Greenville Nonprofit Capacity Building: Aggregated Data Chart Summary for Participants

June 1, 2017
Introduction and Methodology

The Greenville Capacity Building Steering Committee engaged TCC Group, a nationally recognized leader in the field of nonprofit capacity building, to administer an assessment of organizational capacity for a large sample of nonprofits operating in the Greenville community. TCC utilized the Four Core Capacity Model and Core Capacity Assessment Tool (CCAT) as the basis for assessing these capacities in a holistic way. TCC developed the Four Core Capacity Model to help better understand those capacities critical to organizational effectiveness, and the ways in which leadership, adaptive, management, and technical skills within an organization lead to greater impact within communities. The CCAT, developed by TCC Group and used widely throughout the United States, is an online assessment that measures a nonprofit organization’s effectiveness in relation to these Four Core Capacities, as well as its organizational culture. Additionally, the tool helps an organization identify its current lifecycle stage, and provides a real-time findings report, a prioritized capacity building plan, and the technology to generate self-selected benchmark reports from a national database of more than 5,500 nonprofits that have administered the tool.

In early 2016, TCC Group began its partnership with the Greenville Capacity Building Steering Committee by assisting in its determination of which local nonprofits would be invited to participate in the CCAT administration. An initial effort was made by the committee to clarify and articulate its goals for a long-term capacity building investment in Greenville’s social sector. Coalition members made a decision at that time to amass as much data as possible from CCAT results prior to determining which structures or frameworks would most effectively support the largest number of area nonprofits.

As part of this process, 49 community partner organizations participated in the CCAT assessment. This is an unusually high participation rate, according to TCC Group, and demonstrates the community’s commitment to capacity building and learning on a community-wide level. It also provides a significant data source for assessing community capacity. Each organization also participated in a one-hour individualized CCAT interpretation session with TCC Group consultants, the goal of which was to provide organizations with the ability to better understand and contextualize their CCAT report findings and to develop an increased awareness of their priority capacity building needs.

Using the rich data contained in both the CCAT assessment reports and the CCAT interpretation sessions, TCC Group was able to better understand the Greenville region’s nonprofit needs, tailoring recommendations to help nonprofits, capacity building providers and the philanthropic community more effectively focus their capacity building efforts. By aligning funders’ goals with grantee partners’ most pressing needs, the Greenville Capacity Building Steering Committee is able to employ a data-driven strategy to develop a targeted capacity building effort.
Participant Demographics

The 49 participants cover a broad swath of the Greenville nonprofit community and demonstrate considerable diversity in the types of work they conduct. Self-reported background data collected from 42 of 49 organizations documents variety in target populations, budget size, programming, and sector.

Budget Size. Participating organizations followed a bi-modal distribution of budget sizes with just over half of the organizations (26) with budget sizes of $1-5m+ and just under half of the organizations (23) with budget sizes of less than $100k-less than $1m.

Sector. Organizations conduct their services in multiple sectors; on average they identified five or more sectoral focus areas. Despite the variety of sectors in which organizations placed themselves, these data clustered into three distinct groups: organizations working in community development (including “Community Building,” “Social Support,” “Workforce Development,” “Economic Development,” and “Housing”), healthcare organizations (including “Mental Health,” “Preventive Health,” and “Clinical Services”) and youth-serving organizations (including “Children, Youth and Families” and “Education”).

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Figure 1. Distribution of Organizations by Budget Size

<table>
<thead>
<tr>
<th>Budget Size</th>
<th>Number of Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 100k</td>
<td>2</td>
</tr>
<tr>
<td>100 to 500k</td>
<td>13</td>
</tr>
<tr>
<td>500k to 1m</td>
<td>8</td>
</tr>
<tr>
<td>1m to 5m</td>
<td>23</td>
</tr>
<tr>
<td>Over 5m</td>
<td>3</td>
</tr>
</tbody>
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Greenville Capacity Building Coalition
Capacity Assessment Results and Findings
The CCAT aggregate assessment data provides transversal analysis across common areas of strength and challenge related to organizational capacities, irrespective of the diversity of programming, sector, and budget.

