Council. (2015). *Curricular guidelines: Graduate and undergraduate study in non-profit leadership, the non-profit sector, and philanthropy*. Cleveland, OH: NACC.

⁴ Ferguson Commission. (2015). *Forward through Ferguson: a path toward racial equality*. Available at: <http://forwardthroughferguson.org>.

first concern was the lack of a common vocabulary to discuss capacity building. Without alignment in the way we talk about capacity building, we believe it will be nearly impossible to align practices and supports.

Second, the shortage of low stakes environments that allow CBO leaders to feel comfortable sharing all of the information needed to assess their capacity building needs is a concern. If CBOs struggle to be fully transparent about their challenges, then capacity builders will not have all of the information they need in order to recommend or offer appropriate supports. Similarly, if organizations are not fully transparent throughout the process, it will be difficult to gauge whether or not capacity building interventions are working. A lack of transparency can potentially negate even the best efforts at organizational improvement.

Third, while there is benefit to focusing capacity building efforts on organizations that are considered the most likely to have the resources and ability to engage in it, it begs the question, *what do we lose by not prioritizing support for smaller organizations?* We believe that there is much to lose.

Smaller organizations can play integral roles in community. For example, often small neighborhood organizations provide an essential platform for residents to engage in decision-making in their immediate community. Through this practice their individual and collective voices grow to become a voice for the community in larger public and civic contexts. In such cases, these and other activities cultivate trust and efficacy that are the building blocks of social cohesion and community identity⁵.

Furthermore, the St. Louis region has a myriad of small organizations that are working on behalf of some of the most disenfranchised communities. Often, these organizations have few, if any, paid staff and very modest financial resources. The work of some of these organizations far exceeds what might be expected given their size. Imagine how much more such organizations could achieve with the proper capacity building opportunities and resources.

Fourth, in our view the dominant focus on managerial professionalism and financial sustainability is an unbalanced approach. While these two dimensions of organizational performance need to be addressed in capacity building, our broader definition of CBO also brings a broader lens such as is reflected in the Four Impulses of Nonprofits offered by Lester Salamon⁶ (Figure 2). Through this lens we can see that insufficient attention is given to support the voluntarism and civic activism roles that inherently and uniquely belong to community benefit organizations.

Fifth, the disconnection between the conversations and practices of racial equity and that of capacity building sheds light on some assumptions. We don't generally see racial equity as being an essential contributor to the capacity of our organizations. Racial equity is not considered to be a cornerstone to organizational strength nearly as much as revenue generation, financial sustainability, and leadership development are. And on the other hand, we don't talk about the need to build capacity in order to effectively carry out racial equity.

