BUILDING A NETWORK

Recommendations for Redefining Capacity Building in Southeast Michigan

Prepared by Michigan Community Resources

IN PARTNERSHIP WITH MICHIGAN NONPROFIT ASSOCIATION, NONPROFIT ENTERPRISE AT WORK, AND THE UNIVERSITY OF MICHIGAN TECHNICAL ASSISTANCE CENTER

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NEW SOLUTIONS FOR NONPROFITS

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Special thanks to each capacity building service provider who provided information for the Ecosystem Map & Inventory. The Collaborative looks forward to working and learning together with many of you to serve nonprofits in Southeast Michigan.

Finally, the Collaborative is extremely grateful not only for the financial support of the Ralph C. Wilson, Jr. Foundation to complete this report, but also for their leadership in advancing capacity building in the region.

We are also indebted to Co.act Detroit for joining us to share its time, knowledge, space and networks to support this work.

This report was carried out on behalf of the Ralph C. Wilson, Jr. Foundation.

COVER PHOTO COURTESY OF CO.ACT DETROIT

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About the Authors

Michigan Community Resources (MCR) advances the missions of Michigan nonprofit organizations that serve low income individuals and communities through pro bono and low cost legal and other professional services, organizational development, and trusted guidance.

Michigan Nonprofit Association (MNA) is a statewide membership organization dedicated to serving the diverse nonprofit sector through advocacy, training, and resources. Membership is open to all Michigan nonprofit/tax exempt organizations. For-profit businesses and government entities may join as affiliate members.

The Collaborative

The Collaborative was made up of partners Michigan Community Resources, Michigan Nonprofit Association, Nonprofit Enterprise at Work, and The University of Michigan Technical Assistance Center. This collaborative was convened by Michigan Community Resources on behalf of the Ralph C. Wilson, Jr. Foundation and Co.act Detroit.

Nonprofit Enterprise at Work (NEW) improves the impact and performance of fellow nonprofits by working alongside leaders to create high-quality strategic solutions that advance their missions in our communities.

The University of Michigan Technical Assistance Center (UM TAC) is dedicated to establishing and promoting socially just communities, and deploys its interventions to support Detroit residents and stakeholders as they work to strengthen and improve their neighborhoods.

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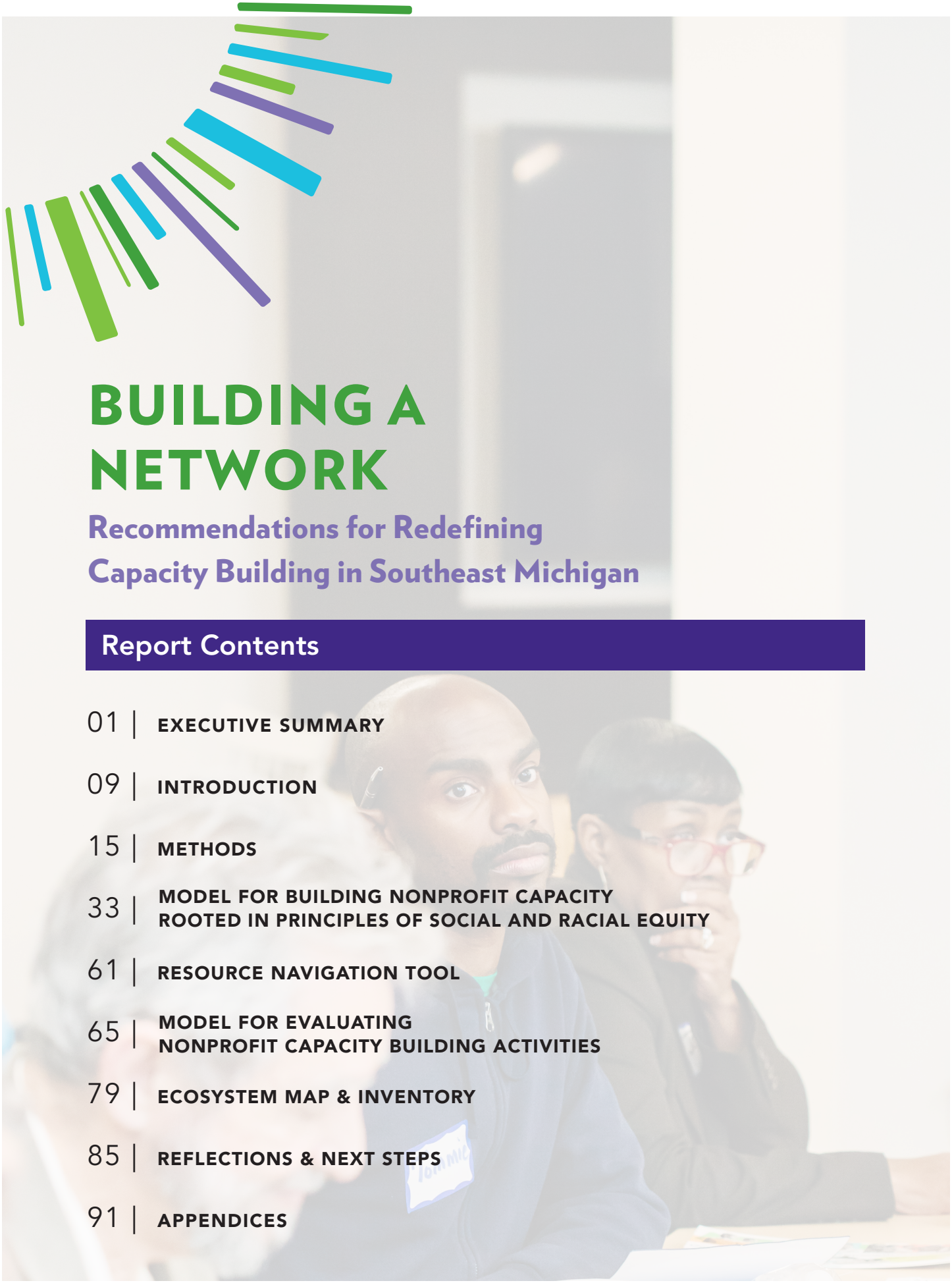
Report Contents



EXECUTIVE SUMMARY

THE TIME IS RIPE FOR A RENEWED APPROACH TO CAPACITY BUILDING FOR NONPROFITS.

The time is ripe for a renewed approach to capacity building for nonprofits. Thanks to decades of groundbreaking work by organizations such as the National Community Development Institute, the terminology and field of practice for capacity building has evolved from a one-directional focus on "fixing" nonprofits and the communities which they serve, to a focus on providing them with the needed tools, resources, and opportunities to address barriers that limit their success.

As the National Community Development Institute (NCDI) notes,

> *"A community is able to guide its own transformation process when it has good information, adequate resources, and the right kind of technical support. When capacity building is done right, social change occurs in response to the voice of the community."*[1]

Effective capacity building is contextual, continuous, and collective. The nonprofit ecosystem, including nonprofits, funders, businesses, consultants, networks, intermediaries, and government, are all **co-actors** in shaping the policies, practices, attitudes, and cultural norms that form the context in which nonprofits operate.

1 Satterwhite, O. and Teng, S. cited in CompassPoint Nonprofit Services. (2007). Culturally-Based Capacity Building: An Approach to Working in Communities of Color for Social Change. Cultural Competency in Capacity Building. http://3cjh0c31k9e12hu8v920fcv0-wpengine.netdna-ssl.com/wp-content/uploads/2016/04/Culturally-Based-Capacity-Building.pdf

Transforming social conditions in Southeast Michigan is predicated on these co-actors working intentionally as a network to dismantle structural racism, social inequality, and other systemic barriers within individual organizations, the ecosystem, and communities.

There is undeniable opportunity to build on the recent attention and activity around capacity building in Detroit and add to the dialogue catalyzed by initiatives such as Building the Engine of Community Development in Detroit (BECDD) and the Detroit Capacity Building Forum. This moment presents an opportunity to reframe how the ecosystem views, values, and invests in capacity building. The recent launch of Co.act Detroit, a physical hub for nonprofit support, provides a place to facilitate reflection and action, and to ground new ideas that emerge from this dialogue in practice.

With this in mind, a collaborative of four nonprofit intermediaries- Michigan Nonprofit Association (MNA), Michigan Community Resources (MCR), Nonprofit Enterprise at Work (NEW), and the University of Michigan Technical Assistance Center (UM TAC) coalesced around a shared vision for a capacity building system for Southeast Michigan, starting with Detroit as the core.

The report that follows presents our recommendations for investing in this system. It represents the culmination of 1 and a half years of sharing and mining our decades of collective expertise, a review of capacity building literature, a scan of program evaluation data sets from partner organizations, 7 focus groups, and 4 expert interviews.

Guided by our vision of "thriving Southeast Michigan communities through thriving nonprofit organizations" and informed by our collective Theory of Change, our recommendations provide the blueprint for a capacity building system anchored by four components: a new model of capacity building, a Resource Navigation Tool, an Evaluation Framework, an Ecosyetm Map.

In a broad sense, the recommendations, case studies, and research findings in the report are intended as a resource for the entire nonprofit ecosystem. Still, many of the recommendations that it contains are framed with special reference to Co.act Detroit, recognizing that it will be uniquely positioned to bring elements of the capacity building system to life.

GLOSSARY TERM

Nonprofit: A nonprofit is defined as an organization with a defined mission for social impact. Any revenue the organization generates must go back into achieving the organizatin's expressed mission, rather than into the pockets of members or shareholders

For the purposes of this report, "nonprofit" can refer to organizations that are tax-exempt with a 501(c)(3) designation and/or grassroots organizations run by volunteers, and/or formalized not-for-profit organizations without a 501(c)(3) designation.

Equipping Nonprofits to Drive Social Change

The first anchor of the system is a capacity building model rooted in principles of social and racial equity. In this model, strengthening the internal functioning of nonprofit organizations is a step in a larger process of transforming social conditions in communities. Advancing social change means tackling large, complex problems that are beyond the scope of any single nonprofit organization or ecosystem stakeholder.

On a high level, addressing policies, practices, institutions, attitudes, and values that perpetuate social and racial inequality within the nonprofit ecosystem and in communities requires leveraging the resources, strengths, and knowledge of a broad-based network. On a smaller scale, leveraging network capacity can take the form of building a coalition around changing funding practices of philanthropy or organizing communities of practice in which multiple capacity building service providers coalesce around shared values to guide their respective work.

For this reason, our model is underpinned by 2 strategies:

Strategy 1: Build Nonprofit Capacity to Meet Mission

Objective: Strengthen the internal capacity of nonprofit organizations to meet their

mission. This means investment in 7 capacity areas: **Talent**, **Operations**, **Funding & Resources**, **Culture**, **Strategy & Planning**, **Program Development**, **Management & Evaluation**, and **Leadership & Governance**.

The Collaborative approaches each capacity area through the lens of social and racial equity principles. In this way, the conversation around advancing social and racial equity within organizations mimics the external conversation around advancing social and racial equity in the nonprofit ecosystem and within communities.

TALENT

Definition: Build the capacity of nonprofits to recruit, retain and invest in the knowledge, skills and leadership of diverse, capable, empathetic staff at all levels

OPERATIONS

Definition: Build the capacity of nonprofits to manage operational functions such as budgeting and accounting, data and technology, organizational policies and procedures, communications and human resources

FUNDING & RESOURCES

Definition: Build the capacity of nonprofits to secure

1. Income through fundraising, philanthropic giving and earned income streams
2. Nonmonetary resources (pro bono services, volunteers, in kind donations)

CULTURE

Definition: Build the capacity of nonprofits to critically examine and challenge the attitudes, practices and values which shape how they operate internally and how they engage with their constituents and actors within the nonprofit ecosystem, including funders, nonprofits, networks, business, government, and intermediaries

STRATEGY & PLANNING

Definition: Build the capacity of nonprofits to develop plans to achieve their organizational goals and to put those plans into action

PROGRAM DEVELOPMENT, MANAGEMENT, & EVALUATION

Definition: Build the capacity of nonprofits to develop and manage programs and services which are responsive to community needs and voice, and to evaluate the effectiveness of those programs and services

LEADERSHIP & GOVERNANCE

Definition: Build the capacity of nonprofits to develop diverse, empathetic boards and executive leadership that demonstrate vision and competence.

Some tactics to put this strategy into action: *Funding, Assessments, Targeted Convenings, Coaching and Consulting, Mentorship, Fiscal Sponsorship, and Low Cost or No Cost Professional Services.*

Strategy 2: Build Network Capacity for Social Change

Objective: Strengthen the capacity of nonprofits to work effectively in collaboration with each other and with other nonprofit ecosystem stakeholders to: 1) shape policies, practices, attitudes, and cultural norms that form the context in which nonprofits operate, particularly in communities of color, and 2) to multiply the impact of their

Sarida Scott, executive director of Community Development Advocates of Detroit (CDAD), participates in a committee meeting at Co.act Detroit. **PHOTO COURTESY OF CO.ACT DETROIT.**

Volunteers from DTE Energy during a skills-based volunteering day with Grace in Action. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

individual efforts to transform social conditions in communities.

Some tactics to put this strategy into action: *develop an Ecosystem Map, facilitate communication between nonprofits and funders, and provide facilitation support for collaborations.*

Creating Access by Design

The second anchor of the system is a **Resource Navigation Tool**. Creating access is a core function of the capacity building system envisioned by the Collaborative. We believe that nonprofits can be key drivers to transform social conditions in their communities when they have access to information, resources, and supports to address barriers to success.

The tool is designed to foster access by providing:

1. A centralized directory of capacity building resources and providers
2. A platform for nonprofits to share feedback on their user experience with capacity building resources and providers.

Striving for Continuous Improvement

The third anchor of the system is an **Evaluation Framework.** The Collaborative believes that our proposed model for building nonprofit capacity will result in changed attitudes, practices, and policies within individual organizations and the broader ecosystem. Further, we believe that our model will lead to transformed outcomes in communities.

Yet, how can we measure progress towards these outcomes? How can service providers working with Co.act Detroit put the proposed capacity building tactics into action and collectively understand the impact of their services on organizations' internal functioning? How can service providers gather feedback on their services and use it to improve their approach?

Our evaluation framework is designed to address these questions along with others related to how to evaluate capacity building activities. It consists of a series of tactics to gather and interpret data to serve the following goals:

1. Examine the impact of capacity building tactics on nonprofits' organizational functioning
2. Evaluate service quality, client satisfaction, gaps in service, and barriers to access
3. Measure progress towards outcomes identified in the Collaborative's **Theory of Change**

The framework also includes methods for feeding this evaluation data back to relevant nonprofit ecosystem stakeholders for continuous improvement of capacity building strategies and services. It is intended to help funders, capacity building providers, and other relevant stakeholders to use evaluation findings to better understand unmet needs and challenges of nonprofit clients. This will allow for the development of new interventions and approaches to service delivery.

A core value of our framework is that a one-size-fits-all perfection not be the standard by which impact is measured. This means not holding nonprofits to an unachievable pre-determined standard and, by extension, not creating a structure that forces capacity building providers to do so.

"I also think that along with that, this idea of competition versus connectedness is kind of something that we're trying to shift. Especially when it comes to the game changers at some of these higher levels of resource allocation or power. I think having the ability to speak with one voice about what the changes are that we want to see how it would be better if we want to move the needle on the community as a whole to change expectations for funders about how they're even going to give grants to organizations, what that looks like… the importance there of…I don't want to homogenize it but like being able to have a collective voice in talking about what those changes are."

COMMENT FROM A FOCUS GROUP ATTENDEE

Mapping the Ecosystem

The Collaborative recognizes that the capacity building system must be grounded in an understanding of the evolving needs and priorities of nonprofit organizations and ecosystem stakeholders in order to remain dynamic and relevant. To this end, the system's fourth anchor is an **Ecosystem Map**.

The Ecosystem Map is envisioned as a tool to inform the proposed capacity building system in two ways. First, it will present a comprehensive picture of evolving needs and other key indicators within the nonprofit ecosystem in Southeast Michigan. Second, it will share information on emerging capacity building initiatives to more effectively consider what can be leveraged and connected.

A key mechanism for building out and continually updating a robust Ecosystem Map will be a proposed Biennial Census: "The State of the Nonprofit Ecosystem in Southeast Michigan." The census will be used to gather data on key indicators within the nonprofit ecosystem and on emerging capacity building initiatives through a survey tool. The survey tool, which will differ for nonprofit organizations and other ecosystem stakeholders, can be used to:

- Capture evolving needs, characteristics, and barriers faced by nonprofits
- Catalog existing capacity building services
- Monitor trends in funder investment priorities
- Track other key indicators within the nonprofit ecosystem in Southeast Michigan
- Identify new and emerging ecosystem initiatives
- Measure awareness of existing ecosystem initiatives
- Measure connectedness to existing ecosystem initiatives

The data gathered through the census, which should be made widely available to the ecosystem can be used by funders, capacity building providers, and other relevant stakeholders to understand evolving needs and challenges and refine their approach to supporting nonprofits in response.

This data can also be used to demonstrate connectedness, breadth, and impact of each identified ecosystem initiative across various stakeholder groups. These efforts can then not only be intentionally documented and mapped, but also connected in person for deeper impact and information sharing.

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Dreaming Big

From the start it was clear that in order to build capacity in a way that was new and transformative for nonprofits, the ecosystem, and communities, our system had to do more than support nonprofits in developing solid budgeting practices, fund development plans, and marketing strategies; it needed to support nonprofits in changing the

environment in which they operate and to address systemic issues that perpetuate social and racial inequality in the communities they serve.

But how?

We asked nonprofits, intermediaries, corporate partners, technical assistance providers and others to help us answer that question. What we learned is that the key to equipping nonprofits to drive change in the ecosystem and in communities is to build their capacity to work effectively in collaboration with one other and with other nonprofit ecosystem stakeholders **as a network**.

In "Building a Network", we have laid out our blueprint for a capacity building system in Southeast Michigan. Central to this system are strategies to both strengthen nonprofits' internal functioning and strengthen their ability to function as part of a network collectively striving to advance social change.

We invite nonprofits, funders, intermediaries, businesses and other ecosystem stakeholders to join us as we work to bring these strategies to life as we pursue the following next steps in Phase II of this work. Together we will redefine capacity building for Southeast Michigan.

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INTRODUCTION

CAPACITY BUILDING IS FUNDAMENTALLY ABOUT IMPROVING EFFECTIVENESS AND RESILIENCY AT THE ORGANIZATIONAL LEVEL.

Preparing a nonprofit organization to respond effectively to change, to adapt successfully to new and unforeseen conditions, and to seize opportunities are essential characteristics of a strong capacity building system.

In recent years, capacity building has become a prominent focus of discussion among nonprofit ecosystem stakeholders in Detroit (i.e. nonprofits, technical assistance providers, funders, corporate partners, government, academia, and nonprofit intermediaries). The increased attention, funding, and activity around capacity building has been coupled with a growing consensus and awareness that capacity building is simultaneously about building the capacity of individual nonprofits to improve organizational functioning and meet their missions, as well as building the capacity of nonprofits to work as an integrated part of a network to maximize the impact of social change efforts.

These conversations have made space for greater alignment between funders, capacity building practitioners, intermediaries, nonprofit and community based-organizations, and other stakeholders to reimagine a new service delivery model and streamlined investments in organizational capacity.

FOR YOUR INFORMATION

Building the Engine of Community Development in Detroit (BECCD) is a citywide process to strengthen Detroit neighborhoods by building a coordinated, equitable system for community development work in the city. The initiative began in 2016 with research gathering and development of strategies. Phase II (2019-2020) will involve testing strategies as stakeholders continue to build the system.

HTTP://WWW.BUILDINGTHEENGINE.COM

The first **Detroit Capacity Building Forum (DCBF)** was convened by The University of Michigan Technical Assistance Center in early 2018. The DCBF brought together capacity building stakeholders from across Detroit and the region to begin to envision a capacity building system focused on equity and just outcomes for communities.

HTTP://SSW.UMICH.EDU/

Catalyzing the increased attention and activity around capacity building has been the renewed interest around exploring investment approaches to capacity building by funders—most notably, the Ralph C. Wilson, Jr. Foundation. The Foundation is committed to investing resources from its $1.3 billion endowment into capacity building as a key strategy for supporting livable communities, one of its four core areas for grantmaking[1]. Part of this investment has been in the form of the development of Co.act Detroit, a physical hub where nonprofits in Southeast Michigan can collaborate and innovate with other organizations, connect to needed technical support, and assess their organizational strengths and challenges.[2] Other funders reimagining capacity building support to their grantees include The Kresge Foundation's Kresge Innovative Projects: Detroit grant, incorporating technical assistance to their Round 4 and 5 applicants and grantees; The Ford Foundation's investment in the Transforming Power Fund, a social justice fund for grassroots activists through Allied Media Projects; and the Knight Foundation through the Community Foundation of Southeast Michigan investing in organizational talent and nonprofit leaders as a joint effort with Co.act Detroit—to name a few.

The second catalyst has been the emergence of initiatives such as **Building the Engine of Community Development in Detroit (BECDD)** and the **Detroit Capacity Building Forum (DCBF)**. These two initiatives, though different in focus, both emphasize the need for greater coordination and alignment of efforts within Detroit's capacity building ecosystem to effect social change in communities.

Inspired by these developments in Detroit's capacity building landscape, a collaborative of four nonprofit intermediary organizations with decades of practical experience serving nonprofits in Southeast Michigan applied to the Ralph C. Wilson, Jr. Foundation to support the development of a capacity building tool for the region. After receiving the grant award, the partners' vision for the project scope evolved through ongoing discussions and testing assumptions.

As a collaborative, **Michigan Nonprofit Association (MNA)**, **Michigan Community Resources (MCR)**, **Nonprofit Enterprise at Work (NEW)**, and the **University of Michigan Technical Assistance Center (UM TAC)** came to consensus around a vision that would allow them to more effectively leverage the Foundation's investment and the collective experience, knowledge, and networks of the partner agencies to create a resource with long-lasting value for the nonprofit ecosystem in Southeast Michigan.

With this in mind, the Collaborative proposed a shift in focus from building a capacity building *tool* to building a capacity building *system* for the region. The system, founded on the Collaborative's Theory of Change, is anchored by four components:

1. **A MODEL FOR BUILDING NONPROFIT CAPACITY ROOTED IN PRINCIPLES OF SOCIAL JUSTICE AND RACIAL EQUITY.**

   Central to the Collaborative's model is the belief that nonprofits can be key drivers to transform social conditions in the communities they serve when the power dynamics of the funder-grantee relationship are democratized and nonprofits have access to funding, access to decision makers, and access to effective, customized technical support to address barriers which limit their success. The underlying assumption in this model for the organization's success is self-determination.

1 Bartczak, L. (2019, February 28). *Catalyzing Collaboration and Innovation: How the Ralph C. Wilson, Jr. Foundation is Taking a Networked Approach to Building Nonprofit Capacity.* https://grantcraft.org/content/case-studies/catalyzing-collaboration-and-innovation/

2 Ibid.

In this model, the purpose of capacity building is not to "fix" nonprofits or dictate standards by which they must evaluate their own success. Rather, the purpose of capacity building is to catalyze change by fostering a culture where nonprofits are drivers of change in their own communities. By providing nonprofits with the supports and access they need to 1) achieve their individual visions for community change, and 2) work collaboratively as part of a network of nonprofits and other actors within the nonprofit ecosystem to shape policies, practices, and cultural norms, the hope is that this approach will multiply the impact of nonprofits' individual efforts to transform social conditions in communities.

Representatives from two Detroit nonprofits connect at a recent Co.act event. **PHOTO COURTESY OF CO.ACT DETROIT.**

2. A MODEL FOR EVALUATING NONPROFIT CAPACITY BUILDING

The evaluation framework outlines a series of tactics to gather and interpret data to examine the impact of capacity building services on nonprofits' organizational functioning; evaluate service quality and excellence, standards of performance, client satisfaction, gaps in service, and barriers to access; and to measure progress toward outcomes identified in the Collaborative's Theory of Change. The framework includes methods for feeding this information back to relevant nonprofit ecosystem stakeholders for continuous improvement.

The goal of the framework is intended to help funders, capacity building practitioners, and other relevant stakeholders to use evaluation findings to better understand unmet needs and challenges of nonprofit clients. This will allow for the development of new interventions and approaches to service delivery.

3. A RESOURCE NAVIGATION TOOL

The Resource Navigation Tool provides a searchable directory of capacity building resources and technical assistance providers, designed to be updated on an ongoing basis. The Tool is also conceptualized to include a crowdsourced review function that will allow nonprofits to rate and share feedback on their experience with capacity building resources and providers. By sharing aggregated feedback on user experience, the tool will facilitate ongoing dialogue between capacity building practitioners, intermediaries, and nonprofit and community based-organizations with their peers.

4. AN ECOSYSTEM MAP & INVENTORY

The Ecosystem Map is designed to identify emerging capacity building initiatives to more effectively consider what can be leveraged and connected. The Ecosystem Map is also conceptualized as an inventory to gather a comprehensive picture of evolving needs, demographics, investment priorities, and other indicators within the nonprofit ecosystem in Southeast Michigan.

In a broad sense, this report is intended as a resource for the entire nonprofit ecosystem. The recommendations, case studies, and findings from research and engagement on nonprofit needs and barriers found in these pages can be used by ecosystem stakeholders to:

- **For all stakeholders:** Inform how to define capacity building and the goals of capacity building
- **For funders, corporate partners, technical assistance providers, nonprofit intermediaries, and capacity building practitioners:** Guide various approaches for investing in, and delivering capacity building services
- **For nonprofits:** Define and co-design expectations of capacity building services and related service providers

Co.act Detroit's Executive Director, Allandra Bulger.
PHOTO COURTESY OF CO.ACT DETROIT.

"It seems like you also need to build networks. We both need to build in strength, and it seems this is more about how to connect this network. But the network in a lot of cases just doesn't exist."

