Who is Successfully Building Nonprofit Capacity?

Community Foundation of South Jersey

Community foundation partners with other funders to bolster nonprofit board and leadership development.

Quick Grantmaker Stats

Type of funder	Community foundation
Geography/Issue Area	Eight counties in New Jersey
When founded	2009
Total assets (as of FY 2013)	$14 million
Annual giving (as of FY 2013)	$3 million
Number of staff	2 plus contract services
Website	http://www.communityfoundationsj.org
Brief description of the program/ practice being discussed	The Nonprofit Resilience Institute, a partnership of several foundations, offers board and leadership development to local nonprofits.

1. Describe the situation or practice.

In its early days, the Community Foundation of South Jersey spent time listening to nonprofit organizations in the area, learning about the local landscape to best design its grantmaking program. One of the things that became clear was the dire need for capacity in local nonprofits, and the lack of funding for capacity-building projects. Instead of spreading its resources thin across eight counties, the foundation decided to focus on going deep in one area — nonprofit capacity building — with emphasis on board development and governance.

The foundation and its partners started the Nonprofit Resilience Institute, a yearlong capacity-building program for nonprofit organizations in the area. The program combines workshops, consulting and group coaching to build the capacities of local nonprofits. To date, 27 organizations have graduated from the program.

In addition to focusing on boards and governance, the program touches on nonprofit lifecycles, how to build high performing organizations, fundraising and planned giving. It also tackles program theory and development.

Participants in the program attend seven daylong workshops and, after the workshops are completed, the executive directors form an optional peer circle to meet once a month for professionally facilitated sessions of joint problem solving and coaching. In order to provide support to organizations as they absorb and apply the information received through any of the sessions, "just-in-time" consulting help is made available. This just-in-time help is available by phone or in-person with organizations that want additional assistance and help to immediately apply the best practices learned throughout the institute, rather than waiting until the end.

One of the requirements for the program is that the executive directors of the nonprofits participate in all workshops and that at least one board member attends the workshops about board development. After successfully completing the institute, organizations are eligible to apply for a $5,000 general operating grant.

2. What have you tried to do differently?

To build its program, the foundation started by looking at what was already being offered to nonprofits in the area and how it could leverage the work of others. "We didn't want to start anything that reinvented the wheel, wasn't collaborative with other funders or that couldn't be sustained over time," said Sidney Hargro, the foundation's executive director. For example, foundation staff attended board and executive trainings offered by another local funder, the Geraldine R. Dodge Foundation, and looked for a way to use its program as a guide for building the institute.

As part of its effort to garner support early on, the foundation sought opportunities to discuss and promote nonprofit capacity building more broadly with other area funders. Campbell Soup Foundation stepped forward with an interest in doing something and became a partner in the first institute. This year the Geraldine R. Dodge Foundation became a partner as well. All partners recommend some of their grantees to participate. CFSJ offers the funds for the operating grants and the other resources support program costs.

Once the institute opened, the foundation deliberately selected a diverse cohort of nonprofits to attend the program, including a mix of small, large, grassroots, seasoned organizations and others. Because of this diversity goal, and as a way to ensure participant commitment and that the program meets nonprofit needs, the foundation established an application process for nonprofits to attend the program.

“We didn’t want to start anything that reinvented the wheel or wasn’t collaborative with other funders. Nonprofit capacity is an issue for all funders including individual donors and foundations.” — Sidney Hargro, executive director, Community Foundation of South Jersey

3. What has been the result?

Evaluation data available is mostly qualitative but, after the first year, the program had surpassed all its goals. According to an internal evaluation of the program at that point, some participants were planning to improve board composition, create job descriptions and orientation plans for new board members, and engage boards in fundraising and strategy.

Several groups also reported benefiting from reflection about their strengths and weaknesses in relation to organizational lifecycles and how well their current activities were meeting their mission. One nonprofit was quoted as saying, “the nonprofit lifecycles training provided our leadership with the opportunity to better understand predictable challenges that our agency has and will continue to face…it provided several tools and techniques that will enable us to improve our effectiveness in anticipating and positioning the agency over time.” Some participants were even able to let go of projects that were not mission critical or reorganize their activities.

4. What are your key insights from doing the work?

The foundation has learned a lot through the program and is making tweaks along the way. For example, an initial requirement was that the nonprofit board chairs participate in all the board-focused sessions. When foundation staff learned that wasn’t feasible for a lot of organizations given volunteer time and responsibilities, the requirement was changed so that now any board member can attend those sessions.

Having someone else handle the implementation of the program was also helpful for the foundation, since it is smaller and has few staff. The Nonprofit Center at La Salle University’s School of Business manages the program and this means foundation staff can instead focus on learning from the group.

For example, during the first year of the institute Super Storm Sandy hit parts of New Jersey and directly affected the work of a few participating nonprofits. Although they did not receive physical damage, serving the local victims of the storm had a significant and unexpected impact on their work. Because of its value of using every grant investment as a learning opportunity, the foundation was able to learn more about ways disasters affect nonprofit operations, strategy and fundraising during relief and recovery.

Hargro reflected that using the cohort approach has been a key to success, in particular ensuring diversity among participants. “That is one of the reasons this program is different. It combines the classroom context but also supports learning from a range of peers who are subject matter experts in their own right,” Hargro said.

It was also important to make sure the program had the right measures in place to help all partners explain the impact to their own foundations, something Hargro says they could have done more of. This involves defining what nonprofits should do as a result of the program and the implication of this work for the program’s supporters.

According to Hargro, it’s also really important to have the basics of partner collaboration taken care of. “You really need to make sure that each partner has clearly articulated what their specific objectives are,” Hargro reflected. “You can assume that everyone is supporting the initiative, but it’s worth making clear what’s in it for each partner.”

The Nonprofit Resilience Institute Topics

The institute offers seven daylong workshops on the following topics:

Board leadership training

- Assessment and lifecycles: how to assess your starting position and understand the predictable challenges you will face.
- Board roles and responsibilities: helping your board understand and assume key areas of responsibility, including legal liability, fundraising, financial management, board development, strategic planning and the relationship between board and ED.
- Strategic planning: how to create a living, constituent-driven strategic plan that is a critical management tool for your leadership.
- Motivating and engaging board members: learn the ongoing cycle of board assessment, development and retention.

Executive and senior staff training

- Financial management: understanding the basics of nonprofit accounting.
- Fundraising: learn about funding trends, donor motivation, making the nonprofit’s case, planning and fundraising strategies.
- Planned giving: understanding planned giving techniques and implementing a program that works for your organization.