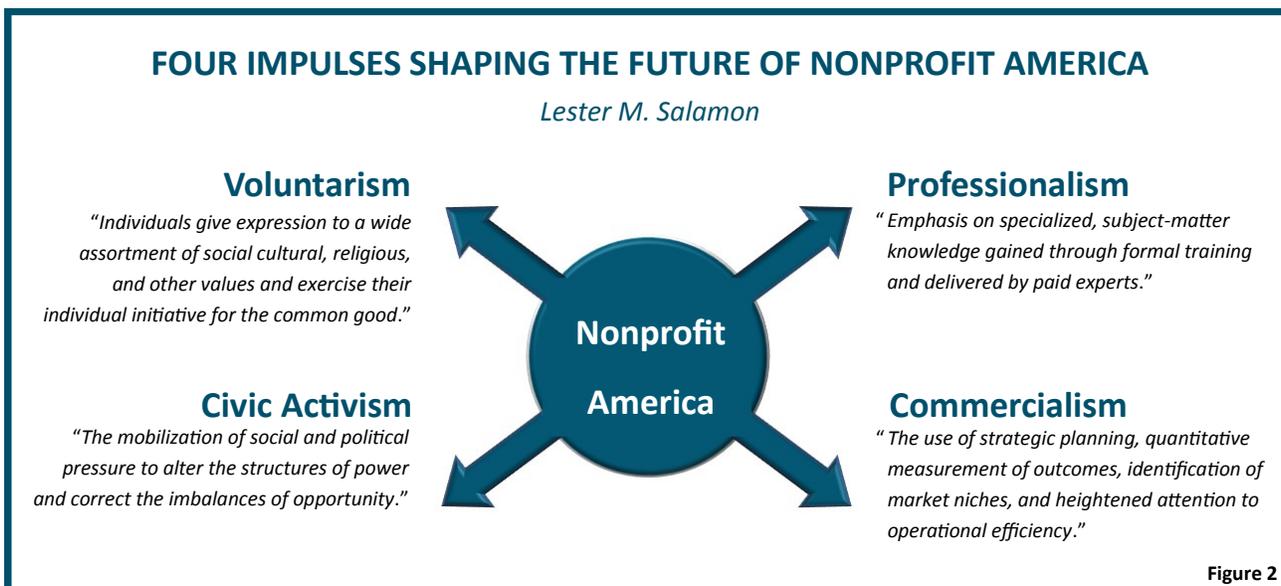
In our opinion, neglecting to fully ingrain racial equity into the organization's activities misses the mark. CBOs need to consider that not only is racial equity work something that we should do because it aligns with our values, but that it is something we need to do in order to be truly effective at our work. Otherwise, we are slated to end up with big budgets, engaged board members, and strong staff leadership, with little to no connection or accountability to communities of color. Without relationship and accountability, our mission fulfillment, outcomes, and ultimately community impact will suffer – regardless of the size of our budgets. For the vast number of CBOs whose missions directly and indirectly impact communities of color, this is unacceptable.

**Can an organization be
simultaneously considered
strong or excellent
and inequitable?**

We think not.

⁵ De Vita, C.J., Fleming, C., and Twombly, E.C. (2001). Building non-profit capacity: A framework for addressing the problem. In J. De Vita and C. Fleming (Eds.), *Building capacity in nonprofit organizations*. Washington, DC: Urban Institute.

⁶ Salamon, L. (2015). The four impulses of non-profits and what they each create. *Non Profit Quarterly*, 22(3). Accessed on-line at <https://nonprofitquarterly.org/2015/10/12/the-four-impulses-of-nonprofits-and-what-they-each-create/>.



Lastly, finding that most stakeholders were not strongly attached to a specific set of tools or models was encouraging because it may make room for alignment as we discover and develop models together as a region.

After we concluded our interviews and research, we took our lessons learned and reflections about the landscape of capacity building and returned to our guiding question: “What can funders, consultants, community benefit leaders, and other stakeholders do collectively to better support organizations that are doing crucial work to improve our region?” That led us to imagine a regional framework for capacity building.

CREATING A REGIONAL FRAMEWORK FOR CAPACITY BUILDING

In order for stakeholders to align resources to support CBOs, they need to speak the same language. To create a capacity building framework we must cultivate a common vocabulary and practice. We offer our contribution in the form of a working definition of capacity building, a spotlight on existing taxonomy, and draft guiding principles.

DEFINITION

Our working definition of capacity building is: *a wide-ranging set of activities undertaken by a community benefit organization in order to achieve sustainable fulfillment of mission and beneficial community impact.* This definition is broad in order to include the many facets of capacity building, and also names the ultimate end goal – beneficial impact. While there is widespread agreement in the capacity building literature about the goal of mission fulfillment, we want to be clear that we are not pointing to capacity building just for the sake of having stronger organizations, but in order to assist them in contributing to the development of strong and healthy communities⁷.

Capacity building is a wide-ranging set of activities undertaken by a community benefit organization in order to achieve sustainable fulfillment of mission and beneficial community impact.

⁷ See surveys of the capacity building literature including C. J. De Vita and C. Fleming (Eds). (2004). *Building capacity in nonprofit organizations*. Washington, D.C.: Urban Institute; and, Wing, K.T. (2004). *Assessing the effectiveness of capacity building initiatives: Seven issues for the field*. *Nonprofit and Voluntary Sector Quarterly*, 33(1): 153-160.

