Nonprofit Capacity Building in Western New York

Assets, Needs & Opportunities

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Western New York Nonprofit Support Group

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Summary

The Western New York Nonprofit Support Group (WNYNSG) is a working group of five foundations with a vision for a healthy nonprofit ecosystem in which organizations collaborate, learn, and innovate together to become more successful in delivering on their missions. The group commissioned the Center for Governmental Research (CGR) in partnership with the Community Health Worker Network of Buffalo (CHWNB) to conduct a study on assets and needs or gaps in capacity building resources for nonprofit organizations in its nine-county area (Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Monroe, Niagara, Orleans, Wyoming).

This study included best-practice research, surveying, interviews and focus groups; with a strong focus on qualitative data. It was designed to draw on principles and practices from community-based participatory research and participatory action research, where the nonprofit community helped to frame the questions and framework of the study.

The funders and researchers adopted three guiding principles for the study:

- A **diversity, equity and inclusion** orientation, both in our conceptualization of capacity building and in soliciting a broad band of nonprofit insights with a special emphasis on capturing and highlighting the voices of frequently marginalized groups that often do not have access to traditional philanthropy.
- An **asset-based approach** to the exploration of capacity building resources. Building capacity is at the core of asset-based community development, which is a community development framework that draws upon existing community strengths to build stronger, more sustainable communities (ABCD Institute, 2019). Thus, the team brought a strength-based lens to its exploration of capacity building resources, and brought the knowledge, experience, and insights of those working in nonprofit organizations into the co-construction of surveys, interview/focus group protocols and making sense of the data.
- An **iterative approach** to conducting the study with frequent communication and check-in points with stakeholders to explicitly call out opportunities to jointly discuss and shape the various elements of the study.

After reviewing relevant literature, the project team designed a capacity building framework, around which the survey, interview questions, focus groups were organized. The framework called out six main domains for capacity building - Resources; Alignment and Collaboration; Vision and Mission; Research, Evaluation and Strategic Learning (R/E/SL); and Diversity, Equity, and Inclusion (DEI) – that are commonly found in all organizations. Each of the components of the framework works at all three levels of the framework: individual, organization, and community.

Quantitative and qualitative data were then collected:

- To gather perspectives from a wide swath of nonprofits, surveys were sent to 853 nonprofit organizations in the nine-county region of western New York. We received 169 responses for an overall response rate of 20%.
- To add texture and depth to the survey results, CGR conducted 30 interviews with 22 nonprofit leaders (18 executives and 4 board members), 5 funders, and 3 nonprofit network and hub leaders.
- In addition, CHWNB conducted seven focus groups (two in Buffalo and one each in Niagara Falls, Rochester, Falconer, Warsaw and Middleport) to engage in a joint conversation about capacity building needs and assets and to supplement with data and voices not captured in surveys or interviews.

After analyzing the variety of data collected, the project team created an Asset Map (discussed below and presented in an accompanying document) showing assets and gaps/needs in each of the six capacity building domains, and described overall findings in this report. In addition, a list of Mentioned Resources was developed capturing the resources study participants have used -- organizations, agencies, universities, consultants, and other entities -- to help build their capacity in each of the capacity building domains.

Key findings from the survey include:

- Survey participants felt strongest in the areas of Vision and Mission and Alignment and Collaboration and named Resources as the domain with the most challenges and need for support.
- Within the Resources domain, survey respondents identified fundraising and development functions, forecasting changes to the funding landscape, and communications and marketing as key challenges and priorities for external support.
- Challenges related to Leadership were next most common (in particular, board governance, work/life balance, and the leadership pipeline), followed by DEI (particularly recruiting and retaining diverse staff and board) and Research, Evaluation, and Strategic Learning (where organizations lifted up struggles with measuring, evaluating, and understanding the value of their programs and services and prioritized measuring and reporting outcomes as the second most common area for external support).

The survey findings generally align with national findings on needs in the nonprofit sector, and helped to provide a general picture of nonprofit strengths, challenges and needs in Western New York. Interviews and focus groups gave added depth and

richness to these findings and helped provide better understanding of nonprofit capacity building assets, gaps, and needs in each of the six domains. In particular, the conversations added depth to discussion of gaps and needs:

- In Resources, the need for unrestricted and multi-year support, challenges in supporting communications and development functions, paying competitive wages and retaining staff, and having time and resources for professional development, were highlighted.
- Gaps and needs in Alignment and Collaboration center around having time and resources to collaborate, collaborating in an authentic way, knowledge of diverse partners, insular networks, and co-producing with communities.
- In Research, Evaluation and Strategic Learning, key gaps are infrastructure for data management, the ability to use data for strategic learning, accessibility of technical assistance (mostly due to cost and concern about cultural competence), streamlined reporting and a desire to see more appreciation of qualitative data.
- In Diversity, Equity and Inclusion, highlighted gaps and needs included insular networks, authentic community engagement, going deeper in understanding of structural racism and increased understanding of lived experience of poverty and related struggles.
- In Vision and Mission, nonprofit leaders discussed the challenges of staying true to their missions when funding priorities change and managing to their strategic plans.
- In Leadership, gaps and needs included board recruitment and training, succession planning, burnout, and diverse leadership networks.

Rural organizations highlighted some unique challenges including technology related to high-speed internet and information technology resources, board and staff recruiting and succession planning, a misunderstanding of rural areas among urban-based organizations and capacity building providers, and appreciating scale in rural areas (where costs per participant can be unavoidably higher).

Smaller organizations had many of the same organizational challenges as the rest of the nonprofit community, but were more likely to lift up challenges with vision and mission articulation, strategic planning, board recruitment and potentially over-utilizing their board members given their volunteer status. They also mentioned succession planning, especially if the executive is the organization's founder, data infrastructure, information technology and volunteer management

Newer and younger organizations named similar challenges as small organizations, but also identified challenges the new leaders have in learning about and connecting with other nonprofit organizations and leaders.

Organizations serving special populations tended to more often mention challenges related to burnout and self-care for leaders and staff.

Given these findings and our national research review, the project team developed the following main recommendations for consideration:

Recommendations

Funding practices

Provide unrestricted and multi-year support: Over-reliance on program and service-specific funding (versus unrestricted funding) and an unwillingness to support realistic administrative costs associated with project grants were cited as the most important limiting factor for organizational growth, innovation, and capacity building across all of the capacity building domains described in this study. Providing unrestricted, multi-year support allows nonprofits to build a strong and sustainable infrastructure to provide programs and services that will have the greatest impact, as well as allowing for flexibility, fostering innovation and reducing the power imbalance between grantmaker and grantee.

Streamline, simplify and support reporting and evaluation requirements: Study participants consistently identified tracking and reporting data for multiple funders in multiple formats as a significant drain on their resources. Additionally, they noted that requirements do not always allow their organizations to collect and reflect on the most relevant data (both quantitative and qualitative) that they need to improve programming, demonstrate their value and anticipate changes. If community funders align and right size reporting requirements, as well as pay for specific documentation and evaluation measures above and beyond what the grantee currently collects, organizations would have additional capacity to dedicate to deeper engagement in research, evaluation, and strategic learning as well as to implementing their core programs.

Capacity building infrastructure: network creation

Nonprofits and nonprofit leaders that are part of a network can leverage resources and knowledge to build capacity more effectively than nonprofits that "go it alone." Access to diverse networks, both formal and informal, are connected to multiple domains including Alignment & Collaboration, Resources, Leadership, and DEI in this study. While we noted a wide array of coalitions, associations and networks in Western New York, intersections of large and small organizations, cross-sector groups, urban-rural connections, and across other divisions seemed rare. Study participants noted that existing networks can be insular, follow traditional organizational silos and have non-diverse membership.

Support for low-stakes (not attached to or required by a funding opportunity), cross-sector networking/collaborative learning opportunities can help to address peer

learning, partner identification for collaboration, and work across sectors. This can also help leaders tap into more diverse networks when recruiting and hiring staff and board members, provide access to important policy issues and opportunities, and allow for collaborative program, service and resource development built on shared trust and mutual understanding (versus having this directed by funders).

Without developing these types of networks and relationships, there is minimal potential for collective work across sectors and throughout communities and inadequate infrastructure to address diversity, equity and inclusion. Collective power in marginalized communities is strongest when it is deeply relational across the boundaries that divide people from one another socially and economically. Facilitating opportunities for leaders to get to know one another personally builds trust that, once established, continues to grow over time and can lead to collaborative opportunities.

Organizational-level recommendations

A number of recommendations for how to support specific organizational functions and skills emerged in each of the capacity building domains. We have highlighted below those that rose up more frequently.

Resources: Get the word out about the good work of the nonprofit sector through marketing/communications support. Budget constraints are the largest hurdle to nonprofits being able to effectively tell their story, obtain communications staff, and/or secure external professional support.

Alignment & Collaboration: Connect and leverage the strengths of grassroots organizations and institutional organizations. Grassroots organizations are often experts on diversity, equity and inclusion and have a high degree of community and cultural competency where they work and with the populations they serve, both of which can be an important asset to improve the engagement efforts of more institutional organizations.

Conversely, larger and/or more established organizations could assist grassroots organization with other areas of nonprofit management and capacity building (fund development, back-office support, etc.). Culturally appropriate technical assistance for grassroots organizations may assist them in leveraging needed resources in the form of grants/financial capital and other resources associated with larger organizations and institutions.

Research/Evaluation/Strategic Learning: Invest in data management and infrastructure. Many organizations struggle with and need support in the areas of data management and infrastructure before they are ready to engage in higher level outcome tracking or evaluation. In addition, organizational survey responses show a positive correlation among several challenges within the DEI domain including creating data-informed practices and programs, understanding population needs,

demonstrating program outcomes, and communicating the value of their services, meaning that if organizations named one of these areas as a challenge they were likely to name one of these other areas as a challenge.

An unfunded requirement to produce evidence of impact pushes the cost of this infrastructure onto the organization and can lead to weaker organizational systems and negatively impact program quality. Additional support for R/E/L activities through core support, project support, and/or TA would be helpful to organizations in creating stronger programs, demonstrating their value, and telling their story.

Diversity, Equity and Inclusion: Continue to build awareness of and support DEI in policy, practices and programs. Most organizations in the nonprofit sector have had some initial learning and experience with cultural competency, diversity, equity and inclusion. Smaller/more grassroots organizations and those serving communities of color and special populations often have more competency around these issues than larger organizations that are not staffed with people from the communities they serve.

Within the DEI category, many nonprofits are struggling to recruit and retain diverse staff and board members. Supporting organizational capacity both in terms of accessing a wider diversity of networks and making their policies and internal practices and cultures more supportive of a diverse staff through additional trainings and tools can help address this issue. Additionally, there needs to be more education, learning, and shared understanding across the nonprofit and foundation sectors around collective action to address systemic inequities on individual, organizational and community levels, including how funding is distributed.

Vision & Mission: Assist smaller and younger organizations. Overall, nonprofits feel fairly strong in the Vision & Mission domain, however smaller and younger organizations were more likely to raise strategic planning as a need. Providing young organizations with supports in this area through affordable and culturally competent third party TA or connections to other, more well-established nonprofits for mutual learning can help set them on a successful track for the future.

Leadership: Board recruitment and training. A strong board is critical to a strong organization. Named by survey respondents as the area with the most need within the Leadership domain, recruiting diverse board members that both have the right mix of needed skill sets and are reflective of the communities they serve is an ongoing challenge. Also, board training and recruiting opportunities are continually needed as boards are constantly changing and new members who lack experience are added. Organizational reliance on board members to provide critical skills as volunteers, when many board members are themselves stretched quite thin and on multiple boards, is also a challenge to address.

The graphic on the following page outlines additional and more detailed recommendations in each domain that emerged from study participants.

Overview of recommendations from the field

Resources

- Fundraising & development support
- Communications & marketing support
- Financial management support
- Operational efficiency assistance
- Back office sharing
- Professional volunteer matching
- IT support for smaller and rural organizations
- Professional development/skill building
- More inclusive, cross-sector support networks

Alignment & Collaboration

- More inclusive, cross-sector peer learning opportunities
- Cultivate a culture of collaboration within organizations
- Financially support collaboration
- Tap into grassroots organizations' community engagement expertise

R/E/SL

- Coordinate and simplify local evaluation and reporting requirements
- Support data infrastrucure and managment
- Develop skills for use of data for strategic learning
- Make TA more financially accessible
- Give greater weight to qualitative data
- Build and support an evidence base of successful practices that are created and implemented locally.

DEI

- Assist with recruiting and retaining diverse staff
- Help organizations and foundations understand structural racism and implement culturally competent DEI-related policies and procedures
- More inclusive, cross-sector networking opportunities
- Promote and support authentic collaboration and co-creation with community

Vision & Mission

- Assist smaller and younger organizations with vision and mission articulation and strategic planning
- Help create/foster a shared vision for the community and assist organizations in seeing their role in it

Leadership

- More inclusive, cross-sector peer learning opportunities
- Leadership development particularly for mid-level staff and new supervisors
- Board recruitment and training

Acknowledgements

CGR and the Community Health Network of Buffalo (CHWNB) are immensely grateful to the study's Steering Committee members – Brenda McDuffie, Miguel Melendez, Natasha Soto and Tina Zerbian – for lending their insights to the co-construction of the capacity building framework, survey instruments, interview protocols, and focus groups. Their insights and community connections were crucial to guiding this study and capturing perspectives from a diverse range of nonprofit agencies.

We would also like to thank focus group hosts: Black Love Resists in the Rust//Just Resisting, Central-Royalton Hartland Community Library, The Clement House, Common Ground Health, Levant Wesleyan Church, Pinnacle Community Services and the Wyoming Chamber of Commerce. Each provided space for nonprofit leaders to gather and discuss their capacity building needs and the assets available to them.

We want to recognize the Western New York Nonprofit Support Group (WNYNSG) for envisioning and supporting this project and for its commitment of time and efforts in the iterative nature of this work. We particularly want to recognize Beth Gosch and Ginny Oehler for their time, commitment, and participation in the study's steering committee as representatives of the larger WNYNSG.

We want to acknowledge Barbara J. Zappia, Ed.D. whose leadership and vision shaped this study from the beginning.

Finally, CGR and CHWNB are grateful to each the nonprofit leaders who gave generously of their time to complete a survey, be interviewed or participate in focus group. This report would not have been possible without their candid feedback and insight. The level of commitment, knowledge and energy that nonprofit organizations demonstrate in support of Western New York and its people was impressive and inspiring to us.

Staff Team

Alice Carle and Zohar Perla led this project for CGR, supported by data analysis from Michael Silva, technology support from Katherine Bell, and additional data support from Karen Yorks, Yiwei Wang, and CGR Fellow Shanelle Hodge.

Jessica Bauer Walker led this project on behalf of the Community Health Worker Network of Buffalo. Renee Cadzow, Ph.D. contributed her expertise in mixed methods research, Sherman Webb-Middlebrooks assisted with focus group facilitation and Erin Verhoef provided administrative support for the focus group process.

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Introduction

Nonprofit organizations play a vital role in contributing to the social, physical, economic and environmental health of our communities. Yet, nonprofits are being asked to do more with less in an era of growing needs and shrinking resources. Indeed, more than half of focus group participants in this study disagreed with the statement "I have the resources I need to manage my organization without too much trouble most days."

The Western New York Nonprofit Support Group is committed to building the capacity of nonprofits to fulfill their missions using a systemic approach that builds on existing efforts and assets, and fills gaps. This study is designed to gather nonprofit leaders' perspectives on both the needs of the nonprofit sector in Western New York and the assets that are available to support it. This report will outline:

1. The study background and methodology
2. The capacity building framework designed to guide the study
3. Reflections on our experiences in the field
4. A set of overarching recommendations
5. A discussion of the accompanying Mentioned Resources List and Asset Map including an overview of the assets and gaps/needs in each domain

Background

The Western New York Nonprofit Support Group (WNYNSG) is a working group of five foundations with a vision for a healthy nonprofit ecosystem in which organizations collaborate, learn, and innovate together to become more successful in delivering on their missions. The WNYNSG foundation members are:

- Health Foundation for Western and Central New York
- John R. Oishei Foundation
- Peter and Elizabeth C. Tower Foundation
- Ralph C. Wilson Jr. Foundation
- Western New York Foundation

The group's goal is to strengthen communities in Western New York and Monroe County by increasing the capacities of the nonprofit organizations that serve those

communities. The group is committed to a network approach that builds on existing efforts and assets, and fills gaps not currently being addressed.