COMMENT FROM A FOCUS GROUP ATTENDEE

The Collaborative also recognizes the unique opportunity presented by the Ralph C. Wilson, Jr. Foundation's investment in capacity building in Southeast Michigan through Co.act Detroit. As the newly launched center establishes itself as a hub for nonprofit support, it will be uniquely positioned to:

1) activate elements of the capacity building system; and
2) facilitate alignment and coordination of capacity building efforts among ecosystem stakeholders, moving them closer towards operating as a cohesive system.

For this reason, the following report is particularly intended to inform the continued investment and work of the Ralph C. Wilson, Jr. Foundation and Co.act Detroit.

Report Outline

The report is organized in six sections.

The first section, "Methods," provides an overview of how the Collaborative used their collective expertise, a review of capacity building literature, and stakeholder engagement to develop and later refine the Theory of Change behind the group's recommendations. The second section, "A Model for Building Nonprofit Capacity Rooted in Principles of Social & Racial Equity," lays out the Collaborative's core strategies for strengthening nonprofit capacity with tactics to put them into action. The third section, "A Model for Evaluating Nonprofit Capacity Building," lays out recommendations for evaluating the implementation of the Collaborative's core strategies and tactics through Co.act Detroit specifically and through capacity building service providers more broadly. The fourth section, "A Resource Navigation Tool," outlines features of the proposed resource. The fifth section, "Ecosystem Map & Inventory," highlights two current initiatives in the capacity building ecosystem and a concept for an inventory evolving needs, demographics, investment priorities, and other indicators within the nonprofit ecosystem in Southeast Michigan. Finally, the report concludes with reflections on the Collaborative's process, key takeaways for the sector, and a forecast of next steps.

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METHODS

RECOGNIZING THE LIMITATIONS OF OTHER CAPACITY BUILDING DIRECTORIES, THE COLLABORATIVE CREATED A VISION FOR A CAPACITY BUILDING SYSTEM ANCHORED BY FOUR SYSTEM ELEMENTS.

The Collaborative originally convened with the goal to design a capacity building tool to serve nonprofits in Southeast Michigan. However, as partners discussed lessons learned from previous iterations of capacity building directories, we recognized limitations common to these types of initiatives.

For example, these tools have often not been complemented by a process to guide end users from an assessment of their organizational needs to trusted guidance to navigating information in a resource directory to then accessing those resources. The tools are also often developed without reference to all that is happening in the broader capacity building ecosystem so that stakeholders can identify gaps and opportunities to connect work to have greater impact. Additionally, they commonly fail to incorporate an evaluation process that identifies barriers to access and gaps within services, so that they can be systematically addressed. Finally, these tools are often developed in isolation from efforts to address systemic gaps and barriers within the nonprofit ecosystem or social and racial equity, more broadly.

Recognizing these limitations, the partners coalesced around a vision for a capacity building system anchored by four elements:

1. **A TECHNICAL ASSISTANCE PROCESS**
2. **AN EVALUATION FRAMEWORK**
3. **A RESOURCE NAVIGATION TOOL**
4. **AN ECOSYSTEM MAP AND INVENTORY**

The Collaborative believed that the development of a shared Theory of Change was an essential step to solidifying our approach and guiding our recommendations for the four system elements.

Phillis Judkins, neighborhood advocate and nonprofit leader, at a recent MCR event. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

GLOSSARY TERM

Theory of Change: a comprehensive description and illustration of how and why a desired change is expected to happen in a particular context

Theory of Change Development

The Collaborative's Theory of Change was developed through an iterative process spanning multiple planning meetings. First, the Collaborative sought to reach consensus on a shared vision for the Referral System. Second, we outlined the elements of our Theory of Change: our vision, our understanding of the context in which this system would operate, the assumptions guiding our choice of strategies, strategies to effect change, and target outcomes by which we can measure that change.

The Collaborative's initial Theory of Change was based on data gathered through 1) sharing and mining our collective expertise, 2) completing a scan of literature on existing capacity building frameworks and issues and best practices in nonprofit capacity building , and 3) program evaluation data collected by partners, notes from engagement events for Co.act Detroit, and notes from UM TAC's 2018 Detroit Capacity Building Forum.

COLLECTIVE EXPERTISE

MCR convened a table of seven individuals from Collaborative member organizations to move this project from ideation to execution. Collectively, members of this table have over fifty years of experience in nonprofit capacity building. Experiences include work with organizations in every nonprofit sub-sector and with organizations of all sizes on needs including strategic planning, board development, fund development, community planning, and more. These diverse experiences led to robust planning discussions that shaped every step of the process.

During our initial Collaborative meetings, dedicated time was spent allowing each organization to share best practices and perspectives on capacity building. Some of the challenges and opportunities shared by partners in those discussions regarding operating beliefs and perceptions within the social sector that hinder a thriving, equitable and accessible nonprofit ecosystem are as follows.

CHALLENGES

- "Culture eats strategy for breakfast." In other words, nonprofits may have sound strategy yet be unable to effectively put it into practice due to damaging attitudes, practices, or values from within the organization or the ecosystem.
- Institutional racism within social institutions is a threat to thriving communities.
- Organizations are chronically pressed for funding, leading to competition for scarce funding.
- Organizations need time and talent as well as funding to support their work.
- Organizations face many systemic barriers to success, including access to resources, access to decision makers, access to skill-building opportunities, and access to customized, effective technical support.

OPPORTUNITIES

- Nonprofits are vital to our communities and want to deliver on the promises of their missions.
- Nonprofits can play a key role in fostering systemic change.

1 The Annie E. Casey Foundation's *Theory of Change: A Practical Tool for Action, Results and Learning* (2004) informed the terminology and framing used for our Theory of Change. https://www.aecf.org/m/resourcedoc/aecf-theoryofchange-2004.pdf

- There are real opportunities to work across sectors and disciplines to create meaningful change within nonprofits and in communities.
- There is value in communities of practice where nonprofits and their peers learn together.
- Through capacity building, there is opportunity to connect nonprofits and their leaders to tools and opportunities to address the systemic barriers that inhibit their success.

The process of creating the Theory of Change pushed the partners to have tough conversations with each other about our unique approaches and beliefs related to capacity building and the nonprofit ecosystem. It also helped identify and solidify our approach to this initiative as a group.

Volunteer attorneys and Detroit nonprofit leaders network before a MCR legal clinic in 2018. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

Literature Review

Before beginning development of the system elements, the Collaborative believed that it was important to complete a scan of existing research on nonprofit capacity needs, best practices for building nonprofit capacity, and existing capacity building frameworks.

The literature review provided the opportunity for the Collaborative to vet, challenge and expand its understanding of the context in which nonprofit organizations operate and assumptions about what it takes to build nonprofit capacity. Key takeaways from our scan are discussed below.

THE SHIFT TO "CAPACITY BUILDING 3.0"

In TCC Group's influential paper "Capacity Building 3.0," the authors outline a shift in thinking about capacity building, exemplified in evolving approaches and discourse from practitioners and thought leaders within the social sector. As described in the text, "While capacity building was historically framed as a benefit bestowed upon nonprofits and NGOs by funders and outside parties, it has become increasingly clear that all actors within a social ecosystem can profit from capacity building."[1]

The core idea is that the goal of capacity building, once viewed as building the capacity of nonprofit organizations to meet their internal needs, has shifted to include both building the capacity of nonprofit organizations to meet their internal needs and to contribute to the capacity of the larger social ecosystem.[3]

The TCC Group informed our belief that the system must include more than just capacity building service providers and nonprofit organizations. Like the TCC Group, we believe funders, the private sector, and government all have a role to play. Additionally, we were informed by the TCC Group's capacity building methodology, especially with ecosystem stakeholders other than nonprofits.

2 Raynor, J., Cardona, C., Knowlton, T., Mittenthal, R. and Simpson, J. (n.d.) Capacity Building 3.0: How to Strengthen the Social Ecosystem. TCC Group. Website: https://www.tccgrp.com/resource/capacity-building-3-0-how-to-strengthen-the-social-ecosystem/

3 Ibid, pp.10

Nonprofit leaders connect at a recent Co.act Detroit event. **PHOTO COURTESY OF CO.ACT DETROIT.**

CONNECTING CAPACITY BUILDING TO SOCIAL CHANGE

In *Culturally-Based Capacity Building: An Approach to Working in Communities of Color for Social Change* (2007), Satterwhite and Teng describe National Community Development Institute's (NCDI) approach to building capacity in communities of color. Rather than limiting focus to strengthening organizations and networks, the NDCI engages the communities in which they work in a capacity building process, which they intentionally link "to a broader social change agenda with the vision of bringing about social transformation in communities of color."[4]

The NCDI's approach informed our belief that capacity building can be transformational for nonprofits, the ecosystem, and the broader society when connected to efforts to address systemic gaps and barriers within the nonprofit ecosystem and social and racial equity, more broadly. We share the view, articulated by Satterwhite and Teng, that:

> *"Capacity building is part of a much larger and more purposeful journey that is beyond facilitating the next meeting or creating the best strategic plan—i.e., a journey that keeps social transformation at the center of the capacity building process."*[5]

ADDRESSING THE RACIAL LEADERSHIP GAP

The racial leadership gap in board membership and executive leadership of nonprofits has been highlighted in recent years through empirical studies such as *Leading with Intent* (2017)[6] and *Race to Lead: Confronting the Nonprofit Racial Leadership Gap* (2017).[7] These studies validated common concerns and perceptions regarding diversity, equity, and inclusion within the nonprofit sector.[8] They also substantiated our belief that the racial inequality within nonprofits and the nonprofit ecosystem prevents people with more diverse, culturally-aware approaches to problem-solving, and who may be more receptive to and reflective of community voice and perspective, from obtaining positions of influence and leadership.

The Collaborative recognized that addressing institutional racism within the nonprofit ecosystem is a critical first step to bringing in new leadership and new perspectives within the nonprofit ecosystem. While often isolated from discussions around capacity building, the partners recognized that building the capacity of organizations within the ecosystem to address racial inequality through their practices, attitudes, and values was an important first step to increasing their effectiveness at driving social change.

Upon completion of our literature review, the Collaborative determined that while we could borrow aspects of existing frameworks, none of them fully reflected the system we envisioned. As a result, we adapted pieces of several frameworks to inform the development of the Theory of Change.

4 Satterwhite, O. and Teng, S. cited in CompassPoint Nonprofit Services. (2007). Culturally-Based Capacity Building: An Approach to Working in Communities of Color for Social Change. "Cultural Competency in Capacity Building." http://3cjh0c31k9e12hu8v920fcv0-wpengine.netdna-ssl.com/wp-content/uploads/2016/04/Culturally-Based-Capacity-Building.pdf

5 Ibid.

6 BoardSource. (2017). Leading with Intent: 2017 National Index of Nonprofit Board Practices. https://leadingwithintent.org

7 Thomas-Breitfeld, S. and Kunreuther, F. (2017). Race to Lead: Confronting the Nonprofit Racial Leadership Gap. http://www.racetolead.org/race-to-lead/

8 See nonprofitAF.com. (2014, April 28). "Capacity Building for communities of color: The paradigm must shift (and why I'm leaving my job)" and Freiwirth, J. & Letona, M.E. (2006) "System-Wide Governance for Community Empowerment." Nonprofit Quarterly. for reference.

Data Set Review

Review of key existing data sets included:

1. Notes from a 2018 engagement event organized for Co.act Detroit
2. Notes from UM TAC's 2018 Detroit Capacity Building Forum
3. Program evaluation data collected by Collaborative partners

2018 STAKEHOLDER CONVENING FOR CO.ACT DETROIT

Community Wealth Partners and 313 Creative, on behalf of the Ralph C. Wilson, Jr. Foundation, convened leaders from nonprofits, philanthropy, and technical assistance providers—including most of the partners of the Collaborative—to discuss the goals, mission, potential programs, and design of the capacity building center now known as Co.act Detroit.

The Convening influenced our understanding of context by highlighting needs within the nonprofit ecosystem, such as:

- Both nonprofits and ecosystem funders should learn from one another; it's a two-way street
- Innovation means exclusion to most nonprofits who are focused on the basics
- Nonprofits face "the challenge of the double bottom line"—balance of mission versus margin
- Key needs for nonprofits include both funding and expertise to support succession planning for existing organizations

The Convening also influenced our guiding beliefs about how capacity building can be effectively designed to meet the needs of the nonprofit ecosystem in the region through the center. Nonprofit stakeholders expressed a desire to see the center:

- As a place to enable informal communication, peer to peer learning, and relationship building—less about transactional "services"
- As a trusted place to convene the funders, a space where funders can learn what nonprofits see and experience
- As a space to work together for collective problem-solving around shared issues, in an intentional, collaborative manner
- As a place to promote greater coordination and communication between actors within the ecosystem to avoid redundancy
- As a space in which assessments are not made a barrier to accessing resources that leaders say they need

UM TAC 2018 DETROIT CAPACITY BUILDING FORUM

Individually and collectively, Collaborative members recognized the need for a more integrated and accessible capacity building ecosystem in Southeast Michigan. Toward that end, the University of Michigan Technical Assistance Center (UM TAC) convened its first Detroit Capacity Building Forum (DCBF) in early 2018. The DCBF convened capacity building stakeholders from across the city and region—including members of the Collaborative—to begin to envision a system focused on equity and just outcomes for communities. The Collaborative was informed by and built off of the collective wisdom gleaned from the DCBF as our planning process began in the Spring of 2018.

The Forum influenced our understanding of context by highlighting barriers to fostering coordination and collaboration within Detroit's capacity building ecosystem, such as:

Stakeholder engagement at Co.act Detroit in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

Discussion at a recent convening of the New Economy Initiative's Neighborhood Business Initiative. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

- An unwillingness to say no, egos, scarcity mindset, and fear of the new or different as barriers to partnership
- "Gatekeepers" as a barrier to equity and access to capacity building services
- Lack of trust and honest communication about capacity building needs with funders as a barrier for nonprofits
- Lack of investment and coordination of connectivity as barriers to creating accountability and models for success

Discussion at the Forum also helped shape our guiding beliefs about what is needed to shape an effective capacity building system:

- Fostering authentic partnership and trust will require shared knowledge and agendas between organizations and "getting out of your box"
- Fostering equity/social justice will require addressing structural racism head on; cultivating indigenous leadership
- Fostering collaboration and power equity; relationships are the greatest opportunity and need in the capacity building ecosystem
- Creating accountability and models for success within the capacity building ecosystem will require a map of the ecosystem, an inventory of capacity building resources, and a table where different sectors within the broader nonprofit ecosystem can come together.

PROGRAM EVALUATION DATA COLLECTED BY COLLABORATIVE PARTNERS

The Collaborative reviewed program evaluation and need data from the following sources:

- 2015-2016 Need Data from Capacity Building Program applicants – Michigan Community Resources, n=69
- 2016-2018 Office Hours Appointments by topic area – Michigan Community Resources, n=233
- 2017 Capacity Need Data from New Economy Initiative nonprofit grantees – Michigan Community Resources, n=19
- 2018 Member Survey Data – Michigan Nonprofit Association, n=86

Overall, the results of our data scan affirmed our assumptions regarding some of the most common areas of organizational need for nonprofits: Fund Development, Professional Services (Legal), Program Planning and Implementation, Marketing, Evaluation, Board Development, and Talent Development.

We recognize that the ability of this data to tell the whole story of nonprofit capacity needs is limited by sample sizes of some of the data sets and gaps in contextual information related to the nonprofits' size, years of existence, and the socioeconomic status and racial mix of the nonprofits' staff and leadership. However, we considered it a helpful place to gauge nonprofit capacity building needs.

Stakeholder Engagement

Once the Collaborative developed an initial Theory of Change, we used stakeholder engagement to vet and refine it. Our primary stakeholder engagement strategies included:

1. **One-on-one Interviews:** Focused conversations with key individuals to garner in depth feedback
2. **Focus Groups:** Small group discussions with a wide variety of stakeholders
3. **Feedback Session:** Small group session with key individuals to receive feedback on recommendations and engagement findings to date

Stakeholders recording comments during a Co.act meeting in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

Interviews

METHODOLOGY

Four in-depth one-on-one interviews were conducted with influential stakeholders in the ecosystem—Sarida Scott with Community Development Advocates of Detroit, Maggie DeSantis with Building the Engine of Community Development in Detroit, Jane Morgan with JFM Consulting Group, and Don Jones with the New Economy Initiative.

KEY FINDINGS

Each conversation highlighted the connection between systems level change and direct assistance for individual nonprofits. Specifically, that individual nonprofits will be important actors in any systems change effort.

This pushed us to consider building internal nonprofit capacity and equipping nonprofits for systems change not as two separate tracks, but rather as integrated and simultaneous strategies.

A second key takeaway was for the need to engage funders as critical actors in the effort to advance systems level change.

Focus Groups

METHODOLOGY

Over the course of 7 focus groups, 52 individuals from a variety of stakeholder groups provided thoughtful feedback on organizational needs, capacity building service provision, and opportunities for systems level change.

Focus group attendees were grouped into the following categories: Small or Volunteer-Led Organizations, Large or Staff-Led Organizations, and Intermediaries (which were made up of many different types of stakeholders that serve nonprofits directly or indirectly through their work, including nonprofits, funders, corporations, consultants, and more). Focus group participants were assured that their feedback would remain confidential among attendees and anonymous in the final recommendations.

The goal of each focus group was to begin co-creation of what a system for nonprofit capacity building could look like. Attendees across all focus groups participated in an interactive exercise designed to gather data on nonprofit needs and how those connected to the proposed strategies from our initial Theory of Change.

The second half of the focus group was tailored to the specific audience in attendance. In the nonprofit focus groups, attendees discussed the connection between their needs and capacity building services. This included how they would like to receive services, where they currently receive services, what barriers prevent them from accessing services, and how might their organizations interact with a capacity building system.

In the mixed stakeholder focus groups, attendees vetted and reflected on the data

A volunteer from DTE Energy provides energy efficiency advice to a Detroit nonprofit during a 2018 skills-based volunteer day. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

collected in the nonprofit focus groups. From there, attendees discussed how a capacity building system could add value to their work and how they envision their organizations and/or the nonprofits they work with interacting with the system.

Exit surveys were administered at the end of each focus group to gather any final feedback or reactions that attendees may not have had time to share or felt comfortable sharing with the full group.

KEY FINDINGS

To analyze the results from the focus groups, The Collaborative used codes to sort and categorize feedback by the proposed strategy to which it was connected. Additionally, data was coded to connect feedback to specific information we were seeking—Needs, Barriers, Referral System Feedback, General Recommendations, and Other. The complete Code Guide is available as Appendix IV.

Raw data and a more detailed summary are available in Appendix I.

Barriers & Needs

A primary focus of our engagement was identification of top needs and barriers faced by nonprofits from the perspective of the three attendee categories. Below we highlight the top 5 barriers and needs discussed in each of the three attendee categories. We also share their thoughts on the type of capacity building experience which they would like to have.

GLOSSARY TERM

Barrier: conditions that prevent nonprofits, networks and communities from thriving

GLOSSARY TERM

Need: services, supports, etc. that nonprofit organizations, networks or communities need to thrive

SMALL, VOLUNTEER-LED NONPROFITS

Barriers:

- The most frequently mentioned barrier by far was Inequality. The theme **Inequality** refers to how systemic disparities in power, respect, and access to resources impact nonprofits and communities. As one attendee stated, "Lack of equity in resource distribution leads to the inequitable outcomes that we see." Focus group participants felt that major change among the private sector, philanthropic, and government stakeholders and intermediaries is necessary to not only address the inequality small organizations experience, but also the inequitable outcomes we see in communities. As an example, one leader stated, "There's not a lot of resources out there; there's a lot of referring agencies. And I'm amazed at the monies that they get just to refer somebody to me, and then I can't get the money because they're getting it all!"
- The second most frequently shared barrier was Access. The theme **Access** refers to pathways to connect to funders, resource providers and resources. Many attendees expressed frustration over the difficulty they face as small organizations securing funding to support their work. One participant felt, "People don't give money just because someone applied or is eligible; they give money to people they know." Several participants felt that there was a lack of transparency in how philanthropic dollars are disbursed and who has access to those dollars. Sometimes even knowing names and who to talk to is difficult.
- The remaining three barriers included **Volunteers**, **Competition vs. Collaboration**, and **Nonprofit Culture**. Leaders of small nonprofits shared how they are often felt forced to compete, often do to a lack of resources to support their work. Similarly, they face challenges in recruiting engaged and skilled volunteers to execute their missions.

TABLE 1. Barriers Most Frequently Named by Small and Volunteer-Led Nonprofits		
RANK	**BARRIER**	**PERCENTAGE OF TOTAL MENTIONS**
1	Inequality	44
2	Access	9
3	Volunteers	8
4	Competition vs. Collaboration	6
4	Nonprofit Culture	6

Needs:

- The most frequently mentioned need of small, volunteer-led nonprofits was support with operational functions including IT, legal, accounting, and HR. As an example, one participant stated, "Technology is a must. Somebody has to keep your website and social media updated and most nonprofits don't have a tech person." Smaller organizations, in particular, expressed that it was often difficult to pay for these services or to find skilled volunteers to provide support.
- As one participant noted, "[A company] will send out volunteers, a crew of engineers and the engineers do not want to wrap diapers. I put them in a room and asked them to straighten it up and they didn't want to do that. But if you have a skill and you're volunteering, you won't take the skill you're trained in to help me."
- This was followed closely by a need for **Funding** and **Access** to relationships or pathways that would allow them to connect with funders and resource providers. Finally, **Collaboration & Partnership** and **Volunteers** were the final top needs. May participants expressed a need in building the skills of volunteers including hard skills like physical labor and project management and soft skills like respect and timeliness.

TABLE 2. Needs Most Frequently Named by Small and Volunteer-Led Nonprofits		
RANK	**NEED**	**PERCENTAGE OF TOTAL MENTIONS**
1	Legal, Accounting, HR	17
2	Funding	14
3	Access	11
4	Collaboration & Partnership	8
4	Volunteers	8

Ideal Capacity Building Experience:

- Smaller organizations expressed that their needs are often day-to-day. Because of this, they are often more likely to participate in capacity building support that addresses those immediate needs. As one attendee said, "If we meet today, I want to see how we are going to take action tomorrow. Six months of planning feels like a waste."

Erica Battle from UHY, LLP and Robert Seestadt from Apparatus Solutions lead a recent nonprofit accounting presentation at Co.act Detroit. **PHOTO COURTESY OF CO.ACT DETROIT.**

ACCESS staff members at a recent Co.act Detroit meeting. **PHOTO COURTESY OF CO.ACT DETROIT.**

- Additionally, small organizations felt it was important that the individual providing capacity building services be someone that they trust so that the community will be open to working with him or her.
- Finally, many participants mentioned that they enjoy training and workshops. They appreciated how this setting allowed them to learn and share ideas with one another. One participant mentioned that it's great to have one-on-one assistance as a follow up to a training session once you know more about the topic.

LARGER, STAFFED NONPROFITS

Barriers:

- The most frequently identified barrier for larger organizations was Nonprofit Culture. The theme **Nonprofit Culture** refers to practices, attitudes, and values associated which shape how nonprofits operate internally and how they engage with their constituents and actors within the nonprofit ecosystem. For example, describing a perceived aspect of negative internal nonprofit culture, one participant commented: "It's conflicting because a lot of organizations are responding to some social problem, are promoting inclusion or justice but internally are excluding—that's cognitive dissonance! We are inclusive, except you didn't do your time card right, so you're not going to get paid. I see a lot of that in the field." Another focus group participant, described a perceived barrier related to negative external Nonprofit Culture. The participant stated, "There are orgs that although they don't intentionally or outwardly say they don't work with one another, at some point in history maybe 20 years ago they stopped and there's new staff but the orgs still don't collaborate. People don't even know why they don't; they just don't."
- The second most frequent barrier was Awareness & Diagnosis. As an example, one attendee shared, "How do you tell an organization that it isn't preparing its own staff for a pipeline, growing staff intentionally, not shutting them down, not squishing them? … How do we create a test that tells an organization where they are on that spectrum." Attendees lifted up that organizations and leaders do not always know that they have a problem to address. To combat this, targeted assessments followed by tough conversations are necessary to create change.
- The remaining barriers included **Inequality**, **Evaluation & Impact**, and **Philanthropy**. As one participant stated, "A lot of this goes to the core of how nonprofits—particularly POC led nonprofits—are funded. You're seen as not being as effective as other nonprofits and so you don't get as much funding. It creates a vicious cycle of nonprofit starvation." As this illustrates, these barriers are often interrelated.

Needs:

- The top need of larger nonprofits was **Collaboration & Partnership**. One attendee state, "I think the competition for funding then distracts from our ability to collaborate." One attendee lifted up the Knight Arts Challenge as an example of a funding practice that inherently maintains a system of competition between nonprofits.
- This was followed by **Professional Development** and **Recruitment & Retention**. In the words of one participant, "Talent cultivation, recruitment, and retention are faced by every sector but especially by nonprofits." Many attendees mentioned

TABLE 3. Barriers Most Frequently Named by Larger, Staffed Nonprofits		
RANK	**BARRIER**	**PERCENTAGE OF TOTAL MENTIONS**
1	Nonprofit Culture	20
2	Awareness & Diagnosis	14
3	Inequality	11
4	Evaluation & Impact	9
4	Philanthropy	9
4	Time and Capacity	9

that they lose talent all the time to other sectors where talented individuals can make more money. To combat this, participants discussed the need for greater professional development opportunities as well as the ability to pay competitive salaries.

- **Funding** was the fourth most frequent need. Specifically, attendees emphasized the need for unrestricted funding, revenue diversification, and funding to support infrastructure and innovation.
- Finally, **Advocacy & Collective Action** was the fifth highest priority need. Attendees felt collective action was needed to address many of the barriers they discussed. Support in advocacy and facilitating collective action were identified as possible support areas.