TAXONOMY

To bring some order to the chaos of capacity building so that its practitioners and stakeholders can share a clearer understanding of the field, we draw upon Cornforth's and Mordaunt's simple, yet elegant taxonomy (Figure 3). These three dimensions help to categorize capacity building efforts⁸.

A TAXONOMY FOR CAPACITY BUILDING EFFORTS	
WHO	The target of the effort. Individual CBO leaders or other professionals and volunteers; the organization itself; partnerships, collectives, networks; specific community (e.g. based on identity or geographic space) or population.
HOW	The types of strategies, methods, activities employed (e.g. assessment, education or training, consulting, technical assistance, mentoring, coaching, etc.).
WHAT	The components to be strengthened (e.g. fund development, volunteer engagement, program planning, execution, evaluation, public advocacy, collaboration/partnership, etc.).

Figure 3

Using this taxonomy can help stakeholders and organizations clarify to which areas of capacity building they are referring. You can use dimensions one, two, and three, respectively, to determine *who* you are engaging in capacity building, *how* you are engaging them, and *what* area you aim to improve.

PRINCIPLES

Lastly, we offer a set of key principles for CBOs and stakeholders engaged in capacity building to consider. We believe that these principles provide a foundation for capacity building from which specific practices, methods, tools and other discrete components can flow. We found Grantmakers for Effective Organizations (GEO) a particularly helpful resource⁹. We note which of the proposed principles have GEO as a principal source in the list below.

Capacity building works best when the following is true:

- 1 It is seen as a **systematic, multi-stage process** that begins with an open, yet structured, mutual **discovery process** undertaken by the organization and those who are enabling or facilitating its capacity building, before specific practices (including methods and tools) are used.
- 2 It supports the organization's and its leaders' **ability to articulate their capacity building needs and aspirations**.
- 3 It **assesses the readiness of the organization** and its **absorptive capacity** (how much, how fast, and what level of capacity building activity it can effectively learn from and integrate).
- 4 It **includes an integrated ensemble** of activities, opportunities, and resources rather than "one off," discrete, or separate elements.
- 5 It **takes into account the context of the organization**. The context can include the perspectives of the community that is being served or supported by the organization (the target of its efforts), relevant history, and geography.
- 6 It **integrates a racial equity lens** throughout its process and practices.

⁸ Cornforth, C. and Mordaunt, J. (2011). Organisational capacity building: Understanding the dilemmas for foundations of intervening in small and medium sized charities. *Voluntas: International Journal of Voluntary and Nonprofit Organisations*, 22(3): 428-449.

⁹ Grantmakers for Effective Organizations. (2016). *Strengthening nonprofit capacity: Core concepts in capacity building*. Washington, DC. Available at <https://www.geofunders.org/resources/strengthening-nonprofit-capacity-710>.

- 7 It is **done as a collective**. Focus on leadership at multiple levels — reaching beyond the chief staff or volunteer officer to engage a team that is drawn from multiple levels of the organization or across organizations. (GEO)
- 8 Its **focus includes the capacity to partner**. Strengthening relationships and the capacity to participate in and share leadership with other collective initiatives that increase community impact.
- 9 It is **continuous**. Requires flexibility and appreciation of its evolving, emergent nature. (GEO)
- 10 Its **evaluation** design and execution takes into account all of the above, and **emphasizes process as well as outcomes, formative as well as summative evaluation**.

ELABORATING ON THE PRINCIPLES

Capacity building works best when the following is true:

1. *It is seen as a systematic, multi-stage process that begins with an open, yet structured, mutual discovery process undertaken by the organization and those who are enabling/facilitating its capacity building, before specific practices (including methods and tools) are used.*

This principle underscores the need for a mutual discovery process that should be the foundation of any capacity building effort. This process should begin with an in-depth, structured conversation between the organization's leadership (and other members, as appropriate) and the facilitators of capacity building to ascertain the leaders' initial perspectives on their aspirations and goals for capacity building and the challenges they face. The conversation should also be a preliminary exploration of what the format, processes, and possible activities might include. The purpose is to build mutual respect, trust, and understanding about the engagement from the outset rather than jumping to a predetermined single model or approach for capacity building. Subsequent discussions can then advance the thinking and decision-making about possible goals and overall design of the engagement using the taxonomy outlined in Figure 3.