To address this goal, the WNYNSG commissioned the Center for Governmental Research (CGR) in partnership with the Community Health Worker Network of Buffalo (CHWNB) to conduct a study that seeks to identify:

- The needs among nonprofit agencies and community organizations in Western New York for capacity building support, particularly among organizations in rural areas and smaller, grassroots, community-based organizations not previously engaged by local foundations.
- The assets currently available to support nonprofit capacity building.
- The nonprofit community's perspective on where additional capacity building assistance is most needed, and how to build on existing strengths and assets.

WNY counties included in the study:

- Allegany
- Cattaraugus
- Chautauqua
- Erie
- Genesee
- Monroe
- Niagara
- Orleans
- Wyoming

Guiding principles

The funders and researchers jointly adopted a set of principles to guide the study from the outset.

First, the study was designed to have a **diversity, equity and inclusion**[1] orientation, both in its conceptualization of capacity building and in soliciting a broad band of nonprofit insights with a special emphasis on capturing and highlighting the voices of frequently marginalized groups that often do not have access to traditional philanthropy.

[1] Independent Sector defines diversity, equity and inclusion as follows: ***Diversity*** includes all the ways in which people differ, encompassing the different characteristics that make one individual or group different from another. ***Equity*** is individuals and organizations giving fair treatment, access, opportunity, and advancement for all people, while at the same time striving to identify and eliminate barriers that have prevented the full participation of some groups. Improving equity involves increasing justice and fairness within the procedures and processes of institutions or systems, as well as in their distribution of resources. Tackling equity issues requires an understanding of the root causes of outcome disparities within our society. ***Inclusion*** is the act of creating environments in which any individual or group can be and feel welcomed, respected, supported, and valued to fully participate. An inclusive and welcoming climate embraces differences and offers respect in words and actions for all people. https://independentsector.org/resource/why-diversity-equity-and-inclusion-matter/

Second, we adopted an **asset-based approach** to the exploration of capacity building resources. Building capacity is at the core of asset-based community development, which is a community development framework that draws upon existing community strengths to build stronger, more sustainable communities (ABCD Institute, 2019). Thus, the team brought a strength-based lens to its exploration of capacity building resources, and brought the knowledge, experience, and insights of those working in nonprofit organizations into the co-construction of surveys, interview/focus group protocols and making sense of the data.

Finally, we jointly acknowledged the **iterative** nature of the work and deliberately built in communication strategies and check-in points with stakeholders to explicitly call out opportunities to jointly discuss and shape the various elements of the study.

Project partners

The Community Health Network of Buffalo (CHWNB) was subcontracted under CGR to help lead this study. Team members brought their deep knowledge of the Western New York community and its nonprofit groups as well as expertise in group facilitation and grassroots organizing. They contributed an asset-based lens, strong community ties, and a keen focus on diversity, equity, and inclusion essential to this study, as well as expertise around community-based participatory research/participatory action research.

We also formed an Advisory Committee comprised of two WNYNSG representatives and four nonprofit leaders from community-based organizations in the region. Nonprofit representatives were invited to ensure a diversity of organizational geography, size and life-cycle. These representatives shared their knowledge and insights from working in nonprofit organizations in the co-construction of the capacity building framework, survey instruments, interview protocols, and focus groups. Their insights and community connections were crucial to capturing perspectives from a diverse range of nonprofit agencies. This group was grounded in the guiding principles of this study, and helped to ensure a process that supported diversity, equity, inclusion, accountability, transparency.

Participant organizations and nonprofit leaders across Western New York contributed significant time, support and expertise to this project. From time spent taking surveys, giving feedback in interviews, and attending focus groups, the breadth and depth of our work was greatly enhanced by the local nonprofit community's willingness to share their expansive knowledge and experience with us.

Data collection

This study included best-practice research, surveying, interviews and focus groups; with a strong focus on qualitative data and drawing on principles and practices from community-based participatory research and participatory action research, where the nonprofit community helped to frame the questions and framework of the study.

Best practice research. The project team engaged in best-practice research and a literature review of nonprofit capacity building and asset mapping before engaging in data collection in the Western New York community. A capacity building framework was designed, around which a survey, interview questions, focus groups were organized (see page 5).

Organizational survey. Surveys were sent to 853 nonprofit organizations across western New York. We received 169 responses for an overall response rate of 20%. A more detailed discussion of the survey methodology appears in Appendix B.

Interviews. CGR conducted 30 interviews with 22 nonprofit leaders (18 executives and 4 board members), 5 funders, and 3 nonprofit network and hub leaders to gather additional perspectives and more deeply understand their views on capacity building needs and assets. We intentionally selected interviewees to present a diversity of perspectives in terms of organizational location and size. Interview candidates were identified by the Project's Advisory Committee. CGR was deliberate in inviting interviewees representing a broad set of characteristics. Of the 22 organizations interviewed, 22 were small, 7 were large; 15 were urban and 7 served rural areas.

Focus groups. Finally, CHWNB conducted seven focus groups (two in Buffalo and one each in Niagara Falls, Rochester, Falconer, Warsaw and Middleport) to engage in a joint conversation about capacity building needs and assets and to supplement with data and voices not captured in surveys or interviews. Sites were selected intentionally to ensure that there was adequate representation from both urban and rural communities, as well as across the geography of the Western New York region, and to include nonprofit leadership ranging from small (grassroots and voluntary organizations) to large (multi-million dollar multi-service organizations). Advisory Committee members assisted with hosting and ensuring that diverse voices were invited to the conversation. A more detailed discussion of focus group appears in Appendix C.

Capacity Building Framework

To guide this study, we adopted the following definitions:

- ***Capacity*** is a wide range of capabilities, knowledge and resources that nonprofits need in order to be effective.[2]
- ***Capacity building,*** as defined by Grantmakers for Effective Organizations (GEO), is "the funding and technical assistance to help nonprofits increase specific capacities to deliver stronger programs, take risks, build connections, innovate and iterate.[3] Capacity building needs to be tailored to the ability or "readiness" of the nonprofit to engage.
- Adopting another GEO definition, ***technical assistance,*** is "the process by which organizations obtain the necessary knowledge, tools and other resources to develop, implement and assess targeted improvements in their work; this process is often supported by a consultant or expert." This term is often used interchangeably with capacity building.[4]

In addition, CGR and CHWNB jointly created a capacity building framework. In developing this framework, we read and adapted materials from other sources such as the Urban Institute,[5] GEO, and the TCC group.[6] We reinforced existing models with a greater emphasis on diversity, equity and inclusion, turning to information from the Leadership Learning Community for the W.K. Kellogg Foundation.[7] Further, we brought to this process our value for asset-based community development[8] and the importance of engaging with community.

Our capacity framework is visualized below.

[2] A Funder's Guide to Organizational Assessment, GEO and Fieldstone Alliance, (2005)
[3] *Strengthening Nonprofit Capacity*, Grantmakers for Effective Philanthropy (2016) https://philanthropynewyork.org/sites/default/files/resources/geo_2016_strengtheningnonprofitcapacity.pdf
[4] *Strengthening Nonprofit Capacity,* Grantmakers for Effective Philanthropy (2016)
[5] DeVita, Carol and Cory Flemming, *Building Capacity in Nonprofit Organizations.* Urban Institute (2001) http://research.urban.org/UploadedPDF/building_capacity.PDF
[6] *Capacity Building 3.0*, TCC Group. https://www.tccgrp.com/resource/capacity-building-3-0-how-to-strengthen-the-social-ecosystem/
[7] Leadership Learning Community, *Developing a Racial Justice and Leadership Framework to Promote Racial Equity* (2009) http://leadershiplearning.org/system/files/Racial%20Equity%20and%20Leadership%20Scan.pdf
[8] Information on asset-based community development can be found at https://resources.depaul.edu/abcd-institute/Pages/default.aspx

The framework is comprised of six domains (resources; alignment and collaboration; vision and mission; research, evaluation and strategic learning; and diversity, equity, and inclusion) that are commonly found in all organizations. The domains function as a system, with each domain reinforcing and bolstering the others. Each can be seen as an intervention point for enhancing organizational capacity.

Each of the components of the framework works at all three levels of the framework: individual, organization, and community.

For more detail on each domain of the capacity building framework, see Appendix A.

Reflections from the field

All told, CGR and CHWNB touched a broad array of nonprofits in Western New York through this study and upon reflection, came away with several insights:

Balancing needs and assets

This study was specifically designed to take an asset-based approach to capacity building and has lifted up many assets that may have been overlooked in prior studies of the Western New York nonprofit landscape that have largely focused on deficits.

This asset-based orientation was initially counter-intuitive to many study participants, due to the considerable organizational and community challenges nonprofits face on a daily basis, and the fact that a significant part of nonprofit leaders' jobs involve demonstrating needs in order to obtain resources for their work. Thoughtful facilitation and carefully framed research questions and processes were required to draw out assets and strengths, while validating and capturing the very real gaps and needs that nonprofit organizations are experiencing as well.

Qualitative data matters

This study highlighted the limitations of surveys and the data they provide. While the survey results helped create an initial take on the material, much of the specific understandings of nonprofit needs and assets could only be understood through interviews and focus groups. We relied heavily on our study team's expertise in culling data from stories, and overlaying qualitative and quantitative data. Additionally, the methodology and design of the focus groups, utilizing community-based participatory research principles and practices, led to immediately available and useful connections that participants reported as empowering, with useful applications to their work.

Diversity, equity and inclusion takes work

Significant time and energy was spent on ensuring focus groups in particular were diverse and supported equity, inclusion and access. Despite these efforts, several focus groups had a lack of racial diversity and/or of participation by smaller/grassroots organizations. Participants acknowledged that this lack of diversity among non-profit leadership was not reflective of the diverse communities they serve. Rural organizations and leaders appreciated the intention to ensure they were included, and that several rural sites were made available for focus groups.

Relationship building and networking

Many of the organizations participating in the focus groups did not know one another or rarely had time to interact with one another outside of formal settings. In general, there was a high level of interest in focus group participation (most groups were over-subscribed and had waiting lists). Leaders exchanged cards and asked for participant lists so that they could keep in touch, and consistently expressed a desire for more opportunities for cross-sector networking and relationship building. Several groups planned to host their own follow-up networking sessions, and on the post-focus group feedback form, the most frequently cited item participants wanted was "more time for networking" (although this was not the intended purpose of the focus group).

Desire for results, action and next steps

Study participants are very interested in learning the results of the study and what might change as a result. Many nonprofit leaders expressed that they have been a part of studies that do not share their results with participants and/or do not lead to change, which has been a source of frustration. Study participants were impressed by the funder collaboration that the WNYNSG has modeled thus far, mirroring the collaboration that has been asked of them as a sector, and are eager to engage in discussion about the findings and what may come next, including ability to dialogue directly with the foundations about the study results.

Recommendations

Organizational leaders discussed a wide range of capacity building issues and potential supports that included 1) how funders can change their own practices and procedures to better support organizational capacity, 2) ways to strengthen the general "support system" for capacity building, and 3) prospective interventions and investments to support specific organizational functions. The recommendations below are a mix of all three and are based on both the study findings as well as on our research of national nonprofit capacity building.

Quotes interspersed through the remainder of this report and within the asset map are from interviewees and focus group participants and are provided to illustrate the ideas discussed in their own words. Participants were guaranteed anonymity and are therefore not identified.

Funding practices

Philanthropy is at its heart, a relational enterprise. A funder's success relies primarily on their grantees' success and funders and grantees must work together to achieve shared goals. Yet, funder/grantee relationships are often complicated by a range of dynamics, including the inevitable power imbalance between those who have resources and those who need them.[9]

Nonprofit leaders in this study identified a number of ways that funders can align with and move toward a "trust-based philanthropy model" in which foundations work to break down the traditional power dynamic by streamlining and/or removing

[9] Buteau, E., Glickman, J., & Leiwant, M. *Relationships Matter: Program Officers, Grantees and the Keys to Success.* Center for Effective Philanthropy (2017). Retrieved from http://research.cep.org/relationships-matter_program-officers_grantees_keys-to-success

administrative requirements of grantees and by building long-term relationships with organizations based on trust and partnership. [10]

Provide unrestricted and multi-year support

Over-reliance on program and service-specific funding (versus unrestricted funding) and an unwillingness to support realistic administrative costs associated with project grants were cited as the most important limiting factor for organizational growth, innovation, and capacity building across all of the capacity building domains described in this study. Organizations consistently highlighted a great need for unrestricted support, multi-year funding, and appropriate support for core operations. Providing this type of support:

- Enables nonprofits to build a strong and sustainable infrastructure to provide programs and services that will have the greatest impact.
- Allows for flexibility and adaptability when organizations are facing a volatile, uncertain, complex and ambiguous (VUCA)[11] environment.
- Fosters innovation and risk-taking by providing nonprofits with resources and bandwidth to take advantage of new opportunities as they arise.
- Reduces the power imbalance between grantmaker and grantee by allowing nonprofits to devise their own solutions based on their experience in the community and field. This also signals greater trust between a grantmaker and grantee.[12]

Multi-year funding has the added benefit of allowing organizations to improve programmatic and financial planning, overcome unforeseeable challenges and respond to opportunities and again, build trust. Over the past 10 years, many national philanthropic groups have advised grantmakers to grow their portfolio of multi-year grants to at least 50% of their investments.[13]

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[10] While many foundations uphold these practices in their work, examples of organizations adopting a trust-based model include: The Whitman Institute and The Headwaters Foundation.

[11] *Leadership challenges in a VUCA World*, (2016). https://www.oxfordleadership.com/leadership-challenges-v-u-c-world/

[12] Grantmakers for Effective Organizations. (2014). *What is General Operating Support and Why is it Important?* Retrieved from https://www.geofunders.org/resources/what-is-general-operating-support-and-why-is-it-important-678

[13] In 2009, the National Committee for Responsive Philanthropy called upon grantmakers to "serve the public good by investing in the health, growth, and effectiveness of [their] nonprofit partners" by, among other actions, providing at least 50% of their grant dollars in the form of multi-year grants. This call was supported by the research of numerous groups, including Grantmakers for Effective Organizations, Bridgespan Group, Center for Effective Philanthropy, and TCC Group. (*Foundations Must*

Streamline, simplify and support reporting and evaluation requirements

The inherent tension in reporting and evaluation is to balance the growing need among foundations to demonstrate their own impact and to advance knowledge within the field by pushing to obtain evidence from the nonprofits they support with the movement to reduce administrative burden on nonprofits and free up time and money for mission-based activities.[14]

We know that organizations in Western New York want to learn from their work and share these learnings. However, study participants consistently identified tracking and reporting data for multiple funders in multiple formats as a significant drain on their resources. Additionally, they noted that requirements do not always allow their organizations to collect and reflect on the most relevant data (both quantitative and qualitative) that they need to improve programming, demonstrate their value and anticipate changes.

Nonprofit leaders argued that if community funders were to align and right size their reporting requirements,[15] as well as pay for specific documentation and evaluation measures above and beyond what the grantee currently collects, organizations would have additional capacity to dedicate to deeper engagement in research, evaluation, and strategic learning as well as to implementing their core programs.

Capacity building infrastructure: network creation

Nonprofits and nonprofit leaders that are part of a network can leverage resources and knowledge to build capacity more effectively than nonprofits that "go it alone." A

Get Serious About Multi-Year Grantmaking. Stanford Social Innovation Review (November 5, 2012.) According to the Center for Effective Philanthropy's 2017 survey, 31% of 644 surveyed foundations said they provided multi-year funding "always" or "often." Another 30% reported providing multi-year grants "sometimes." (Grantmakers for Effective Organizations *Is Grantmaking Getting Smarter? A National Study of Philanthropic Practice 2017.*)

[14] Buteau, E., & Chu, T. (2011). *Grantees Report Back: Helpful Reporting and Evaluation Processes.* Center for Effective Philanthropy. Retrieved from http://research.cep.org/grantees-report-back-helpful-reporting-evaluation

[15] While the participants of the WNYNSG may already be aware of the importance of these elements, the following free tools, created by the Donors Forum (now called Forefront), are available to help funders and organizations understand the net grant amount organizations receive after completing grant requirements: Nonprofit Cost Audit Tool and the Funder Cost Audit Tool. Peak Insight's document Recommendations for Better Reporting also has helpful guidelines for clarifying the purpose of reporting, choosing reporting structures, and sharing learning.

recent paper from the National Council of Nonprofits demonstrates how networks themselves begin to constitute valuable "bank accounts" of relationships that expand opportunities for learning and problem solving, accelerate collective action, and create a web of resources that lead to more sustainable and effective nonprofit organizations.[16][17]

Access to diverse networks, both formal and informal, are connected to multiple domains including Alignment & Collaboration, Resources, Leadership, and DEI in this study. While we noted a wide array of coalitions, associations and networks in Western New York, intersections of large and small organizations, cross-sector groups, urban-rural connections, and across other divisions seemed rare. Study participants noted that existing networks can be insular, follow traditional organizational silos and have non-diverse membership. In addition, not all organizations were aware of or have access to these networks, particularly new leaders and leaders of grassroots organizations.