Ideal Capacity Building Experience:

- While volunteer-led organizations expressed a desire for in-the-moment support to address day-to-day needs, larger organizations expressed the need for the more long term support. As one attendee said, "Stay with us for the long haul. There is often a limit or expectation on the timeline for change." Attendees prefer a long-term partnership to ensure that they are still on the right track.
- Larger organizations also preferred customized and one-on-one assistance over workshops or trainings. They saw value in resources that were tailored to the nuanced needs of the organization and allowed the service provider to deeply understand the needs of the organization.

TABLE 4. Needs Most Frequently Named by Larger, Staffed Nonprofits		
RANK	**NEED**	**PERCENTAGE OF TOTAL MENTIONS**
1	Collaboration & Partnership	13
2	Professional Development	10
3	Recruitment & Retention	9
4	Funding	8
5	Advocacy & Collective Action	7

Nonprofit leaders receive application assistance at an information session for Kresge Innovative Projects: Detroit in early 2019. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

- Larger organizations also supported the idea of funders incentivizing capacity building and/or making it a requirement of receiving a grant. One participant stated, "Funders are afraid of making capacity building mandatory… I really think that when a director gets additional skills that all staff gain… People tend to say I don't have time for that training, but they need to go to that training, so I think it's good to make capacity building a requirement."

INTERMEDIARIES

Barriers:

- The most identified barrier for Intermediaries was Competition vs. Collaboration. The theme **Competition vs. Collaboration** refers to how competition serves as a barrier to nonprofits working together. As one participant asked the group, "How do you get folks to collaborate when they have to compete for dollars? Overcoming that is very difficult."

  In deconstructing this, participants felt it was important to differentiate strategies to change practices that perpetuate competition between corporate partners and family or private foundations. One participant stated, "It helps to differentiate messaging to corporate, family foundations. Each will respond differently to the call to action. Corporate philanthropy is so closely tied to the company. Because it's rooted in a capitalist context, competition and challenge is embedded in culture. I don't know what it would take to pull corporate funders along. Family and community foundations more likely to be partners in this."
- Other barriers for this group were **Nonprofit Culture**, **Funding**, **Inequality**, and **Philanthropy**. These barriers mirror the barriers shared by nonprofits themselves.

Needs:

- The highest priority need that mixed stakeholders hear from the nonprofits they work with is **Funding**. Their reasons reflected those shared by the nonprofits in our previous focus groups.
- The second most frequent need was **Professional Development**. Like staffed nonprofits, the mixed stakeholders felt it was important for capacity building to focus on developing, growing, and retaining talent, especially talent from the population being served by the nonprofit.
- The third most frequent need expressed by mixed stakeholders was **Storytelling & Marketing**. One participant said, "Telling the story of the work is a whole other job…It's great if you can just have a person who is assigned to tell the story of the work to do that for you." Overall, participants felt that dedicated people

TABLE 5. Barriers Most Frequently Named by Intermediaries

RANK	BARRIER	PERCENTAGE OF TOTAL MENTIONS
1	Competition vs. Collaboration	16
1	Nonprofit Culture	16
2	Funding	15
3	Inequality	13
4	Philanthropy	11
5	Nonprofit Internal Systems	5

TABLE 6. Needs Most Frequently Named by Intermediaries		
RANK	**NEED**	**PERCENTAGE OF TOTAL MENTIONS**
1	Funding	12
2	Professional Development	10
3	Storytelling & Marketing	10
4	Nonprofit Culture	7
5	Collaboration & Partnership	5

and resources were required to broadcast the impact and services of the organization for a wide variety of audiences. It is noteworthy to point out that while this was a priority for the mixed stakeholders, it did not rise to the top five in any of the nonprofit focus groups.

- Finally, nonprofit **Internal Systems** and **Collaboration & Partnership** were the final top needs. Mixed stakeholders felt that nonprofits often expressed a need for support in the development of internal processes and systems. Specifically, mixed stakeholders mentioned that nonprofits should be run more like a for-profit business to ensure sustainability.

OVERALL

Across all stakeholders engaged, **Inequality** was the most identified barrier faced by nonprofits and **Funding** was the highest priority need. It is notable that both were frequently mentioned for nonprofits of all sizes. The barriers and needs named most frequently in all of the focus groups are represented in Table 7 (below) and Table 8 (page 24).

TABLE 7. Barriers Most Frequently Named during All Focus Groups		
RANK	**BARRIER**	**PERCENTAGE OF TOTAL MENTIONS**
1	Inequality	28
2	Nonprofit Culture	12
3	Competition vs. Collaboration	9
4	Philanthropy	7
5	Funding	7
6	Access	6
7	Volunteers	6
8	Collaboration & Partnership	4
8	Time & Capacity	4
9	Awareness & Diagnosis	3

Leaders from two Detroit nonprofits connect at a recent convening of Kresge Innovative Projects: Detroit Grantees. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

TABLE 7. Needs Most Frequently Named during All Focus Groups		
RANK	**NEED**	**PERCENTAGE OF TOTAL MENTIONS**
1	Funding	11
2	Collaboration & Partnership	9
2	Professional Development	9
3	Recruitment & Retention	6
3	Storytelling and Marketing	6
4	Nonprofit Internal Systems	5
5	IT	5
6	Legal, Accounting, HR	4
6	Nonprofit Culture	4
6	Planning and Strategy	4
7	Advocacy and Collective Action	4

Feedback Session

METHODOLOGY

In December 2018, the Collaborative presented its findings to date with a group of 11 mixed stakeholders at Co.act for further vetting and feedback. The mixed stakeholders were all representatives of the planning committee for the Detroit Capacity Building Forum.

Attendees participated in a data walk where they provided direct feedback on key findings to date. After that, our Theory of Change and initial recommendations were shared. Attendees were asked to share what resonated, what was missing, and what other things they're seeing that we haven't captured to date.

Finally, attendees split into small groups to dig deeper into two topics where the Collaborative desired more engagement and guidance. First, where can equity be more explicit in the system? Second, how can the Referral System best serve collaboratives?

KEY FINDINGS

In general, Feedback Session participants felt that the approach and recommendations of the Collaborative resonated with their experiences.

Participants identified two primary gaps:

- **Advocacy**: One gap identified by participants was the need for advocacy support as a tactic. This includes both building the capacity of a single organization to advocate as well as providing support to collaboratives to achieve systems change. The group indicated that while these are related, they require unique approaches and skill sets.
- **Service Provider Training:** Additionally, participants felt that it was important that training be provided for service providers. This could include peer feedback,

coaching, professional development, or group trainings for service providers of all experience levels. Service providers felt they needed to start with building their own capacity to ensure high quality guidance is provided to nonprofits.

Attendees identified several ways to best serve collaboratives including:

- *Provide training on how to collaborate*
- *Provide outside, neutral facilitator*
- *Provide time, space, and resources for collaboration*
- *Facilitate co-creation of standards for collaboration based on shared values*
- *Address competition as a barrier to collaboration*
- *Do not perpetuate forced collaboration*
- *Collaborate on policy advocacy agenda*
- *Encourage collaboration when it makes business sense for a nonprofit*
- *Provide payment for participation*
- *Support taking collaboratives to the next step (For example, beyond visioning and engagement to taking action)*

Finally, participants lifted up several ways equity can be more explicit in the system including:

- Encourage funders to be ok with unknown or shifting outcomes
- Advocate for additional resources beyond money including relationship capital, skills-based volunteerism, board service, etc.
- Create more equitable access points (For example, application processes, contact info for funders, etc.)
- Create space to tell stories and share impact beyond a grant report
- Hold long-standing organizations that are no longer relevant or effective accountable
- Provide implicit bias training
- Make the system transparent to those in the system
- Define what equity means in practice including actual steps
- Acknowledge that a shift towards equity means "losing" for the privileged
- Create operating norms around equity and institutionalize them

Janai Gilmore, Senior Program Manager at Michigan Community Resources, facilitates a discussion with the New Economy Initiative's Neighborhood Business Initiative. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

Data Limitations

The Collaborative recognizes that there were many limitations in our data collection methodology based on limited resources, tight timelines, and lessons learned along the way. Two primary limitations include:

- **Identification of Priorities**: Top themes were identified in the data by the relative frequency with which they were mentioned as a proxy for relative significance. Therefore, the data does not represent the number of unique individuals or organizations that mentioned a specific item, but rather the number of unique mentions across all stakeholders.
- **Limited Sample Size:** In total, 67 stakeholders were engaged through all engagement methods. We recognize that this is a limited sample size, but felt

Co.act Executive Director, Allandra Bulger, welcomes attendees at a Co.act event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

it was more important to have depth in our engagement than breadth. Additionally, our recommendations are based not only on engagement for this initiative, but our collective expertise as capacity building practitioners and other secondary data sets as well.

PROCESS TIMELINE

Timeline

2017

WINTER

The collaborative reconvenes with Shamyle Dobbs, the newly appointed CEO of MCR, as a new partner at the table. The group soon coalesces around a new vision: to collectively create a resource that advances just outcomes for nonprofits in Southeast Michigan and the communities which they serve. They propose a shift in project scope from designing a capacity building tool to designing a capacity building system.

SUMMER

The Collaborative creates a Theory of Change which builds upon their collective expertise and a review of capacity building literature.

The partners also outline data gathering and engagement strategies.

2019

SPRING

The Collaborative submits its recommendations for a capacity building system to the Ralph C. Wilson, Jr. Foundation.

The partners share findings with the organizations touched through engagement and capacity building ecosystem stakeholders.

SUMMER

Four intermediaries apply for a grant to the Ralph C. Wilson, Jr. Foundation to collaboratively design a capacity building tool for Southeast Michigan. The partners of the Collaborative are the Michigan Nonprofit Association (MNA), Michigan Community Resources (MCR), Nonprofit Enterprise at Work (NEW) and the University of Michigan Technical Assistance Center (UM TAC).

2018

SPRING

The proposal is officially approved in May 2018.

FALL

The partners engage 42 organizations through seven focus groups, five interviews, and one feedback session in partnership with Co.act Detroit.

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A MODEL FOR BUILDING NONPROFIT CAPACITY

ROOTED IN PRINCIPLES OF SOCIAL AND RACIAL EQUITY

IN THIS MODEL, STRENGTHENING THE INTERNAL FUNCTIONING OF NONPROFIT ORGANIZATIONS IS A STEP IN A LARGER PROCESS OF TRANSFORMING SOCIAL CONDITIONS IN COMMUNITIES.

The first, foundational anchor of the capacity building system designed by the Collaborative is a model for building nonprofit capacity that is rooted in principles of social and racial equity. The strategies which underpin the model are grounded in two components of our shared Theory of Change, which was discussed in the previous chapter. First, the strategies were shaped by our understanding of the context in which nonprofits operate. Second, the recommendations were guided by our assumptions or core beliefs about the change needed to build nonprofit capacity in a transformational way and about the conditions under which change would be possible.

As described in the previous chapter, the Collaborative identified and solidified our understanding of context and our guiding assumptions regarding the strategies needed to move toward our vision through an iterative planning process and stakeholder engagement.

Attendees participate in a feedback exercise at Co.act Detroit. **PHOTO COURTESY OF CO.ACT DETROIT.**

"So how do we cultivate talent? You may not have had the same access to education that other people have. Another piece of that conversation is how credentialed community developers are and they say residents aren't as valid or important. How do we say, 'You're a young person, you're a resident, we can get you there, create an environment to get you there; we value your experience as a long-time resident and will fight to keep you in these nonprofits so that you're making decisions that affect people.' Not just creating space for people who show up with great resumes."

COMMENT FROM A FOCUS GROUP ATTENDEE

Grounding Our Strategies in Context and Assumptions

The Collaborative articulated the following understanding of context in our Theory of Change to guide strategy development:

- The number of nonprofit organizations continues to increase.
- Still, outcomes related to health, housing and financial stability, education, employment, and other social well-being indicators remain poor.
- Nonprofit organizations, particularly those led by people of color, are often under-resourced.
- These organizations lack access to the funding, relationships, and effective technical support they need to advance their missions and maximize their impact.
- Institutional racism is embedded in the attitudes, practices, and norms of the nonprofit ecosystem.
- This ecosystem includes nonprofits, funder networks, business, government, and intermediaries.
- Boards and executive leadership of most nonprofits are disproportionately white.
- The communities they serve tend to be disproportionately black and brown. This gap leads to a skewed perspective on problem-solving, needs, and priorities, which may not align with the perspectives of the communities served.

The Collaborative articulated the following core beliefs in our Theory of Change to guide strategy development:

- Nonprofit organizations in Southeast Michigan can be key drivers to transform social conditions in the communities they serve when they have access to adequate resources (including funding, decision makers, technical support, etc.) that allow them to address systemic barriers which limit their success.
- Nonprofit organizations and their leaders are innately resourceful and capable of achieving their visions for change. However, they still face systemic barriers to success.
- In order to equip organizations to transform conditions in communities, organizational capacity building must: a) strengthen the ability of organizations to meet their missions, and b) strengthen organizational capacity to act within the broader nonprofit ecosystem to create change.
- Nonprofit organizations must be equipped to evaluate and challenge the attitudes, practices, and values which shape how they operate internally and how they engage with their constituents and actors within the nonprofit ecosystem.
- Intentional strategies to invest in current and future leaders of color and to address institutional racism throughout the nonprofit ecosystem are needed to close the racial leadership gap.
- Closing the racial leadership gap will create space for new, more culturally-aware perspectives on problem-solving, needs, and priorities in disadvantaged communities to emerge.

Strategies

Based on our understanding of context and guiding assumptions, the Collaborative identified two concurrent strategies to bring our vision of thriving Southeast Michigan Communities through thriving nonprofit organizations to life. Our suggested strategies focus on impacting the nonprofit ecosystem and communities by first strengthening the internal capacity of individual nonprofit organizations to fulfill their missions. As

this occurs, nonprofits will in turn be better equipped to organize and collaborate in order to impact the larger ecosystem and transform communities.

This section provides an overview of each strategy along with proposed implementation tactics to put them into action. The list of proposed tactics is not exhaustive, but intended to give tangible examples of how each strategy can be brought to life. While the strategies and tactics described below will hopefully serve to inform the work of capacity building providers broadly, they are particularly meant to inform the work of Co.act Detroit, as it considers how to focus its capacity building services.

Nonprofit leaders connect at a recent convening of the New Economy Initiative's Neighborhood Business Initiative. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

Strategy 1: Build Nonprofit Capacity to Meet Mission

The capacity building model proposed by the Collaborative is designed to strengthen the internal capacity of nonprofit organizations in 7 key areas: Talent, Operations, Funding & Resources, Culture, Strategy & Planning, Program Development, Management & Evaluation, and Leadership & Governance. The capacity areas are inherently interrelated and each contribute to key aspects of organizational functioning.

The Collaborative approaches each capacity area through the lens of integrating social and racial equity principles. In this way, the internal conversation around advancing social and racial equity within organizations mimics the external conversation around advancing social and racial equity in the nonprofit ecosystem and within communities.

TALENT

Definition: Build the capacity of nonprofits to recruit, retain, and invest in the knowledge, skills, and leadership of diverse, capable, empathetic staff at all levels

Tactics to implement this strategy include:

Assessments

Assessments for Talent can be used to identify an organization's strengths and challenges related to 1) recruiting and retaining, 2) investing in the professional and leadership development of staff, and 3) incorporating diversity, equity, and inclusion principles into its recruitment practices and internal policies.

Targeted Convenings for Networking, Peer Learning, and Best Practice Sharing

Targeted convenings for networking, peer learning and best practice sharing around Talent can provide opportunities for nonprofit professionals to network and learn from the experience and wisdom of their peers. This may include targeted opportunities for peer groups such as executive directors, entry level or mid-level staff to be convened for single events or for a series of cohort-based opportunities. Other peer groups to consider include those whose work involves talent management such as Chief Operating Officers, Chief Program Officers, human resource professionals for staffed nonprofits or the leaders operating in that capacity at volunteer-led organizations.

Coaching and Consulting

Coaching and consulting around Talent can look like nonprofit leaders working with TA providers to develop a talent strategy for their organizations. Issues addressed by the strategy may include the organizations' approach to recruitment, retention, investing in staff, and incorporating diversity, equity, and inclusion principles into recruitment practices and internal policies. Recommendations for the TA process and the values which should underpin it are discussed later in the chapter.

DEEPER DIVE: Leadership Development for Leaders of Color

With the U.S. population rapidly becoming more culturally and racially diverse, our nation is expected to become "minority white" by 2045. This demographic shift is even more dramatic for younger age groups; the majority of people under age 18 in the country will be people of color—next year. And yet, social sector leadership does not reflect this trend. There are serious issues of lack of diversity and inclusion in our social service organizations, most notably on nonprofit boards and among nonprofit executive leadership.

The 2016 Race to Lead report[1] widely sparked consideration of new ways of reaching, supporting, and connecting leaders of color. Lessons on the racial leadership gap shared in the report can serve to inform assumptions underlying leadership development programs:

- In order to be effective, professional development and learning opportunities must be accessible (and ongoing) for leaders, regardless of where they are in their career (new, emerging, established);
- A leadership pipeline that includes diverse board and staff leaders catalyzes new ideas and is essential to solving complex social issues;
- We need new ways of defining leadership as current definitions are often hierarchical and paternalistic;
- Leaders who have community trust are often more effective; relationships matter;
- Leadership can be lonely; partnerships and communities of practice can ease the sense of isolation and provide supportive network creation;
- The racial leadership gap poses a threat to nonprofit impact and performance—diversity is more than a moral imperative, it is an essential tenet of business efficacy

In a case study later in the chapter, Collaborative partner NEW shares how it provides leadership development opportunities specific to leaders of color as a tactic to build nonprofit capacity and advance racial equity in the nonprofit sector. The case study also suggests how Co.act Detroit can leverage its unique position to make leadership development programs available to nonprofits.

IDEA FROM A FOCUS GROUP ATTENDEE:

"If you get funding for operating support, maybe it's two years. Then you have to figure out how to replace it so there's never that money for IT support because your computers are now 10 years old. Or expanding your financial office because you're trying to balance all of these other different grants...all those other things that you need to do. If you scale up, you have to scale up your infrastructure."

Funding for Professional Development

Funding is a key barrier that prevents organizations from investing in professional development opportunities for staff. Funding for professional development may look like scholarship opportunities to attend conferences or providing workshops and trainings at no or low cost.

Leadership Development Initiatives

Leadership development initiatives can intentionally foster a pipeline of growth for emerging talent in the nonprofit sector, providing opportunities for entry- and mid-level staff to develop leadership skills. These opportunities could include trainings, talks, or one-on-one mentorship by current nonprofit leaders, or cohort building. The Collaborative recommends making investment in leaders of color a key priority of leadership development initiatives to address the racial leadership gap.

Professional Development, Training, and Skills-Building Opportunities

Professional development, training, and skills-building opportunities around Talent can provide an overview of topics such as the "soft" leadership skills, e.g. emotional intelligence, effective communication and delegation, etc. or skills-building related

1 Thomas-Breitfeld, S. and Kunreuther, F. (2017). Race to Lead: Confronting the Nonprofit Racial Leadership Gap. Website: http://www.buildingmovement.org/pdf/RacetoLead_NonprofitRacialLeadershipGap.pdf

to project management or operational functions for nonprofit staff or volunteers. Nonprofit staff or volunteers may later desire to engage with the subject more deeply through targeted technical assistance. To facilitate helpful peer learning and best practice sharing, trainings could be organized around skill or experience level or peer groups.

IDEA FROM A FOCUS GROUP ATTENDEE:

"Professional development designed to help POC develop professional skills while coping and healing from trauma from systemic racism"

IDEA FROM A FOCUS GROUP ATTENDEE:

"Thinking about finding people with talents or finding people with certain skills. I think especially knowing where to go for accounting needs. Not necessarily having the capacity or need to hire an accountant as a full-time staff person, but just needing someone to set up your systems. Or the same thing with database needs. The staff doesn't need to know how to build a database. So having some place you can call and say, 'I'm a nonprofit and I need an accountant to spend one day setting up our books for us."

OPERATIONS

Definition: Build the capacity of nonprofits to manage organizational functions such as budgeting and accounting, data and technology, organizational policies and procedures, communications, and human resources

Tactics to implement this strategy include:

Access to Low or No Cost Professional Services

Cost is a barrier to accessing professional services for many nonprofits—particularly those that are small or volunteer-led. Providing access to low or no cost professional services through subsidies or facilitated referrals can allow nonprofits to spend more time focusing on implementing their programs and services rather than fundraising for expensive consultant fees and provide incentive for them to not leave their internal infrastructure needs unaddressed.

Assessments

Assessments for Operations can be used to identify gaps in operational strength, which can weaken an organization's sustainability if not identified and addressed. This is especially important as it relates to legal compliance and fiscal responsibility for

DEEPER DIVE: Low or No Cost Professional Services

Nonprofits are often unable to afford crucial professional services for their organization including legal, accounting, human resources, IT services, and more. This limits their ability to maintain financial stability and achieve the impact they seek to have in their community. Corporations often express a desire to give back to the community, but lack a clear pathway to engage meaningfully with nonprofits. Curated and facilitated connections between these entities can have tremendous benefit for both parties.

Additionally, the Collaborative recognizes that nonprofits face many systemic barriers to success – access to resources, access to decision makers, access to skill-building opportunities, etc. Access to low or no cost professional services can directly impact and reduce those barriers. Directly connecting leaders of nonprofit organizations to skills-based volunteers at corporations across Southeast Michigan not only provides affordable professional services, but also provides access to power and resources for nonprofits.

In 2019, the Taproot Foundation published its State of Pro Bono: Corporate Edition report. Taproot collected data from 25 companies to assess trends and opportunities in the field. The complete report and other corporate pro bono resources are available on their website at https://taprootfoundation.org/.

The lessons learned by Taproot nationally and initiatives like the Ford Volunteer Corps and DTE Care Force locally can inform the expansion of low and no cost professional services in Southeast Michigan for the benefit of the nonprofit sector.

In a case study later in the chapter, Collaborative partner Michigan Community Resources shares how it has provided low cost or no cost professional services as a tactic to build nonprofit capacity and suggests how Co.act Detroit can leverage its unique position to make this service available to nonprofits.

Nonprofit representatives attend a recent training on nonprofit accounting at Co.act Detroit in early 2019. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

One leader from a small nonprofit noted that New Detroit hosted a "Meet the Funders" event every year. It was a chance to do a 2-minute pitch. This was important because people give money to folks they know. This gave nonprofits the facetime with organizations that you would not normally have. It is important to create access.

COMMENT FROM A FOCUS GROUP ATTENDEE

"I would talk about how it seems that for-profit organizations put more emphasis on creating an environment for their team members where they're happy and they're thriving. I've worked in nonprofit and I've worked at for-profits and it seems sometimes it's underlying thought like oh, you're doing what you love and giving back to the community and we don't have to pay you sufficiently for your time. I think for-profits do a better job sometimes at valuing their team members time."

COMMENT FROM A FOCUS GROUP ATTENDEE

nonprofit organizations.

Professional Development, Training, and Skills-Building Opportunities

Professional development, training, and skills-building opportunities for Operations can provide an overview of topics related to accounting, human resources, IT, and more for staff at all levels. To facilitate helpful peer learning and best practice sharing, trainings could be organized around skill or experience level. Especially for business practices that are often not part of the education of nonprofit employees, it can be helpful to include trained professionals like CPA's and lawyers in providing these opportunities. Staff members may later desire to engage with the topics more deeply through targeted technical assistance.

Funding for General Operations or Unrestricted Funding

Funding for general operations or unrestricted funding can provide nonprofits with the freedom to invest in their internal systems and infrastructure by hiring consultants or hiring staff with specific skill sets such as communications. Multi-year operating grants allow nonprofits to have "breathing room" to focus on strengthening their operational systems rather than being distracted by constantly applying and reapplying for funding.

Targeted Convenings for Networking, Peer Learning, and Best Practice Sharing

Word of mouth referrals are a common way for nonprofit leaders—whether from small or large organizations—to connect to professional service providers. Facilitating this exchange through networking events for peer groups such as operations support staff or leaders from volunteer-led organizations or through the online Resource Navigation Tool, which will be discussed later in the report, will make information about (quality) service providers more accessible to nonprofit leaders.

Facilitation Support for Collaborations

Facilitation support for operations-focused collaborations can look like providing facilitation support to nonprofits with shared needs that want to share back office support systems.

Coaching and Consulting

Coaching and consulting around operations can look like nonprofit leaders working with service providers to identify needs or issues related to operational functions such as policies and procedures, IT, payroll management, bookkeeping, budgeting, etc., developing action plans to address problem areas, and connecting to resources to implement those plans. This can look like a long-term consulting engagement around an operational need or a short-term engagement such as office hours, where nonprofit organizations can address a discrete question or need with a consultant.

FUNDING & RESOURCES

Build the capacity of nonprofits to secure:

1. Income through fundraising, philanthropic giving, and earned income streams
2. Nonmonetary resources (pro bono services, volunteers, in-kind donations)

Tactics to implement this strategy include:

Professional Development, Training, and Skills-Building Opportunities

Professional development, training, and skills-building opportunities for Funding &

Resources can provide an overview of topics such as fund development basics, grant writing, alternative revenue generation, building corporate partnerships, and volunteer recruitment for nonprofit staff or volunteers. They may later desire to engage more deeply through targeted technical assistance. To facilitate helpful peer learning and best practice sharing, trainings could be organized around skill or experience level or peer groups.

Coaching and Consulting

Coaching and consulting around Funding & Resources can look like nonprofit leaders working with TA providers to identify needs or issues related to fund development strategy, grant writing, relationship building, etc., developing action plans to address problem areas, and connecting to resources to implement those plans. This can look like a long-term consulting engagement focused on fund development strategy, grant writing, etc. or a short-term engagement such as office hours, where nonprofit organizations can address a discrete question or need with a consultant.

Targeted Convenings for Networking with Funders

Targeted convenings for networking with funders can provide the opportunity for nonprofits to have an initial point of contact with funders in person to build relationships. It can provide access to funders which nonprofits often do not have.

