

GEO Member Story



THE FORBES FUNDS

How the Forbes Funds uses capacity building to support an innovative, informed, engaged, and effective nonprofit sector

Envisioning Pittsburgh's nonprofit sector as an innovative collective driving social change, The Forbes Funds focuses on advancing the management capacity and impact of the region's community-based nonprofits both individually and collectively. In 2013, The Forbes Funds evolved its strategy to include a continuum of complimentary activities that now comprise the core of its work — management assistance grants, learning cohorts on specific topics, mentoring, social innovation and advocacy — to respond to the critical and contemporary needs of the nonprofit sector.

Over the years a number of nonprofit leaders have identified reasons why investments in organizational capacity matter, including strengthening program delivery and freeing up space for more strategic thinking. Dedicated capacity support such as that provided by The Forbes Funds can give nonprofit leaders the time and space they need for big-picture thinking. “Because nonprofits tend to be undercapitalized, The Forbes Funds can be a platform to absorb some of the risks in order for nonprofits to consider alternative strategies and operating models. We are a partner and accelerator of thought and action. And we provide the capital so organizations don't have to feel stymied because they don't have the reserves or risk capital to move a strategy or restructuring forward.” says Kate Dewey, president of The Forbes Funds.

As a means of strengthening nonprofit performance, The Forbes Funds recognizes that investments in capacity can help develop leadership, infrastructure, evaluation capacity or other skills needed to design, implement and assess programs. “We believe that it's not enough to build a strong organization that can weather today, but that it's important for us to do capacity building within the context of understanding what the future might hold in the next three to five years.” says Dewey.

Effectively strengthening nonprofit capacity starts with asking questions and engaging grantees in a continuing conversation about how they are doing and where they may need help. The Forbes Funds does this by:

- Having a strong evaluation function to continually get feedback on services and ways in which it can improve or change the delivery of services
- Being in constant contact with its grantees, particularly through the Greater Pittsburgh Nonprofit Partnership's membership of 450 nonprofits
- Relying on insights from its Executive in Residence program, a free service directed at Executive Directors dealing with disruptive issues

- Looking at national, state and local trends while having an eye on nonprofits and how developments will impact them

Of these keys, Kate Dewey says that “the listening part of capacity building is absolutely critical.” To support better communication with its grantees, the Forbes Funds has coffee with nonprofits to see where they are and learn what keeps them up at night. Additionally, the foundation has built more rigor into its capacity building program by developing a financial scanning tool that gives nonprofits an opportunity to talk about areas that are risks to them or to discuss different ways the foundation can be of assistance. The Forbes Funds also seeks to understand an organization’s culture using TCC Group’s CCAT tool to determine nonprofit readiness.

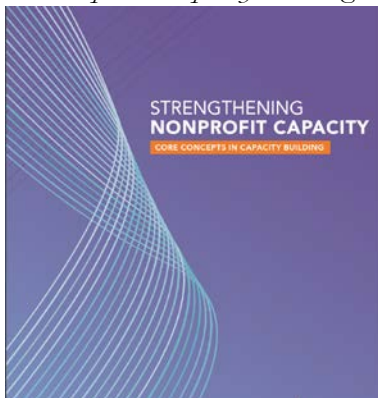
Too often nonprofits lack sufficient time and resources to make such things as leadership development, financial management and communications high priorities, which ultimately hinders impact. As a means of strengthening nonprofit performance, The Forbes Funds and its 450 member coalition stepped in to help organizations reliant on state contract reimbursements weather Pennsylvania’s 267 day budget impasse for 2015-2016. By participating in over 70 direct legislative contacts regarding Pennsylvania’s state budget, holding policy briefings and working with its community loan fund to open emergency loans at low interest, The Forbes Funds doubled its assistance to 155 agencies and provided just in time training to over 4,000 individuals.

The reality is that nonprofits need certain capacities to meet challenges and thrive in changing and challenging environments and these capacities are built through dedicated funding and attention from nonprofits and grantmakers. Dewey admits that “capacity building is really complicated and can be difficult for the inexperienced” but is hopeful that if grantmakers remain in working partnerships with the nonprofit sector we can continue developing good strategies for nonprofit resilience.

To find out more information on the Forbes Funds, please visit <https://forbesfunds.org/>

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Strengthening Nonprofit Capacity: Core Concepts in Capacity Building



The Smarter Grantmaking Playbook