Support for low-stakes (not attached to or required by a funding opportunity), cross-sector networking/collaborative learning opportunities can help to address peer learning, partner identification for collaboration, and work across sectors. This can also help leaders tap into more diverse networks when recruiting and hiring staff and board members, provide access to important policy issues and opportunities, and allow for collaborative program, service and resource development built on shared trust and mutual understanding (versus having this directed by funders).

> *"Foundations have the power to help support continued connection among organizations and leaders. It doesn't cost a lot of capital and it's hugely valuable."*

Without developing these types of networks and relationships, there is minimal potential for collective work across sectors and throughout communities and inadequate infrastructure to address diversity, equity and inclusion. Collective power in marginalized communities is strongest when it is deeply relational across the boundaries that divide people from one another socially and economically. Facilitating opportunities for leaders to get to know one another personally builds trust that, once established, continues to grow over time and can lead to collaborative opportunities.

[16] Chandler, Jennifer and Kristen Scott Kennedy, *Building Capacity Through Networks*. Stanford Social Innovation Review (February 16, 2016).
[17] Chandler, Jennifer and Kristen Scott Kennedy, (2015). *A Network Approach to Capacity Building.* National Council of Nonprofits. Retrieved from: https://www.councilofnonprofits.org/sites/default/files/documents/a-network-approach-to-capacity-building.pdf

It is important to note that accessing these networks requires time and staff resources. As a result, without staff or financial supports, it may be difficult for small or under-resourced organizations to attend/participate, making these networks less diverse in other ways.

Organizational-level recommendations

A number of recommendations for how to support specific organizational functions and skills emerged in each of the capacity building domains. We have highlighted below those that rose up more frequently. A chart outlining the full breadth of suggestions follows this section.

Resources: Get the word out about the good work of the nonprofit sector through marketing/communications support

So many nonprofit organizations are doing meaningful and important work. However, organizational leaders consistently named communications and marketing as a challenge and a need. Budget constraints are the largest hurdle to being able to effectively tell their story, obtain communications staff, and/or secure external professional support. Support for marketing and communications can help organizations maintain visibility, communicate their case, and raise funds to more fully tap into their strengths and support community and funder understanding of and connection to their mission.

Alignment & Collaboration: Connect and leverage the strengths of grassroots organizations and institutional organizations

Grassroots organizations are often experts on diversity, equity and inclusion and have a high degree of community and cultural competency where they work and with the populations they serve, both of which can be an important asset to improve the engagement efforts of more institutional organizations. Better incorporating and connecting these organizations into the wider nonprofit network will assist with more authentically diverse relationships and collaboration.

> *"We have an organizing department and a street team. We walked to every home on the west side. A lot of people don't have the capacity to work with their clients, but the people closest to the problem have the best solutions."*

Conversely, larger and/or more established organizations could assist grassroots organization with other areas of nonprofit management and capacity building (fund development, back-office support, etc.). Culturally appropriate technical assistance for grassroots

organizations may assist them in leveraging needed resources in the form of grants/financial capital and other resources associated with larger organizations and institutions.

Research/Evaluation/Strategic Learning: Invest in data management and infrastructure

Many organizations struggle with and need support in the areas of data management and infrastructure before they are ready to engage in higher level outcome tracking or evaluation. This was highlighted as a particular challenge for smaller organizations where staff wear many hats and are less able to specialize and for rural organizations that struggle with IT in general. In addition, organizational survey responses show a positive correlation among several challenges within the DEI domain including creating data-informed practices and programs, understanding population needs, demonstrating program outcomes, and communicating the value of their services, meaning that if organizations named one of these areas as a challenge they were likely to name one of these other areas as a challenge as well (see Appendix B).

R/E/L creates value in terms of generating important data for strategic learning; however, it requires an investment in human capital and data management systems which organizations often struggle to afford. An unfunded requirement to produce evidence of impact pushes the cost of this infrastructure onto the organization and can lead to weaker organizational systems and negatively impact program quality. Additional support for R/E/L activities through core support, project support, and/or TA would be helpful to organizations in creating stronger programs, demonstrating their value, and telling their story.

> *"If money was not an issue, I would get help with evaluation. It's expensive, difficult, and time consuming."*

Diversity, Equity and Inclusion: Continue to build awareness of and support DEI in policy, practices and programs

Most organizations in the nonprofit sector have had some initial learning and experience with cultural competency, diversity, equity and inclusion. Smaller/more grassroots organizations and those serving communities of color and special populations often have much more competency around these issues than larger organizations that are not staffed with people from the communities they serve.

Within the DEI category, many nonprofits are struggling to recruit and retain diverse staff and board members. Supporting organizational capacity both in terms of accessing a wider diversity of networks and making their policies and internal practices and cultures more supportive of a diverse staff through additional trainings

and tools can help address this issue. Additionally, there needs to be more education, learning, and shared understanding across the nonprofit and foundation sectors around collective action to address inequities on individual, organizational and community levels that are systemic and pervasive, including how funding is distributed.

Vision & Mission: Assist smaller and younger organizations

Overall, nonprofits feel fairly strong in the Vision & Mission domain, however smaller and younger organizations were more likely to raise strategic planning as a need. Providing young organizations with supports in this area through affordable and culturally competent third party TA or connections to other, more well-established nonprofits for mutual learning can help set them on a successful track for the future.

Leadership: Board recruitment and training

A strong board is critical to a strong organization. Named by survey respondents as the area with the most need within the Leadership domain, recruiting diverse board members that both have the right mix of needed skill sets and are reflective of the communities they serve is an ongoing challenge. Also, board training and recruiting opportunities are continually needed as boards are constantly changing and new members who lack experience are added. Organizational reliance on board members to provide critical skills as volunteers, when many board members are themselves stretched quite thin and on multiple boards, is also a challenge to address.

> *"The ability to think strategically and creatively – that is real capacity. At fault are aging boards, lack of term limits, and lack of diversity, and not being inclusive. Building a board that thinks like you just creates an echo chamber. The Board hires the CEO and sets the tone for the organization. Recruiting diverse voices to the Board is hugely important."*

The graphic on the following page outlines additional and more detailed recommendations in each domain that emerged from study participants.

Overview of recommendations from the field

Resources

- Fundraising & development support
- Communications & marketing support
- Financial management support
- Operational efficiency assistance
- Back office sharing
- Professional volunteer matching
- IT support for smaller and rural organizations
- Professional development/skill building
- More inclusive, cross-sector support networks

Alignment & Collaboration

- More inclusive, cross-sector peer learning opportunities
- Cultivate a culture of collaboration within organizations
- Financially support collaboration
- Tap into grassroots organizations' community engagement expertise

R/E/SL

- Coordinate and simplify local evaluation and reporting requirements
- Support data infrastrucure and managment
- Develop skills for use of data for strategic learning
- Make TA more financially accessible
- Give greater weight to qualitative data
- Build and support an evidence base of successful practices that are created and implemented locally.

DEI

- Assist with recruiting and retaining diverse staff
- Help organizations and foundations understand structural racism and implement culturally competent DEI-related policies and procedures
- More inclusive, cross-sector networking opportunities
- Promote and support authentic collaboration and co-creation with community

Vision & Mission

- Assist smaller and younger organizations with vision and mission articulation and strategic planning
- Help create/foster a shared vision for the community and assist organizations in seeing their role in it

Leadership

- More inclusive, cross-sector peer learning opportunities
- Leadership development particularly for mid-level staff and new supervisors
- Board recruitment and training

Findings

To help illustrate the broad range of assets and gaps needs identified through this study, we created two additional documents: an interactive asset map and a list of capacity building providers and resources mentioned by study participants.

List of mentioned resources

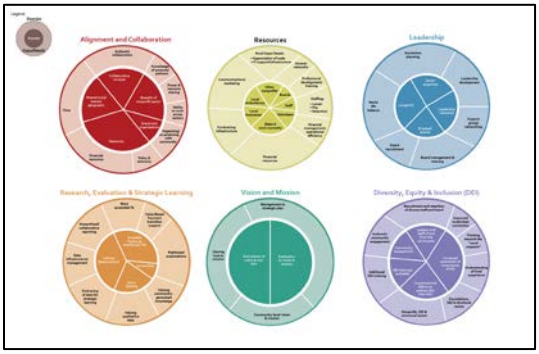
The list of "Mentioned Resources" (provided as a separate Excel file) is exactly that – a list of the organizations, agencies, universities, consultants, and other entities that survey respondents identified as resources they have used in the past to help build their capacity in each of the domains. We built out this list with high-level information about each organization including their location, the counties they serve (to the best of our knowledge), and a brief description of the organization listed based on a cursory website scan. We did not verify the information with providers directly or assess the quality of the services listed, and it is important to remember that the list is not exhaustive.

Regardless, the list is a good initial overview of the ecosystem of providers. Appendix D includes figures on how many providers and the types of providers that are physically located in each of the nine Western New York counties. It appears that there is a marked lack of providers/resources located in rural counties that provide support in domains such as DEI, Vision and Mission, and Resources. To the extent that rural nonprofits are getting access to these resources, it is unclear whether these services are adequately adapted or tailored to meet to rural needs. The data also shows that nonprofit leaders are tapping quite a few regional and national resources from outside the nine-county region included in this study.

This list could also form the foundation of a nonprofit capacity building directory in a future phase of the WNYNSG's work.[18] See Appendix D for more information.

[18] Should there be interest in building out the Resources list, we recommend implementing a user-friendly search function that cuts across multiple elements of the list, creating a more detailed classification system in terms of the services offered by organizations, verifying services though a survey and/or telephone interviews, and potentially allowing user-generated content and reviews of services.

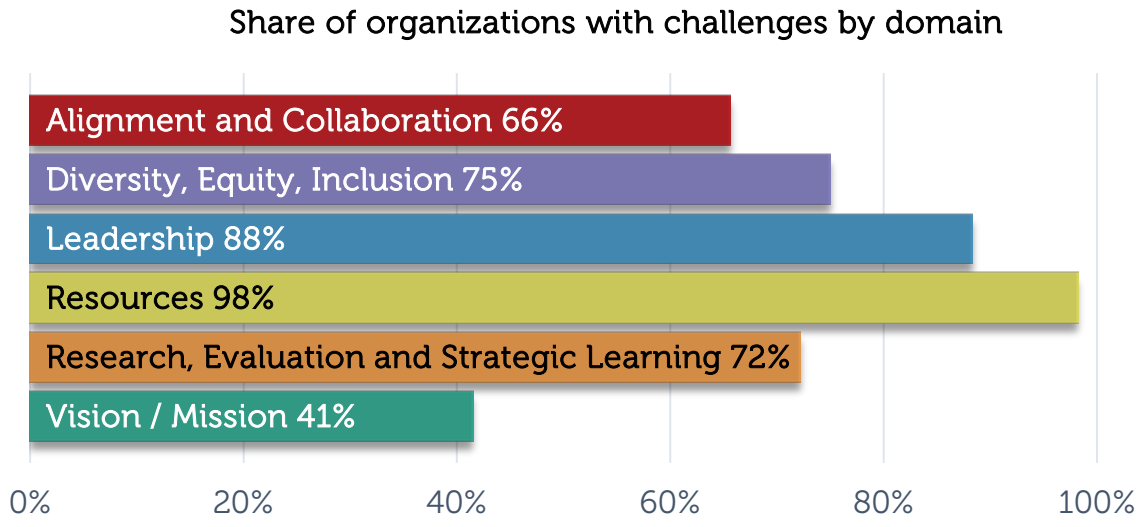
Asset map



The asset map is designed to present a comprehensive picture of the assets and gaps/needs for each of the six domains identified in the capacity building framework. The relative size of the gap/need space for each domain is reflective of the relative level of need expressed by respondents to the organizational survey. The relative size of individual assets and gap/needs captured on the map are also roughly reflective of their level of importance as expressed by study participants across surveys, interviews, and focus groups.

As the map illustrates, while organizational leaders participating in all phases of the study identified assets and gaps/needs in each of the six domains, survey participants felt strongest in the areas of Vision and Mission and Alignment and Collaboration and weakest in Resources.

In the survey, the Resources domain was highlighted as the area with the most challenges and in need of the most support. Within the Resources domain, fundraising and development functions, forecasting changes to the funding landscape, and communications and marketing were mentioned most often as key challenges and priorities for external support.



Challenges related to Leadership were next most common (in particular, board governance, work/life balance, and the leadership pipeline), followed by DEI

(particularly recruiting and retaining diverse staff and board) and Research, Evaluation, and Strategic Learning (where organizations lifted up struggles with measuring, evaluating, and understanding the value of their programs and services and prioritized measuring and reporting outcomes as the second most common area for external support).

Survey respondents cited fewer challenges with Alignment & Collaboration and Vision & Mission and were more likely to hold up elements of those domains as organizational strengths.

While these initial survey findings generally align with national findings on needs in the nonprofit sector,[19] and helped to provide a general picture of nonprofit strengths, challenges and needs in Western New York, we cannot claim that they represent the Western New York nonprofit sector as a whole, nor do they provide much nuance in terms of the particular struggles of organizations and the types of assistance that would be helpful. The interviews and focus groups gave added depth and richness to these findings and helped provide better understanding of nonprofit capacity building assets, gaps, and needs in each of the six domains.

Below, we provide a high-level discussion of the assets and gaps/needs identified as well as preliminary suggestions for action for each of the capacity building domains. In addition to this report, **we recommend that readers interact with the Asset Map directly to get a more nuanced understanding of the assets nonprofits bring as well as the challenges they face and the connections between them.**

[19] Camper, Naomi. Aspen Institute, *A Strong Nonprofit Sector is Key to Thriving Communities.* (2016) https://www.aspeninstitute.org/blog-posts/a-strong-nonprofit-sector-is-key-to-thriving-communities/

Resources

Includes finances, human capacity and resources, networks of support, information technology, communications, and physical space.

Assets

Nonprofit leaders name several assets related to the Resources domain, including dedicated and passionate staff and volunteers and an all-around "get it done" mentality in the face of scarce resources.

Boards of directors were another important asset that nonprofits tap to increase their capacity to raise funds. They also turn to board members with professional backgrounds in areas critical to the internal functions of nonprofits such as marketing/communications, legal services and IT support that may not be adequately covered by staff.

Some organizations noted that they utilized their board members more than is appropriate/sustainable given the board's volunteer status. This tended to be a particular concern in smaller organizations due to their limited staff capacity and financial resources.

Nonprofits also mentioned other nonprofits as key networks of support as well as occasional providers of resources such as physical space.

Finally, leaders identified the generosity of the local business and philanthropic communities as important assets to building and maintaining the nonprofit sector's capacity to deliver services.

Gaps/Needs

Nonprofit organizations identified multiple needs related to the Resources domain, and there was consensus across all elements of the study that this was the domain with the highest level of need.

Financial resources

Within this domain, the desire for more financial resources was discussed most often, along with the ways in which current funding structures do not support organizational capacity. Organizations highlighted a great need for unrestricted support, multi-year funding, mission-related capacity building and strategic planning and appropriate support for overhead/core operations. They noted that their financial restrictions were often the most important limiting factor for organizational growth, innovation, and capacity building across all of the capacity building domains described in this study.

Other gaps in capacity related to financial resources included professional assistance with long-term financial management, understanding their financial capitalization needs, and operational efficiency. Lastly, smaller and minority-serving organizations and those historically dependent on government funding cited challenges in their ability to sufficiently build out their fundraising and development functions, including hiring development staff and utilizing and purchasing appropriate development software. Fundraising and development to support organizational priorities was the number one organizational challenge listed by all survey participants.

Staffing/professional development

Nonprofits also identified several issues related to staff, including their ability to provide competitive wages in a tight employment market. Specifically, leaders noted that rising healthcare costs and higher minimum wage laws along with fairly flat grant amounts and other fundraising revenues were putting further pressure on their ability to recruit, pay, and retain staff.

Nonprofit leaders also acknowledged wanting to provide more professional development opportunities to help staff improve in their roles and grow professionally. However, many do not have adequate budget amounts for this type of support and thin staffing levels make it difficult for staff to take time away from their day-to-day responsibilities to participate in professional development opportunities.