We can't take everyone as fiscally sponsored projects. We need other places to refer organizations. There needs to be a network of capable orgs that can serve as fiscal sponsors.

COMMENT FROM A FOCUS GROUP ATTENDEE

DEEPER DIVE: One-on-One Coaching and Consulting

Many nonprofit leaders want focused technical assistance to address their unique needs, but don't want to commit to a long-term leadership development or capacity building program. Short, focused, and free or affordable one-on-one consultation and coaching can quickly address these discrete needs.

An effective consultation or coaching appointment should include:

- **Thorough intake** – It is important to understand client needs and manage their expectations prior to the appointment. Equally important, thorough intake prepares the staff for the issues they may face during the appointment, so that the hour spent with the client can be as productive as possible without spending too much time gathering background information.
- **Thorough preparation** – Staff members or partners meeting with nonprofit leaders should invest time ahead of the appointment in preparation. This should include reviewing intake materials, deciding how to approach the conversation, compiling handouts and resources to share, and more.
- **Strong facilitation skills** – It is up to the staff facilitator to facilitate the conversation toward the predetermined appointment goals and avoid creating the expectation of a long-term relationship and on-going follow up.
- **Clear goals & next steps** – Clear goals must be set with the organization during intake that are achievable during the appointment length. These goals should then be reviewed and amended as needed at the beginning of the appointment. Next steps and follow up needed should be discussed and documented at the end of the session.
- **Facilitator + Cheerleader** – Service providers must continually encourage, support, and listen to leaders of these organizations. Coaching and consultation allows organization leaders to participate in the conversation instead of always having to take charge. There is also tremendous value in having a neutral outside facilitator for tough conversations amongst members.

In a case study later in the chapter, Collaborative partner Michigan Community Resources shares how it has used one-on-one coaching and consulting as a tactic to build nonprofit capacity and suggests how Co.act Detroit can work with a network of TA providers to provide this type of TA.

Leaders from Detroit nonprofits learn more about the Kresge Innovative Projects: Detroit grant program from Kresge Foundation staff in early 2019. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

IDEA FROM A FOCUS GROUP ATTENDEE:

"I thought of it as a shared system—like payroll, for example. Think about how much time across Detroit people are spending on payroll. We could make it collective. Insurance. We could collectively bargain for things like that. Also training on data. For example, we just bought Salesforce at my organization;. Imagine if we could buy as a group or something like that. We're doing some training around it right now and I'm thinking 'we're not the only ones trying to figure this out.'"

"Sometimes we have a nonprofit but we don't have the empathy of it so it more or less leaves a shadow over that community."

COMMENT FROM A FOCUS GROUP ATTENDEE

Guides and Online Resources

Fund and resource development related guides and resources can provide nonprofit staff and volunteers convenient access to tips and best practices without having to travel to an appointment or meet with a technical assistance provider. They can be made available and accessible through the online Resource Navigation Tool which will be described later in the report. After consulting guides and online resources, nonprofit staff and volunteers may later desire to engage more deeply through targeted technical assistance.

Fiscal Sponsorship

Providing fiscal sponsorship support to nonprofits—particularly smaller groups—alleviates the burden for them of managing administrative tasks which may stretch their capacity and reduce the time and resources they are able to invest in running programs.

CULTURE

Definition: Build the capacity of nonprofits to critically examine and challenge the attitudes, practices, and values which shape how they operate internally and how they engage with their constituents and actors within the nonprofit ecosystem, including funders, nonprofits, networks, business, government, and intermediaries

Tactics to implement this strategy include:

Assessments

Assessments for Culture can be used to identify attitudes, practices, and values within an organization which promote or impede healthy organizational culture. Indicators of "health" may include whether, or to what extent, attitudes, practices, and values promote:

- an environment in which staff feel supported and valued
- organizational learning
- relationships with clients based on mutual respect
- effective internal communication
- diversity, equity, and inclusion
- constructive relationships with other nonprofits or cross sector organizations

Professional Development, Training, and Skills-Building Opportunities

Professional development, training, and skills-building opportunities for organizational culture can provide an overview of topics such as cultural competence, organizational learning, and various interpersonal skills (e.g. communication, conflict resolution, etc.) for nonprofit staff or volunteers. Nonprofit staff or volunteers may later desire to engage more deeply through targeted technical assistance. To facilitate helpful peer learning and best practice sharing, trainings could be organized around skill or experience level or peer groups.

Guides and Online Resources

Guides and online resources for Culture can provide nonprofit staff and volunteers with convenient access to tips and best practices without having to travel to an appointment or meet with a provider. They can be made available and accessible through the online Resource Navigation Tool which will be described later in the

report. After consulting guides and online resources, nonprofit staff and volunteers may later desire to engage with the subject more deeply through targeted technical assistance.

Targeted Convenings for Networking, Peer Learning, and Best Practice Sharing

Targeted convenings for networking, peer learning, and best practice sharing around Culture can provide the opportunity for nonprofit leaders to learn and share strategies with their peers in a safe, supportive, trusting environment. This can take place through single events or a series of cohort-based events.

Coaching and Consulting

Coaching and consulting around Culture can look like a nonprofit working with providers to identify attitudes, practices, and values which do not contribute to a healthy organizational culture. To promote transparency and accountability, it is imperative that discussion not be limited to leadership or the board, but also intentionally include the voices and perspective of staff. Organizations receiving the TA must be prepared to create an environment in which staff feel safe and supported in sharing their honest views, particularly around sensitive issues such as race and gender. The TA can also look like plans to address identified problem areas and identifying strategies and resources to implement those plans.

Jamii Tata, Program Manager at Michigan Community Resources, at the 2018 Community Development Awards. **PHOTO COURTESY OF COMMUNITY DEVELOPMENT ADVOCATES OF DETROIT.**

DEEPER DIVE: Workshops

Workshops are a popular way for nonprofit leaders to learn more about a specific topic area of interest. Many attendees don't have a specific need that they're looking to address, but rather want to learn more about a topic new to them or that's challenging to them. Workshops are especially popular with entry level staff, new board members, and grassroots leaders. These audiences are typically looking to expand both their skills and network, so large group learning opportunities are a great platform to do both.

An effective workshop should include:

- **Clear agenda and objectives shared with attendees in advance** – Each workshop should have a clear and concise agenda with explicit learning objective laid out in advance and at the beginning of the session.
- **Strong facilitation** – Attendees are looking for an engaging and knowledgeable facilitator. The facilitator should be prepared and maintain a respectful, understanding, and positive tone for the session.
- **Accommodation of different types of adult learning** – Attendees have different preferences for how they'd like to learn about a topic. Given this, presenters should be do their best to accommodate different learning preferences by creating a dynamic workshop that facilitates learning through multiple pathways. This could include listening to a panel, reflecting independently in writing, participating in a small group discussion, and more.
- **Detailed handouts** – Individuals coming to workshops often seek and expect step-by-step tips, real-life examples, templates, and resources related to each topic area.
- **Workshop materials available online** – Many nonprofit leaders have hectic schedules and are often unable to make a workshop despite their desire to learn more about the topic. Similarly, many leaders attend workshops and then want to share materials presented with their peers. Posting workshop materials online is a simple and efficient way to facilitate this exchange.

In a case study later in the chapter, Collaborative partner Michigan Community Resources shares how it has approached hosting workshops to build nonprofit capacity and suggests how Co.act Detroit can partner with other organizations to host effective workshops.

Detroit nonprofit leaders at a recent gathering of the New Economy Initiative's Neighborhood Business Initiative. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

IDEA FROM A FOCUS GROUP ATTENDEE:

Diagnosing a problem doesn't mean you have identified right solutions. It would be helpful to have someone to talk to. Having help like a therapy session—"this is what I think I need"—and having someone help you sort through that and figure out the steps.

"The current culture operates on the fear level. Nonprofits are afraid to speak up because they don't want to lose their funding. I have so many private conversations that are way different than the public ones."

COMMENT FROM A FOCUS GROUP ATTENDEE

STRATEGY & PLANNING

Definition: Build the capacity of nonprofits to develop plans to achieve their organizational goals and to put those plans into action

Tactics to implement this strategy include:

Assessments

Assessments for Strategy & Planning can be used to identify or evaluate an organization's strategic goals and capacity to make progress towards those goals.

Professional Development, Training, and Skills-Building Opportunities

Professional development, training, and skills-building opportunities for Strategy & Planning can provide an overview of topics such as developing a strategic plan or identifying a vision and mission. Nonprofit staff or volunteers may later desire to engage with the topics more deeply through targeted technical assistance. To facilitate helpful peer learning and best practice sharing, trainings could be organized around skill or experience level or peer groups.

Coaching and Consulting

Coaching and consulting around Strategy & Planning can look like nonprofit leaders working with providers on strategic planning, articulating organizational mission and vision, etc., developing action plans to address those topics, and working through planning and visioning processes to arrive at desired outcomes. This can look like a long-term consulting engagement around developing a strategic plan, etc. or a short-term engagement such as office hours, where nonprofit organizations can address a discrete need with a consultant.

Guides and Online Resources

Guides and online resources for Strategy & Planning can provide nonprofit staff and volunteers with convenient access to tips and best practices without having to travel to an appointment or meet with a technical assistance provider. They can be made available and accessible through the online Resource Navigation Tool which will be described later in the report. After consulting guides and online resources, nonprofit staff and volunteers may later desire to engage with the subject more deeply through targeted technical assistance.

PROGRAM DEVELOPMENT, MANAGEMENT, AND EVALUATION[2]

Build the capacity of nonprofits to develop and manage programs and services which are responsive to community needs and voice, and to evaluate the effectiveness of those programs and services

Tactics to implement this strategy include:

Assessments

Assessments for Program Development, Management & Evaluation can be used to identify a nonprofit organization's strengths and challenges related to program planning, management, and evaluation- including the extent to which these three activities are led by and responsive to community needs and voice.

2 This terminology and definition were adapted from Satterwhite, S. & Teng, S. (2007). Culturally-based Capacity Building: An approach to Working in Communities of Color for Social Change. pp.10

Professional Development, Training, and Skills-Building Opportunities

Professional development, training, and skills-building opportunities for Program Development, Management, and Evaluation can provide an overview of topics such as program planning 101, program management best practices, or capturing and interpreting program data for evaluation, etc. for nonprofit staff or volunteers. Nonprofit staff or volunteers may later desire to engage with the topics more deeply through targeted technical assistance. To facilitate helpful peer learning and best practice sharing, trainings could be organized around skill or experience level or peer groups.

Coaching and Consulting

Coaching and consulting around Program Development, Management & Evaluation can look like a nonprofit working with providers to identify or evaluate program goals, timeline, and strategy for program development, management, and evaluation. The TA can also cover plans to address identified problem areas and identifying strategies and resources to implement those plans. This can look like a long-term consulting engagement around a need or issue related to program development, management, or evaluation, or a short-term engagement such as Office Hours, where nonprofit organizations can address a discrete need with a consultant.

DEEPER DIVE: Assessments

Assessments can provide a diagnostic baseline for nonprofit staff members, volunteers, and board members to have tough conversations about organizational areas that need to be strengthened. Results should serve as a starting point for reflection and consensus building around shared concerns.

An effective assessment should include:

- Belief that nonprofit leaders are innately innovative and resourceful – For in-person assessments, it is crucial that the individual delivering the assessment approach the conversation with tremendous respect for nonprofit leaders and the challenges they face in the sector. Keep in mind that this is the first impression for many leaders, so it is crucial not to approach the conversation from a judgmental or deficit-based mindset.
- Multiple assessment pathways – One size does not fit all when it comes to assessments. Effective assessments will meet organizations where they're at. This could include everything from online tools for the busy board president to an intimate conversation with a resident leader who doesn't want to complete a long test.
- Time to build relationships – It is crucial to approach this work with a priority on building trust with the organizational leaders up front. It is important to understand the organization's history, including the people and the programs, as well as to learn about how the organization fits into the context of the community as a whole.

Keep in mind that assessment results represent a moment in time. Therefore, assessment and re-assessment should be an ongoing part of any capacity building process as the organization evolves. It is also important to understand that needs may emerge over time and that the intended outcomes should be revisited throughout the capacity building engagement.

In a case study later in the chapter, Collaborative partner Michigan Community Resources shares how it has used assessments as a tactic to build nonprofit capacity and suggests how assessments can be applied at Co.act Detroit.

Staff members from the Eastside Community Network attend a networking event hosted by MCR. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

LEADERSHIP & GOVERNANCE[3]

Definition: Build the capacity of nonprofits to develop diverse, empathetic boards and executive leadership that demonstrate vision and competence.

Tactics to implement this strategy include:

Assessments

Assessments for Leadership & Governance can be used to identify strengths and challenges related to the diversity, empathy, vision, and competence or effectiveness of the board and executive leadership within a nonprofit organization.

Professional Development, Training, and Skills-Building Opportunities

Professional development, training, and skills-building opportunities for Leadership & Governance can provide an overview of topics related to board governance or board recruitment for current and future board members. To facilitate helpful peer learning and best practice sharing, trainings could be organized around skill or experience level. Board members may later desire to engage with the topics more deeply through targeted technical assistance.

Targeted Convenings for Networking, Peer Learning, and Best Practice Sharing

Targeted convenings for networking, peer learning, and best practice sharing around Leadership & Governance can provide the opportunity for nonprofit leaders and board members to learn and share strategies with their peers in a safe, supportive, trusting environment. This can take place through single events or a series of cohort-based events.

Coaching and Consulting

Coaching and consulting around Leadership & Governance can look like nonprofit leaders and board members working with providers to identify target areas of growth, develop action plans to address those areas, and work through action plans to gain desired skills and achieve desired results.

Guides and Online Resources

Guides and online resources for Leadership & Governance can provide nonprofit leaders and board members with convenient access to tips and best practices without having to travel to an appointment or meet with a technical assistance provider. They can be made available and accessible through the online Resource Navigation Tool which will be described later in the report. After consulting guides and online resources, they may later desire to engage with the subject more deeply through coaching or trainings.

Mentorship

Mentorship for nonprofit leaders and board members can provide them with the opportunity to have a thought partner or experienced advisor who can identify with their needs and challenges. This can be a particularly useful tactic to encourage and support leaders of color, given that they may have had limited opportunities to build relationships with other leaders of color, due to the relative absence of POC in leadership positions within the nonprofit sector.

3 This terminology and definition were adapted from Satterwhite, S. & Teng, S. (2007). Culturally-based Capacity Building: An approach to Working in Communities of Color for Social Change. pp.10

Strategy 2: Build Network Capacity for Social Change

The capacity building model proposed by the Collaborative is intended to strengthen the capacity of nonprofits to work effectively in collaboration with each other and with other nonprofit ecosystem stakeholders to 1) shape policies, practices, and cultural norms that form the context in which nonprofits operate, particularly in communities of color and 2) to multiply the impact of their individual efforts to transform social conditions in communities.

In this model, strengthening the internal functioning of nonprofit organizations is a step in a larger process of transforming social conditions in communities. Advancing social change means tackling large, complex problems that are beyond the scope of any single nonprofit organization or ecosystem stakeholder.

On a high level, addressing policies, institutions, attitudes, systems, practices, and values that perpetuate social and racial inequality within the nonprofit ecosystem and in communities requires leveraging the resources, strengths, and knowledge of a broad-based network. On a smaller scale, leveraging network capacity can take the form of building a coalition around changing grantmaking practices of philanthropy or organizing communities of practice in which multiple capacity building service providers coalesce around shared values to guide their respective work.

Tactics to implement this strategy include:

Provide Space

Providing physical meeting space allows stakeholders involved in a collaboration to convene on "neutral ground." This is a way to create an environment which can mitigate the impact of politics rooted in power dynamics or other issues which may cause one actor to feel at a disadvantage.

Map the Nonprofit Ecosystem in Southeast Michigan

Developing and maintaining an Ecosystem Map for Southeast Michigan will provide a resource for identifying current and emerging capacity building initiatives to more effectively consider what can be leveraged and connected. The Collaborative also recommends that the Ecosystem Map include an inventory of existing needs, services, barriers to access for nonprofits, and characteristics of the nonprofit ecosystem.

The Ecosystem Map & Inventory is the fourth anchor of the capacity building system envisioned by the Collaborative. It is discussed in more detail in a later chapter.

Facilitate Communication Between Nonprofits and Funders

The relationship between nonprofits and funders is characterized by an inherent power imbalance. Yet, funders and nonprofits are dependent on each other to realize their goals for advancing change in the communities they serve. Facilitating communication between nonprofits and funders can provide both groups the opportunity to learn from one another, allowing them to more effectively work as partners to advance their common goals.

Facilitating communication between nonprofits and funders can look like serving as a conduit for information between the stakeholder groups by meeting with each and sharing information. It could also take the form of convening learning communities where representatives from each group work together to develop shared values or guidelines to frame how they work together. Alternatively, it could take the form of a mechanism through which nonprofit organizations can communicate their honest feedback about their experience with a funder through an online rating platform.

Discussion among Kresge Innovative Projects: Detroit grantees with staff from the Kresge Foundation at a grantee convening. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

"For…philanthropy in particular, that sense that because they have the money therefore they must know what they're talking about and they get caught in a reinforcing loop where because they have the money people tell them they know what they are talking about."

COMMENT FROM A FOCUS GROUP ATTENDEE

This online mechanism for nonprofits to share ratings is a component of the third anchor of the capacity building system, the Resource Navigation Tool. The tool will be discussed in more detail later in the report.

Provide Facilitation Support for Collaborations

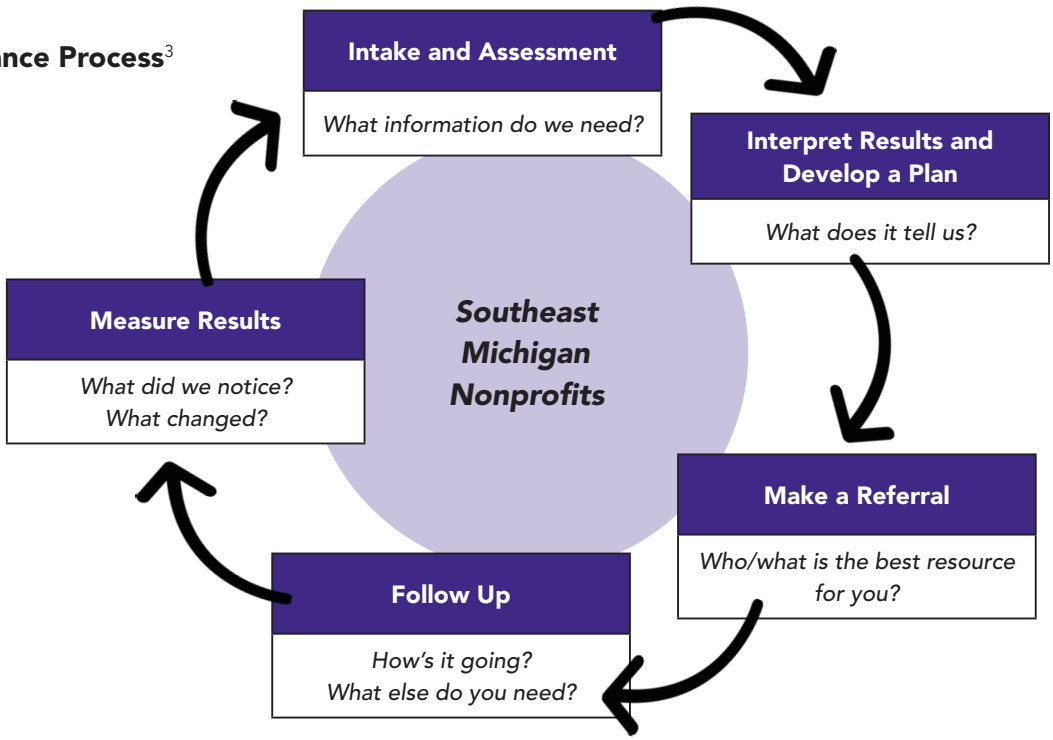
Collaborations are an important means of organizing stakeholders to leverage their collective capacity to effect change. Collaborations also require an investment of time and resources to manage effectively. Providing funding to hire a neutral facilitator or to pay for the time of a staff member from a participating organization to convene the collaboration and manage its progress towards shared goals, can ensure that collaborations are feasible and sustainable.

Facilitate Networking and Shared Learning Opportunities for Cross Sector Relationship Building

The strength of a network is at least in part rooted in the breadth and diversity of resources that its members can leverage to support its work towards collective goals. It is therefore important to involve actors from different stakeholder groups involved in collaborative efforts to change systems, institutions, etc.

Silos—whether within or between stakeholder groups—can serve as a barrier to relationship building. Providing facilitated networking and shared learning opportunities can help promote cross sector relationship building by bringing actors together and creating space for them to learn about each other and their shared goals.

FIGURE 1.
Technical Assistance Process[3]



3 Adapted from a graphic created by Nonprofit Enterprise at Work (NEW)

Technical Assistance Process and Values

The section above presented a series of strategies and tactics for building the internal and network capacity of nonprofit organizations. Several of the tactics discussed are forms of technical assistance (TA), or interventions to provide targeted support to address a development need or problem.[4]

TA can involve short- or long-term engagements and take a variety of forms:

- Assessments for boards organizations
- Direct coaching and consulting through short term engagements such as office hours or long-term engagements such as cohort-based capacity building programs
- Referrals to resources or service providers

As noted in the guidebook *Delivering Training and Technical Assistance*[5]:

> *"TA is one of the most effective methods for building the capacity of an organization. By including TA in a capacity building project, you make the capacity building much more likely to create change. According to some, 10 percent of what gets learned in training is applied on the job, while 95 percent of what is coached gets applied on the job. Technical assistance is this coaching."*

The section that follows lays out guiding principles and a process for delivering TA to support nonprofit capacity, with special reference to Co.act Detroit.

DELIVERY OF TECHNICAL ASSISTANCE

The Collaborative's approach to TA holds fidelity to decades of research and practice; our approach does not materially change what the fundamental components of an effective TA process are.

Figure 1 on the previous page illustrates our recommended TA Process, which involves five steps:

- Step One: Intake Assessment
- Step Two: Interpret Results/Develop a Plan
- Step Three: Make a Referral
- Step Four: Follow-Up
- Step Five: Measure Results

While our approach to technical assistance does not materially change what TA is, it is unique in that it recognizes that *how* TA is offered, *to whom* and *towards what end* can be determinants of individual nonprofit success and community level success. Additionally, our approach recognizes that each step in the process will look different based on the size and lifecycle of the organization.

Our process for TA continuously asks the questions of, "What's next?" and "What's changed?" for the nonprofit organization. Our model is grounded in listening to and learning from nonprofit organizations, working with them as partners to identify needs and goals, formulate action plans, connect them to relevant resources, and measure progress towards success.

Though more resource- and time-intensive, effective TA provides more customized,

Volunteers with Cornerstone 48217 implement a neighborhood project with funding and technical assistance received from MCR. **PHOTO COURTESY OF CORNERSTONE 48217.**

4 Compassion Capital Fund (CCF) National Resource Center. (2010). Delivering Training and Technical Assistance from Strengthening Nonprofits: A Capacity Builder's Resource Library series, pp.12

5 Ibid, pp.13

MCR staff at a Co.act event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

and their internal functioning is strengthened, they are better equipped to contribute to network capacity for social change.

Later in the chapter, a series of case studies will illustrate how TA and other capacity building interventions have been put into practice by partners of the Collaborative.

TECHNICAL ASSISTANCE STANDARDS OF PRACTICE

While the Collaborative's approach to TA is not new, it is guided by key standards of practice:

Effective Communication

TA providers and nonprofits communicate early and often to establish and maintain clarity about goals for the TA engagement.

Co-creation

TA providers work collaboratively with the nonprofit to determine the scope of the TA engagement. TA providers do not prescribe goals or action plans for a nonprofit organization. This can include working together to identify and prioritize areas of need, identifying goals, and/or plans for connecting the nonprofit to additional service providers to address needs.

Independence and Choice

Nonprofits have autonomy in working with consultants. In a TA engagement, the nonprofit organization has the freedom to choose its consultant, which helps foster trust and accountability.

Mutual Learning

TA providers and nonprofit leaders both possess expertise. Respect and value for the knowledge and experience of both the service provider and the nonprofit are reflected in the TA engagement. TA is offered in such a way that mutual learning can occur to inform both the service provider and the nonprofit.

Strength-Based

TA providers recognize, engage, and build upon nonprofits' strengths through the TA engagement.

Customized

TA providers recognize that organizations may require different tools and approaches based on lifecycle of the organization, the cultural context in which they operate, or other factors. They do not deliver services based on a "one-size-fits all" model. In short, they recognize the value of meeting nonprofit organizations where they are.

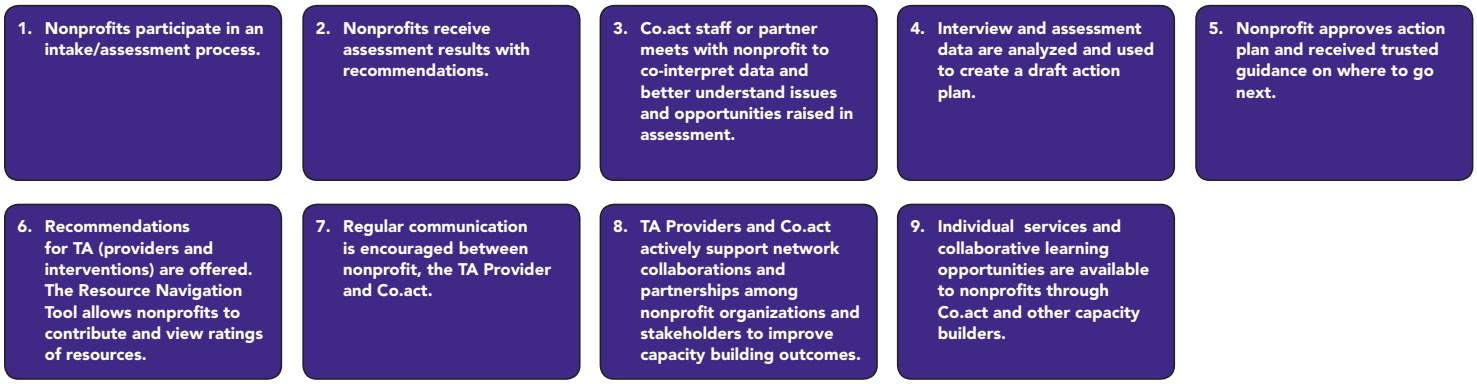
Outcomes-Driven

TA providers work with nonprofit organizations to identify desired outcomes and progress measures and to track improvements. TA providers do not prescribe what success looks like to nonprofit organizations.