Lifecycle Stage Placement
Based on an organization’s survey responses, the CCAT tool determines into which Lifecycle Stage an organization falls: Core Program Development, Infrastructure Development or Impact Expansion. An organization’s placement in a particular Lifecycle Stage is determined by the amount of capacity it has built in the subcapacity areas most necessary to accomplish the goals of each Lifecycle Stage.
A goal of any effective organization is to continually cycle through each of the Lifecycle Stages as the environment in which it operates changes, or as internal factors create change within the organization. No Lifecycle Stage is considered to be more advanced than another, or better or worse than any other; each stage represents the prioritization of different aspects of nonprofit capacity building:

- Organizations whose assessments place them in **Core Program Development** need to clearly articulate their program model, in addition to their mission and vision. It is important for these nonprofits to align their mission and vision to their programmatic delivery. All organizations, regardless of age, location, type or size, need to ensure a strong connection between programs and mission/vision; those that remain relevant and continue to provide huge value for their stakeholders over time will find themselves spiraling back around to Core Program Development regularly, whenever external or internal shifts require a reexamination of this alignment.

- Organizations whose assessments place them in **Infrastructure Development** have effectively determined what their program or service delivery model is, and have ample ability to demonstrate why this model is achieving the organization’s desired impact. These nonprofits need to build additional capacity to implement their programming, and strengthen organizational processes and systems prior to expanding impact beyond their core program delivery.

- Organizations whose assessments place them in **Impact Expansion** have strong program models and the ability to implement them successfully. These groups should be building those subcapacities that enhance their ability to impact their community at large, or the sector as a whole. These nonprofits are generally working in close collaboration with others in their ecosystem, e.g. through strategic alliances, policy/ advocacy partnerships, and/or further outreach in the community. These groups are considered thought leaders or influencers, and may be getting ready to re-calibrate the ways they deliver their programs (i.e., cycle into Core Program Development) in order to have even more impact.

Within the Greenville participants, nearly one half (43%) of the nonprofits are in Impact Expansion, with the next largest group (37%) in Infrastructure Development and 10 organizations (20%) in Core Program Development (see Figure 3).
Effective organizations are continually cycling through the three Lifecycle Stages, in response to organizational growth, as well as adapting to changes in the external environment. For this reason, organizational lifecycle placement is not correlated to organizational size, budget, or age.

**Core Capacity Scores and Subcapacities Scores**

In addition to the Lifecycle Stage, TCC Group has historically examined the ways in which both the core capacity and subcapacity scores from the CCAT assessments can determine readiness for participation in a Capacity Building Initiative. CCAT report data provide a snapshot of organizational strengths, as well as capacity building opportunities across all organizations, in the four core capacities of Adaptive Capacity, Leadership, Management, and Technical Capacity, as well as Organizational Culture.

All of the following charts represent the aggregated results of participating organizations. (The green bar = the highest individual rating; the red bar = the lowest.) Aggregated results in specific subcapacity areas within each core capacity are discussed below the corresponding chart.
ADAPTIVE CAPACITY

Adaptive Capacity is the ability of a nonprofit organization to monitor, assess, create, and respond to change. The six subcapacities that comprise adaptive capacity can be organized into three broad categories of adaptability:

- **External Adaptability**: the ability to learn from and adapt to changes in an organization’s external environment;
- **Internal Adaptability**: the ability to collect data, create meaning from the data, and successfully implement changes within an organization; and
- **Programmatic Adaptability**: the ability to collect data on the effectiveness of programs and make changes to programming based on that information.

The majority of organizations felt they had significant strength in external adaptive capacity, including their capacity for environmental learning. The majority of organizations gave themselves lower ratings in internal and programmatic adaptive capacity.

The vast majority of organizations identified challenges in program resource adaptability, concurrent with field-wide trends that show this area to be a common challenge across all nonprofit organizations. This tends to become a high priority need with those nonprofits experiencing huge programmatic expansion (often in Impact Expansion) that have not concurrently grown their human capital.
LEADERSHIP CAPACITY

Leadership Capacity measures the ability of a nonprofit’s leadership to create and sustain the vision, as well as provide direction and make decisions. Leadership subcapacities refer to the entirety of an organization’s leadership, including executive staff, high-level management staff, and board members. The Leadership subcapacities include:

- **Internal Leadership:** Organizational leaders apply a mission-centered, focused, and inclusive approach to making decisions, as well as inspiring and motivating people to act upon them
- **Leader Vision:** Organizational leaders formulate and motivate others to pursue a clear vision
- **Leadership Sustainability:** Cultivating organizational leaders, avoiding an over-reliance on one leader and planning for leadership transition (including having a succession plan)
- **Board Leadership:** Board functioning with respect to empowering through connecting people with the mission and vision of the organization, holding organizational leaders accountable for progress toward achieving the mission and vision, conducting community outreach to educate and garner resources, meeting regularly and providing fiscal oversight
- **Leader Influence:** Ability of organizational leaders to persuade their board, staff and community leaders/decision-makers to take action