Marketing/Communications

Cited as an important tool to maintain visibility and for case-making and raising funds, marketing/communications was the third highest priority for support by survey participants (the first two were fundraising and development and measuring and reporting program outcomes) and was mentioned frequently in interviews. Budget constraints are the largest hurdle to hiring dedicated communications staff or securing external professional support. Instead, they often rely on volunteers or intermittent per-diem staff. Providing general operating support, targeted support for marketing staff or making training, or technical assistance available in this area would help address these issues.

Information Technology

While all types of organizations identified obtaining and maintaining IT infrastructure as a challenge, this issue is a particular challenge for organizations in rural areas where access to high-speed internet remains an issue as does physical access to professional IT services. This hinders day-to-day operations as well as their ability to collaborate with other organizations.

Diverse networks of support

While many nonprofits have access to networks of support, these networks tend to follow traditional organizational silos and membership tends to lack diversity. This results in missed opportunities for cross-pollination, reduced linkages, and limited access to diversity of human capital. There is a need for more diverse and integrated networks to cut across these lines. See additional network gaps and needs in the DEI and Alignment and Collaboration domains.

Additional suggestions from nonprofits

Consider facilitating back office sharing and/or joint purchasing or contracting agreements

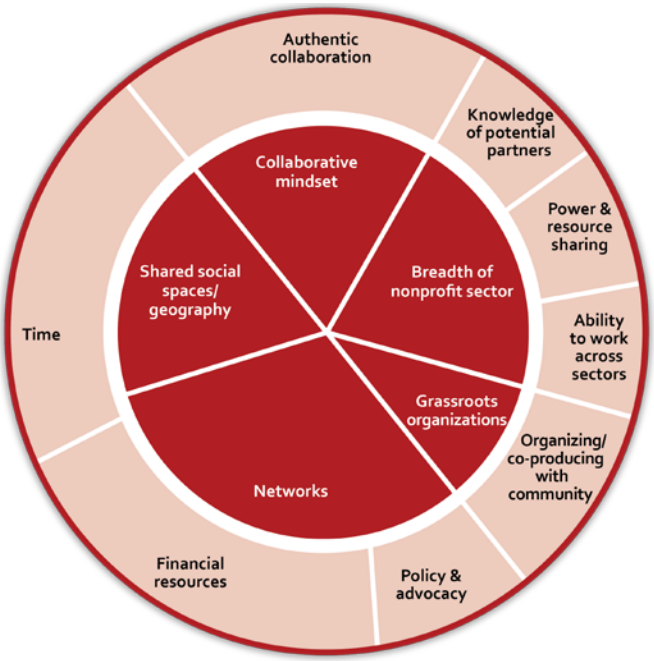
Several nonprofit leaders identified back office sharing as a potentially effective way to economize and reduce duplication. Sharing services can take several different forms. It can mean teaming up with other nonprofits to share the same administrative departments, such as human resources, IT, and accounting, or jointly outsourcing them to a third party provider. Shared services could also mean leasing office space in partnership with one or more other organizations. Funders can help suggest potential alliances, fund an exploratory phase, and support initial implementation costs.

Assist in connecting nonprofits with local professional volunteers

Several nonprofit leaders suggested creating a "pool" of business executives, lawyers or communications specialists willing to provide pro bono services. Given that nonprofits (especially smaller and newer organizations) often have to rely on personal networks or board members for these types of supports, having access to a pool of vetted professional volunteers to call on for one-time needs would be extremely valuable.

Alignment & Collaboration

Engaging and mobilizing communities and clients, partnering with other organizations, working across sectors, and engaging in advocacy efforts requires alignment of work across communities and working with groups and networks



Assets

Organizational leaders find a deep value in aligning and collaborating. In the organizational survey, respondents ranked "collaborating with other organizations" and "sharing and learning from peers" as top areas of strength (and lowest priorities for support).

Nonprofits rely on networks, both formal and informal, to identify partners, help stay abreast of critical industry issues, and to keep apprised of advocacy and funding opportunities. Formal networks come in a variety of structures and sizes: examples include local CEO groups, local councils and coalitions, and discipline specific state and national associations.[20]

Informal networks tend to be built on personal relationships and connections and are critical to under-resourced communities (urban core and rural) in particular. People connect on the street, kids play on sports teams together, and people see each other and discuss work in supermarkets, all of which can help support collaborative work across domains.

Breadth of the sector & shared geography

Leaders also identified the breadth of the nonprofit sector and the variety of services and expertise available to partner with as an asset to alignment and collaboration. They also felt that shared geography and social spaces are helpful in supporting collaboration.

[20] See the Resources Mentioned appendix for a list of networks and other resource providers mentioned by study participants.

Grassroots organizations

Grassroots organizations involved in this study demonstrated a deep level of knowledge and familiarity with communities, residents, and organizing practices and tools, and are a potential, and currently underutilized, resource for both nonprofit organizations' community engagement efforts and for organizational collaboratives.

Gaps/Needs

Time and money

Organizations most commonly mentioned the need for time to make alignment and collaboration work well. Often overwhelmed by the day-to-day work of running their organizations, staff must find time away from their programmatic work to build relationships and work externally.

Related to the need for time is the need for financial support to collaborate. The process of collaboration is resource and time-intensive enough that it often does not save them money, though it might result in stronger programming or results. Nonprofit leaders highlighted that typically, any cost savings they achieved through collaboration or improved alignment resulted in decreased overall funding, rather than allowing for new opportunities for strategic investments.

Unfunded mandates to collaborate and grantmakers' preference for one-year grants can come into conflict with the long-term, emergent nature of collaborative efforts. Properly capitalizing collaboration with core support as well as funds to cover expenses associated with convening, administration and assessment will provide organizations with the time needed to create authentic and successful collaborations.

Authentic collaboration among organizations

While organizations see the value of collaboration and alignment, and many are already engaged in collaborative efforts, they often encounter challenges in finding authentic partnerships in which organizations are less territorial, actually willing to change, and able to manage disagreement.

Organizational leaders also called out the power imbalances among organizations of different sizes and organizations of color, stating that often the larger, more well-known, more institutional organizations control the conversation, the work, and usually, the money. In addition, funder requirements for collaboration can feel like "forced collaboration" when there is insufficient shared understanding and trust among the partners.

Nonprofit leaders see a need for helping nonprofits develop the skills, mindset and work habits that enable people and organizations to collaborate effectively. In some

cases, an organization's polices and culture may actually impede collaboration rather than foster it. Organizations need to have the right systems and processes in place to enable staff fully commit to collaboration. Professional facilitators can help, but participants need their own skills in these areas. Providing staff with training in facilitation skills, coaching, and other support, such as learning about other nonprofit sectors, to help them become more effective and authentic conveners and network weavers could spur new and stronger connections among nonprofits and other partners.[21]

Knowledge of partners

Even when organizations are fully committed and oriented to collaboration, organizations acknowledge they are hindered by a lack of knowledge of potential partners beyond the usual suspects and a lack of experience and knowledge in how to work across sectors. Nonprofit leaders feel that it is especially difficult for new leaders and smaller grassroots organizations to know "who is out there."

> *"Foundations have the power to help support continued connection among organizations and leaders. It doesn't cost a lot of capital and it's hugely valuable."*

Support for low-stakes (not attached to or required by a funding opportunity), cross-sector networking/collaborative learning opportunities can help to address this and other identified challenges. Access to networks, both formal and informal, are connected to multiple domains including Alignment & Collaboration, Resources, Leadership, and DEI. However, leaders noted that existing networks can be insular, follow traditional organizational silos and have non-diverse membership. In addition, not all organizations were aware of or have access to these networks, particularly new leaders and leaders of grassroots organizations. These traditional divisions can lead to missed opportunities for peer learning, partner identification, and work across sectors. It can also reduce leaders' ability to tap more diverse networks when recruiting and hiring staff and board members and to access important policy opportunities.

> *"FLPPS (Finger Lakes Performing Provider System) gave a grant to bring together a small community of organizations to share what each other does. It was an eye opener for those coming to table. People's eyes were opened. It was amazing."*

[21] *Working Better Together: Building Nonprofit Collaborative Capacity,* Grantmakers for Effective Organizations.

Authentic community engagement

Nonprofit leaders highlighted that levels of community engagement vary and indicated that few organizations are authentically co-producing solutions with their local communities and clients.

> *"We have an organizing department and a street team. We walked to every home on the west side. A lot of people don't have the capacity to work with their clients, but the people closest to the problem have the best solutions."*

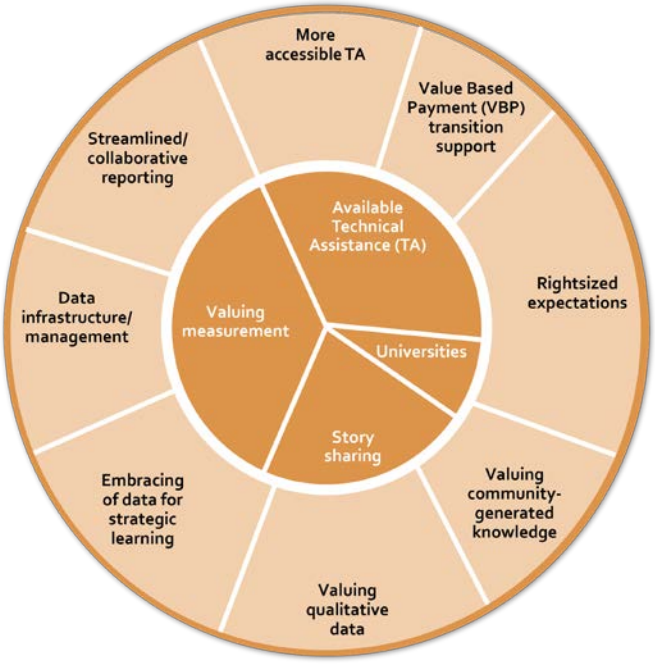
Grassroots organizations involved in this study demonstrated a deep level of knowledge and familiarity with communities, residents and organizing practices and tools, and are often overlooked by other nonprofits (and funders) as a resource both for their own community engagement efforts and for organizational collaboratives. Even these grassroots organizations did not necessarily see themselves this way, but there is an opportunity to engage in a concerted effort to bolster and activate this underutilized asset to strengthen the larger nonprofit sector's ability to tap into and more authentically engage the communities they serve.

Policy & Advocacy

While not frequently expressed in interviews and focus groups, nonprofit leaders selected policy and advocacy support as their top priority for support within the Alignment and Collaboration domain in the organizational survey. Several interviewees, however, highlighted that they rely on networks for much of their policy and advocacy work. They also emphasized the need for more opportunities to participate in coordinated advocacy and policy work to address structural challenges that cannot be addressed through programs and services and the difficulty of finding financial support for these types of activities.

Research, Evaluation & Strategic Learning

To understand and forecast evolving community needs, inform program development and refinement, measure outcomes, account for resources and promote organizational learning



Assets

When discussing Research, Evaluation and Learning (R/E/SL), organizations appreciated the value in collecting data to help make their case and inform funder priorities, and are particularly proud of their ability to identify and share stories of individual and community change.

Study participants acknowledge that there are quality technical assistance resources available to help organizations with their research, evaluation and strategic learning needs (although they are not always accessible) and several participants pointed to local universities as assets and potentially under-utilized assets in terms of knowledge-sharing and potential partnerships to support nonprofit research and evaluation efforts.

Gaps/Needs

Appreciation for qualitative data

Many organizational leaders felt that the sector undervalues results that are not easily quantifiable and that qualitative data should be more accepted as evidence of "impact." Organizations can see and talk about real impacts that are difficult to measure and quantify, but feel that these impacts do not "count."

Qualitative data is an important complement to quantitative data, as it gives a voice to and empowers the lived experience of community members; it also gives practitioners a deeper and more nuanced insight into the unique experiences and treatment of individuals.

Appreciation for local expertise

Nonprofit leaders felt that community experience and knowledge was often devalued while "best practices" and "evidence-based" models from other communities were

held up as the gold standard. Leaders shared their frustration with being required to take on models from elsewhere that had been published (which often then need to be adapted for the local context) rather than being supported in adapting and innovating locally. Funders can support local innovation and assist with establishing a local evidence base of successful practices and programs that build on local programs' innovation and adaptability.

Data infrastructure/management

Many organizations struggle with and need support in the areas of data management and infrastructure before they are ready to engage in higher level outcome tracking or evaluation. This was highlighted as a particular challenge for smaller organizations where staff wear many hats and are less able to specialize.

> *"If money was not an issue, I would get help with evaluation. It's expensive, difficult, and time consuming."*

R/E/L, while creating value in terms of generating important data for strategic learning, requires an investment in human capital and data management systems which organizations often struggle to afford. An unfunded requirement to produce evidence of impact pushes the cost of this infrastructure onto the organization and can lead to weaker organizational systems and negatively impact program quality. Additional support for R/E/L activities would be helpful to organizations in creating stronger programs, demonstrating their value, and telling their story.

Burdensome data requirements/streamlined data

Nonprofits are under pressure to meet myriad data and reporting requirements for multiple funders for multiple programs. The sheer number of ways organizations are expected to report results uses up much of their current organizational capacity in terms of data analysis, tracking, and evaluation.

> *"We have data, but are we using that data effectively? We are too busy just putting it in and using it for reports and grants. But are we using it for predictions? No. Should we be collecting different data? Probably. We only tend to collect what we have to report on."*

For example, many organizations felt that the required shift to Value Based Payments is an example of having to do more with less, and not necessarily a "value add" to their work.

The pressure to fulfill funding requirements without a comparative investment in organizational capacity can take away from the actual work on the ground and can sometimes keep organizations from identifying and tracking the most relevant data for their own strategic learning and continuous quality improvement, including using data to make decisions, change their operations, and inform planning and program management activities.

Nonprofit leaders argued that if community funders were more aligned and reporting was more streamlined, organizations would have additional capacity to dedicate to deeper engagement in research, evaluation, and strategic learning. Funders could also simplify requirements by having organizations report on elements that they are already measuring or shifting their processes to allowing organizations to set their own "theory of change" approach and then asking for reporting on the key metrics that evolve from that approach.

Outsized expectations

Leaders also talked about the outsized expectations of some funders about what organizations can achieve with limited time and funds (even with multi-year funding) and the struggle to manage funder expectations in terms of measurable results, impacts, and the ability to conduct evaluations on shorter-term programs and projects.

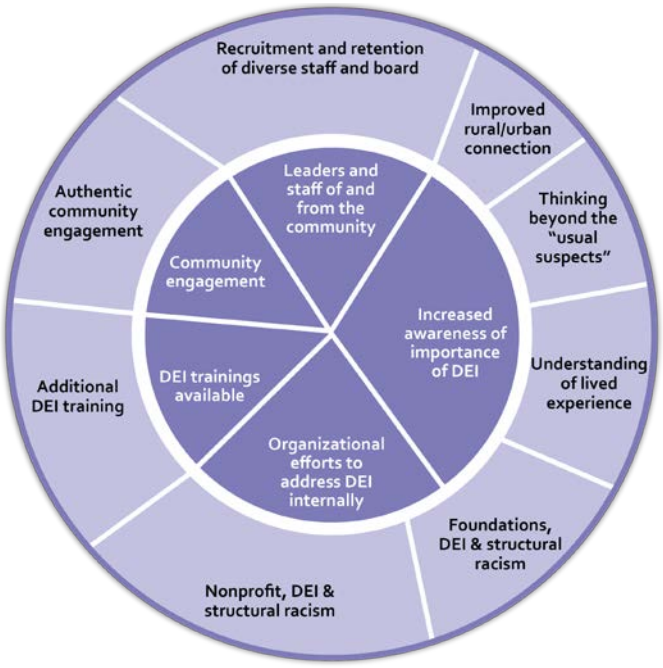
Affordable and accessible TA

While many organizations were aware of external technical assistance (TA) available to support R/E/SL and saw a deep need and value for such assistance, they noted that cost made many sources of such TA inaccessible. Culturally responsive TA is also a challenge. Diversifying the TA pool and promoting culturally competent learning and evaluation practices increases the likelihood of methods, analyses and interpretation that offer more relevance, application and, ultimately, more benefit to communities.

> *One huge challenge is finding professional evaluators of color… good luck.*

Diversity, Equity & Inclusion

Commitment to, and extent to which, these principles are embedded in board governance, leadership, policies and practices, research and learning and program development



Assets

Nonprofit leaders noted that overall, there is more awareness of and conversations about diversity, equity and inclusion (DEI) issues. They also noted that there are local nonprofits modeling efforts to address DEI issues within their organizations, such as implementing organizational polices and tools to help hire and retain diverse staff, address cultural competency and ensure that internal policies and benefits don't unjustly affect a specific group.