Following this opening stage, more particular decisions about appropriate organizational assessment methods, tools, and steps can be made. It should be a systematic and multi-stage process where the engagement unfolds with mutually determined adaptations in the steps, methods, and activities. This adaptation should be guided by formative evaluation yielding lessons learned from capacity builders, organizational leadership, and other participants.

2. *It supports the organization's and its leaders' ability to articulate their capacity building aspirations and needs.*

Organizational leaders take a back seat in the process when they rely solely on the expertise of those outside of the organization to determine what capacity building efforts are needed. The more rigid, formulaic, and pre-determined the process is and the more it is based on outside expert judgements, the less capacity the organization will build to shape their efforts at organizational development effectively in the future. This challenge is particularly daunting for CBOs who typically possess minimal resources, including staff and volunteer leadership time, to commit to capacity building.

The long-term goal should be for organizational leaders to have a full enough understanding of what they need and want for their organization that they can communicate it to those they wish to facilitate their capacity building. That way, they can be the drivers of the capacity building efforts. Facilitators of capacity building should aim to provide the support that organizational leaders need to gain such understanding and ability.

3. *It assesses the readiness of the organization and its absorptive capacity (how much, how fast, and what level of capacity building activity it can effectively learn and sustainably integrate into its performance).*

This is a principle widely shared by practitioners at all levels. An assessment of an organization may show that it requires a lot of work to build its capacity in whatever dimensions of its performance it aims to improve. But, the question must be asked, what are they ready to do now? When assessing readiness, organizational leaders and capacity building facilitators should

consider what is feasible for the CBO to take on. This involves asking questions such as:

- ✓ Is the organization currently in a position to devote sufficient staff and volunteer time and budget resources to capacity building?
- ✓ Are we stable enough and do we have enough margin of time and budget to undertake the activities?
- ✓ What are the opportunity costs to the organization if we pursue this?

Obviously, if the organization is already taxed by other significant demands such as conducting a capital campaign, there will be natural constraints on the CBO's ability to engage in capacity building.

Similarly, when assessing its absorptive capacity, an organization must determine how much, how fast, and what scope of capacity building activity it can feasibly pursue. In deciding its answers to these and the readiness questions, the three elements of capacity building in Figure 3 (page 6) again provides a valuable framework.

First, who is the target of our capacity building effort -- the organization as a whole? The organization and its relation to the constituencies, community, or population it aims to serve? Specific units or departments? Individual leaders or groups of leaders?

Second, how will we conduct the capacity building? What strategies, methods, and practices will we employ (such as assessment, training, coaching, peer learning, and technical assistance)? And third, what functional dimensions or components of the target will we work to strengthen? Examples might include fund development, program planning and evaluation, or collaboration and partnerships.

The resources needed for capacity building (such as actual staff and volunteer time, money, or technology) can be estimated as these questions are addressed. The organization in partnership with outside experts can draft an action plan with a timeline that allows them to set reasonable benchmarks regarding how much, how fast, and what scope of capacity building activity is reasonable to undertake.

4. *It includes an integrated ensemble of activities, opportunities, and resources rather than "one off," discrete, or separate elements.*

One off approaches like a one-time training or a seminar can offer helpful new information, but they do not typically yield lasting results. At best, the individuals who participate can learn valuable knowledge or skills, but they might be hindered in translating that into more effective, sustainable practices without coaching or other on-going feedback. More significantly, if the target of capacity building is the organization, what participants learn may not be shared adequately with other relevant parties in an organization, or such attempts may be ignored or resisted.

To illustrate the contrast with an integrated ensemble of capacity building activities, consider the following approach to strengthen an organization's financial resource development. It might entail a coherent overall plan that includes a series of trainings for staff and volunteers to learn about budgeting and the principles and practices of fund development. This training can be interspersed with opportunities to practice skills by applying them to important organizational fund development activities. Staff may be paired with effective veteran fund raisers as coaches throughout the year. It might add peer learning opportunities with organizations that do fundraising well. Formative and developmental evaluation data will shape on the effort. Taken together this sequence of supports and strategies adjusted during implementation could strengthen the CBO's ability to generate needed resources.