TECHNICAL ASSISTANCE AT CO.ACT DETROIT

As a hub for nonprofit support that will be working with a pool of TA providers (as well as other capacity building providers), Co.act will need to define standards of practice with its network of providers. We believe that the standards above are a great place to start.

FIGURE 2. Technical Assistance Process[6]



6 Adapted from a graphic created by Nonprofit Enterprise at Work (NEW)

Co.act's network of providers will also need to outline and systematize a shared TA process flow. A sample TA process flow for the center is shared in Figure 2 above.

Capacity Building in Practice: Case Studies

The Collaborative's understanding of and recommendations regarding capacity building tactics are grounded in decades of collective practitioner knowledge. In the five case studies that follow, partners share how they have implemented capacity building tactics within their own organizations, present lessons learned from the field, and suggest how these tactics can potentially be implemented through Co.act Detroit.

Case Study 1: Leadership Development in Practice

In addition to its direct consultation to nonprofit board and staff leaders, NEW provides access to valuable personal leadership and organizational development opportunities through our Leadership DELI program. To date, there have been six program cohorts and more than 150 graduates. The first Leadership DELI launched in October 2014.

Subsequent cohorts have had 20+ nonprofits from throughout Southeast Michigan that participated. The cohorts have a mix of executive directors and emerging leaders in attendance. Program objectives include: leaders use new tools and knowledge to improve their leadership skills in seven content areas; a supportive environment for ongoing learning; building a network of peers and strengthening relationships among nonprofit leaders in Southeast Michigan, and stimulating interest in organizational practices by encouraging further exploration and development of the content areas.

Over time, NEW noticed that its cohorts were not very diverse. Concerned about the glaring impact of the racial leadership gap on impeding adequate representation of diverse leaders within the nonprofit sector and the lack of readiness on the part of many organizations to welcome these leaders into their organizations, NEW began experimenting with the design of a leadership development fellowship specifically for leaders of color.

Building on the success of Leadership DELI, this fellowship, which will be piloted in Washtenaw County, is designed to connect, inspire, and strengthen leaders of color to advance a more just, inclusive, and equitable sector where all leaders can thrive and prosper.

LESSONS LEARNED FROM THE FIELD

The Leaders of Color Fellowship (LOC) is still under development and set to launch in Fall 2019. It will be comprised of approximately 20 individuals who are engaged in six intensive, full-day sessions filled with learning, teaching, and reflection and hosted by NEW and our partners.

From NEW's research into leadership development programs aimed at People of Color and its own focus groups we learned:

- There is a need for relationship-building with other leaders, advocates, and do-ers in the nonprofit space who identify as persons of color;
- Supporting and centering individuals who are interested in advancing social change is critical to our sector's success;
- Creating culturally responsive learning environments where we honor the wisdom in the room is an unmet need in local and regional programming;
- Creating change means supporting participants taking learning outside of the program and applying them to the system in real time.

LEADERS DEVELOPMENT FOR LEADERS OF COLOR THROUGH CO.ACT DETROIT

Leadership development initiatives could be executed at Co.act through three primary pathways:

1. Hosted by Co.act alone
2. Hosted by a partner(s) alone
3. Co-Hosted by Co.act and a partner(s) jointly

The Collaborative anticipates that most Co.act initiatives will fall into the final two buckets. In both cases, Co.act could play a variety of roles with supporting leadership development initiatives:

- Partner with NEW to test the viability of a LOC program in Detroit
- Provide space and amenities for information sharing sessions, fellowship sessions, etc.
- Market and promote the Fellowship
- Galvanize partners for content development and delivery
- Leverage its relationship with the Ralph C. Wilson, Jr. Foundation to gather resources to support leadership development initiatives such as the LOC Fellowship
- Identify how other leadership development programs in Wayne, Oakland, and Macomb Counties could cross-share their work and impact, along with networking and relationship building

Case Study 2: Organizational Assessment in Practice

MCR partnered with pro bono attorneys to create its Nonprofit Corporation Legal Compliance Review. For over a decade, attorneys have used the tool to issue spot legal concerns alongside nonprofit leaders. The audit includes over 100 questions on organizational documents, tax exemption, solicitation, operations, employment, and more. Using the assessment tool, organizations receive feedback in real time. Feedback includes:

- A basic overview of the legal needs facing organizations in their situation
- An analysis of both basic legal issues and complicated matters like real estate, employees, commercial transactions, development projects, and intellectual property

Following the completion of the assessment, organizations are:

- Provided with a written report outlining the legal issues and priorities identified during the audit
- Connected with MCR's Pro Bono Legal Referral staff to pursue future pro bono legal services to carry out the recommendations from the report

Through the assessment process, organizations have the chance to get to know MCR staff and volunteer attorneys to begin to develop trust with the organization. This is crucial in getting the organization to the next step to feel comfortable taking action on legal issues that are foundational to the sustainability of the organization.

A nonprofit leader alongside her volunteer attorneys during a recent MCR legal clinic at Co.act Detroit. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

LESSONS LEARNED FROM THE FIELD

What works:

- *The relationship building process is as important as the assessment tool itself.*

  Completing an assessment is nerve-racking and can leave nonprofit leaders feeling overwhelmed, embarrassed, frustrated, and even judged. It is crucial that the delivery of assessments be treated sensitively with a focus on building trust with the leader. This not only makes the leader feel more comfortable being vulnerable, but also makes the leader more likely to come back to the organization for assistance.

- *Timing of the assessment matters.*

  For some nonprofit leaders and board members, it's easy to jump in and complete an assessment right away. For others, they want to get to know the person administering the assessment and/or the person analyzing the results.

- *Capacity building doesn't have to wait until after the assessment is completed.*

  Completing a facilitated assessment can be a capacity building exercise unto itself. When completing assessments, nonprofit leaders will often ask questions and seek examples related to the subject matter. Having the assessment be conversational can start to get wheels turning about priorities and action steps within the organization.

- *Seek multiple perspectives when possible.*

  Keep in mind that one individual's perspective may not represent the full picture. For example, one board member's perspective isn't enough to diagnose issues with board culture. In this case, assessments should be completed by multiple board members.

What doesn't work:

- *Forcing a nonprofit to complete an assessment your way.*

  It is important to tailor the assessment experience to the individual nonprofit. This includes not pressing for answers on questions that may not apply or that may make the organization uncomfortable. Similarly, if urgent matters rise to the top early in the assessment, don't force completion of the assessment digging into lower priority issues that can wait until later.

- *Failing to explain to purpose, process, and outcomes of the assessment at the beginning.*

  Service providers should be up front with nonprofit leaders about what to expect during and after the assessment as well as how completing the assessment can benefit their organization. Similarly, they must understand what the nonprofit leader is trying to get out of the assessment. Agreement on these items up front will help ensure a smooth process as much as possible.

- *Failing to get buy-in from leadership.*

  If the leaders of the organization, namely the Executive Director and/or Board President, do not see the value in completing the assessment then the effort is less likely to result in organizational change. It is important to work to get buy -in from leadership before completing the assessment. This may include spending more time getting to know leadership and the organization before completing an assessment or equipping another staff or board member with talking points they can use to build buy in.

ASSESSMENTS AT CO.ACT DETROIT

Given Co.act's connection to the Ralph C. Wilson, Jr. Foundation, the Collaborative recommends that Co.act work with partners to administer assessments. Some nonprofits may be concerned that results will be shared with the Ralph C. Wilson, Jr. Foundation and will worry that the results may hurt their chances of receiving funding. Engaging outside partners can help reduce this perception.

The Collaborative recommends that Co.act offer multiple assessment processes. This should include:

1. Online Self-Assessment(s)
2. In-person facilitated assessments
3. In-person conversational assessments

There are many high-quality assessments from local and national sources. One database of nationally sourced assessment is available here: https://hewlett.org/assessing-nonprofit-capacity-guide-tools/

Co.act should decide how data from assessments will be collected and used, if at all. Options include:

- **Private assessments** – Assessment data belongs to the organization completing the assessment and will not be shared with anyone except service providers at the organization's discretion.
- **Option to share data with Co.act** – Organizations can opt in to share their data with Co.act.
- **Mandate to share data with Co.act** – Organizations must share their data with Co.act in order to receive services.

There are inherent pros and cons to each of these approaches. If data is collected, it could be a valuable tool to analyze trends in the sector specific to Southeast Michigan that can inform Co.act's service delivery and impact. To use the data in this way, the Collaborative recommends only reviewing and releasing data in aggregated form to protect the identity of individual nonprofits. If data is not collected, it could engender increased trust between the organization completing the assessment, the service provider, and Co.act. Regardless of the approach chosen, it is important to communicate with nonprofits up front about how the results on their assessments will be used.

Case Study 3: Workshops in Practice

MCR has hosted educational workshops for staff, volunteers, and board members of community-based organizations for over a decade. With support from the Kresge Foundation, MCR hosted a series of ten organizational development workshops known as the Neighborhood Exchange Workshop Series in 2016 for nearly 500 attendees. The purpose of the Neighborhood Exchange Workshop Series was to enhance the skills of Detroit community-based organizations in key areas through interactive activities, informative presentations, guest speakers, peer networking, and learning. Topics included fund development, volunteer management, program evaluation, and more.

Nonprofit representatives at a 2016 MCR workshop. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

Through this experience, MCR has heard from attendees that they typically want to accomplish one or multiple of the following goals when they attend a workshop:

1. LEARN – Attendees want to deepen their knowledge and skills in the topic area.
2. SHARE – Attendees want to share their experiences, challenges, and ideas in a safe and supportive space.
3. CONNECT – Attendees want to build relationships with like-minded community leaders, especially those from other parts of the city or region that they may not encounter otherwise.

As a result of this feedback, MCR now structures all workshops to hold space for each of these objectives.

LESSONS LEARNED FROM THE FIELD

Challenges to be aware of:

- *Accommodating different skill levels*

  It can be difficult to equally meet the needs of workshop attendees with varying skill levels. To address this, workshops can be targeted to a specific skill level. Alternatively, the workshop can be structured to include breakout sessions tailored to specific skill levels. In this case, attendees can self-identify where they should participate.

- *Predicting attendance level*

  It can be challenging to predict how many attendees will come to a given workshop. Even if RSVP's are required individuals will attend who didn't RSVP and those who RSVP'ed won't attend in some cases. Given this fluidity, it's important for facilitators to be flexible and prepared for groups of varying sizes. In many cases, this means having a "Plan B" for a given exercise depending on the size of the group.

Considerations for planning include:

- *Base workshop topics directly on needs expressed by clients*

  As capacity building service providers, it can be easy to assume we know what organizations need. While we often have a good sense of priority needs, it is important to keep a finger on the pulse of emerging needs at all times to be responsive as the landscape shifts.

- *Elevate nonprofit expertise and peer learning*

  It is important for workshop attendees to see themselves and their experience reflected in workshop presenters. Nonprofit leaders should be engaged as co-

Young people lead a workshop on youth engagement for Detroit nonprofit leaders hosted by MCR. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

facilitators, panelists, etc. to share their on-the-ground expertise. Where possible, nonprofit attendees should be compensated for sharing their expertise.

- *Workshops are time intensive*

  Workshops require an extensive amount of planning, preparation, outreach, and follow up. This time intensive nature can be offset by partnerships; however, time must then be put into managing the partners. To accommodate for this, workshop hosts must plan ahead and budget accordingly.

HOW THIS COULD BE APPLIED THROUGH CO.ACT

Workshops could be executed at Co.act through three primary pathways:

1. Hosted by Co.act alone
2. Hosted by a partner(s) alone
3. Co-hosted by Co.act and a partner(s) jointly

The Collaborative anticipates that most Co.act workshops will fall into the final two buckets. In both cases, Co.act could play a variety of roles with increasing involvement:

- Provide space and amenities
- Advertise workshop
- Galvanize partners and resources
- Be involved in workshop visioning and content development
- Co-present workshop content

It will be important for Co.act to think about differences practically and philosophically between workshops that Co.act co-hosts vs. workshops hosted by a partner alone.

Given Co.act's exciting mission and high-profile brand, all workshops will reflect on Co.act regardless of Co.act's role in the workshop. The reality is that if a workshop is held at Co.act, public perception will be that it is a Co.act endorsed event. As a result, Co.act should consider creating its own set of "workshop standards."

Workshop standards should reflect Co.act's values and approach to capacity building. Possible standards could include:

- *Client experience* – Co.act wants all clients to feel welcomed, respected, motivated, and fulfilled.
- *Space* – Co.act will ensure that its space is comfortable, safe, and meets the needs of all attendees.
- *Preparation* – Co.act expects all partners to show up early and prepared. Co.act's team will do the same.

Co.act can use these standards as a roadmap in developing and managing workshop partnerships. For example, potential partners may have to complete a questionnaire or informal interview about how they will honor these standards. Or partners could add their own standards to the list. Once the list is agreed upon, it can become a tool for accountability, planning, and clarity in roles and expectations.

Finally, it will be important to build skills and comfort within the Co.act team to step in as needed. Despite the best preparation by the Co.act team and partners, the reality is that curveballs are often thrown at workshop hosts at the last minute. Having a nimble team equipped to step in at any time will allow Co.act to maintain its own standards of excellence.

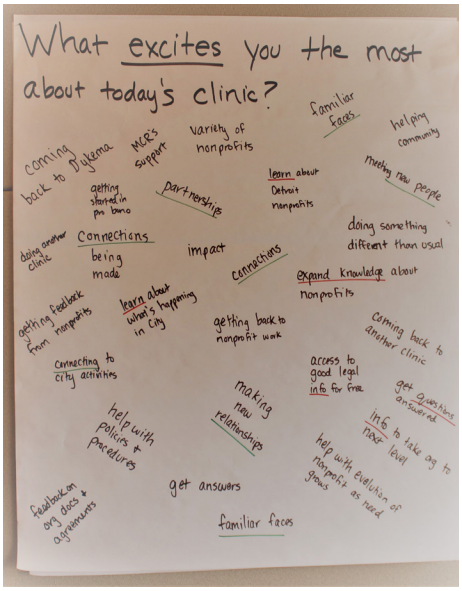
Case Study 4: Low Cost or No Cost Professional Services in Practice

For 20 years, MCR has connected attorneys across Michigan to nonprofits serving low income communities through its Pro Bono Legal Referral Program. Through this program, eligible nonprofits can receive free legal counsel to address transactional matters.

There is tremendous value in MCR as an intermediary between the volunteer attorneys and nonprofits. This includes:

- Leveraging MCR's trusted relationships with both law firms and nonprofits
- Coaching nonprofits on how to work with attorneys
- Coaching attorneys on how to work with nonprofits
- Creating clear expectations for both parties
- Supporting the attorney-nonprofit relationship
- Troubleshooting as challenges arise

New in 2019, MCR is seeking to build off of its organizational expertise and infrastructure from two decades of managing the Pro Bono Legal Referral Program to launch an expanded program providing additional professional services to nonprofits. With support of the Community Foundation for Southeast Michigan, MCR is currently researching national models and piloting partnerships with corporations like the Ford Motor Company and DTE.



Icebreaker responses from volunteer attorneys and nonprofit leaders during a MCR legal clinic. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

LESSONS LEARNED FROM THE FIELD

What works:

- *Especially for grassroots organizations, having an intermediary between the nonprofit and corporation is crucial.*

  A connecting organization can help ensure that the nonprofit is prepared and equipped to best take advantage of the opportunity. Additionally, they can make sure that the corporate volunteers' needs are met and expectations exceeded. Ensuring an organized, professional, and positive experience can help build long-term volunteers. In many cases, it can be helpful to have a team member from the intermediary organization in the room, especially if the partnership is new.

- *Having a dedicated point person for pro bono services at a corporate partner is preferred.*

  Matching for professional services is much smoother when facilitated by one person who knows the skills and strengths of their team. This point person can then work with the intermediary to facilitate strong matches.

- *Building in time for relationship building is worthwhile.*

  In some cases, corporate professionals and nonprofits come from different backgrounds and experiences. Before jumping in to the technical work, it's valuable to create time and space for getting to know each other. Just last year a volunteer attorney was connected with a nonprofit through MCR. He has since joined their board bringing valuable expertise and a robust network.

What doesn't work:

- *Failing to have a discrete need to focus on for the partnership.*

Volunteers from the Ford Motor Company work with Detroit Abloom in 2017. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

It is crucial that the nonprofit partners have a specific task or problem in mind to address.

- *Having a mismatch between the corporate professional's skills and the topic at hand.*

  If a mismatch exists, it can lead to disappointment for both the volunteer and the nonprofit. As much as possible, it is important to ensure a solid match between the nonprofit's needs and the volunteer's skills.

- *Building solutions or systems that require ongoing technical expertise.*

  Corporate partners must think about the implementation and sustainability of their recommendations to nonprofits. For example, a corporate partner shouldn't build a newsletter template in Adobe InDesign when the nonprofit can't afford the software.

HOW THIS COULD BE APPLIED THROUGH CO.ACT

Co.act has a tremendous opportunity to leverage the vast interest in its mission by corporations for the benefit of the nonprofit sector. Co.act should work with partners with existing corporate volunteer management experience to provide this service to nonprofits.

Potential roles for Co.act include:

- *Leveraging relationships with corporations to increase skills-based volunteerism.*

  This can include both soliciting employee time and making the case for dedicated financial resources to manage matchmaking.

- *Elevating the impact and need for corporate volunteers to lend their skills.*

  Co.act can serve as a megaphone for nonprofit needs to potential corporate partners.

- *Recognizing companies and volunteers for their impact.*

  Co.act can use its platform to publicly recognize and thank companies that are being good partners to nonprofits. This will encourage continued participation from existing corporate partners and can become a recruitment tool for new corporate volunteers.

Similar to services provided directly by capacity building service providers, Co.act should think about standards of excellence for corporate partners. This will ensure that the approach of corporate partners aligns with the values and capacity building approach of Co.act.

Case Study 5: One-on-one Coaching & Consulting

MCR launched Office Hours in 2016 with support from the Kresge Foundation in direct response to requests from community leaders to have the opportunity to meet with MCR staff one-on-one to dig deeper into their unique needs. MCR recognized that while there were many opportunities for nonprofit leaders to pay for consultation, there weren't any accessible and formalized opportunities for leaders to receive free, high quality coaching and consultation.

MCR's Office Hours model is an access point for groups from grassroots block clubs to community development corporations to receive free, specialized one-on-one assistance from a technical expert to solve discrete problems. This model sparks and encourages innovative thinking among nonprofit leaders by offering an opportunity

to work with a technical expert and approach their problem from a fresh perspective. This approach helps leaders tap into their own innovative thinking, consider how to leverage existing resources, and tackle a problem that – on their own – was insurmountable. Not only does this develop nonprofit leadership, it also directly increases productivity by solving an immediate problem, and equipping leaders with the problem-solving tools to resolve future issues.

Nonprofits can make a one-hour consultation appointment with MCR staff members to address a variety of organizational needs. Office Hours take place 1-2 times per month with rotating hosts at the offices of Detroit community development corporations, churches, coffee shops, and more. These rotating venues not only increase our accessibility, but also bring new folks into community spaces they may not be familiar with.

Examples of issues addressed in Office Hours include:

- Consultation and Coaching
  - How to facilitate a block club meeting
  - How to approach a difficult board member
  - How to build relationships with funders
- Draft new documents
  - Facebook pages
  - Fund development plans
  - Simple databases
- Review existing documents
  - Draft grant proposal language
  - Marketing and outreach materials

Upon completion of their appointment, each organization leaves with a customized roadmap to address their unique issue, including concrete next steps.

LESSONS LEARNED FROM THE FIELD

Challenges to be aware of:

- *Recognizing (and asking) what the nonprofit leader needs.*

  Different leaders need different consultation approaches depending on the issue at hand. Some individuals just want to talk through an issue in a facilitated supportive space. These individuals are not looking for you to solve their problem or give them the answers – they need you to ask thoughtful questions and help them reach a conclusion independently. Alternatively, some leaders are looking for a consultant's insight based on industry best practices, successful approaches by other organizations, and the individual's own expertise.

- *Managing expectations.*

  From intake to the actual one-on-one assistance to follow up, expectations must be managed every step of the way.

- *Failing to tailor solutions to each individual.*

  It is important to co-create solutions with nonprofit leaders that they can implement without the ongoing help of the service provider. For example, don't propose and create an online crowdfunding fund development strategy for a nonprofit leader who isn't comfortable using computers. The goal of any appointment should be to co-create solutions using resources, skills, and networks leaders already have or have access to.

Representatives from a Detroit nonprofit receive one-on-one assistance on their upcoming Kresge Innovative Projects: Detroit application. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

Attendees networking at a Co.act Detroit event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

Considerations for planning include:

- *Flexibility of service providers.*

  Service providers must be flexible, patient, and tenacious partners with nonprofit leaders, especially grassroots leaders. We cannot come to the table with pre-baked solutions or expectations that the schedules of nonprofit leaders will align with our timelines or communication preferences.

- *Diversity of service providers.*

  Individuals providing coaching and consultation don't need to be capacity building experts. Individuals with a variety of backgrounds and experiences can provide rich opportunities for engagement and learning as well. This could include engaging block club leaders as peer coaches, engaging developers to consult with community development corporations, etc.

HOW THIS COULD BE APPLIED THROUGH CO.ACT

Co.act could activate many partners to provide coaching and consultation to nonprofits. This could meet the needs of a variety of nonprofit stakeholders. One-on-one consultation is widely popular with start-up organizations and volunteer led organizations. These individuals often express that they don't know where to start and appreciate having dedicated guidance to meet them where they're at.

The Collaborative heard from focus group participants that they're interested in executive coaching and peer mentorship opportunities as well. Leaders of staffed organizations were looking to have a sounding board to work through their specific issues. Individuals from volunteer led organizations expressed a desire to learn from those doing similar work to them.

Additionally, some attendees expressed concern over having time to dedicate to one-on-one assistance, so offering virtual or phone call opportunities could be a solution to meet their needs efficiently.

Similar to workshops, Co.act should consider developing its own set of standards for how partners should approach one-on-one assistance as ambassadors of Co.act. These standards can then become a filter to recruit, vet, and evaluate service providers.

Additional considerations:

- *One-on-one assistance could be a great on-ramp for organizations to access other more in-depth opportunities.*

  Targeted coaching and consultation can help organizations deepen their readiness to engage in more long-term capacity building opportunities. For example, a new board president could meet with an individual to create a board recruitment strategy and once her board is in place she and her board could participate in ongoing board training opportunities.

- *Consider both free and fee-based opportunities to maintain accessibility.*

  If Co.act wants to signal to all sizes of nonprofits that they can receive support from the organization, some opportunities must be available at no or very low cost.

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RESOURCE NAVIGATION TOOL

RECOGNIZING THE LIMITATIONS OF OTHER CAPACITY BUILDING DIRECTORIES, THE COLLABORATIVE CREATED A VISION FOR A CAPACITY BUILDING SYSTEM ACNHORED BY FOUR SYSTEM ELEMENTS.

Creating access is a core function of the capacity building system envisioned by the Collaborative. We believe that nonprofits can be key drivers to transform social conditions in their communities when they have access to information, resources, and supports to address barriers to success.

Accordingly, the second anchor of the capacity building system envisioned by the Collaborative is an online Resource Navigation Tool. The tool is designed to foster access by providing:

1. A centralized directory of capacity building resources and providers
2. A platform for nonprofits to share feedback on their user experience with capacity building resources and providers.

The tool complements the capacity building tactics recommended in the capacity building model discussed in the previous chapter.

The recommendations in this section are framed with special reference to Co.act Detroit, the proposed home and administrator of the Resource Navigation Tool.

Volunteers from DTE Energy after a day of skills-based volunteering with Garage Cultural. **PHOTO COURTESY OF CO.ACT DETROIT.**

Resource Directory

Identifying resources that match a nonprofit's needs and budget can be a time-intensive process. Our team conducted a scan of available services and resources to inform the Ecosystem Map, which will be discussed in more detail later in the report, and to gather data which could form the foundation of a directory in a potential future implementation phase of the capacity building system.

The Collaborative's experience shed light on the challenges of gathering and sifting through information on capacity building services and providers. Through our research we were confronted with the reality that in many cases information about services requires some digging to uncover. Websites of different consultants, funders, and other capacity building providers vary in how up-to-date they are and level of user-friendliness.

As we supplemented our web-based research with follow up calls to organizations guided by a standardized questionnaire, the breadth and depth of information about cost, geography, and characteristics of target clients gathered from each provider varied. Additionally, even as we gathered the information, we were aware that we had no means of assessing the quality of the resources and providers being included in the scan.

Based on conversations among the partner organizations, a scan of existing directory models[1], and lessons learned from the data gathering process described above, the Collaborative has identified the following considerations for the development and maintenance of a useful, user-friendly resource directory.

RELEVANT, USEFUL SEARCH CRITERIA

The directory includes search criteria that would be relevant and intuitive for the nonprofit end user.

STANDARDIZED RESOURCE AND PROVIDER INFORMATION

The level of information shared by providers through their websites and through conversation varies in breadth and depth. The directory should synthesize and standardize information about geography, cost, target client features, and categories of service/expertise to make information easily accessible for end users.