There are also nonprofits that can serve as models for recruiting board and staff who are of and from the communities their organizations serve. These organizations cite such staff as a critical asset in designing and delivering relevant and effective programming.

In addition, nonprofit leaders of grassroots organizations held up their ability to authentically engage and co-create solutions with their community as a critical asset in their ability to be equitable, diverse, and inclusive in their work.

Nonprofit leaders say there are resources and trainings available, both locally and remotely, to help organizations address the way they approach DEI. In fact, organizational survey respondents listed delivering culturally responsive services and developing policies/practices for cultural competence, diversity, equity, and inclusion as two of the most common professional services they as organizations provide to others.

Gaps/Needs

Recruiting and retaining diverse staff

Nonprofit leaders acknowledged a need to get better at recruiting and retaining diverse staff and leadership (including their boards). Of survey participants, 64% listed

diverse recruiting as a challenge for their organization, and 20% included it as a top priority area for support and technical assistance.

Deeper understanding of and commitment to DEI among organizations

A significant portion of nonprofit leaders spoke about DEI in fairly "surface level" terms, describing organizations that do not seem to think about DEI much more than the number of minorities on staff or board. This was mirrored by the survey findings in which many organizations held up challenges with diverse recruitment but believed that they did not struggle with organizational policies or practices. Other organizations called for a more intentional efforts among organizations to address the structural racism within their walls.

To some extent, this may be a case of people "not knowing what they don't know;" in other cases these are leaders who want to address these issues, but do not know how. While DEI trainings are available, nonprofit leaders see a need for more organizations and funders to engage in additional structural racism and DEI training and to further deepen their knowledge base in this domain and to help organizations implement DEI-related policies and procedures.

Authentic commitment to community engagement and co-collaboration

Several nonprofit leaders noted that community engagement was often done at the end of processes or on special occasions, rather than being an integrated part of organizations' work and commitment to equity and inclusion. Minority-serving and grassroots organizational leaders noted that they and the community they worked with were often brought in more as tokens than as equal partners. Organizations need help in understanding and engaging in authentic collaboration and co-creation, especially across lines of traditional power and privilege. Ideas include providing training/TA, tapping grassroots organizations' expertise in community engagement and strengthening leadership among residents or clients so that they can join or contribute to organizations' work.

> *"I am a big advocate for engaging communities and I don't see this happening with a lot of nonprofits. I see a lot of 'othering' -- well-meaning white people making decisions about what other people need."*

Insular networks

Nonprofit leaders discussed the insular nature of the nonprofit sector in various regions in Western New York limiting its ability to benefit from the experience and talents of "transplants," and grassroots organizations to engage in creative, cross-

sector, community-engaged work. They also see a need for a building of relationships and partnerships outside of the traditional social structures and partnerships that tend to follow lines of race and class.

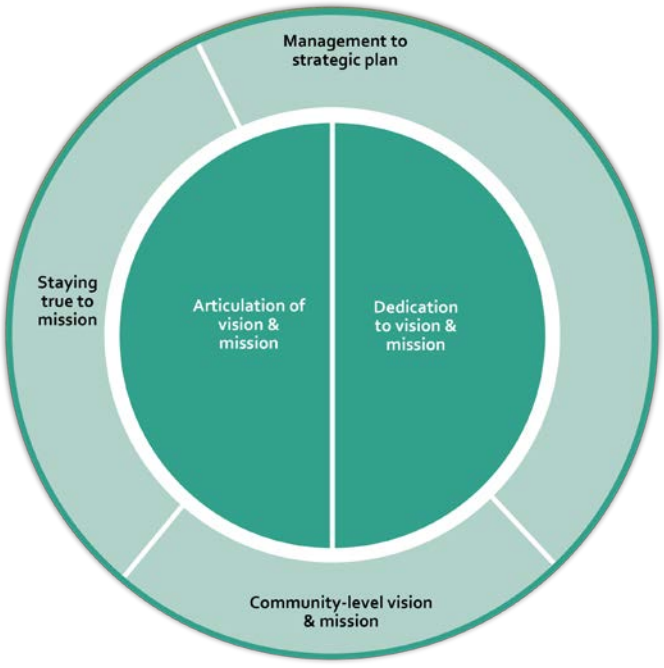
Supporting low-stakes (not attached to or required by a funding opportunity), inclusive cross-sector networking/collaborative learning opportunities can assist in breaking up insularity and help organizations tap more diverse networks when recruiting staff and board members.

Deeper commitment to DEI among foundations

Nonprofit leaders called on funders to be more deliberate in addressing structural racism in their policies, procedures and grantmaking. They cited the general lack of diversity within philanthropy and the gap between those with lived experiences of poverty and those of funders and donors, leading to a power imbalance, an oversimplification of the complex issues faced by those working to serve those poverty, and overly didactic philanthropic support. They highlighted that without more intentional work and approaches, the structures of philanthropy can reinforce inequitable societal structures instead of working toward diversity, equity and inclusion. There needs to be more education, learning, and shared understanding across the nonprofit and foundation sectors around collective action to address inequities on an individual, organizational and community level that are systemic and pervasive, including how funding is distributed.

Vision & Mission

Ability to inform and affect other components including programming and services offered, leadership, fundraising, networking, strategic planning and aligned measurement



Assets

Overall, WNY nonprofits feel fairly confident in their ability to articulate their vision and mission. It was the second most commonly identified organizational strength on the organizational survey (29% of respondents) and only 3% of survey respondents listed it as a top area for

support. However, smaller and younger organizations were more likely to lift up challenges with vision and mission articulation than organizations overall.

Nonprofit leaders also named their overall commitment and dedication to the mission and vision of their organizations as an asset to creating community change.

Gaps/Needs

Staying true to mission

One of the highlighted needs raised in this area is avoiding the temptations associated with mission creep: stretching beyond organizational mission or strategic plan in an effort to respond to specific funding opportunities.

Actively managing to the strategic plan

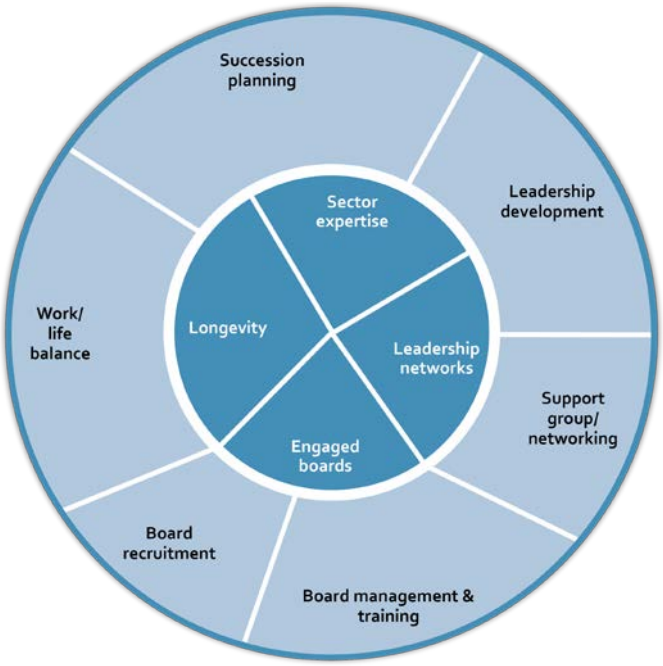
Ensuring that strategic plans remain "living documents" rather than sitting on a shelf is also a challenge. Leaders easily become consumed by the day-to-day operations and management of organizations due to stretched resources and limited staffing. This makes it difficult for leaders take the time to reflect on and manage to the stated plan while being able to adjust it in the face of changing conditions and community need.

Lack of community level vision

Nonprofit leaders also discussed the drawbacks to not having a shared vision at the community level leading to duplication of services and competition for limited financial resources, as well as missed collaborative opportunities. Funders have an opportunity to help to foster a community shared vision and help organizations see their role in it.

Leadership

Skills and abilities including board governance and succession planning, as well as relational skills, attention to self-care/mindfulness and willingness to work collectively with diverse groups for systems change



Assets

Nonprofit leaders identified the deep expertise and commitment among the leaders in the sector as an asset. They also noted many of these professionals have worked in WNY for a long period of time allowing for relationships to bloom and trust to be built.

Nonprofit leaders identified the value of existing leadership networks, both formal and informal, in making connections, sharing lessons, and learning about and creating new opportunities.

Finally, leaders identified the passionate and engaged board members committed to the nonprofit sector. From setting policy, to fundraising, to providing professional expertise, a high-functioning board is crucial to creating strong organization by providing foresight, oversight and insight to the executive staff and the organization.

Gaps/Needs

Succession planning and leadership development

While many organizations are discussing the challenges of succession planning, few have succession plans in place.

Leaders also expressed a need for help with strategic and systemic leadership development efforts within their organizations, particularly for mid-level staff and new supervisors.

Burnout prevention

Participants lifted up the danger of burnout among both executive and front line staff. Some organizations offer non-monetary supports or implement policies to help enforce self-care, but executives acknowledged the difficulty in managing self-care

and work/life balance for both themselves and their staff, and paying staff wages commensurate with the challenging work they do.

Inclusive, cross sector peer learning opportunities for leaders

While local networks for leaders exist, the sector has a desire for more opportunities for support groups and networks for leadership for peer learning purposes. Nonprofit leaders also noted that networks tended to follow traditional organizational silos and that membership tends to lack diversity. These traditional divisions can lead to missed opportunities to collaborate and reduce leaders' ability to tap more diverse networks when recruiting and hiring staff.

Board recruitment and training

Recruiting board members from diverse backgrounds and with needed skill sets is a significant challenge for many organizations, particularly among small and rural organizations.

> *"Building a board that thinks like you just creates an echo chamber. The Board hires the CEO and sets the tone for the organization. Recruiting diverse voices to the Board is hugely important."*

While a few nonprofits highlighted their successes with alternate models of board governance and how they have helped engage the board in more helpful ways, many leaders held up board training and management as an ongoing pressing regional need to help their organizations build their capacity.

Special considerations

Rural communities

Leaders in rural communities discussed the following themes slightly differently than those in urban areas:

- Social networks: Social networks are smaller and play a larger role in their work than in urban areas, possibly making it easier to collaborate, but also likely enforcing traditional silos.
- Information Technology: IT needs struck a particular chord for organizations in rural areas, where they struggle with the digital divide and in physical access to professional IT services. This limits their access to certain resources (including webinars, and online trainings and resources) that urban counterparts take for granted.

- Succession planning and leadership pipeline: Rural organizations struggle to compete with urban areas in retaining mid- and senior level leaders. These leaders tend to move to more urban areas for better salaries.
- Board recruitment: Similarly, rural organizations highlighted board recruitment as a particular area of need given their smaller pool of willing candidates who tend to already sit on multiple boards.
- DEI: Rural organizations understand the need for DEI but named the relative lack of racial diversity in rural areas, combined with generational poverty, and the current political climate as significant barriers to getting people to think about and prioritize DEI issues.
- Scale: Nonprofit leaders in rural areas identified a challenge in communicating the differences in scale to urban funders and attracting their interest in working in their communities. In particular, they highlighted that the lower population density, decentralization of services, and lack of transportation often result in higher program costs per person to achieve the levels of impact seen in urban areas. Additionally, leaders noted challenges with their ability to implement programs that have been developed for urban settings.
- Improved understanding: Nonprofit leaders in rural areas felt that there is an overall gap in understanding between urban and rural agencies. They often feel that urban communities and organizations discount the expertise and cultural competence that rural organizations bring to the table, often making assumptions about how rural communities work, or neglecting to adapt their urban approach to rural realities.

> *"We have a great strategic plan from a third-party consultant but we do not have the resources to implement much of it. I have come to believe that urban-based organizations do not fully understand the challenges faced by smaller not-for-profit organizations serving rural communities. I worked in Rochester not-for-profits for 30 plus years. It is a whole different world out here in rural Western NY."*

- Access to providers: We also noticed, from the Resources Mentioned list, a marked lack of resources in certain domains that are located in a rural county – specifically DEI, vision and mission, resources (see Appendix D). To the extent that rural nonprofits have access to resources outside of rural areas, it is unclear the extent to which these supports are well adapted to the rural context.

Small organizations

Smaller organizations had many of the same organizational challenges as the rest of the nonprofit community, but were more likely to lift up challenges with:

- Being stretched thin with very small or no staff; as a result staff have to wear many hats and somehow do it all
- Vision and mission articulation
- Strategic planning and ensuring that the plan remained a living document
- Board recruitment and potentially over-utilizing their board members given their volunteer status
- Succession planning, especially if the executive is the organization's founder
- Data infrastructure
- Information technology
- Volunteer management
- Not being valued as small/grassroots for their knowledge, skill and expertise as much as larger agencies

New/young organizations

Newer and younger organizations named similar challenges as small organizations including:

- Vision and mission articulation
- Strategic planning
- Board recruitment and potentially utilizing their board members more than is appropriate and sustainable give their volunteer status
- Not being valued as new/young for their knowledge, skill and expertise as much as more established agencies

Leaders of new organizations identified learning about and connecting with other nonprofit organizations as a challenge unique to their place in the organizational lifecycle.

In the survey, they were less concerned about leadership development, implementing DEI culturally responsive services and policies and practices and data informed practices and measurement, likely due to the pressing needs of managing a young organization.

Organizations serving special populations

Organizations serving primarily special populations (racial/ethnic minorities, LBGTQ, those with disabilities) mentioned burn out and self-care more often in the organizational survey and were more likely to lift up their DEI policies as a strength. They also reported higher rates of challenges in terms of strategic planning than other organizations.

Types of organizations

The gaps and needs of organizations did not vary much across types of organizations (human services, youth development, etc.).

Fundraising and development was a top challenge for all types of organizations across the board. Forecasting funding changes was the second for all groups except health organizations which reported much lower levels of challenge in this area.

Appendix A: Capacity Building Framework

To guide this study, CGR and the CHWNB adopted the following definitions:

- ***Capacity*** is a wide range of capabilities, knowledge and resources that nonprofits need in order to be effective.[22]
- ***Capacity building,*** as defined by Grantmakers for Effective Organizations (GEO), is "the funding and technical assistance to help nonprofits increase specific capacities to deliver stronger programs, take risks, build connections, innovate and iterate.[23]" Capacity building needs to be tailored to the ability or "readiness" of the nonprofit to engage.
- Adopting another GEO definition, ***technical assistance,*** is " the process by which organizations obtain the necessary knowledge, tools and other resources to develop, implement and assess targeted improvements in their work; this process is often supported by a consultant or expert". This term is often used interchangeably with capacity building.[24]

In addition, CGR and CHWNB jointly created a capacity building framework. In developing this framework, we read and adapted materials from other sources such as those from the Urban Institute,[25] Grantmakers for Effective Organizations (GEO), and the TCC group[26]. We reinforced existing models with a greater emphasis on diversity, equity and inclusion, turning to information from the Leadership Learning Community for the W.K. Kellogg Foundation.[27] Further, we brought to this process our value for asset-based community development[28] and the importance of engaging with community.

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[22]A Funder's Guide to Organizational Assessment, GEO and Fieldstone Alliance, 2005
[23] *Strengthening Nonprofit Capacity*, Grantmakers for Effective Philanthropy (2016) https://philanthropynewyork.org/sites/default/files/resources/geo_2016_strengtheningnonprofitcapacity.pdf
[24] *Strengthening Nonprofit Capacity,* Grantmakers for Effective Philanthropy (2016)
[25] DeVita, Carol and Cory Flemming, *Building Capacity in Nonprofit Organizations.* Urban Institute (2001) http://research.urban.org/UploadedPDF/building_capacity.PDF
[26] *Capacity Building 3.0*, TCC Group. https://www.tccgrp.com/resource/capacity-building-3-0-how-to-strengthen-the-social-ecosystem/
[27] Leadership Learning Community, *Developing a Racial Justice and Leadership Framework to Promote Racial Equity* (2009) http://leadershiplearning.org/system/files/Racial%20Equity%20and%20Leadership%20Scan.pdf
[28] Information on asset-based community development can be found at https://resources.depaul.edu/abcd-institute/Pages/default.aspx

We view capacity as something that cuts across different levels—**individual, organization, and community.** The organization and its capacity are vital, as are the people within the organization and the organization's capabilities, knowledge, and resources within the larger community:

- *Individual Capacity* refers to staff and leadership skills and abilities. This includes professional development, executive development, peer learning, recruitment and retention, and succession planning. It also considers the way people "show up" for work and take care of themselves as they take care of other people—especially important when considering the direct service work of many nonprofit organizations.
- *Organizational Capacity* reflects the ways that individuals relate and work together to create and implement organizational policies and practices and, through those actions, create organizational culture.
- *Community Capacity* reflects the ways that the organization, staff, and leaders interact with the broader community and people served (e.g.: clients, patients, consumers). Community capacity may include representation of people served on

boards of directors, cultural competence/responsiveness, and ways of interacting within and across the community.