5. *It takes into account the context of the organization.*

The context can include its history (especially how the challenges it now faces and strengths it exhibits have been shaped by its past), perspectives of the community that it aims to serve and support (the targets of the organization's work), and its geographical setting.

Looking at the context of the organization provides a more holistic picture of what challenges and opportunities it faces. Among the many valuable benefits this provides to capacity building efforts, we highlight two. First, understanding an organization's context is extremely helpful in setting realistic goals and identifying methods best

suited for building its capacity. For example, if an organization has a history of contentious relations with other organizations in its mission domain and geographic area, then its need to expand collaboration to fulfill its mission might require exploring a much wider set of stakeholders as potential allies or engaging patiently in new approaches to resolving conflicts and building trust with those previously viewed as competitors.

Second, understanding context reveals a story of how the organization relates to its community and about what and to whom they are accountable. For example, considering the context of an organization within the St. Louis region following the Ferguson uprising generates significant implications about what that organization should prioritize. It is important for organizational leaders to consider their work in relation to the regional political, cultural, social, and economic conditions. Likewise regional issues brought to light by Forward Through Ferguson and others would need to be considered.

6. *It integrates a racial equity lens throughout its process and practices.*

Prioritizing racial equity as a chief aim both within and outside of an organization will help to guide capacity building efforts. This is likely to include growing staff, board, and other volunteer understanding of racial equity goals, factors which foster and hinder its achievement, and promising practices to pursue it. Many dimensions of the organization including staff and board composition, recruitment, on-boarding and development, and the overall organizational culture might be important areas of assessment and action.

7. *It is done as a collective. Capacity building should focus on leadership at multiple levels — reaching beyond the chief staff or volunteer officer to engage a team that is drawn from multiple levels of the organization or across organizations. Further it should work with other partners outside of the organization to coordinate capacity-building support, thereby streamlining the process and maximizing resources.*

Capacity building efforts need to move beyond just one representative within the organization, even if that representative is the chief executive. Including multiple levels of people within an organization in capacity building activities will help to increase the lasting impact of those efforts. In addition, peer learning among organizations can provide helpful insights and perspectives that can increase impact.

Fortunately, the St. Louis region has a rapidly expanding set of opportunities for such peer-to-peer, and inter-organizational learning both within and across mission domains (e.g., community development, children and youth serving organizations) and across the public and private sectors.

8. *Its focus includes the capacity to partner.*

Capacity building involves strengthening relationships across organizations and the ability to participate in and share leadership through collective initiatives that increase community impact.

Collective impact is a hot topic among organizations in the St. Louis region. However, we don't typically inquire about what it actually takes to be a good partner and work successfully with other leaders, institutions, and groups at a collective level. In fact, sometimes we don't even understand the broad spectrum and types of collaboration and partnership among organizations that are available for different purposes.

There is a rich, decades long literature about this spectrum, the factors which foster and impede successful collaboration, and the refinement of organizational and individual leader practices that hold most promise¹⁰. Those practices include such varied components as developing the collaborative style of leadership most suitable to the distinctive situation and setting and communicating shared goals using an emergent process. Because so many organizations and communities require partnerships and coalitions to successfully address their perplexing issues and fulfill their missions, it is important to devote continuing attention to this capacity.

¹⁰ See for example Mattessich, P.W., Murray-Close, M., and Monsey, B.R. (2001). *Collaboration, what makes it work: A review of research literature on factors influencing successful collaboration*. (2nd Ed.) St Paul, MN: Amherst H. Wilder Foundation.

9. *It is continuous. It requires flexibility and appreciation of its evolving, emergent nature.*

Capacity building is not one and done, but ongoing. It is often difficult to fully chart the path for a second phase of capacity building before you've completed the first. Because of this, it is important to anticipate and allow space for challenges, goals, strategies and methods to shift and evolve in order to respond to what is being discovered through the process.