INVESTMENT IN ONGOING MAINTENANCE

The biggest challenge with any directory is keeping the information it contains accurate and up-to-date. For Co.act, this can mean identifying an internal staff member to maintain the website or identifying a partner organization to manage the task.

BUY IN FROM ORGANIZATIONS IN THE DIRECTORY

It is not always possible to obtain the most accurate, up-to-date information on resources using web-based research. Gathering this information often requires outreach to service providers either to vet the accuracy of information online or to fill in gaps. Getting buy in from service providers means persuading them of the value of the directory and inspiring them to be excited to be a part of it.

QUALITY ASSURANCE

To serve as a tool for connecting nonprofit organizations with quality capacity building resources and providers, the Resource Navigation Tool should incorporate a mechanism

1 The Collaborative used the directories BizGrid (http://www.detroitbizgrid.com) and 501commons (http://www.501commons.org/resources/overview)

for providing an assessment of resources and providers available in the directory. The Collaborative proposes a crowdsourced review function as part of the Resource Navigation Tool that will allow nonprofit organizations to contribute and view feedback about the resources and services available in the directory.

The second component of the tool, a crowdsourced review function, is presented below in more detail.

A Platform to Share & Gather Feedback

As noted in the previous chapter, word of mouth referrals are a common way for staff and volunteers at nonprofit organizations—whether from small or large organizations—to connect to professional service providers. This type of knowledge exchange usually takes place between peers within the same network.

The Resource Navigation Tool is designed to provide a publicly accessible platform that allows nonprofit organizations to share and access feedback on service quality beyond peers in their traditional networks.

The tool will provide nonprofit organizations with insight into their peers' assessment of capacity building resources and services.

The tool will also provide resource and service providers with the opportunity to receive aggregated feedback from organizations which they have served. They can use this information to identify areas of strength and areas of improvement.

To provide the opportunity for nonprofit organizations to share the nuances of their experience (e.g. highlight specific things that the capacity building provider did well) while also providing a snapshot measure of the aggregate rating of a particular resource or service provider, the Collaborative recommends including both a rating scale and narrative comment function in the platform.[2]

One consideration in hosting a crowdsourced review platform is how and to what extent contributions will be moderated. To promote transparency and credibility, the moderation criteria should be published on the website.

Ultimately, as the home of the tool, Co.act Detroit will need to consider what these criteria will be. The Collaborative recommends engaging intended end users and other relevant stakeholders, such as the service providers to be included in the directory, in the process of making that determination.

Nonprofit leaders network at a Co.act Detroit event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

2 The Collaborative used the crowdsourced review platforms GrantAdvisor.org and Yelp.com as guiding examples for how to incorporate that function

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A MODEL FOR EVALUATING NONPROFIT CAPACITY BUILDING ACTIVITES

THE COLLABORATIVE CREATED A MODEL FOR EVALUATING CAPACITY BUILDING ACTIVITIES TO PROMOTE CONTINOUS IMPROVEMENT OF THE CAPACITY BUILDING SECTOR IN SOUTHEAST MICHIGAN.

The Collaborative believes that our proposed model for building nonprofit capacity will result in changed attitudes, practices and policies within individual organizations and the broader ecosystem. Further, we believe that our model will lead to transformed outcomes in communities.

Yet, how can we measure progress towards these outcomes? How can service providers working with Co.act Detroit to put the proposed capacity building tactics into action understand the impact of their services on organizations' internal functioning? How can service providers gather feedback on their services and use it to improve their approach?

To address these questions and others related to how to evaluate capacity building activities, the Collaborative has designed an evaluation framework as the third anchor of the capacity building system.

Our evaluation framework consists of a series of tactics to gather and interpret data to serve the following goals:

1. Examine the impact of capacity building tactics (i.e. services), including those described in the previous chapter, on nonprofits' organizational functioning
2. Evaluate service quality, client satisfaction, gaps in service, and barriers to access
3. Measure progress towards outcomes identified in the Collaborative's Theory of Change.

Neighborhood leaders from the Three Mile & Courville Block Clubs implementing a neighborhood project with funding and technical assistance received from MCR. **PHOTO COURTESY OF THREE MILE & COURVILLE BLOCK CLUBS.**

The framework also includes methods for feeding this evaluation data back to relevant nonprofit ecosystem stakeholders for continuous improvement of capacity building strategies and services. It is intended to help funders, capacity building providers, and other relevant stakeholders to use evaluation findings to better understand unmet needs and challenges of nonprofit clients. This will allow for the development of new interventions and approaches to service delivery.

The evaluation principles, recommendations and case studies presented in this chapter are intended as a resource to a broad array of capacity building providers. At the same time, many of them are framed specifically with reference to Co.act Detroit, recognizing that the center will be uniquely positioned to implement the recommendations below.

Evaluation Principles

"Strive for progress, not perfection," shared one participant in the final stakeholder feedback session. This attendee, and many other stakeholders engaged throughout the planning process, felt it was important that one-size-fits-all perfection not be the standard by which impact is measured. This means not holding organizations to an unachievable pre-determined standard and, by extension, not creating a structure that forces capacity building providers to do so.

Keeping this top of mind, there are several evaluation principles that the Collaborative believes should drive each component of the evaluation process. These components include:

- **ALLOW NONPROFITS TO DEFINE SUCCESS**

  Success and growth should not be pre-determined by Co.act or capacity building providers, but rather be outlined and evaluated by the nonprofits themselves.

- **APPROACH EVALUATION AS AN EXTENSION OF THE SERVICE PROVIDER/NONPROFIT LEADER RELATIONSHIP**

  It is important that evaluation be as relationship-driven as the delivery of the capacity building activities themselves. Be careful not to make nonprofits feel judged or studied and always clearly frame why you are gathering this data.

- **STANDARDIZE EVALUATION TOOLS ACROSS PROGRAMS**

  Some evaluation questions should remain constant across all programming, regardless of whether or not it's executed by Co.act or its partners.

- **CAPTURE ONGOING DATA ON NONPROFIT NEED**

  Evaluation of existing programs should also include space for nonprofits to speak to additional needs, gaps, and interests. This data should then inform future program offerings.

- **COMPLETE EVALUATIONS ON SITE**

  Having nonprofit leaders complete evaluations on-site immediately following their capacity building service not only ensures a higher response rate, but also allows them an immediate opportunity to flag additional assistance needed.

- **KEEP EVALUATIONS SIMPLE**

  Long and/or complicated evaluation forms often lead to incomplete or inaccurate data.

- **ALLOW SPACE FOR UNINTENDED SUCCESSES AND OUTCOMES**

Capacity building work, just like community-based work, can often take winding routes and lead to unintended successes. Evaluation processes should be nimble and comprehensive enough to capture these changes. For example, an organization may have set out to create a fund development plan, but then their board president unexpectedly moved away. They worked with a service provider to instead create an emergency succession plan and elect a new board president. While not the original goal of the engagement, this success should be measured and celebrated with the nonprofit.

- **SEEK IMMEDIATE VERBAL FEEDBACK**

  Evaluation does not have to wait until the capacity building service is over. Service providers should check in with nonprofit leaders throughout the engagement to see if the approach is helpful or needs to be adjusted in any way. Keep in mind that while some individuals will feel comfortable speaking up if their needs aren't being met, many others may feel apprehensive about doing so. By checking in conversationally, service providers seem less like untouchable experts and more like peers to work through a problem together.

- **BE TRANSPARENT WITH DATA**

  One way to build trust in Co.act and to demonstrate value to the ecosystem is to share as much data as possible with the field. However, be mindful of protecting the identities of specific nonprofits when doing so. Let nonprofits know up-front how data they provide will be used.

- **USE A CRM AND/OR PROJECT MANAGEMENT SOFTWARE TO MANAGE EVALUATION PROCESSES AND DATA**

  High quality CRM (Customer Relationship Management) and project management software can make evaluation easier to manage and more robust. For example, notes from interactions with individual clients, or case notes, can be recorded directly into a CRM application with follow up tasks delegated to peer capacity builders through project management software.

Attendees participate in a feedback exercise at Co.act Detroit. **PHOTO COURTESY OF CO.ACT DETROIT.**

GLOSSARY TERM

CRM: a customer relationship management system, such as Salesforce

Evaluation Priorities and Methods for Co.act

The Collaborative has identified four main evaluation priorities for Co.act and its partners to activate. These include:

1. **EVALUATING OUTCOMES FROM THE THEORY OF CHANGE**
2. **EVALUATING CAPACITY BUILDING PROVIDERS AND SERVICE QUALITY**
3. **EVALUATING PARTICIPATION AND BREADTH OF IMPACT**
4. **USING DATA TO INFORM THE ECOSYSTEM**

Each priority should be measured using a mixture of methods designed to capture quantitative and qualitative feedback, outlined in Table 1 on the following page.

TABLE 1. Evaluation Method Details

Evaluation Method	Description	Audience	Given by	Delivery Method	Frequency	Use to Measure Priority 1	Use to Measure Priority 2	Use to Measure Priority 3	Use to Measure Priority 4
Organizational Assessment	Variety of assessments available for nonprofits as precursor to capacity building	Nonprofits	Co.act and Partners	Varies	Ongoing	X			
Post-Activity Survey	Short survey immediately following a capacity building activity	Nonprofits	Co.act and Partners	Paper or Electronically at the event	After every engagement	X	X		
Six-Month Follow Up Survey	Follow up survey after a capacity building activity to gauge impact and next steps	Nonprofits	Co.act and Partners	Electronically or Phone	Every six months	X			
Informal Conversations	Trusting, candid conversations with nonprofits about experience	Nonprofits	Co.act and Partners	Phone or In Person	Ongoing	X	X		
Biennial Census "State of the Nonprofit Ecosystem in Southeast Michigan"	Brief and comprehensive survey of nonprofits and other ecosystem stakeholders	Nonprofits, Other Ecosystem Members	Co.act	Electronically with extensive on-the-ground outreach and follow up via ambassadors in a given community	Every two years	X			X
Focus Groups	Facilitated, small group discussions to vet satisfaction, impact, barriers, etc.	Nonprofits, Other Ecosystem Members	Co.act	In Person	At least once per year	X		X	
Capacity Building Provider Case Notes	Short feedback form to be completed immediately following delivery of capacity building service for reflection and next steps; these notes can be stored in the client's records as a reference point for follow up, next steps, and future engagement	Capacity Building Providers	Partners	Electronically	After every engagement	X	X		
Capacity Building Provider Self-Evaluation	Survey to be completed after delivery of capacity building service (Can be tied to case notes or separate)	Capacity Building Providers	Partners	Electronically	After every engagement		X		
Capacity Building Provider Peer Evaluation	When co-facilitating or observing a peer—survey to provide feedback following activity	Capacity Building Providers	Partners	Electronically and In Person	After every engagement (where applicable)		X		
Resource Navigation Tool	Data captured through Resource Navigation Tool like website metrics, service provider ratings, etc.	Nonprofits	Co.act	Electronically	Ongoing		X	X	
Administrative Data	Data captured through all programs like attendance, nonprofit size, etc.	Nonprofits, Other Ecosystem Members	Co.act and Partners	Varies	Ongoing			X	

Priority 1: Evaluating Outcomes

The Theory of Change outlines organization level, community level, and ecosystem/systems level outcomes. The Collaborative recommends that intentional evaluation practices be put into place to measure each outcome.

Table 2 shows which outcomes are prime for being measured by which engagement methods.

TABLE 2. Evaluation Methods for Theory of Change Outcomes

	Outcome	Organizational Assessment	Post-Activity Survey	Six-Month Follow Up Survey	Informal Conversations	Biennial Census: "State of the Nonprofit Ecosystem in Southeast Michigan"	Focus Groups	Capacity Building Provider Case Notes	Resource Navigation Tool
Organization Level	Nonprofits have increased capacity in foundational areas of organizational development – Talent, Operations, Funding & Resources, Culture, Strategy, Program Development, Management & Evaluation, and Leadership & Governance.	X	X	X	X				
	Nonprofits have increased access to funding, access to decision makers, access to skill-building opportunities, technical support, etc.			X	X		X		
	Nonprofits are better able to achieve their goals and advance their missions.	X	X	X	X			X	
	Nonprofits are better able to run their programs and services effectively, efficiently, and sustainably.	X	X		X			X	
	Nonprofits have increased tools and resources to work collaboratively with nonprofit ecosystem stakeholders to transform policies, social institutions, practices, and cultural norms that shape the context in which nonprofits operate, particularly in communities of color.			X	X		X		
Community Level	Social conditions/indicators in Southeast Michigan communities improve.					X			
Ecosystem/Systems Level	Nonprofits and other ecosystem stakeholders have increased awareness and understanding of the ecosystem.								X
	The racial leadership gap will decrease (i.e. the number of nonprofit executive leaders and board members who are people of color will increase).					X			
	The nonprofit ecosystem benefits from new, diverse culturally-aware perspectives on problem-solving, needs, and priorities in disadvantaged communities.					X	X		
	Nonprofits have increased capacity to collaborate will other nonprofit ecosystem stakeholders to multiple the impact of their individual efforts to transform social conditions in communities.			X			X		

Networking between attendees at a Co.act Detroit event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

When designing its evaluation plan, Co.act should keep the following in mind:

- **BE MINDFUL OF THE LONG-TERM NATURE OF OUTCOMES**

  Many, if not all, of these outcomes will require many years to see demonstrable progress and impact. Consider creating incremental milestones to measure progress along the way.

- **IDENTIFY SPECIFIC COMMUNITY LEVEL INDICATORS TO MEASURE**

  Consider which social conditions Co.act wants to focus on for the community level outcome. These could mirror the priority giving areas of the Ralph C. Wilson, Jr. Foundation or be identified through a separate process.

- **BALANCE QUANTITATIVE AND QUALITATIVE DATA**

  Be sure to balance quantitative and qualitative feedback for each outcome. Success is not solely measured by metrics, but also by the stories and experiences that give context to the numbers.

Priority 2: Evaluating Capacity Building Providers and Service Quality

Ensuring quality services and capacity building providers requires evaluation from multiple directions including the providers themselves, peers, and, most importantly, nonprofits receiving services.

As illustrated in Table 1 on page 64 of this report, evaluation methods for evaluating capacity building providers and service quality can include:

1. Post-Activity Survey
2. Informal Conversations
3. Capacity Building Provider Case Notes
4. Capacity Building Provider Self-Evaluation
5. Capacity Building Provider Peer Evaluation
6. Resource Navigation Tool

POST-ACTIVITY SURVEY

Post-activity surveys can capture widespread feedback on the quality of given programs, services, and service providers. Surveys should be coded and aggregated by partner organization to allow for in-depth evaluation specific to each partner. Be sure to include questions related to the Theory of Change outcomes listed in Table 2 on page 65 of this report.

INFORMAL CONVERSATIONS

Both Co.act staff and capacity building providers should regularly seek candid feedback from nonprofits via informal conversations. This serves not only to receive immediate feedback and adjust plans as needed, but also to continue to deepen the relationship with nonprofits.

CAPACITY BUILDING PROVIDER CASE NOTES

Thorough case notes provide many benefits to both the capacity building experience and in evaluating capacity building providers themselves. Case notes should be accessible to everyone providing services so that all service providers have prior context when interacting with the organization.

Additionally, case notes create institutional memory that can last beyond any one service provider as well as create a record of all engagement touches and perceived outcomes by each service provider. These outcomes can then be compared to those provided by the nonprofit themselves to flag any discrepancies. Case notes can be incredibly valuable in issue spotting and course correcting negative experiences of nonprofits.

Case Notes Tips for Success:

- *Use language that will be clear to others.*

  Case notes should be written in a way that someone who doesn't know the organization can pick them up and understand them.

- *Don't wait too long to record notes.*

  Notes should be recorded no longer than the day after the engagement with a given nonprofit. This will ensure that information is still fresh and not mixed up with interactions with other nonprofits.

- *Use a CRM and project management software to manage follow up and next steps.*

  Once case notes are recorded in the CRM, take the time to flag next steps and assign tasks as needed.

- *Use case notes to capture successes to celebrate with nonprofits.*

  Case notes can be a great place to informally record successes experienced by nonprofits. Service providers can then reference these successes not only for evaluation purposes, but also to celebrate small and large successes alongside nonprofits. For example, maybe the capacity building provider noticed that the board treasurer was particularly courageous in a tough conversation with the board during strategic planning. The capacity building provider could note this and send a quick follow up note praising the board treasurer.

CAPACITY BUILDING PROVIDER SELF-EVALUATION

All service providers should complete a self-evaluation after completion of each capacity building activity. This could include everything from each group workshop facilitated to each individual consultation appointment completed. Intentional self-evaluation builds the habit of reflection and self-improvement for each service provider. Like case notes, self-evaluations can be compared to the evaluations provided by the nonprofits themselves to note any discrepancies.

Self-Evaluation Tips for Success:

- *Complete self-evaluation before reviewing nonprofit evaluations.*

  To avoid bias in their responses, service providers should complete their personal evaluation first before comparing results.

- *Create culture of support, learning, reflection, and knowledge sharing.*

  It is important that self-evaluation not become a requirement for some service providers and not others. To avoid this, create a culture of support, learning, reflection, and knowledge sharing among service providers of all experience levels where everyone has the opportunity to complete a self-evaluation.

CAPACITY BUILDING PROVIDER PEER EVALUATIONS

When possible, allowing a peer to shadow or co-facilitate can provide a great

opportunity for trusted feedback. Peer evaluation can be a tremendous learning opportunity for service providers to hone their skills and unique capacity building approach. Like self-evaluation, peer evaluations can be a tool to help build and maintain a culture of reflection and learning among all service providers.

Peer Evaluation Tips for Success:

- *Deliver feedback in person.*

  While the evaluation can be recorded on paper or electronically, the feedback should be delivered in person to allow for dialogue. True learning will come from the opportunity to ask questions and talk about specific examples.

- *Compare self-evaluation results to peer evaluation.*

  Similarly, service providers should bring their self-evaluation reflections into the conversation for further feedback and guidance as desired.

- *When strapped for time, make space for a quick conversation.*

  Not all engagements will allow for or require a long conversation, but space should be made to have a quick debrief conversation to share feedback and lessons learned.

RESOURCE NAVIGATION TOOL

Conceptually, the Resource Navigation Tool, discussed in detail in the previous chapter, will allow nonprofits to rate partner organizations and service providers based on the quality of their experience. This publicly available tool will allow nonprofits to see crowdsourced evaluation data in real-time. Partner organizations can review feedback and use this information to adjust approach as needed. Similarly, Co.act can use this feedback to evaluate partner organizations.

Priority 3: Evaluating Participation and Breadth of Impact

Since Co.act is a new organization launching new services for a large geographic area and community of nonprofits, it will be critical to put procedures and evaluation measures in place to gauge participation and breadth of impact with specific geographies, types of nonprofits, etc.

As illustrated in Table 1, evaluation methods for evaluating participation and breadth of impact can include:

1. Administrative Data
2. Resource Navigation Tool
3. Focus Groups

ADMINISTRATIVE DATA

Administrative data can be a robust evaluation tool to gauge the breadth of Co.act's participation and relationships over time. Data can identify gaps in reach in particular nonprofit subsectors, communities, or types of nonprofit leaders. That data can then inform targeted outreach strategies in under-connected and/or under-resourced communities in Southeast Michigan or subsectors of nonprofits.

Suggested items to track could include:

- Breakdown of nonprofits served by geographic location, nonprofit size, nonprofit

sub-sector, etc.

- How did organizations hear about Co.act?
- Number of organizations who come back to Co.act more than once
- Breakdown of leaders served by position in organization (board member, executive director, staff member, etc.)
- Number of connections made as a result of Co.act

RESOURCE NAVIGATION TOOL

Analytics from the online Resource Navigation Tool can be viewed in tandem with administrative data. For example, compare the geographic locations of online visitors to the Tool to in-person visitors to Co.act.

Suggested items to track include:

- Geographic location of visitors overall and to specific partners/service providers
- Number of new visitors
- Number of returning visitors

FOCUS GROUPS

Results from evaluation of administrative data may indicate the need for targeted focus groups in gap areas. For example, if data indicates that very few environmental nonprofits have been engaged, Co.act could convene a focus group of leaders from these nonprofits to learn more about their specific needs, barriers, etc.

Priority 4: Using Data to Inform the Ecosystem

In order to use data to inform the ecosystem, additional data must first be gathered. To accomplish this, the Collaborative proposes the distribution of a Biennial Census: "State of the Nonprofit Ecosystem in Southeast Michigan." The Collaborative recommends two versions of the Census – one for nonprofits and one for other ecosystem stakeholders. The goal of the initial census will be to gather baseline information about the nonprofit sector in Southeast Michigan. The census can then be repeated every two years to measure progress in the region.

NONPROFIT CENSUS

The audience for the nonprofit census is all nonprofits in Southeast Michigan. To achieve a high response rate reaching a variety of organizations, a robust outreach plan must be put into place. This could include recruiting and compensating ambassador individuals or organizations to recruit participants in specific geographies or nonprofit subsectors.

Possible questions for nonprofits include:

- Budget size
- Staff size
- Racial demographics of executive leadership and board members (Note: This question can be used to measure progress toward outcomes in the Theory of Change)
- General needs and barriers to success

Attendees at a Co.act Detroit event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

Volunteers from the Evangelical Lutheran Church in America working with a local block club. **PHOTO COURTESY OF BELVIDERE COMMUNITY YOUTH BLOCK CLUB.**

ECOSYSTEM STAKEHOLDER CENSUS

The audience for the ecosystem stakeholder census includes all other ecosystem members. The support of partners like the Ralph C. Wilson, Jr. Foundation will be critical to secure buy-in and responses from other funders and ecosystem stakeholders.

Possible questions for ecosystem stakeholders include:

- Amount of grantmaking to POC led organizations
- Number of corporate volunteer hours

Data and analysis from the Census and all Co.act evaluation data should be disseminated broadly within the ecosystem. The data alone demonstrates a tremendous value add to the sector and builds credibility for Co.act. Based on findings, Co.act, its partners, and ecosystem stakeholders may choose to take collective action around a particular issue.

Case Studies

Below are two examples of how these principles, methods, and priorities can look in practice through existing programs at MCR.

Case Study 1: MCR Office Hours

Currently, success is measured in two primary ways:

- Overall use, participation, and engagement of services
    - Number of organizations served
    - Number of organizations that return for a second appointment
    - Appointment type and topic area data
- Self-reported satisfaction, growth, and impact outcomes by client organizations
    - Appointment goals co-created with nonprofit
    - On-site evaluation completed by nonprofit
    - Case notes completed by service provider

While administrative data can paint a robust picture of program engagement and impact, it does not fully reflect outcomes and impact for the organizations served. It is not for MCR staff to say whether services delivered have had an impact on individual organizations and leaders. This self-reported data is collected in three ways described in detail below.

APPOINTMENT GOALS CO-CREATED WITH NONPROFIT

Appointment goals are co-created with each organization prior to their appointment. This involves an iterative multi-step process including:

1. The nonprofit leader completes a phone or online application outlining the issue they're facing and what they hope to accomplish during the appointment.
2. The MCR staff member reviews the proposed goals for clarity and feasibility to accomplish within the one-hour time frame. As needed, the MCR staff member will review with his/her teammate who will be completing the consultation appointment.
3. The MCR staff member calls the nonprofit leader to get additional information as needed. The MCR staff member will either confirm the appointment goals as submitted or recommend changes. For example, sometimes the appointment

goals must be split into two sessions based on the complexity of the topic.

4. At the beginning of the appointment, the MCR staff member leading the consultation will review the agreed upon appointment goals with the nonprofit leader to confirm or adjust as needed.

Co-creation of appointment goals helps ensure expectations are met for both the nonprofit leader and the service provider. The phone conversations with MCR leading up to the appointment to finalize the goals allow additional opportunities to prepare the leader to make the best use of their appointment. This might include asking them to bring draft documents, invite a fellow board member to join the conversation, etc. This additional context helps the service provider prepare and be able to deliver high-quality trusted guidance that meets the needs of the nonprofit.

At the end of each appointment, the nonprofit leader leaves with an action plan outlining each goal and accompanying next steps.

ON-SITE EVALUATION COMPLETED BY NONPROFIT

Immediately following their appointment, each nonprofit leader completes a survey indicating whether those appointment goals were met.

Specifically, nonprofit leaders are asked:

> *Did the outcome(s) of your appointment meet your expectations and goals? (circle one)*
>
> - *Did not meet expectations and goals*
> - *Met some expectations and goals*
> - *Met all expectations and goals*
> - *Exceeded expectations and goals*

To begin to measure anticipated impact, each participant is asked, *How does your organization plan to use the information discussed today?*

While the results of each survey remain anonymous, MCR can aggregate responses by appointment type, topic area discussed, and staff member providing services. This aggregation allows MCR to pinpoint and address issues specific to a given appointment to allow for improvement. For example, if MCR sees that document reviews in marketing have lower satisfaction ratings, the we can revamp our approach to that specific appointment type.

CASE NOTES COMPLETED BY SERVICE PROVIDER

While the nonprofit leader completes their evaluation, the MCR team member who facilitated the appointment completes a self-evaluation. This evaluation asks the staff member to describe whether expectations were met, what worked well, what didn't work well, and any follow up that is needed or recommended with the organization. These case notes then remain in the organization's records at MCR to be viewed by future team members who may work with the organization.

These case notes not only enhance institutional memory, but also become an important relationship management tool to engage in future capacity building activities. For example, if a board president shares that she is having trouble finding a reliable treasurer, MCR can follow up in future conversations to see if the issue has been resolved and offer guidance if it has not. In this way, case notes provide valuable detailed information that help nonprofit leaders feel heard and cared for.

Facebook post from a participant in MCR's Office Hours program. **SCREENSHOT FROM FACEBOOK.**

NEXT STEP: SIX-MONTH FOLLOW UP EVALUATION

New in 2019, MCR plans to institute a follow up evaluation approximately 6 months after a nonprofit's appointment to evaluate additional impact, but more importantly, as an opportunity to reengage them in the program to address any emerging needs.