The framework is comprised of six domains (resources; alignment and collaboration; vision and mission; research; evaluation and strategic learning; and diversity, equity, and inclusion) that are commonly found in all organizations. As a system, each factor reinforces and bolsters the others in the model and can be viewed as possible intervention points for enhancing organizational capacity. Each of the components of the framework works at all three levels of the framework: individual, organization, and community.

Resources

Resources affect the organization's ability to carry out its mission, attract competent leadership, engage in collaborations, and assess its effectiveness. Although resources do not necessarily need to be extensive, they do need to be well-managed. Resources include: finances, human capacity, networks of support, information technology, communications resources, and physical space.

Alignment and collaboration

Individual organizations operate within larger and complex ecosystems that affect their operations and effectiveness. It is no longer feasible to think that one organization or even one field or sector can address the increasingly complex and changing environments that nonprofit organizations face.

More and more, organizations and their staff are being called to engage and mobilize their communities and clients differently, share power, partner with other (and more diverse) organizations, and work across sectors and engage in advocacy efforts. This means that they have to align their work (including their own policies, practices, and programming) to what others in the community are doing, communicate, and "connect the dots." Organizing and mobilizing people to action calls for the ability to work with ad hoc groups and networks to lead change work.

This kind of work often requires a shift in mindset and a different set of skills and activities that can be new or a challenge for organizations that have traditionally been internally focused on their own work and clients/stakeholders.

Vision and Mission

An organization's vision and mission informs and affects other segments of the capacity building framework including: the types of programs and services offered; its ability to attract and retain leaders who share its goals, and who will be influential in setting, maintaining and redirecting the vision and mission; its strategy for raising

funds; the type of networking and partnerships it enters into; and its approach to assessing the effectiveness of its work. An organization needs to reflect on the connections between its mission and vision, its programmatic priorities, and the extent to which it upholds diversity, equity, and inclusion.

Research, evaluation and strategic learning (R/E/SL)

Timely and meaningful research data can provide a better understanding and forecasting of evolving community needs, inform program development and refinement, measure the outcomes of programs and their value, account for use of resources, promote organizational learning, create new understanding about what works and what does not, strengthen the case for program funding, and help to articulate context, rationale and benefits of programs to communicate with stakeholders, boards, funders, and other audiences.[29] Nonprofits must also value the stories of the people with whom they work, and advocate that others (funders, government) understand these stories as well. Through sharing stories, communities build their identities, pass on traditions, and construct their reality.

Diversity, equity and inclusion[30]

The effectiveness of all elements is influenced by an organization's commitment to diversity, equity and inclusion. Organizations that embed these principles (e.g. in board governance, leadership, policies and practices, research and learning, program development) are better positioned to understand the needs of a diverse client base, engage in meaningful dialogue and create more effective solutions. They are better able to address more upstream, root cause solutions and system change efforts. Attention to diversity, equity, and inclusion means supporting the leadership of persons of color and fostering an integrated cross-sector leadership approach focused

[29]Sim, Shao-Chee, PhD. *What is Research and How Can Research Benefit Your Organization*, Charles B. Wang Community Health Center https://med.nyu.edu/sites/default/files/asian-health2/How_Research_Benefits_Nonprofits_Shao_Chee_Sim.pdf

[30] Independent Sector defines diversity, equity and inclusion as follows: *Diversity* includes all the ways in which people differ, encompassing the different characteristics that make one individual or group different from another. ***Equity*** is individuals and organizations giving fair treatment, access, opportunity, and advancement for all people, while at the same time striving to identify and eliminate barriers that have prevented the full participation of some groups. Improving equity involves increasing justice and fairness within the procedures and processes of institutions or systems, as well as in their distribution of resources. Tackling equity issues requires an understanding of the root causes of outcome disparities within our society. ***Inclusion*** is the act of creating environments in which any individual or group can be and feel welcomed, respected, supported, and valued to fully participate. An inclusive and welcoming climate embraces differences and offers respect in words and actions for all people. https://independentsector.org/resource/why-diversity-equity-and-inclusion-matter/

on systems-wide change rather than individual leadership that tackles problems as isolated special interests.

Leadership (board, staff and volunteers)

Strong and effective leadership is vital, and the skills and abilities of leaders required for effectiveness have evolved over time, with added emphasis on relational skills, attention to self-care/mindfulness, and willingness/ability to work collectively with diverse groups for systems change.

Structurally, an organization requires leadership at every level and encourages problem solving and decision-making throughout the organization. Contemporary views of leadership include attention to a culture of connectedness, inclusiveness, collaboration and innovation (defined as shifting underlying assumptions, moving away from previous practices, and finding new pathways for achieving goals). This view of leadership is in contrast with the more traditional hierarchical structures and practice of many nonprofit organizations[31] and requires a new way of working. Leaders must be able to work effectively in a "VUCA" world—one full of Volatility, Uncertainty, Complexity, and Ambiguity. This is accomplished by asking different types of questions, taking on multiple perspectives, developing a systemic vision, and looking at the whole picture.[32]

Organizations and developing leaders require support (sometimes through mentorship and internships) to work across differences, strengthen collective leadership action, leverage leadership networks, support unrecognized community leadership, and systemically address social and economic disparities. Leadership development must include approaches that build on community power and address institutionalized causes of disparities.[33]

[31] *Moving Arts Leadership Forward*. The William and Flora Hewlett Foundation, 2016
[32] *Leadership Challenges in a VUCA World*. Oxford Leadership (2016) https://www.oxfordleadership.com/leadership-challenges-v-u-c-world/
[33] Leadership Learning Community, *Developing a Racial Justice and Leadership Framework to Promote Racial Equity* (2009) http://leadershiplearning.org/system/files/Racial%20Equity%20and%20Leadership%20Scan.pdf

Appendix B: Organizational Survey

Methodology

To identify the nonprofit organizations in the nine county region[34] encompassed by this study, we accessed data from the IRS' Exempt Organizations Business Master File.[35] This yielded a list of 13,527 organizations.

We then applied a set of inclusion and exclusion criteria we jointly created with the WNYNSG to narrow the list.

We began by excluding organizations with zero assets and budgets of less than $25,000 as a proxy for inactive or minimally active organizations. We then used the National Taxonomy of Exempt Entities (NTEE) codes[36] to exclude the following types or organizations.

Colleges/Universities/Scholarships	Labor Unions/Trade organizations
Agriculture Societies & Fairs	Medical Research Organizations
Animal-Related Organizations	Membership Organizations, Auxiliaries
Churches and other places of worship not listed elsewhere	Philanthropy, Grantmaking Foundations
Environmental Garden Clubs	Public safety/EMS
Hospitals	Private & parochial schools
Home Health Care	Science & Technology Research Institutions
International Support/Relief	Sports Booster Clubs, Friends Groups, & Associations

[34] Allegany, Cattaraugus, Chautauqua, Erie, Genesee, Monroe, Niagara, Orleans, Wyoming

[35] The Exempt Organization Business Master File Extract (EO BMF) includes cumulative information on exempt organizations. The data are extracted monthly and are available by state and region.

[36] The National Taxonomy of Exempt Entities (NTEE) system is used by the IRS and the National Center for Charitable Statistics to classify nonprofit organizations.

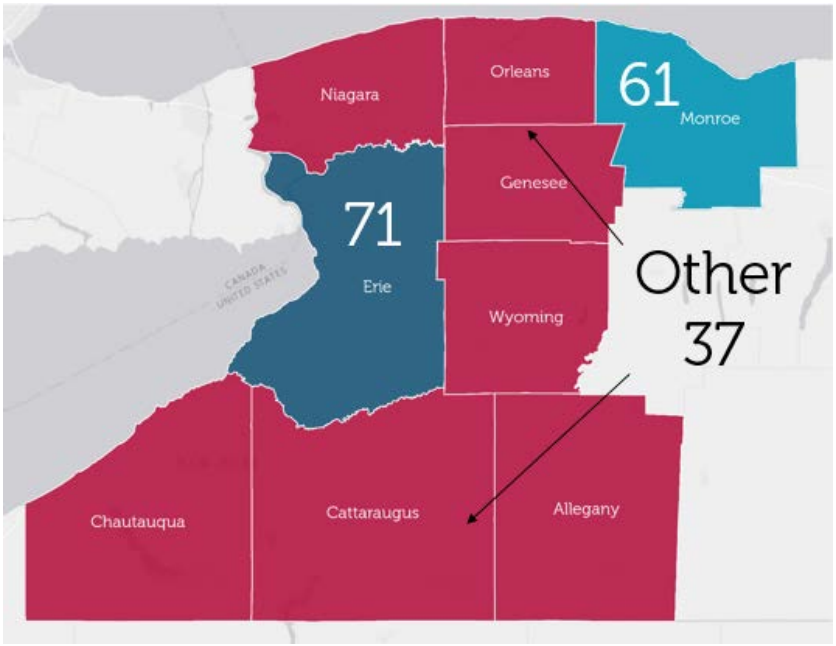
After applying these criteria, we were left with 1,583 organizations. The IRS database does not include contact information however, so we worked to identify email addresses for as many organizations as possible. Using data from the WNYNSG members and searching organizational websites, we found email addresses for 853 executives or board chairs in the nine county area.

We deliberately targeted executives and board members to help ensure that we received one survey response per organization and not privilege organizations that had the capacity to send responses from multiple staff members.

Of these 853 organizations surveyed, we received responses from 169 for a response rate of 20%. Given this response rate, the survey provided a broad brush picture of what the responding nonprofits consider their overarching strengths and challenges and needs across the six capacity building domains in our framework. We cannot claim that these responses represent the Western New York nonprofit sector as a whole, nor do they provide much nuance. We therefore conducted a series of interviews and focus groups with nonprofit leaders to add additional voices as well as additional insight into how nonprofits' assets, gaps, and needs in each of the domains.

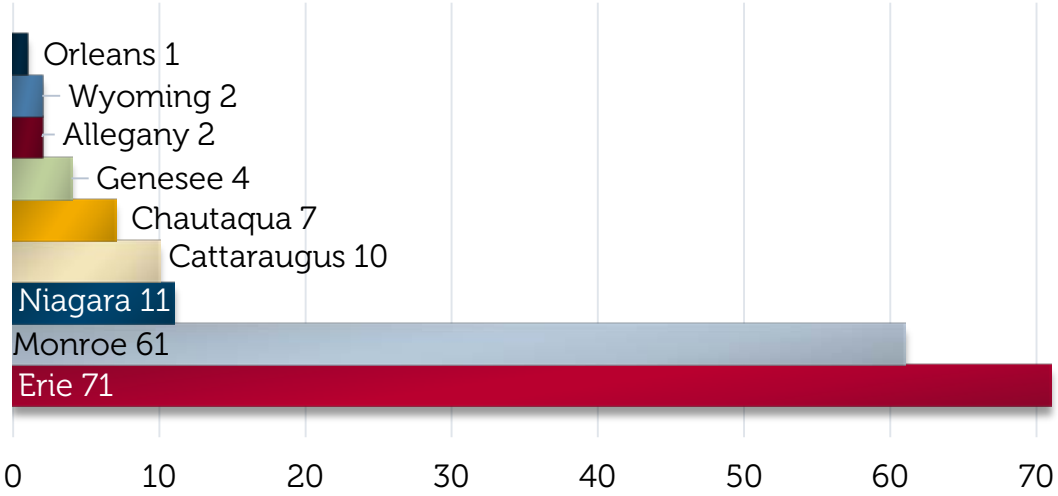
Survey respondents' profile

Location of responses



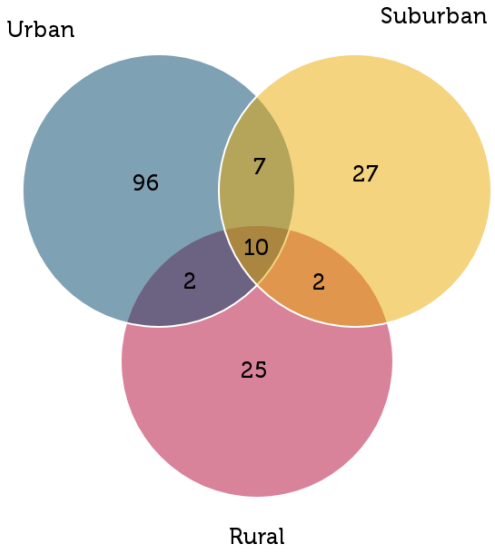
Of the 169 organizations that responded, the majority (78%) have offices in Erie or Monroe County.

Number of Responses by County of Primary Office Location



Most organizations (57%) have their primary offices in urban locations, though 15% had their primary office located in a rural location, and 16% were primarily located in the city. Additionally, 21 organizations (12%) reported having a primary office in more than one type of location, and 10 of those reported having a primary office in an urban, rural, and suburban location.

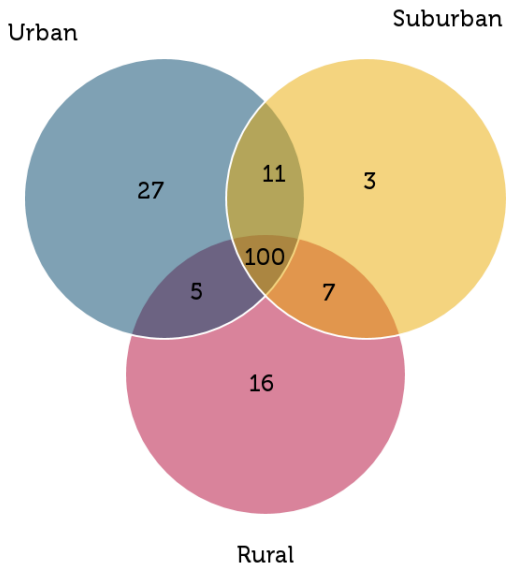
Organization Location Urban/Suburban/Rural



Populations served

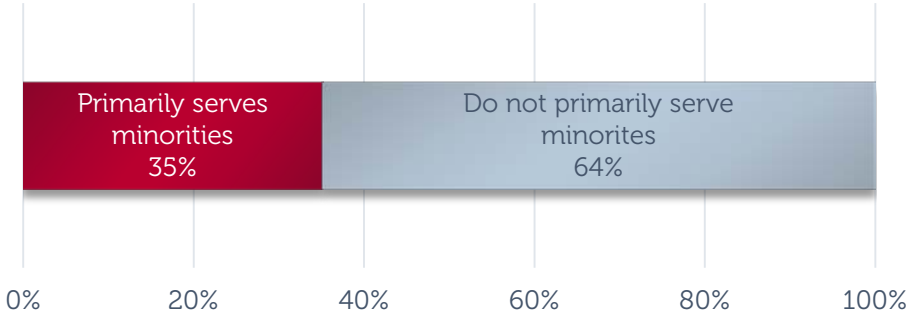
Urban/Suburban/Rural

The majority of organizations say serve people in all three geographies. (Note that respondents could chose multiple types of populations.)



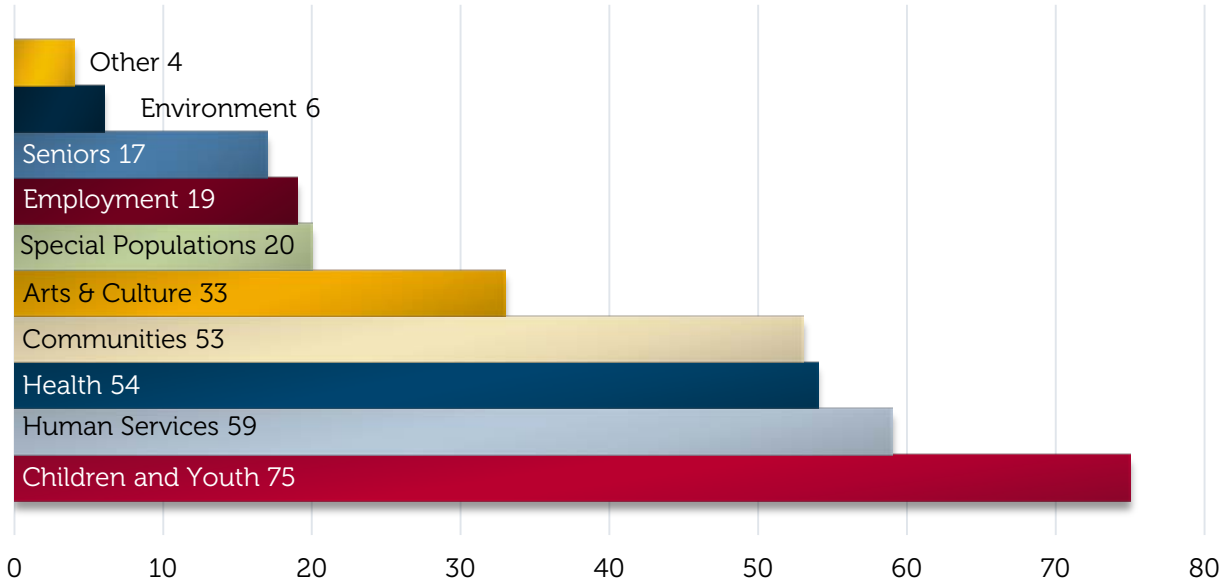
Minority serving organizations

35% of respondents say they primarily work with/serve racial/ethnic minority populations and (most of these, 91%) are urban-serving organizations.