To draw a medical analogy, it is very common for the initial "presenting symptoms" that may trigger capacity building to yield a "diagnosis" and "treatment or intervention plan" that proves premature once a more thorough discovery takes place. For example, capacity building efforts may be triggered by an organization's concern with the "symptom" of insufficient funding. The CBO may prematurely seek to "strengthen its fund-raising" as a solution or intervention, only to discover it first must address far more basic or underlying needs. The need to clarify and reach agreement about what population or community it seeks to serve and support, what credibility and competency it has to provide what that population perceives to be valuable benefit, and how it can develop its staff and volunteer (including board) resources to deliver it are examples. Remaining flexible and adaptive throughout the engagement is best suited to its emergent nature.

10. *Its evaluation design and execution take into account all of the above, and emphasizes process as well as outcomes, formative as well as summative assessment.*

Evaluating the impact of capacity building is not just about the end result, but also about how you got there. Because capacity building is such a multi-stage yet coherent ensemble of activities and processes, and because the process is emergent yet always aimed at achieving goals and outcomes, both formative and summative assessment is essential. Similarly, both assessment of the individual stages and components and the whole engagement are essential. The overall summative evaluation will include evidence of both intermediate and longer term outcomes, perhaps as long term and complex as community impact, depending on the target and goals of the capacity building. And the formative, periodic assessment along the way will require gathering in depth qualitative as well as quantitative evidence in order to make the adjustments integral to success in such an unfolding process.

RECOMMENDATIONS FOR USING THE PRINCIPLES

As we consider how to make the best use of these principles, we first note that these principles are aspirational. We also recognize that they may be daunting, particularly for some of the smaller organizations that we want to be included in capacity building efforts. Some basic needs must first be met before an organization can fully and effectively engage with these principles, which speaks to their absorptive capacity. With that in mind, we make the following recommendations:

- ✓ *Do not tackle it all at once.* Many of these principles may seem immediately helpful and relevant to your current capacity building efforts. However, starting by incorporating all of them at one time will unnecessarily stretch your organization thin, keeping you from seeing lasting results. Focus on one to three of them at a time, while keeping the others in mind, until the organization seems ready to take on more.
- ✓ *Embrace the challenge.* For organizational leaders determining which of these principles merit their focus and attention we also caution against gravitating towards the ones that feel comfortable and easy. We urge you to challenge yourself and your organization. Your organization's true growth needs, not comfort and familiarity, are your best starting points.
- ✓ *Don't lose focus on the why.* Capacity building only matters if the end result is valuable mission fulfillment and community impact.

NEXT STEPS

Social Innovation STL will use this framework as a springboard for further exploration and pilot implementation. SISTL will also highlight regional capacity building approaches that: (1) reflect the guiding principles, particularly integrating a racial equity lens; (2) support organizations that are typically overlooked for capacity building; and (3) foster collaboration and alignment among stakeholders.

The hope is that this framework will not only facilitate alignment, but also shift the St. Louis region's approach to capacity building, making our practices and results more inclusive and transformative.

Social Innovation STL plans to put the framework into practice in several ways. Immediate next steps include:

- ✓ Continuing the conversation: We hope to facilitate a continued conversation around this framework region-wide. We will share our findings, get additional feedback, and engage our stakeholders in this work.
- ✓ Underscoring existing examples of capacity building that reflect the principles: Our region currently has effective and unique examples of the principles in action. We will highlight them as illustrations of how to use the principles and will assist in sharing lessons learned.
- ✓ Continuing our exploration: We believe that intentionally integrating a racial equity lens into organizational capacity building will yield more equitable results. SISTL is partnering with Forward Through Ferguson and area practitioners to explore what a capacity building approach centered on racial equity could look like.