Case Study 2: Annual Programmatic Review

In addition to seeking feedback on the impact of individual programs on nonprofit organizations, MCR annually solicits more in-depth programmatic feedback from the nonprofit community as part of its program planning process. The goal of the process is to comprehensively evaluate all programming in partnership with the nonprofits served by the organization to inform program design for the following year.

This process includes:

- One-on-one interviews completed with nonprofit leaders
- Online survey administered to nonprofit leaders
- One to three focus groups facilitated with nonprofit leaders

Each step is described in more detail below.

ONE-ON-ONE INTERVIEWS

The one-on-one interviews serve as an informal tool to collect deep qualitative feedback on MCR programs and their impact on a given nonprofit as well as nonprofit needs. These conversations are very relationship-driven and often include trusted on-the-ground nonprofit leaders as our advisors who will give candid feedback. Additionally, MCR seeks out individuals who may not be as connected to the organization or who may not have had their needs met.

ONLINE SURVEY

A brief online survey is administered to all nonprofits that received services from MCR that year. The survey asks for feedback on current MCR programs and need in the communities served by the nonprofits the organization serves.

Sample questions include:

- "Rate the importance of these MCR programs to your organization."
  - *Likert scale - very important to very unimportant*
- "Rate your satisfaction with each of these MCR programs."
  - *Likert scale – very satisfied to very unsatisfied*
- "Please select your top three organizational needs"
  - *List of 12 pre-determined options plus open response space for other*
- "Please list the top 3 issues facing your community."
  - *Open response*

FOCUS GROUPS

The MCR team compiles all the feedback from all programmatic evaluations over the course of the year, the one-on-one conversations, and the online survey to bring to one to three focus groups for further discussion. This feedback is distilled into key takeaways for focus group participants to react to.

For each takeaway, two primary questions are asked:

1. "What are your reactions? Do you agree with these statements? What would

you add? What would you change?"

2. "What could this look like at MCR? Should it look different or stay the same?"

Annual Programmatic Review Tips for Success:

- *Make personal asks to invite participation.*

  People are more likely to respond if they feel like the ask is targeted and personalized to them.

- *Allow multiple ways for stakeholders to engage.*

  Nonprofit leaders are busy and often like to engage in different ways that fit their personalities and schedules.

- *Demonstrate that feedback is being used.*

  Attendees always want to see and trust that their feedback is being used. In this iterative process, feedback from the previous step is always brought to the subsequent step.

- *Share all feedback with participants.*

  Facilitators should be transparent and share all data and notes with participants.

- *Facilitate without ego.*

  It is critical to enter each of these conversations from a space of humility and reflection, not one of ego and defensiveness. This allows nonprofit leaders to feel comfortable sharing their frustrations and desires.

- *Consider not having "the boss" in the room.*

  After previous focus groups, attendees have mentioned that they weren't as critical as they could have been because they didn't want to get someone in trouble with their boss. Given how relationship-driven successful capacity building work should be, consider which team members are in the room to allow for the most trusting and candid conversation.

- *Allow space for evaluation to be an extension of capacity building.*

  Focus groups can be a great opportunity to bring new organizations together to build relationships. The sessions can be structured to foster relationships between the nonprofit leaders present that provide value to them beyond the value their feedback provides to MCR. Similarly, the online survey can be used as a model to be shared and modified by nonprofit leaders for their own evaluation efforts.

Youth from the Belvidere Community Youth Block Club working in their community garden supported by technical assistance received from MCR. **PHOTO COURTESY OF BELVIDERE COMMUNITY YOUTH BLOCK CLUB.**

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ECOSYSTEM MAP & INVENTORY

AN ECOSYSTEM MAP WILL PRESENT A COMPREHENSIVE PICTURE OF EVOLVING NEEDS AND EMERGING INITIATIVES IN THE NONPROFIT ECOSYSTEM IN SOUTHEAST MICHIGAN.

The Collaborative recognizes that the capacity building system must be grounded in an understanding of the evolving needs and priorities of nonprofit organizations and ecosystem stakeholders in order to remain dynamic and relevant. To this end, the system's fourth anchor is an Ecosystem Map.

The Ecosystem Map is envisioned as a tool to inform the proposed capacity building system in two ways. First, it will present a comprehensive picture of evolving needs and other key indicators within the nonprofit ecosystem in Southeast Michigan. Second, it will share information on emerging capacity building initiatives to more effectively consider what can be leveraged and connected.

The recommendations in this chapter are framed with special reference to Co.act Detroit, the proposed home and administrator of the Ecosystem Map and Inventory.

Building the Ecosystem Map

The Collaborative believes that our proposed Biennial Census: "The State of the Nonprofit Ecosystem in Southeast Michigan," discussed in the previous chapter, will be an important mechanism for building out and continually updating a robust

Shamyle Dobbs, CEO of Michigan Community Resources, speaking at a Co.act event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

Ecosystem Map. The census will be used to gather data on key indicators within the nonprofit ecosystem and on emerging capacity building initiatives through a survey tool. The survey tool, which will differ for nonprofit organizations and other ecosystem stakeholders, can be used to:

- Capture evolving needs, characteristics, and barriers faced by nonprofits
- Catalog existing capacity building services
- Monitor trends in funder investment priorities
- Track other key indicators within the nonprofit ecosystem in Southeast Michigan
- Identify new and emerging ecosystem initiatives
- Measure awareness of existing ecosystem initiatives
- Measure connectedness to existing ecosystem initiatives

The goal of the initial census will be to gather baseline information about the nonprofit ecosystem in Southeast Michigan. The census can then be repeated every two years to measure progress in the region. More detailed recommendations regarding the administration of the census can be found in the Evaluation Chapter.

The data gathered through the census, which should be made widely available to the ecosystem, can be used by funders, capacity building providers, and other relevant stakeholders to understand evolving needs and challenges and refine their approach to supporting nonprofits in response.

This data can also be used to demonstrate connectedness, breadth, and impact of each identified ecosystem initiative across various stakeholder groups. These efforts can then not only be intentionally documented and mapped, but also connected in person for deeper impact and information sharing.

An Inventory to Inform the Ecosystem Map

The Collaborative initiated an Inventory of existing capacity building services and resources to gather data which could inform the development of an Ecosystem Map and form the foundation of a Resource Navigation Tool in a potential future implementation phase of the capacity building system. An abridged version of this Inventory is available in Appendix III. The complete version version of the Inventory will be made available to the Ralph C. Wilson, Jr. Foundation for use by Co.act Detroit.

Case Studies: Mapping Ecosystem Level Initiatives

The Collaborative knows that there are numerous partnerships, collaboratives, and initiatives working toward building capacity for nonprofits across Southeast Michigan. To illustrate the breadth and complexity of the capacity building ecosystem, in this section we highlight two current initiatives that demonstrate the tremendous opportunities for connection and coordination within the system.

Both Building the Engine of Community Development in Detroit and the Detroit Capacity Building Forum represent the vast interconnectedness of various stakeholders working toward building capacity for nonprofits in Detroit.

Case Study 1: Building the Engine of Community Development in Detroit

PURPOSE

Building the Engine of Community Development in Detroit (BECDD) is a citywide process to strengthen neighborhoods by building a coordinated, equitable system for community development work in Detroit.

PARTNERS & STAKEHOLDERS

BECDD was initiated by three core partners: Community Development Advocates of Detroit (CDAD), Lawrence Technological University (LTU), and Michigan Nonprofit Association (MNA). These organizations currently co-lead the initiative in partnership with BECDD's staff.

Additional guidance is provided by a multisector advisory council with representation from academia, advocacy organizations, community development organizations, community development intermediaries, government, financial institutions, grassroots organizations, and philanthropy.

EMERGENCE OF THE INITIATIVE

In recognition that Detroit lacked a cohesive community development system which was negatively impacting neighborhoods, the core partners launched BECDD in 2016. Initial funding was provided by the Fred A. and Barbara M. Erb Family Foundation, the Kresge Foundation, the W.K. Kellogg Foundation, and Bank of America.

In 2016, 98 stakeholder organizations were engaged in BECDD to understand the current state of community development in Detroit as well as the value add and potential challenges in creating a community development system. Since then, 150 organizations have been engaged in total through various interviews, surveys, task forces, convenings, and more.

CAPACITY BUILDING FINDINGS & RECOMMENDATIONS

Through stakeholder engagement, BECDD identified a gap in coordinated and targeted capacity building services to meet the unique needs of community development organizations. As a result, the Intermediary System Task Force was convened to explore how to better coordinate and align the capacity building services provided to community development organizations.

Based on extensive research of national models and engagement with local stakeholders, BECDD has proposed a concept for multi-step coordination of capacity building services. Steps include:

1. **Intake** – The coordinating entity acts as central intake and accepts applications for capacity building services.
2. **Assessment** – Organizations can opt to take a general nonprofit assessment followed by a community development specific assessment.
3. **Referral** – Organizations are connected to a list of vetted service providers.
4. **Service Delivery** – Services are delivered by consultants, coaches, mentors, and technical assistance providers as well as workshops and trainings.
5. **Monitoring** – Service providers are monitored and evaluated for quality control. Organizations are monitored for capacity growth.
6. **Payment** – Services are paid for through a variety of means.

CDAD Executive Director and BECDD core partner, Sarida Scott, at the 2018 Community Development Awards. **PHOTO COURTESY OF COMMUNITY DEVELOPMENT ADVOCATES OF DETROIT.**

Maggie, DeSantis, Initiative Manager for BECDD, speaking at a recent Co.act event. **PHOTO COURTESY OF CO.ACT DETROIT.**

Currently, BECDD is in continued conversation with MCR, NEW, CDAD, and Co.act Detroit around coordination of the above steps.

Detailed recommendations are available here: https://buildingtheengine.com/wp-content/uploads/files/BECDD_CCDCBS_Concept_Document_as_of_DECEMBER_1_2018.doc

ALIGNMENT & NEXT STEPS

There is tremendous opportunity for alignment between the work of the Collaborative and BECDD. Many individuals and organizations have been key stakeholders in both initiatives allowing for many opportunities for knowledge sharing.

While BECDD's recommendations are specific to community development, there are many findings and recommendations that are applicable to the nonprofit sector broadly that the Collaborative and Co.act serves. As we move into Phase II of the work of the Collaborative, we will be further exploring the roles our organizations can play individually and collectively to support the vision of BECDD as well as how BECDD can intersect with our next steps.

As for BECDD, 2019 and beyond will include piloting its many strategies as it continues to build the system and determining its long-term governance and organizational structure.

For more information on BECDD, visit www.buildingtheengine.com.

Case Study 2: Detroit Capacity Building Forum

PURPOSE

Now in its second year, the Detroit Capacity Building Forum (DCBF) seeks to promote greater communication and shared purpose amongst capacity building system stakeholders, which in turn will lead to improved network connectedness.

The Detroit Capacity Building Forum 2018 was designed to be a coming together of leaders willing to learn, share, trust, and work together to develop an intentional capacity building ecosystem on Detroit that works for all and is equipped to solve the social problems in our community. Toward that end, the DCBF promoted greater communication and coordination between participants by creating the space for information sharing, idea exploration, and relationship building.

The goals of the 2019 DCBF include:

- Promote greater communication, relationship building and shared purpose amongst system stakeholders
- Develop an equity agenda for the Capacity Building Network
- Support other capacity building system-level initiative in achieving their goals

PARTNERS & STAKEHOLDERS

The DCBF is convened and led by the University of Michigan Technical Assistance Center (UM TAC). The UM TAC is supported by a team of consultants and a robust planning group. The planning group consists of multisector stakeholders including community-based organizations, philanthropy, and capacity building service providers.

EMERGENCE OF THE INITIATIVE

Through its own capacity building work, the UM TAC recognized that capacity building efforts often occur in silos and aren't well connected across initiatives. The UM TAC

believed that changing this requires cultivating consciousness and actions that promote more coordination and greater social impact.

With support from the W.K. Kellogg Foundation, the 2018 DCBF was convened as a first step in this process, offering diverse stakeholders a chance to come together under the banner of "doing better together" to build relationships and learn about the variety of initiatives happening in the ecosystem. The forum included presentations from national best practices, a panel of local experts sharing their strategies and service perspectives, opportunities for small group information exchange and idea exploration between capacity building stakeholders, large group discussion, and live surveying. Participants heard from large and small organizations about their social change work and were oriented to some innovative national efforts. They explored questions related to accessibility, quality and dispersion of capacity building resources, and ultimately agreed that the pervasive inequities within the capacity building ecosystem must change.

CAPACITY BUILDING FINDINGS & RECOMMENDATIONS

Several key opportunities emerged from the 2018 DCBF including the need to:

- Establish, nurture, and maintain good relationships among capacity building providers
- Create shared tools to measure and align our work
- Create an Ecosystem Map to clarify and document what exists and to connect people and organizations
- Apply network management principles
- Identify what exists and is working
- Eliminate what exists and is not working

The DCBF intends to build off these findings during the planning and implementation of the 2019 Forum.

ALIGNMENT & NEXT STEPS

At the end of 2018, the Collaborative engaged the DCBF planning group in a feedback session on our initial findings and recommendations. The planning group expressed excitement about continuing to seek alignment between both initiatives. Inherent in both the Collaborative's model and the DCBF is the need for trusting relationships in every part of the ecosystem. Efforts like the DCBF are an important step in building those connections.

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REFLECTIONS & NEXT STEPS

A SUCCESSFUL CAPACITY BUILDING SYSTEM IN SOUTHEAST MICHIGAN REQUIRES THE PHILANTHROPIC SECTOR TO ALIGN INVESTMENTS AND DEVELOP A COORDINATED STRATEGY TO ADDRESS GRANTMAKING INEQUITIES IN THE SECTOR.

A year and a half ago, Michigan Nonprofit Association (MNA), Michigan Community Resources (MCR), Nonprofit Enterprise at Work (NEW), and the University of Michigan Technical Assistance Center (UM TAC), four intermediaries that had never come together with intentionality to work as partners, coalesced around a shared desire to create a capacity building system designed to disrupt "business as usual" in the nonprofit ecosystem.

For too long, "business as usual" has meant that nonprofits are confronted with systemic barriers that impede their ability to meet their missions and realize their potential to be key drivers of social change in the communities which they serve. They have operated in an environment in which:

- The number of nonprofits continues to grow, while outcomes related to health, housing, financial stability, and other indicators of social well-being remain poor.
- Nonprofits—particularly those led by people of color—are chronically underresourced, lacking access to the funding, information, and technical support to help them realize their vision for change.
- Institutional racism is firmly embedded in the attitudes, practices, and norms of an ecosystem that includes nonprofits, funders, consultants, business, government, and intermediaries.

Attendees at a Co.act Detroit event in 2018. **PHOTO COURTESY OF CO.ACT DETROIT.**

- Boards and executive leadership of most nonprofits are disproportionately white, while the communities they serve tend to be disproportionately black and brown. This gap leads to a skewed perspective on problem-solving, needs, and priorities, which may not align with the perspectives of the communities served.

It was clear to us that in order to build capacity in a way that was new and transformative for nonprofits, the ecosystem, and communities, our system had to do more than support nonprofits in developing solid budgeting practices, fund development plans, and marketing strategies; it needed to support nonprofits in changing the environment in which they operate and to address systemic issues that perpetuate social and racial inequality in the communities they serve.

But how?

We asked nonprofits, intermediaries, corporate partners, technical assistance providers, and others to help us answer that question. What we learned is that the key to equipping nonprofits to drive change in the ecosystem and in communities is to build their capacity to work effectively in collaboration with one other and with other nonprofit ecosystem stakeholders **as a network**.

In "Building a Network," we have laid out our blueprint for a capacity building system in Southeast Michigan. Central to this system are strategies to both strengthen nonprofits' internal functioning and strengthen their ability to function as part of a network collectively striving to advance social change.

We invite nonprofits, funders, intermediaries, businesses, and other ecosystem stakeholders to join us as we work to bring these strategies to life as we pursue the following next steps in Phase II of this work.

The partners of the Collaborative are committed to playing a role in implementing these strategies through work in their individual organizations as well as through participation in collaborative efforts such as Building the Engine of Community Development in Detroit and the Detroit Capacity Building Forum.

For Phase II, Michigan Community Resources will take the lead on determining the form and purpose of any future iteration of the Collaborative.

Engaging the Ecosystem

Phase II will also include the design of an ongoing engagement strategy for continuous learning and feedback from nonprofits and capacity building providers.

Phase II will include sharing our recommendations with ecosystem stakeholders, starting with the 52 individuals that we engaged in the process of developing them. It will also include leveraging partner events, networks, and platforms to share the report, gather feedback, and facilitate continued dialogue around integrating the service principles and values outlined in the report into the work of capacity building providers.

Phase II will also include expanding our view of the ecosystem to identify opportunities to broaden and deepen engagement beyond Detroit to build relationships with stakeholders throughout Southeast Michigan.

Engaging Funders

One of the key challenges to nonprofit capacity identified by nonprofits and intermediaries through our engagement process was the culture surrounding

philanthropy. In the words of one focus group attendee, "Like everyone was saying, the funders need to get educated. I think this could be an opportunity to reverse the dynamic…not reverse the dynamic but create a way for funders to learn from the system as well."

For this reason, in partnership with Co.act Detroit, engaging funders around the ideas in this report and facilitating dialogue on how they can be better partners to nonprofits and the communities they serve will be a key goal of Phase II of this work.

The process led by Allied Media Projects and Detroit People's Platform to convene community organizers and philanthropy to develop tangible recommendations to improve grantmaking for social justice organizations in Detroit provides a model for facilitating constructive, results-driven communication between funders and nonprofits.

The "12 Recommendations for Detroit Funders" produced through that process[1] offer a starting point for discussing how to incorporate values such as equity, accountability, respect, and accessibility into funding practices.

A successful capacity building system in Southeast Michigan requires the philanthropic sector to align investments and develop a coordinated strategy to address grantmaking inequities in the sector. It requires humility and candor to dismantle historic practices that maintain structures of institutional racism. Most importantly, it will require funders to take a long-view approach to building capacity, because organizational transformation will not happen overnight.

One-off workshops on fundraising or management, and short-term consulting engagements, cannot be expected to produce significant changes in capacity.

Developing the system will require a sustained investment of resources. Phase II of this work will entail a partnership with Co.act Detroit to continue the conversation and exploration with the philanthropic community, banking institutions, investors, lenders, and intermediaries on providing ongoing aligned investment to the sector through various approaches.

Exploration approaches will include discussions on the following:

- Nonprofit capacity-building grants and awards
- Multi-year general operating support
- Lending strategies
- Grants and contracts with technical assistance providers and intermediaries
- Peer learning networks and communities of practice
- Collaborations among the philanthropic sector—and beyond
- Support for nonprofits to develop earned revenue streams
- Other capacity building tools, including non-monetary, as needs arise

Resource Navigation Tool Development

Creating access to resources and information through our proposed Resource Navigation Tool is another key priority of Phase II of this work. We will work with Co.act Detroit

Employees from the Ford Motor Company helping to construct a rain garden with Popps Packing. **PHOTO BY MICHIGAN COMMUNITY RESOURCES.**

1 Ignaczak, N. (2017). Changing the Conversation: Philanthropic Funding and Community Organizing in Detroit. Website: https://www.alliedmedia.org/sites/tmpstage.dev.altissima.theworkdept.com/files/funders_guidelines_2017_print.pdf

Resident volunteers from Creekside Community Development Corporation implementing a neighborhood project with funding and technical assistance received from MCR. **PHOTO COURTESY OF CREEKSIDE COMMUNITY DEVELOPMENT CORPORATION.**

and target end users to better understand how the tool can be best designed to meet the needs of the sector and the center, and outline and implement steps needed to implement the tool.

Action steps will include:

- Continuing to build out the inventory of resources and service providers for the tool
- Gathering quotes and models for designing the platform
- Creating a plan for platform development and maintenance
- Gathering input from target end users.

In closing, we thank Ralph C. Wilson, Jr. Foundation for their leadership in advancing capacity building in the region. As a well-resourced foundation, we invite the Foundation to leverage its influence and networks to bring its funding peers to the table to develop the coordinated investment strategy needed to redefine capacity building in Southeast Michigan.

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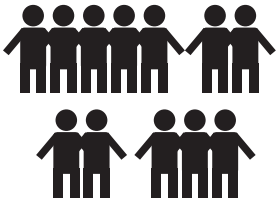
APPENDICES

DATA SNAPSHOT



THE COLLABORATIVE HOSTED SEVEN FOCUS GROUPS IN OCTOBER AND NOVEMBER 2018 TO COLLECT DATA FOR THIS REPORT.

These included focus groups tailored to smaller, volunteer-led organizations; larger organizations with paid staff; and organizations that support other organizations (referred to here as "Intermediaries"). The following data shows a summary of the concerns—broken up into "Needs" and "Barriers"—mentioned most frequently in these groups. Needs represent services or support that organizations, networks, and communities need to thrive. Barriers represent conditions that prevent organizations, networks, and communities from thriving. Percentages that appear are in relation to the all of the concerns mentioned in the each category. Percentages are rounded to the nearest whole percent.

Summary for All Groups

7 TOTAL FOCUS GROUPS

TOP NEEDS:

1. Funding - 13% Obtaining funding through grants or generating revenue
2. Collaboration & Partnership - 9% Working together; issues related to how or why nonprofits work together
2. Professional Development - 9% Opportunities for skills training, coaching, and leadership development
3. Recruitment & Retention - 6% Recruiting and retaining a talented workforce
3. Storytelling & Marketing - 6% Telling the story of the work, marketing outcomes for different audiences

TOP BARRIERS:

1. Inequality - 28% Systematic disparities in power, respect, and access to resources
2. Nonprofit Culture - 12% Attitudes, practices, and norms associated with nonprofits and the nonprofit sector
3. Competition - 9% Competition as a barrier to nonprofits working together
4. Philanthropy - 7% The culture of philanthropy; the relationships between nonprofits and funders
5. Funding - 7% Obtaining funding through grants or generating revenue

➢ Smaller, Volunteer-Led Nonprofits

3 FOCUS GROUPS

These nonprofits rely primarily on volunteer labor, operate out of community space or the homes of members, most do not have a 501(c)(3) designation, and organizational capacity is determined by the willingness of members and volunteers.

TOP NEEDS:

1. Professional Services - 17% Challenges related to legal, accounting, human resources, and IT needs
2. Funding - 14% Obtaining funding through grants or generating revenue
3. Access - 11% Pathways needed to connect with funders, resource providers, and resources
4. Collaboration & Partnership - 8% Working together; issues related to how or why nonprofits work together
4. Volunteers - 8% Recruitment and management of volunteers to augment organizational capacity

TOP BARRIERS:

1. Inequality - 44% Systematic disparities in power, respect, and access to resources
2. Access - 9% Pathways needed to connect with funders, resource providers, and resources
3. Volunteers - 8% Recruitment and management of volunteers to augment organizational capacity
4. Competition - 6% Competition as a barrier to nonprofits working together
4. Nonprofit Culture - 6% Attitudes, practices and norms associated with nonprofits and the nonprofit sector

➢ Larger, Staffed Nonprofits

2 FOCUS GROUPS

These nonprofits have more than one paid staff person, operate from designated office space, may or may not have a 501(c)(3) designation, and likely have greater organizational capacity to carry out their missions.

TOP NEEDS:

1. Collaboration & Partnership - 13% Working together; issues related to how or why nonprofits work together
2. Professional Development - 10% Opportunities for skills training, coaching, and leadership development
3. Access - 9% Pathways needed to connect with funders, resource providers, and resources
4. Recruitment & Retention - 8% Recruiting and retaining a talented workforce
5. Advocacy & Collective Action - 7% Working to promote a cause, and organizing to collectively to take action

TOP BARRIERS:

1. Nonprofit Culture - 20% Attitudes, practices and norms associated with nonprofits and the nonprofit sector
2. Awareness & Diagnosis - 14% Identification, knowledge and understanding of problems or needs
3. Inequality - 11% Systematic disparities in power, respect, and access to resources
4. Evaluation & Impact - 9% Measuring outcomes and impact of programs and the organization as a whole
4. Philanthropy - 9% The culture of philanthropy; the relationships between nonprofits and funders

➢ Intermediaries

2 FOCUS GROUPS

Intermediaries serve nonprofit and community-based organizations. These focus groups were made up of many different types of stakeholders that serve nonprofits directly or indirectly through their work, including nonprofit organizations, funders, corporations, consultants, and more. They spoke in focus groups not only based on their own experience and needs, but also on those communicated to them from the client organizations they serve.

TOP NEEDS:

1. Funding - 12% Obtaining funding through grants or generating revenue
2. Professional Development - 10% Opportunities for skills training, coaching, and leadership development
3. Storytelling & Marketing - 10% Telling the story of the work, marketing outcomes for different audiences
4. Nonprofit Culture - 7% Attitudes, practices and norms associated with nonprofits and the nonprofit sector
5. Organizational Internal Systems - 6% Systems for internal communications, finances, policies & procedures, etc.

TOP BARRIERS:

1. Competition - 16% Competition as a barrier to nonprofits working together
1. Nonprofit Culture - 16% Attitudes, practices and norms associated with nonprofits and the nonprofit sector
2. Funding - 15% Obtaining funding through grants or generating revenue
3. Inequality - 13% Systematic disparities in power, respect, and access to resources
4. Philanthropy - 11% The culture of philanthropy; the relationships between nonprofits and funders

THEORY OF CHANGE

Representatives from local organizations converse at a Building the Engine of Community Development in Detroit (BECDD) committee convening held at Co.act Detroit. **PHOTO COURTESY OF CO.ACT DETROIT.**

Vision

We want to see thriving Southeast Michigan communities supported by thriving nonprofit organizations.

Context

THE NUMBER OF NONPROFIT ORGANIZATIONS CONTINUES TO INCREASE.

Still, outcomes related to health, housing and financial stability, education, employment, and other social well-being indicators remain poor.