Focus areas

The majority of respondents say they focus on youth development, health and human services. Most organizations (123) listed three focus areas (respondents could choose all that apply).



Notes:

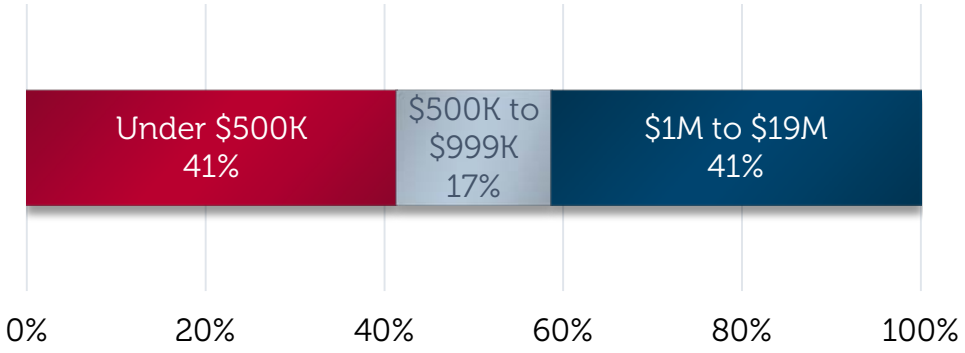
Communities: Housing, community & economic development, community coalitions

Arts & culture: Includes libraries

Special populations: Immigrants, ethnic minorities, LGBTQ

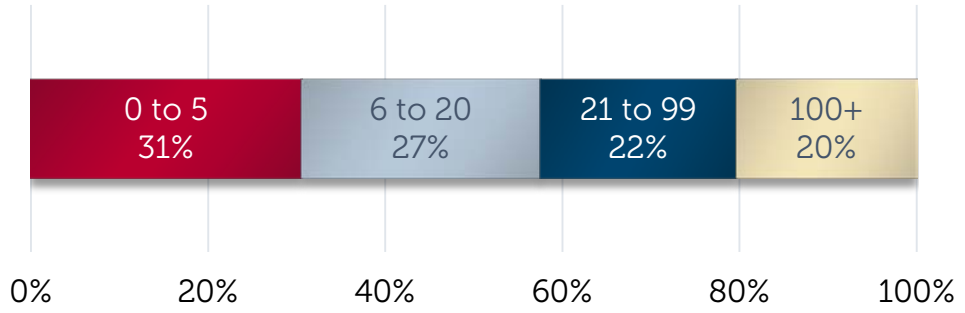
Budget size

Most respondents had budgets under $500,000 or over $ 1 million.



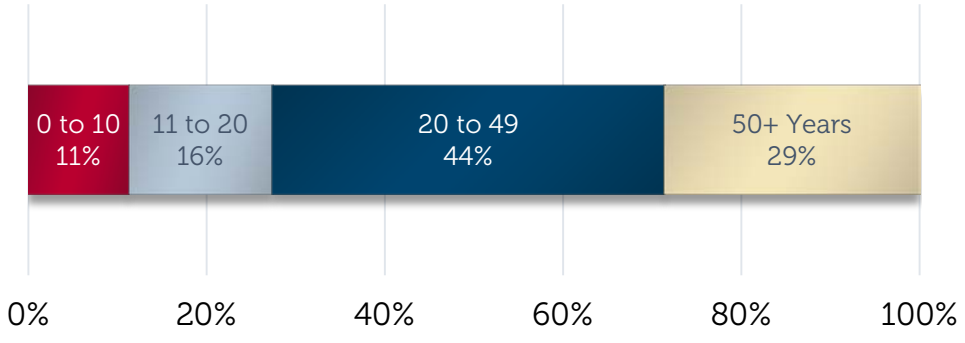
Number of employees

Over 50% of responding organizations have 20 or fewer employees.



Organizational age

Most of the organizations that responded are well established. 73% of organizations have existed for over 20 years.



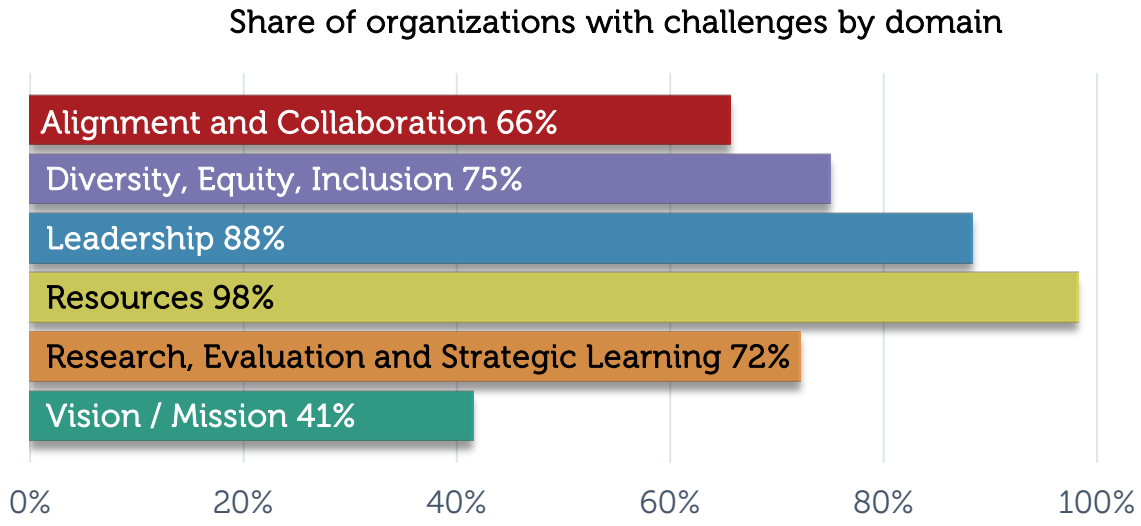
Survey Findings

The survey asked organizations to identify their organizational capacity building challenges, priorities for external support, and strengths. For each domain, organizations were asked to list any providers or sources of capacity building support that they had utilized. Lastly, respondents were asked if they provide any capacity building services professionally. Providers and resources mentioned, as well as those that identified themselves as providers of professional services were used to populate the Resources Mentioned list (see Appendix D). Organizations' responses in terms of challenges, priority areas for support, strengths, and professional services are reported below.

Organizational Challenges

Organizations were asked the extent to which elements in each domain were a challenge in their organization. If an organizations listed at least one element as a moderate or serious challenge in a domain, they were categorized as having a challenge in that domain.

The Resources domain[37] was highlighted as the area with the most challenges and in need of the most support – with fundraising and development functions, forecasting changes to the funding landscape, and communications and marketing were mentioned most often as key challenges and priorities for external support.



[37]Resources includes finances, human capacity, networks of support, information technology, communications resources, and physical space. See the Capacity Building Framework used to inform this study for more information as to the elements included in each domain.

Challenges related to Leadership were the next most commonly selected (in particular board governance, work/life balance, and the leadership pipeline), followed by DEI (particularly recruiting and retaining diverse staff and board) and Research, Evaluation, and Strategic Learning (where organizations lifted up struggles with measuring, evaluating, and understanding the value of their programs and services and prioritized measuring and reporting outcomes as the second most common area for external support). See table on the next page for organizational responses by question.

Survey respondents cited fewer challenges with Alignment & Collaboration (A&C) and Vision & Mission and were more likely to hold up elements of those domains as organizational strengths (see strengths table later in this document).

Organizational challenges by question

Rank	Domain	Question	% moderate or serious challenge
1	Resources	Fundraising and development to support org priorities	92%
2	Resources	Forecasting changes to the funding landscape/capitalizing on new revenue sources	89%
3	Resources	Human Resources	67%
4	Leadership	Board Governance	66%
5	DEI	Recruiting/retaining diverse staff and board members	64%
6	Leadership	Finding ways to maintain work life balance/prevent burnout	63%
7	Leadership	Finding capable leaders/developing leadership skills	60%
8	RESL	Measuring/evaluating/understanding value of programs/services	59%
9	Resources	Communications and marketing	55%
10	RESL	Analyzing/reflecting on our data to inform practice/decision making	55%
11	Leadership	Executive Director/CEO succession planning	55%
12	Leadership	Leading in an environment of volatility/uncertainty/complexity/ambiguity	54%
13	Resources	Volunteer recruitment/management	52%
14	Resources	Facilities	52%
15	Resources	Obtaining/maintaining IT	49%
16	A&C	Collaborating with organizations outside of our sector/discipline	49%
17	RESL	Measuring/reporting program outcomes,	47%
18	RESL	Collecting/processing/using information about population needs	47%
19	A&C	Engaging effectively in policy and advocacy to address issues important to our target population	46%
20	A&C	Community organizing to bring citizens together	45%
21	RESL	Designing/delivering effective programs based on research/best practice	43%
22	DEI	Engaging the populations we serve work with to bring their voice into program/service design	37%
23	Resources	Financial management including budgeting and accounting	36%
24	A&C	Convening people and organizations to address a community issue	34%
25	Vision & Mission	Developing and executing a strategic plan that ties activities to vision & mission	34%
26	DEI	Developing/implementing internal policies/practices that support cultural competence/diversity/equity/inclusion	33%
27	A&C	Collaborating with similar organizations to address a community issue	32%
28	Resources	Networks/Peer or Professional Networks	30%
29	DEI	Delivering services in a culturally responsive way	28%
30	Vision & Mission	Aligning organizational priorities to our mission and vision	21%
31	Vision & Mission	Articulating a clear and meaningful vision and mission to guide our work	20%

Certain organizational challenges also tended to be positively correlated (move together). The lines below indicate where correlations exist; line thickness represent degrees of correlations, so the thicker the line the greater the correlation. For example, in the Alignment & Collaboration domain, organizations that listed challenges in community organizing were more likely to also list challenges in convening (and vice versa). Similarly, in the R/E/SL domain, organizations that listed challenges in terms of data informed practices were more likely to list challenges in terms of measuring and reporting program outcomes. Should the WNYNSG decide to work in any of these domains, this analysis could be helpful in putting together a suite of supports for organizations.

Organizational Priority Areas for Support

Organizations were asked to select their top three priority areas for external support. In general, the areas of support aligned with the challenges listed. The top area across the board where respondents wanted support was fundraising and development. The research and evaluation domain elements such as measuring and reporting program

outcomes and using data to inform practice and decision-making rose to the top in a way that they did not when simply looking at areas that organization listed as challenges. In general, respondents did not prioritize support in alignment and collaboration (A&C), though within that domain policy and advocacy was the most common priority.

Rank	Domain	Priority Support Area	% listed as top 3	# Orgs
1	Resources	Fundraising and development	51%	79
2	RESL	Measuring and reporting program outcomes	26%	40
3	Resources	Communications and marketing	20%	31
4	DEI	Recruiting/retaining diverse staff and board	20%	31
5	RESL	Using data/research to inform practice and decision-making	19%	29
6	Resources	Information technology (IT)	18%	28
7	Leadership	Board governance	15%	24
8	Leadership	Succession planning	13%	21
9	Vision & Mission	Strategic planning to advance our mission and vision	13%	20
10	Leadership	Self-care and burnout prevention	12%	19
11	Leadership	Leadership development	12%	18
12	Resources	Volunteer recruitment/management	12%	18
13	Resources	Facilities	11%	17
14	Resources	Human resources	8%	13
15	DEI	Engaging the population we serve/work with to bring their voice into program/service design	8%	13
16	Collaboration	Policy and advocacy	8%	12
17	Resources	Financial management	4%	7
18	DEI	Developing policies/practices for cultural competence, diversity, equity, inclusion	4%	7
19	A&C	Collaborating with other organizations	4%	7
20	Vision & Mission	Articulating a clear mission and vision	3%	5
21	A&C	Community organizing	3%	5
22	DEI	Delivering culturally responsive services	3%	4
23	A&C	Being a convener	2%	3
24	Resources	Accessing peer or professional networks	1%	1
25	A&C	Sharing and learning from peers	0%	0

Organizational Areas of Strength

Overall, nonprofits listed collaborating with others as their primary strength. Other alignment and collaboration (A&C) and vision and mission elements were also viewed as strong. Almost 25% of nonprofits also felt strong in their ability to engage the populations they served and bring their voice into program design.

Rank	Domain	Area of Strength	Percent	# Orgs
1	A&C	Collaborating with other organizations	46%	59
2	Vision & Mission	Articulating a clear mission and vision	29%	37
3	A&C	Sharing and learning from peers	28%	36
4	Resources	Financial management	24%	31
5	DEI	Engaging the population we serve/work with to bring their voice into program/service design	23%	30
6	Vision & Mission	Strategic planning to advance our mission and vision	22%	28
7	A&C	Being a convener	21%	27
8	RESL	Measuring and reporting program outcomes	19%	24
9	Leadership	Leadership development	18%	23
10	Resources	Fundraising and development	18%	23
11	Resources	Facilities	18%	23
12	DEI	Delivering culturally responsive services	17%	22
13	A&C	Policy and advocacy	17%	22
14	Resources	Communications and marketing	16%	21
15	Resources	Volunteer recruitment/management	16%	20
16	Leadership	Board governance	15%	19
17	DEI	Developing policies/practices for cultural competence, diversity, equity, inclusion	15%	19
18	RESL	Using data/research to inform practice and decision-making	15%	19
19	A&C	Community organizing	15%	19
20	Leadership	Self-care and burnout prevention	9%	12
21	Leadership	Succession planning	9%	11
22	Resources	Accessing peer or professional networks	9%	11
23	DEI	Recruiting/retaining diverse staff and board	9%	11
24	Resources	Human resources	7%	9
25	Resources	Information technology (IT)	7%	9

Professional Services

33% of organizations (out of the 155 that answered the question) stated that they provide professional training/TA as part of their work. These services are primarily in the DEI and alignment and collaboration (A&C) domains, though a few organizations offer resource and research services.

Rank	Domain	Professional Services (52 Orgs)	Percent	# Orgs
1	DEI	Delivering culturally responsive services	27%	14
2	DEI	Developing policies/practices for cultural competence, diversity, equity, inclusion	23%	12
3	A&C	Sharing and learning from peers	23%	12
4	DEI	Engaging the population we serve/work with to bring their voice into program/service design	21%	11
5	A&C	Community organizing	21%	11
6	A&C	Policy and advocacy	21%	11
7	RESL	Measuring and reporting program outcomes	19%	10
8	A&C	Collaborating with other organizations	19%	10
9	Leadership	Leadership development	15%	8
10	Vision & Mission	Strategic planning to advance our mission and vision	13%	7
11	RESL	Using data/research to inform practice and decision-making	13%	7
12	A&C	Being a convener	13%	7
13	Resources	Communications and marketing	12%	6
14	Vision & Mission	Articulating a clear mission and vision	10%	5
15	Resources	Financial management	10%	5
16	Resources	Information technology (IT)	10%	5
17	Resources	Accessing peer or professional networks	10%	5
18	Leadership	Self-care and burnout prevention	8%	4
19	DEI	Recruiting/retaining diverse staff and board	8%	4
20	Leadership	Board governance	6%	3
21	Resources	Fundraising and development	6%	3
22	Resources	Human resources	6%	3
23	Resources	Volunteer recruitment/management	6%	3
24	Leadership	Succession planning	2%	1
25	Resources	Facilities	0%	0

Appendix C: Focus Groups

The purpose of integrating focus groups into this process is to generate participants' knowledge, attitudes, beliefs, experiences, feelings and reactions in the context of a group discussion; and identify language and culture of nonprofit organizational leadership. Focus groups also helped us to explore the degree of consensus on topics and themes raised in the best practices research, surveys and interviews (*Morgan & Kreuger 1993*).