APPENDIX A: INFORMANTS

Our informants have played a variety of roles in the St. Louis region. They have committed years of service in community benefit organizations, consulting firms, intermediaries, and funders to improve the well-being of our region. Many informants' distinguished careers have seen service across these categories as they moved from CBO leader to philanthropy or from funder to consultant and advisor*. These multiple roles and diverse experiences provided us with unique and valuable insight. We are grateful to the following for sharing their experience, advice, and vision:

Allie Chang-Ray, *Deaconess Foundation*

Deb Dubin, *Gateway Center for Giving*

David Dwight, *Forward Through Ferguson*

Bridget McDermott Flood, *Incarnate Word Foundation*

Kay Gasen, *Consultant and former Director, Community Partnership Project, UMSL*

Elizabeth George, *The Rome Group*

Karl Guenther, *Community Builders Network*

Claire Hundelt, *Daughters of Charity Foundation*

Katie Kaufmann, *Ready by 21*

Evan Krauss, *East Side Aligned*

Mary McMurtrey, *St. Louis Community Foundation*

Marissa Paine, *Alliance for Nonprofit Management*

Julie Russel, *United Way of Greater St. Louis*

Julie Simon, *United Way of Greater St. Louis*

Felicia Shaw, *Regional Arts Commission*

Gloria Taylor, *Community Women Against Hardship*

Sean Thomas, *Consultant and former Executive Director, Old North St Louis.*

Andy Thorp, *Miriam School and Learning Center*

Emily Wexler, *Grantmakers for Effective Organizations*

*Many informants' roles have changed since publication. We list them here with their organizational affiliation as it was at the time of our interview.

APPENDIX B: PROMINENT MODELS AND TOOLS

From Scholarly and Practice Articles

A wide range of practice and scholarly literature was reviewed for this paper. One source included scholarly and practice articles on capacity building from numerous periodicals including the Journal of Urban Affairs, Nonprofit Management and Leadership, the Nonprofit Quarterly, and the Stanford Social Innovation Review (SSIR). We recommend four excellent articles from this broader review:

Kania, J., and Kramer, M. (2015). The equity imperative in collective impact. *Stanford Social Innovation Review*. Retrieved from https://ssir.org/articles/entry/the_equity_imperative_in_collective_impact.

McCambridge, R. (2011). Nonprofit capacity building for what? *Nonprofit Quarterly*, 17(4): xx-xx.

Milleson, J.L., Carman, J.G., and Bies, A.L. (2010). Why engage? Understanding the incentive to build nonprofit capacity. *Nonprofit Management and Leadership*, 21(1): 5-20.

Seagert, S. (2006). Building civic capacity in urban neighborhoods: An empirically grounded anatomy. *Journal of Public Affairs*, 28(3): 275-294.

From Philanthropy, Intermediaries, and Consultants

A second source of practice articles, models, and tools about capacity building came from nonprofit and philanthropic intermediaries, associations, and consulting firms. There is a plethora of such sources. Highlights include:

- Grantmakers for Effective Organizations
 - Strengthening nonprofit capacity: Core concepts in capacity building*. (2016)
 - Shaping culture through key moments*. (2016)
 - These publications and excellent reviews of models and literature are available at www.geofunders.org.
- David and Lucille Packard Foundation
 - AbleChange framework*. (2011)
 - There are good research articles on this model and additional information at the Foundation's Organizational Effectiveness Knowledge Center (www.oe.pakard.org) and at the AbleChange website (www.ablechange.msu.edu).
- National Council of Nonprofits
 - Chandler, J. and Kennedy, K.S. (2015). *A network approach to capacity building*. Washington, DC: NCN.
 - NCN has numerous capacity building resources and references available at www.councilofnonprofits.org.
- Leap of Reason
 - Morino, M. (2011). *Leap of reason: Managing to outcomes in an era of scarcity*. Washington, DC: Venture Philanthropy Partners.
 - Leap of Reason Ambassadors Community. (2015). *The performance imperative: A framework for Social Sector Excellence* (Release 1.0). Washington, DC: Morino Institute.
 - To learn more visit <https://leapambassadors.org>.
- TCC Group
 - Raynor, J. (2016). *Capacity building 3.0: How to strengthen the social sector eco-system*. New York: TCC Group.
 - Visit www.tccgrp.com to learn more.

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