NONPROFIT ORGANIZATIONS, PARTICULARLY THOSE LED BY PEOPLE OF COLOR, ARE OFTEN UNDER-RESOURCED.

These organizations lack access to the funding, relationships, and effective technical support they need to advance their missions and maximize their impact.

INSTITUTIONAL RACISM IS EMBEDDED IN THE ATTITUDES, PRACTICES, AND NORMS OF THE NONPROFIT ECOSYSTEM.

This ecosystem includes nonprofits, funder networks, business, government, and intermediaries.

BOARDS AND EXECUTIVE LEADERSHIP OF MOST NONPROFITS ARE DISPROPORTIONATELY WHITE.

The communities they serve tend to be disproportionately black and brown. This gap leads to a skewed perspective on problem-solving, needs, and priorities, which may not align with the perspectives of the communities served.

Assumptions

We understand the following realities to be true.

- Nonprofit organizations in Southeast Michigan can be key drivers to transform social conditions in the communities they serve when they have access to adequate resources (including funding, decision makers, technical support, etc.) that allow them to address systemic barriers which limit their success.
- Nonprofit organizations and their leaders are innately resourceful and capable of achieving their visions for change. However, they still face systemic barriers to success.
- In order to equip organizations to transform conditions in communities, organizational capacity building must: a) strengthen the ability of organizations to meet their missions, and b) strengthen organizational capacity to act within the broader nonprofit ecosystem to create change.
- Nonprofit organizations must be equipped to evaluate and challenge the attitudes, practices, and values which shape how they operate internally and how they engage with their constituents and actors within the nonprofit ecosystem.

- Intentional strategies to invest in current and future leaders of color and to address institutional racism throughout the nonprofit ecosystem are needed to close the racial leadership gap.
- Closing the racial leadership gap will create space for new, more culturally-aware perspectives on problem-solving, needs, and priorities in disadvantaged communities to emerge.

Michigan Community Resources staff and volunteer attorneys discuss financial matters with a nonprofit client at a January 2019 legal clinic at Co.act Detroit. **PHOTO COURTESY OF MICHIGAN COMMUNITY RESOURCES.**

Strategies

Based on our understanding of context and guiding assumptions, the Collaborative identified two strategies to bring our vision of thriving Southeast Michigan Communities through thriving nonprofit organizations to life. Our suggested strategies focus on impacting the nonprofit ecosystem and communities by first strengthening the internal capacity of individual nonprofit organizations to fulfill their missions. **As this occurs, nonprofits will in turn be better equipped to organize and collaborate in order to impact the larger ecosystem and transform social conditions in communities.**

Strategy I: Build Nonprofit Capacity to Meet Mission

Capacity Area: Talent

Objective: Build the capacity of nonprofits to recruit, retain, and invest in the knowledge, skills, and leadership of diverse, capable, empathetic staff at all levels.
Tactics: • Assessments • Leadership development initiatives • Professional development, training, and skills-building opportunities • Targeted convenings for networking, peer learning, and best practice sharing • Funding for professional development • Coaching and consulting

Capacity Area: Operations

Objective: Build the capacity of nonprofits to manage operational functions such as budgeting and accounting, data and technology, organizational policies and procedures, communications, and human resources.
Tactics: • Assessments • Funding for general operations or unrestricted funding • Low or no cost professional services • Professional development, training, and skills-building opportunities • Targeted convenings for networking, peer learning, and best practice sharing • Facilitation support for collaborations • Coaching and consulting

Capacity Area: Funding & Resources

Objective: Build the capacity of nonprofits to secure:
1. Income through fundraising, philanthropic giving, and earned income streams
2. Nonmonetary resources (pro bono services, volunteers, in kind donations)

Tactics:
- Professional development, training, and skills-building opportunities
- Targeted convenings for networking with funders
- Guides and online resources
- Coaching and consulting
- Fiscal sponsorship

Capacity Area: Organizational Culture

Objective: Build the capacity of nonprofits to critically examine and challenge the attitudes, practices, and values which shape how they operate internally and how they engage with their constituents and actors within the nonprofit ecosystem, including funders, nonprofits, networks, business, government, and intermediaries.

Tactics:
- Assessments
- Professional development, training and skills-building opportunities
- Coaching and consulting
- Guides and online resources
- Targeted convenings

Capacity Area: Strategy & Planning

Objective: Build the capacity of nonprofits to develop plans to achieve their organizational goals and to put those plans into action.

Tactics:
- Assessments
- Professional development, training, and skills-building opportunities
- Guides and online resources
- Coaching and consulting

Capacity Area: Program Development, Management & Evaluation[1]

Objective: Build the capacity of nonprofits to develop and manage programs and services which are responsive to community needs and voice, and to evaluate the effectiveness of those programs and services.

Tactics:
- Assessments
- Professional development, training, and skills-building opportunities
- Coaching and consulting

1 This terminology and definition were adapted from Satterwhite, S. & Teng, S. (2007).

Capacity Area: Leadership & Governance[2]

Objective: Build the capacity of nonprofits to develop diverse, empathetic boards and executive leadership that demonstrate vision and competence.
Tactics: • Assessments • Professional development, training, and skills-building opportunities • Targeted convenings for networking, peer learning, and best practice sharing • Guides and online resources • Mentorship • Coaching and consulting

Strategy II: Build Network Capacity for Social Change

Objective: The capacity building model proposed by the Collaborative is intended to strengthen the capacity of nonprofits to work effectively in collaboration with each other and with other nonprofit ecosystem stakeholders to 1) shape policies, practices, and cultural norms that form the context in which nonprofits operate, particularly in communities of color and 2) to multiply the impact of their individual efforts to transform social conditions in communities.
Tactics: • Provide space • Map the nonprofit ecosystem in Southeast Michigan • Facilitate communication between nonprofits and funders • Provide facilitation support for collaborations • Facilitate networking and shared learning opportunities for cross sector relationship building

Outcomes

We are proposing specific strategies in order to bring about the following outcomes.

ORGANIZATION LEVEL:

- Nonprofit organizations will increase their capacity in foundational areas of organizational development, including Talent, Operations, Funding & Resources, Culture, Strategy, Program Development, Management & Evaluation, and Leadership & Governance.
- Organizations will have increased access to funding, decision makers, skill-building opportunities, technical support, etc.
- Organizations will be better able to achieve their goals and advance their missions.
- Organizations will be better able to run their programs and services effectively, efficiently, and sustainably.
- Organizations will have increased tools and resources available to work collaboratively with nonprofit ecosystem stakeholders to transform policies, social institutions, practices, and cultural norms that shape the context in which nonprofits operate, particularly in communities of color.

Nonprofit leaders connecting at a recent Co.act Detroit event.
PHOTO COURTESY OF CO.ACT DETROIT.

2 This terminology and definition were adapted from Satterwhite, S. & Teng, S. (2007).

COMMUNITY LEVEL:

- Social conditions in Southeast Michigan communities will improve.

SYSTEMS LEVEL:

- Nonprofit organizations and other ecosystem stakeholders have increased awareness and understanding of the ecosystem.
- The racial leadership gap will decrease. The number of nonprofit executive leaders and board members who are people of color will increase.
- The nonprofit ecosystem will benefit from new, diverse, and culturally-aware perspectives on problem-solving, needs, and priorities in disadvantaged communities.
- Organizations will be equipt to multiply the impact of their individual efforts to transform social conditions in the Southeast Michigan communities they serve.

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INVENTORY

ORGANIZATION	WEBSITE	GEOGRAPHY SERVED	CAPACITY AREA
313Creative		Southeast Michigan	Strategy & Planning; Operations; Program Development, Management & Evaluation
501 Alliance	www.501alliance.org	Michigan	Operations
8 Bridges Workshop	www.8bridgesworkshop.com	National and/or International	Operations; Program Development, Management & Evaluation; Strategy & Planning; Leadership & Governance
Allied Media Projects	www.alliedmedia.org	Detroit	Operations
Altruic Advisors, PPLC	www.altruic.com	National and/or International	Operations
Apparatus Solutions	www.apparatussolutionsinc.com	Southeast Michigan	Operations
Ardent Cause	www.ardentcause.com	Southeast Michigan	Operations
ARISE Detroit	www.arisedetroit.org	Detroit	Funding & Resources
Ballmer Group	www.ballmergroup.org	Southeast Michigan	Funding & Resources
Bank of America	www.about.bankofamerica.com/en-us/what-guides-us/find-grants-sponsorships.html#fbid=TtFvKmxQyVs	National and/or International	Funding & Resources
Belle Detroit Creative Solutions	www.belledetroit.com	Michigan	Program Development, Management & Evaluation
Bill & Melinda Gates Foundation Trust	www.gatesfoundation.org	National and/or International	Funding & Resources
Black United Fund of Michigan, Inc	www.bufmi.org	Michigan	Funding & Resources
Blender Consulting Group		Michigan	Program Development, Management & Evaluation; Strategy & Planning; Operations
BoardSource	https://boardsource.org/	National and/or International	Leadership & Governance; Program Development, Management & Evaluation; Strategy & Planning
Campbell & Company	www.campbellcompany.com	National and/or International	Operations; Funding & Resources
Carls Foundation	www.carlsfdn.org	Michigan	Funding & Resources
Challenge Detroit	www.challengedetroit.org	Detroit	Talent
Charles Stewart Mott Foundation	www.mott.org	Genesee County	Funding & Resources
Chemical Bank	www.chemicalbank.com/About/Philanthropy	Southeast Michigan	Funding & Resources

ORGANIZATION	WEBSITE	GEOGRAPHY SERVED	CAPACITY AREA
Comerica Charitable Foundation	https://www.comerica.com/about-us/corporate-responsibility/charitable-giving.html	Michigan	Funding & Resources
Community Development Advocates of Detroit	www.cdad-online.org	Detroit	Leadership & Governance; Talent
Community Foundation for Southeast Michigan	www.cfsem.org	Wayne, Oakland, Macomb, Monroe, Washtenaw, St. Clair, and Livingston Counties	Funding & Resources
Corporation for a Skilled Workforce	www.skilledwork.org	Michigan	Strategy & Planning; Program Development, Management & Evaluation
Council of Michigan Foundations, Inc	www.michiganfoundations.org	Michigan	Funding & Resources
Creative Many	www.creativemany.org	Michigan	Program Development, Management & Evaluation; Strategy & Planning; Funding & Resources
Culture Source	www.culturesource.org	Wayne, Oakland, Macomb, Monroe, Washtenaw, St. Clair, and Livingston Counties	Funding & Resources; Strategy & Planning; Program Development, Management & Evaluation Operations
Data Driven Detroit	www.datadrivendetroit.org	Detroit	Operations; Strategy & Planning
Detroit Collaborative Design Center	www.dcdc-udm.org	Detroit	Program Development, Management & Evaluation
Detroit Future City	www.detroitfuturecity.com	Detroit	Program Development, Management & Evaluation
Detroit LISC	www.lisc.org	Detroit	Funding & Resources
Detroit LISC: AmeriCorps	www.lisc.org/detroit	Detroit	Funding & Resources; Talent
Detroit Revitalization Fellows	www.detroitfellows.wayne.edu	Detroit	Talent
Do Good Consulting	www.dogoodconsulting.org	Michigan	Funding & Resources; Leadership & Governance; Operations; Program Development, Management & Evaluation; Strategy & Planning
Doers Consulting Alliance	www.facebook.com/DoersConsulting	Southeast Michigan	Operations; Strategy & Planning; Program Development, Management & Evaluation
DTE Care Force	https://www.newlook.dteenergy.com/wps/wcm/connect/dte-web/dte-pages/ccr/home/community	Southeast Michigan	Funding & Resources

ORGANIZATION	WEBSITE	GEOGRAPHY SERVED	CAPACITY AREA
DTE Energy Foundation	www.empoweringmichigan.com/foundation/	Southeast Michigan	Funding & Resources
Early Works	www.earlyworksllc.com	Michigan	Operations; Strategy & Planning; Program Development, Management & Evaluation
Emergence Collective	www.emergencecollective.org	Michigan	Culture; Leadership & Governance; Strategy & Planning
Enterprise Community Partners	www.enterprisecommunity.org	Detroit; National and/or International	Funding & Resources
Ethel and James Flinn Foundation	www.flinnfoundation.org	Southeast Michigan	Funding & Resources
Exodus Consulting Group, LLC	www.exodusconsultinggroup.com	Southeast Michigan	Leadership & Governance; Culture; Operations; Program Development, Management & Evaluation; Strategy & Planning
Fifth Third Bank		National and/or International	Funding & Resources
Flagstar Foundation	www.flagstar.com/about-flagstar/flagstar-foundation.html	National and/or International	Funding & Resources
Ford Foundation	www.fordfoundation.org	National and/or International	Funding & Resources
Ford Motor Company Fund	www.community.ford.com	Southeast Michigan	Funding & Resources
Franian Consulting	www.franianconsulting.com	Southeast Michigan	Strategy & Planning; Funding & Resources; Leadership & Governance
Fred A. & Barbara M. Erb Family Foundation	www.erbff.org	Southeast Michigan	Funding & Resources
Freshwater Future	www.freshwaterfuture.org	Michigan	Funding & Resources; Operations; Strategy & Planning; Leadership & Governance; Program Development, Management & Evaluation
GoalTrac	https://www.linkedin.com/in/alan-levy-6304237/	National and/or International	Strategy & Planning; Operations
Gordon Advisors, P.C.	www.gordoncpa.com	Southeast Michigan	Operations
Great Lakes Environmental Law Center	https://www.glelc.org/	Michigan	Operations; Program Development, Management & Evaluation
Green Light Fund	www.greenlightfund.org/sites/detroit/	Detroit; National and/or International	Funding & Resources; Strategy & Planning
Grosfeld Foundation		Southeast Michigan	Funding & Resources
Grow Detroit's Young Talent	www.gdyt.org	Detroit	Talent
Human Services Association Workers Compensation Fund	http://hsawcf.com/	Michigan	Operations

ORGANIZATION	WEBSITE	GEOGRAPHY SERVED	CAPACITY AREA
iConnectX	www.iconnectx.com	Michigan	Operations
IFF	www.iff.org	Michigan	Funding & Resources
Invest Detroit	https://investdetroit.com/	Detroit	Funding & Resources
ioby	www.ioby.org/campaign/detroit	Detroit	Funding & Resources; Program Development, Management & Evaluation
JFM Consulting Group	www.moving-the-needle.com	Southeast Michigan	Operations; Leadership & Governance; Strategy & Planning; Program Development, Management & Evaluation
Johnson Center	www.johnsoncenter.org	National and/or International	Talent; Leadership & Governance; Strategy & Planning; Funding & Resources; Culture
JP Morgan Chase Service Corps	https://www.jpmorganchase.com/corporate/About-JPMC/the-service-corps.htm	Detroit	Operations; Leadership & Governance; Strategy & Planning; Program Development, Management & Evaluation; Funding & Resources
Knight Foundation	www.knightfoundation.org	Detroit; National and/or International	Funding & Resources
Kresge Foundation	www.kresge.org	Detroit; National and/or International	Funding & Resources
Lawrence Technological University School of Architecture: Detroit Studio	www.ltu.edu/detroitstudio	Southeast Michigan	Program Development, Management & Evaluation
Leadership Detroit	www.detroitchamber.com	Detroit	Talent; Leadership & Governance
Leadership Group	www.theleadershipgroup.biz	Michigan	Talent; Operations; Program Development, Management & Evaluation; Culture; Leadership & Governance
Lighthouse Risk & Insurance Solutions	http://www.lighthouserisk.com/	Michigan	Operations
Lisa King Consulting, LLC	www.lkingconsulting.com	National and/or International	Leadership & Governance; Operations; Program Development, Management & Evaluation; Strategy & Planning
Lynn & Paul Alandt Foundation		Southeast Michigan	Funding & Resources
M & M Fisher Foundation	www.mmfisher.org	Southeast Michigan	Funding & Resources
Matilda R. Wilson Fund		Detroit	Funding & Resources
McGregor Fund	www.mcgregorfund.org	Detroit; Wayne, Oakland and Macomb Counties	Funding & Resources

ORGANIZATION	WEBSITE	GEOGRAPHY SERVED	CAPACITY AREA
McMillion Group		Detroit	Program Development, Management & Evaluation
Metro Solutions	www.metrosolutions.us	Southeast Michigan	Operations; Strategy & Planning; Program Development, Management & Evaluation
Michigan Community Resources	www.mi-community.org	Michigan	Operations; Funding & Resources; Strategy & Planning; Program Development, Management & Evaluation; Leadership & Governance
Michigan Group Benefits	www.michigangroupbenefits.com	Michigan	Operations
Michigan Nonprofit Association	www.mnaonline.org	Michigan	Operations; Strategy & Planning; Program Development, Management & Evaluation; Leadership & Governance
Microsoft Philanthropies	www.microsoft.com/philanthropies	National and/or International	Funding & Resources
Mission + Strategy Consulting	www.missionplusstrategy.com	Michigan; National and/or International	Culture; Strategy & Planning; Leadership & Governance; Operations; Program Development, Management & Evaluation
Mission Lift: Janet Ray & Associates	http://www.janetrayassociates.com/index.html	Southeast Michigan	Funding & Resources; Operations; Strategy & Planning; Leadership & Governance
Mission Throttle	www.missionthrottle.com	Michigan	Operations: Funding & Resources
Motown Mission	www.motownmission.org	Detroit	Funding & Resources; Talent
Mutual of America	www.mutualofamerica.com	National and/or International	Operations
Nathan Cummings Foundation	https://nathancummings.org/	National and/or International	Funding & Resources
Neighborhood Funders Group	www.nfg.org	National and/or International	Talent; Culture; Funding & Resources; Leadership & Governance; Strategy & Planning
Neon	www.neoncrm.com	National and/or International	Operations
NEW Detroit	www.newdetroit.org	Detroit	Culture; Leadership & Governance
NonProfit Development Solutions		Southeast Michigan	Funding & Resources; Leadership & Governance; Strategy & Planning

ORGANIZATION	WEBSITE	GEOGRAPHY SERVED	CAPACITY AREA
Nonprofit Enterprise at Work	www.new.org	Southeast Michigan	Talent; Operations; Strategy & Planning; Leadership & Governance; Culture
Nonprofit Network	www.nonprofnetwork.org	Southeast Michigan	Strategy & Planning; Leadership & Governance; Culture
Non-Profit Personnel Network	www.nppn.co	Michigan	Talent; Strategy & Planning; Funding & Resources; Leadership & Governance
Nonprofits Insurance Alliance	www.insurancefornonprofits.org	National and/or International	Operations
PNC Foundation	www.pnc.com/en/about-pnc/corporate-responsibility/philanthropy/pnc-foundation.html	National and/or International	Funding & Resources
ProSeeds		Southeast Michigan	Program Development, Management & Evaluation; Strategy & Planning
Public Allies Metro Detroit	https://publicallies.org/detroit/	Southeast Michigan	Talent
Quicken Loans Community Fund	https://www.quickenloans.org/sponsorships	Detroit	Funding & Resources
Ralph C. Wilson Jr. Foundation	www.ralphcwilsonjrfoundation.org	Southeast Michigan	Funding & Resources
Redhead Design Studio	virtualredhead.com	Michigan	Program Development, Management & Evaluation; Strategy & Planning; Operations
Rehmann	www.rehmann.com	Southeast Michigan; National/International	Operations
Robert Wood Johnson Foundation	www.rwjf.org	National and/or International	Funding & Resources
Rockefeller Foundation	www.rockefellerfoundation.org	National and/or International	Funding & Resources
Root Cause Institute, Inc.	www.rootcause.org	National and/or International	Strategy & Planning; Program Development, Management & Evaluation
Sean Anderson Foundation	http://www.seanandersonfoundation.org/	Southeast Michigan	Funding & Resources
SGL Consulting, LLC	www.sglconsulting.org	Southeast Michigan	Talent; Operations; Strategy & Planning; Leadership & Governance; Culture
Skillman Foundation	www.skillman.org	Detroit	Funding & Resources
Society for Human Resource Management	www.shrm.org	National and/or International	Operations
Southern Methodist University: Data Arts	www.culturaldata.org	National and/or International	Program Development, Management & Evaluation; Strategy & Planning

ORGANIZATION	WEBSITE	GEOGRAPHY SERVED	CAPACITY AREA
State of Michigan: Surplus Services	www.michigan.gov/surplus	Michigan	Operations
TechTown Detroit	www.techtowndetroit.org	Detroit	Operations
UHY, LLP	www.uhy-us.com	National and/or International	Operations
United Way for Southeastern Michigan	www.unitedwaysem.org	Southeast Michigan	Funding & Resources
United Way of Genesee County	www.unitedwaygenesee.org	Genesee and Shiawassee Counties	Funding & Resources; Strategy & Planning; Program Development, Management & Evaluation Operations
University of Michigan: Ginsberg Center	www.ginsberg.umich.edu	Southeast Michigan	Program Development, Management & Evaluation; Strategy & Planning; Operations
University of Michigan - Dearborn: Office of Metropolitan Impact	https://umdearborn.edu/business-community/office-metropolitan-impact	Southeast Michigan	Talent; Program Development, Management & Evaluation
University of Michigan Law School: Community and Economic Development Clinic	https://www.law.umich.edu/clinical/CEDC/Pages/default.aspx	Michigan	Operations; Program Development, Management & Evaluation; Strategy & Planning
University of Michigan Technical Assistance Center		Southeast Michigan	Strategy & Planning; Program Development, Management & Evaluation
University of Michigan: Poverty Solutions	https://poverty.umich.edu	Southeast Michigan	Strategy & Planning; Funding & Resources; Program Development, Management & Evaluation
W.K. Kellogg Foundation	www.wkkf.org	Michigan	Funding & Resources
Wayne State University Executive & Professional Development	www.execed.wayne.edu	Michigan	Culture; Talent; Leadership & Governance
Wayne State University Law School: Business and Community Law Clinic	law.wayne.edu	Southeast Michigan	Operations; Strategy & Planning; Program Development, Management & Evaluation
William Davidson Foundation	www.williamdavidson.org	Southeast Michigan	Funding & Resources
Work Department	www.theworkdept.com	Michigan	Operations; Program Development, Management & Evaluation
Write Option	www.writeoption.org	Southeast Michigan	Funding & Resources; Operations
Zing Train	www.zingtrain.com	Michigan	Culture Strategy & Planning Leadership & Governance

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CODE GUIDE

FOR FOCUS GROUP DATA ANALYSIS

To analyze the results from the focus groups, The Collaborative used the following codes to sort and categorize feedback.

CODES TO SORT THE DATA AT A HIGH LEVEL

THEME	DEFINITION
Language & Meaning	Interpretations of our Referral System definitions/jargon
Referral System Features & Functions	The why, what, and how of the Referral System (purpose, features, function)
Wish List	Services or conditions that nonprofits wish to receive or experience and how they wish to receive them
Nonprofit Issue	Organizational level factors that shape how nonprofits function individually
Network Issue	Network level factors that shape how nonprofits collaborate and as part of a network
Systems Issue	External factors such as policies, institutional practices, and cultural norms that shape the context in which nonprofits operate
Other	Peer to peer tips, observations, general questions, etc.

CODES TO SORT THE DATA AT A HIGH LEVEL TO GATHER THE INFORMATION WE WERE SEEKING

THEME	DEFINITION
Barrier	Conditions that prevent nonprofits, networks, and communities from thriving
Need	Services, supports, etc. that nonprofit organizations, networks, or communities need to thrive
Recommendation	Suggestion related to the Referral System and/or Co.act Detroit and messaging around them
Referral System Feedback	Comments/questions about the Referral System
Other	Peer to peer tips, observations, general questions etc.

CODES TO CAPTURE AND SORT SPECIFIC THEMES ABOUT NEEDS AND BARRIERS

THEME	DEFINITION
Access	Pathways to connect to funders, resource providers, and resources
Advocacy & Collective Action	Working to promote a cause; organizing to collectively promote a cause or take action
Awareness & Diagnosis	Knowledge and understanding of something; the identification of problems or needs
Boards	Issues related to board development and board diversity
Collaboration & Partnership	Working together; issues related to how or why nonprofits work with each other
Community Context	Characteristics of the residents, conditions, and norms in communities
Community Engagement	How nonprofits outreach to and interact with the communities they serve
Competition vs. Collaboration	How competition serves as a barrier to nonprofits working together
Data	Issues of collecting, understanding, or utilizing data
Ecosystem Map	Mapping the ecosystem of nonprofits or resources
Evaluation & Impact	Issues for nonprofits around measuring outcomes and impact
Inequality	How systemic disparities in power, respect, and access to resources impact nonprofits and communities
Funding	Challenges and needs for nonprofits related to obtaining funding through grants or generating revenue
Failure of Government	The failure of government to carry out its responsibilities and foster conditions for thriving communities
Ideal Capacity Building	Services that nonprofits wish to receive and how they wish to receive them
IT	Challenges and needs for nonprofits related to technology
Legal/Accounting/HR	Legal, accounting, and human resources needs
Narrative	Messaging related to capacity building
Nonprofit Culture	Practices, attitudes, and values associated which shape how nonprofits operate internally and how they engage with their constituents and actors within the nonprofit ecosystem
Nonprofit Internal Systems	Nonprofit systems for managing communications, staff, finances, policies and procedures, etc.
Philanthropy	The culture of philanthropy and the relationship between nonprofits and funders
Planning & Strategy	Planning and strategy development
Professional Development	Opportunities for skills training, coaching, and leadership development
Recruitment & Retention	Recruiting and retaining talent
Space & Equipment	Access to physical space to conduct business and hardware/software to support operations
Storytelling & Marketing	Telling the story of the work, marketing outcomes for different audiences (funders, the community)
Succession Planning	Preparing for transitions among leadership and other nonprofit staff
Time & Capacity	Time or staff to manage additional work or responsibilities
Volunteers	Volunteer recruitment and management

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Michigan Community Resources • (313) 962-3171 • info@mi-community.org