Steering committee members, as a diverse group of executive directors/CEOs from across the region, assisted in co-hosting the focus groups and in inviting other directors/CEOs to participate. In addition to invites from steering committee members, a call for participants was sent to several lists (i.e. United Ways of Erie and Monroe Counties, Partnership for the Public Good, GLOW organizations organized through WIB, funder lists, etc.) to get additional participants to opt-in. In many cases, focus groups were oversubscribed and people were placed on waiting lists.

Focus groups were held at the following locations:

Location	Host	Date	Number of people attending
Buffalo, NY	The Clement House	March 18, 2019	18
Buffalo, NY	Black Love Resists in the Rust//Just Resisting	April 3, 2019	15
Niagara Falls, NY	Pinnacle Community Services	April 1, 2019	14
Rochester, NY	Common Ground Health	March, 20, 2019	29
Falconer, NY (Cattaraugus, Chautauqua)	Levant Wesleyan Church	April 2, 2019	18
Warsaw, NY (Allegany, Wyoming, Genesee)	Wyoming Chamber of Commerce	April 4, 2019	19
Middleport, NY (Orleans/Niagara)	Central-Royalton Hartland Community Library	April 9, 2019	13
Total			126

Focus Group Protocol

Participants were asked upon arrival to complete a pre-focus group survey. The aim of this survey was to collect demographic information as well as information about the participants' agencies and their expectations of the meeting.

Nearly all participants completed the survey (122/126); exceptions include folks who arrived late to the meeting or neglected to turn in the survey before leaving the meeting.

Table 1: Focus Group Location		
Chautauqua/Cattaraugus County (Falconer)	17	14%
Erie County (Buffalo 2)	14	12%
Erie County (Buffalo)	18	15%
Monroe County (Rochester)	27	22%
Niagara County (Niagara Falls)	14	11%
Orleans County (Middleport)	13	11
Wyoming County (Warsaw)	19	16%
Total	122	100%

Participants represented organizations across Western New York with the highest numbers serving Erie and Monroe counties and the fewest in Allegany County. A couple of participants wrote in Onondaga and Madison counties as additional areas in which they provide services and/or have offices.

Table 2: Organization office location (n=122)		
Erie	41	34%
Monroe	29	24%
Orleans	17	14%
Wyoming	17	14%
Chautauqua	13	11%
Genesee	13	11%
Niagara	12	10%
Cattaraugus	9	7%
Allegany	4	3%
Onondaga	1	1%
Madison	1	1%

Participants were asked to indicate all of the areas from which their organization draws financial resources. Nearly half of respondents cited fundraising efforts and local foundations/grants. About 40% indicated state and national foundation grants and 33% cited government agencies. About 17% of agencies represented by the participants drew resources from contract/billable services.

Table 3: Where organization resources come from (n=122)		
Fundraising efforts (events, private and corporate donations, appeals and campaigns, etc.)	58	48%
Local foundations/grants	57	47%
State & national foundations/grants	50	41%
Government agencies	41	34%
Contract/billable services (i.e. consultancy or contract work)	21	17%

The participants indicated that they primarily served urban regions, followed by rural and regional/no primary location. A small proportion also indicated that their work reached suburban regions as well (Table 4). The proportion that indicated their organization serves or works with racial/ethnic minority populations was evenly split between "yes" and "no" (Table 5).

Table 4: Location of services/ engaged populations (n=122)		
Urban	52	43%
Rural	44	36%
Regional/no primary location	29	24%
Suburban	11	9%

Table 5: Does the organization serve/ work with racial/ethnic minority populations? (n=122)		
Yes	55	45%
No	57	47%
Don't Know	4	3%
Missing	6	5%

About 82% of focus group participants identified themselves as white/Caucasian followed by 15% African American/Black and 2.5% Hispanic/Latinx. Two participants identified as Asian and one as Native American (Table 6).

Table 6: Self-Reported Race/Ethnicity of Respondent (n=121)		
White/Caucasian	99	82%
African American/Black	18	15%
Latinx/Hispanic	3	2%
Asian	2	2%
Native American	1	1%

In response to "what do you hope to gain from today's discussion?" respondents comments followed six key themes: information/ideas, collaboration/networking, share expertise/represent organization, access resources/funding, and invited to come. These themes, their frequencies, and the associated comments are shown in Table 7.

Table 7: What do you hope to gain from today's discussion (n=98)			
Theme	#	%	Example Comments
Information/Ideas	59	60%	• Nonprofit landscape, understanding of needs and assets hear common challenge in sector at local level • Ideas from others… That I may not have considered before • Information on what's happening around county/region. Glean ideas that I can take back to our organization • Don't want to pass up an opportunity to learn
Collaboration/Networking	49	50%	• As a large agency, I'd like to collaborate with smaller organizations to assist Western New York communities • hear/Learn from others' wisdom, collaborative services, synergy • Hope to be able to provide input and learn from other agencies. Understand how I could be a part of the solution • Understanding of work in the community, education. Networking and potential collaboration
Share Expertise/Represent organization	19	19%	• I hope to contribute my years of experience and challenges to the discussion to address system reform & support • I want to be heard as to challenges small not-for-profits in rural areas are facing • Hear other nonprofits and represent the homeless service community
Capacity Building	11	11%	• My organization is embarking on a broader capacity building effort within our field • Strengthen organization through capacity building initiatives • Learning capacity gaps of other nonprofits, to compare & inform our work as a partnership org. + intermediary org.
Access Resources/Funding	10	10%	• To help funders better provide resources • Access to money/resources
Invited	7	7%	• I was invited!

All focus groups were conducted in spaces in which participants were seated around a table or in a circle to facilitate conversation with each other and with the focus group facilitators. The agenda for the meeting began with a welcome and opportunity for everyone to introduce themselves and why they attended the meeting. In order to continue to ease folks in to interactive discussion, the facilitators led the groups in a participatory activity wherein statements were made and participants were asked to agree, disagree, or express that they were not sure/neutral about the statement. Participants moved to spaces in the room labeled with those response options and spoke with others in that space. Each group reported out to the whole group after engaging in smaller group discussions. Cumulative results of the responses to these statements are shown in Figures 1-3.

WNY Non-Profit Capacity Building Study Focus Group Agenda

**Please fill out pre-session survey!*

Welcome and Introductions

- *Purpose of Study and Focus Group*
- *Facilitator/Research Team*
- *Participants (Name, Organization, Title/Role at Organization) and "Why did you attend today?"*

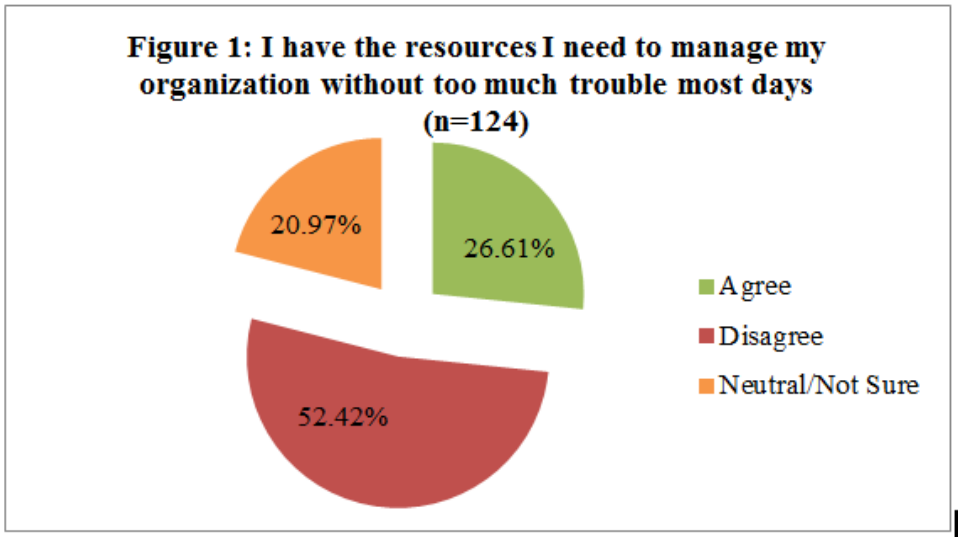
Participatory Activity: Opinions on Non-Profit Community Climate

Roundtable Discussion on Non-Profit Community's…

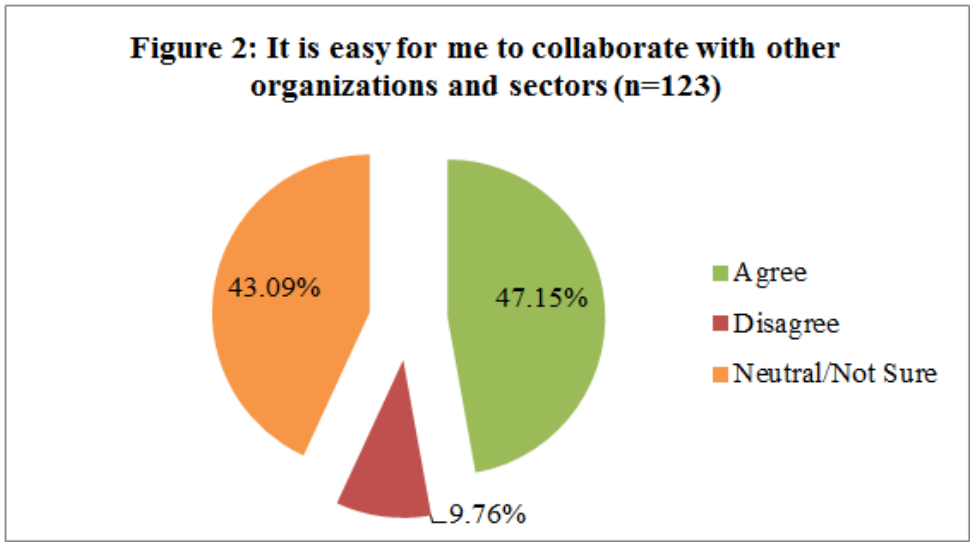
- *Assets/Strengths*
- *Needs/Gaps*
- *How might assets and needs be better aligned and managed? What resources/support would help meet needs and leverage assets?*

Closing/Next Steps

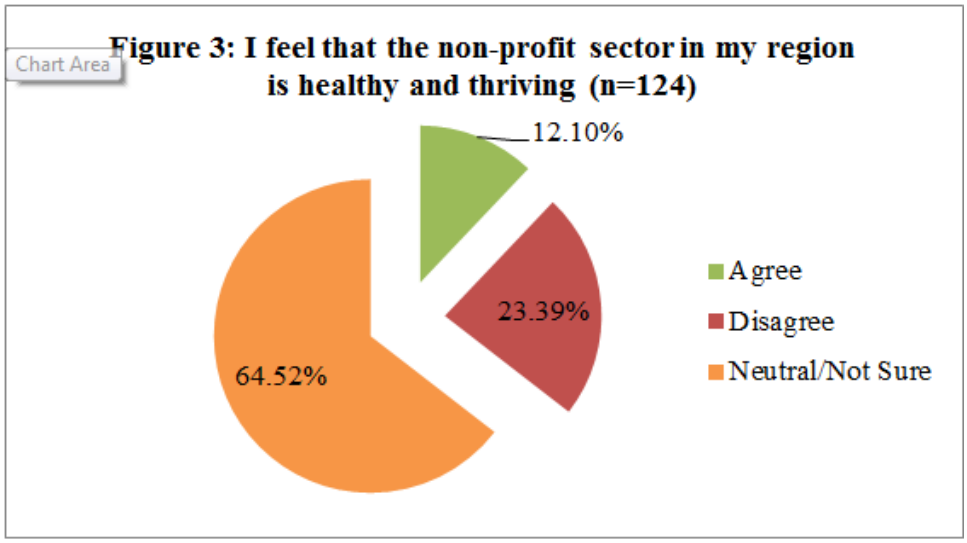
More than half of participants disagreed with the statement "I have the resources I need to manage my organization without too much trouble most days."



Nearly half of participants agreed with the statement "It is easy for me to collaborate with other organizations and sectors."



Two thirds of the participants expressed that they were not sure/neutral in response to the statement "I feel that the nonprofit sector in my region is healthy and thriving." Only 12% agreed to this statement.



This interactive activity then led into the round table discussion of assets and needs that people experienced in their organizations as well as their knowledge of solutions or resources that helped to address some of the needs. These conversations were transcribed in real time by note takers (R. Cadzow or Zohar Perla) or audio recorded for later review. Facilitators also used white boards or flip chart paper to capture notes during the conversation, which were used in analysis as well.

Finally, participants were asked to complete a post-focus group survey. This allowed for any additional thoughts to be captured that may not have been vocalized during the session.

Appendix D: List of mentioned resources

Throughout the study participants identified the resources they have used in the past -- organizations, agencies, universities, consultants, and other entities -- to help build their capacity in each of the capacity building domains. We are providing this list to the WNYNSG as a **separate Excel file**. The list is organized in three worksheets: the first is a list of capacity building providers and capacity building programs, the second is a list of the foundations mentioned by participants as resources (both for funding and for specific capacity building programs or support) and third is a list of government entities.

We built out these lists with high-level information about each organization including their location, the counties they serve (to the best of our knowledge), and a brief description of the organization based on a cursory website scan. We did not verify the information with providers directly or assess the quality of the services listed, and it is important to remember that the list is not exhaustive. Regardless, the list is a good initial overview of the ecosystem of providers.

The table below shows the number of providers located in each county by domain.

	Provider Domain(s)						
Provider County	Alignment & Collaboration	Diversity, Equity & Inclusion	Leadership	Vision & Mission	Research, Evaluation & Strategic Learning	Resources	Total
Allegany	0	1	0	0	0	1	2
Cattaraugus	4	0	2	1	0	4	7
Chautauqua	5	0	1	3	1	3	8
Erie	30	18	25	18	19	52	90
Erie/Niagara	0	2	3	0	0	0	3
Niagara	4	1	2	1	1	3	9
Genesee	1	0	1	0	0	1	2
Monroe	20	23	19	13	17	37	69
Orleans	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0
Regional[38]	1	0	0	0	0	0	1

[38] We used the term regional to refer to the nine-county region covered by this study. A provider is listed as regional when they have locations in multiple counties in the region.

Out of Region[39]	0	2	3	1	1	3	7
Statewide	9	6	9	5	7	21	31
National	13	15	20	15	9	35	65
Total	**87**	**68**	**85**	**57**	**55**	**160**	**294**

From these figures, it appears that there is a marked lack of providers/resources in located in rural counties that provide support in domains such as DEI, Vision and Mission, and Resources. To the extent that rural nonprofits are getting access to these resources, it is unclear whether these services are adequately adapted or tailored to meet to rural needs.

The table below shows the types (provider, foundation provider, government provider) of resources by the county in which they are located. Foundations and governments were named by nonprofits in connection with both general funding and some specific capacity building programs or support. Again, urban counties have more resources (of all types) in physical proximity to them. In addition, the table highlights that nonprofit leaders are tapping quite a few national resources as well as resources from outside the nine-county region included in this study.

Location County	Foundation	Govt.	Provider	Total
Allegany	0	0	2	2
Cattaraugus	1	0	7	8
Chautauqua	2	0	8	10
Erie	12	4	90	106
Erie/Niagara	0	0	3	3
Niagara	1	2	9	12
Genesee	0	0	2	2
Monroe	8	4	69	81
Orleans	0	0	0	0
Wyoming	0	0	0	0
Regional	0	0	1	1
Out of Region	1	0	7	8
Statewide	3	15	31	49
National	10	6	65	81
Total	38	31	294	363

[39] A provider is listed as out of region if they are located within New York State, but are located outside the region of interest and are not a statewide organization.

Again, we want to stress the limitations of this data given that it has not been vetted directly with the providers or resources themselves. However this list of mentioned resources could also serve as a strong initial foundation for a nonprofit capacity building directory to support nonprofits' knowledge of the capacity building resource network they are part of, should that become a future phase of work.

If there is interest in building out the Mentioned Resources List, we recommend implementing a user-friendly search function that cuts across multiple elements of the list; creating a more detailed classification system in terms of the services offered by organizations (e.g. currently services listed under the "Resources" domain can vary widely since the domain covers needs ranging from funding, to marketing, to financial management, to IT, etc.); verification of services though a survey and/or telephone interviews; and potentially allowing user-generated content and reviews of services.