

“Promising Practices” for Capacity Building

TCC GROUP

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Agenda

- **How Do Nonprofits Become More Effective?**
- **Overview of Effective Approaches to Capacity Building**
- **Building Leadership Capacity**
- **The Best Types of Capacity Building to Address the Four Core Capacities**
- **Consulting Best Practices**
- **Workshops/Training Best Practices**
- **Peer Exchange Best Practices**
- **Coaching Best Practices**

How Do Nonprofits Become More Effective?

Common Capacity Building Efforts

1. Building Adaptive Capacity

Organizational Assessment, Strategic Plan Assessment, Evaluation, Partnerships and Strategic Restructuring

2. Building Leadership Capacity:

Board Development, Executive Coaching, Strategic Planning

3. Building Management Capacity:

Human Resource Development

4. Building Technical Capacity:

Fundraising Assistance, New Financial Systems, Technology Upgrades, Facilities Planning



**Overall “Promising Practices”
for Capacity Building**

Effective Approaches to Capacity Building

- **Use a “holistic” approach to any type of capacity building**
- **Begin by assessing “organizational readiness”**
- **Make sure the capacity building is at the appropriate level**
- **Engage real “change agents”**
- **Ensure that there is a basic level of “leadership” and “adaptive” capacity**

Effective Approaches to Capacity Building (cont.)

- **Make sure that the organizational culture is considered.**
- **Commit the right amount of monetary resources to the effort**
- **Ensure accountability and use incentives for implementation**
- **Ensure an appropriate fit between the capacity builder and the nonprofit organization**

The Best Types of Capacity Building to Address the Four Core Capacities

Leadership

- **Coaching**
- **Peer Exchange**

Adaptive

- **Consulting**
- **Workshops/Training**
- **Peer exchange**

Management

- **Consulting**
- **Peer exchange**
- **Workshops/Training/Formal Education**

Technical

- **Workshops/Training**
- **Consulting/Technical Assistance**



Building Leadership Capacity

Improving Leadership

- **Professional development**
- **Coaching**
- **Mentoring**
- **Board development**
- **Peer networking**
- **Fellowship programs**
- **Sabbaticals**

Issues in Leadership: Founder's Syndrome

- **Founders play a unique role in their organization**
- **Founder's "ownership" of the organization can impede objectivity**
- **"Burnout" is also common**
- **Board monitoring (and sometimes, action) is essential**

Issues in Leadership: Succession Planning

- **Nonprofits require different styles of leadership, depending on their stage of development.**
- **Executive turnover is an increasingly important concern throughout the sector**
- **Many nonprofits lack a “deep bench”**
- **Founder transitions can be especially tricky**
- **Periods of transition require the board to play an even stronger leadership role**
- **Be prepared! Assess the organization’s current and likely future leadership needs**
- **Communicate, communicate, communicate**

Types of Capacity Building

“Best Practices”

Consulting Best Practices

- **Experienced consultants**
 - Years
 - Education
 - Knowledge of the nonprofit sector
 - Knowledge of the community
 - Ability to work in different organizational cultures (without rocking the boat)
 - Substantive knowledge
 - Interpersonal/relationship skills
 - Ability to assess leadership and adaptive capacity
 - Ability to assess readiness
- **Engaging all key organizational stakeholders**
- **Solicit ongoing and frequent feedback on the consulting process/engagement**
- **Provide skill development**
- **Engage “change agents”/senior leaders and board**
- **Work on things that will likely succeed**

A Holistic Approach to Capacity Building: Integrating Leadership and Adaptive Capacity Building into Consulting Engagements

- All consultants should assess the adaptive and leadership capacities of an organization at the start of any engagement**
- All consultants should assess how the organizational culture affects an organization's adaptive and leadership capacity**
- For any type of capacity building, provide the knowledge and tools needed to use the improved capacity to strengthen adaptive and leadership capacity**
- Require the engagement of all organizational leaders**

Training/Workshop Best Practices

- **Led by experienced capacity builders**
- **Formal curriculum**
- **Adult learning**
- **Time for peer sharing/networking**
- **Additional/follow-up learning opportunities**
- **Customize to needs of the audience (where and when possible)**
- **More than a one-time session**
- **Provide team-based training to a group of “change agents” within an organization**
- **Target organizational change agents**
- **Provide tools**

A Holistic Approach to Capacity Building: Integrating Leadership and Adaptive Capacity Building into Training and Workshops

- **Engage organizational leaders (“change agents”)**
- **Make time for peer learning and networking—
improves leadership and adaptive capacity**
- **Incorporate content on how to use the material,
information and/or knowledge to improve
leadership and adaptive capacity**
- **Provide team-based learning to a group of change
agents**

Peer Exchange Best Practices

- **Formalized and ongoing process designed to achieve a clearly established set of goals and objectives specific to leadership development**
- **Participants serve as both “teachers” and “learners”; everyone must bring something to the table**
- **Facilitated by an experienced group facilitator**
- **Engages the same group of similarly motivated individuals, with the same facilitator, on an ongoing basis**
- **All participants take time throughout the process to reflect on how well it is working in relation to achieving the established goals and objectives**
- **Enough informal sharing and networking to build trust and understanding among participants**
- **A clear set of ground rules**

A Holistic Approach to Capacity Building: Integrating Leadership and Adaptive Capacity Building into Peer Exchange/Learning

- **Help the group establish leadership and adaptive capacity improvement goals**
- **Facilitate in a way that brings everyone back to leadership and adaptive capacity**
- **Provide plenty of time for informal sharing and networking**

Coaching

Best Practices

- **Provided to executive directors and occasionally other senior leaders and/or a board chair**
- **Weekly, bi-weekly or monthly calls/visits that last 30 to 60 minutes**
- **Can be for a short period of time (i.e., six to eight weeks) or an extended engagement**
- **Trained/experienced leadership “coach”**
- **Up front, identify leadership strengths and weaknesses and develop goals, objectives and strategies for addressing them**
- **Ground each session in the personal, professional and organizational vision—why are you doing what you’re doing?**
- **Begin each session with a review of the goals, objectives and a check-in on strategies to implemented**
- **Occasional homework (when and where appropriate)**
- **Address all facets of leadership—review above qualities of leadership**

Best Practices for Improving Organizational Culture

- **Strengthen/improve leadership (refer above)**
 - **Coaching can be a particularly useful tool to improve leadership in such a way that organizational leaders serve as a catalyst for culture change**
- **Plan regularly, consistently held events where:**
 - **Staff successes are celebrated (individual and group)**
 - **Organizational successes are celebrated (including client outcomes)**
 - **Staff get to spend time with one another “socializing”**
 - **Staff get to spend time reflecting back on their work for a specified period of time**
- **Plan a bi-annual retreat**
- **Develop/refine a frequent and ongoing performance review process that incorporates elements of unifying, validating and re-energizing**
- **Have at least one purely “social” event each year and ensure that the event can be attended by as many staff and volunteers as possible**