Organizations rated themselves highest in the subcapacities of Leader Vision, Internal Leadership and Leader Influence. Identified challenge areas include Board Leadership and Leadership Sustainability. Often, organizations that give themselves high scores in Leader Vision encounter issues with succession planning and leadership sustainability. These same groups tend to have less developed boards for a variety of reasons, most of which relate directly to the strength of the staff leadership.
MANAGEMENT CAPACITY

Management Capacity, or an organization’s capacity to efficiently and effectively use its resources, is composed of eleven subcapacities. These subcapacities can be organized into two strands:

• Human Support
  o Managing individuals and effective interpersonal relationship management. Associated subcapacities include:
    • Assessing Staff Performance: Detailing clear roles and responsibilities and assessing staff performance against those roles and responsibilities
    • Conveying Unique Value of Staff: Providing positive feedback, rewards, and time for reflection
    • Managing Performance Expectations: Facilitating clear and realistic expectations among staff.
    • Problem Solving: Organizational managers effectively, judiciously and consistently resolve human resource problems and interpersonal conflicts, including how well they engage staff in the problem-solving process
    • Supporting Staff Resource Needs: Providing the technical resources, tools, systems, and skills and innovate people needed to carry out the work
    • Volunteer Management: Recruiting, retaining, providing role clarity and direction, developing, valuing and rewarding volunteers

• Systems Support
  o Policies, procedures, systems and practices for effective management
    • Financial Management: Managing organizational finances, including staff compensation
    • Manager-to-Staff Communication: Open channels of communication between managers and staff, including how open managers are to constructive feedback
    • Managing Program Staff: Managing to ensure that program staff have the knowledge, skills, and cultural sensitivity to effectively deliver services
    • Program Staffing: Staffing changes as needed to increase and/or improve programs and service delivery
    • Staff Development: Coaching, mentoring, training, and empowering staff to improve their skills and innovate
Trends in Greenville indicate stronger capacity in systems support areas, including Managing Program Staff, Manager-to-Staff Communications, Program Staffing, Staff Development, and Financial Management. Human support areas were identified as satisfactory on average, including Assessing Staff Performance, Managing Performance Expectations, Volunteer Management, Conveying Unique Value of Staff, Problem Solving, and Supporting Staff Resource Needs.

Areas such as conveying the unique value of staff, problem solving, and supporting staff resources, require additional and deliberate attention on the part of senior management in order to be fully realized. It is common for organizations that have experienced significant growth to have built additional financial, or even human resource systems (e.g. performance assessment systems), but these senior leaders may not have the bandwidth to put forth the effort to ensure that staff feel respected, valued, and that they have the supports they need to continue delivering only the highest quality programs.
TECHNICAL CAPACITY

Technical Capacity, an organization’s ability to implement all key organizational and programmatic functions, is also composed of eleven subcapacities, which can be grouped in three general categories:

- **Organizational and Programmatic Resources**
  - Financial Management Skills: Ability to ensure efficient financial operations
  - Legal Skills: Ability to engage proper legal engagement and coverage
  - Program Evaluation Skills: Ability to design and implement an effective evaluation
  - Service Delivery Skills: Ability to ensure efficient and quality services

- **Ability to Articulate Mission and Vision Externally**
  - Marketing Skills: Ability to communicate effectively with stakeholders, internal and external
  - Outreach Skills: Ability to do outreach, organizing and advocacy
  - Fundraising Skills: Ability to develop necessary resources for efficient operations, including management of donor relations

- **Physical Infrastructure and Resources**
  - Technology: Resources (equipment, systems, software, etc.) to run efficient operations
  - Technology Skills: Ability to run efficient operations
  - Facilities: The proper facilities (space, equipment, amenities, etc.) to run efficient operations
  - Facility Management Skills: Ability to operate an efficient facility

Technical Capacity is typically noted by all groups, no matter what their lifecycle stage, as the core capacity in which they could benefit by building strength. Yet, it is rare that Technical Capacity surfaces as the prioritized focus on which a nonprofit wishes to dedicate its time and financial resources; in the majority of cases, it is only those organizations in Impact Expansion that will benefit most by prioritizing technical subcapacity areas. Nonprofits that have significantly expanded their programmatic impact usually lag behind in fortifying their internal structures and increasing their human resource skills by hiring additional staff. In some cases, it is critical that nonprofits augment their technical capacity before they are ready to either increase impact further, or adapt successfully to external or internal change by moving back around to Core Program Development.
Scores in Technical Capacity ranged widely; this is likely due to the fact that the majority of the 49 organizations scored themselves in the challenge range for the same technical subcapacities, regardless of their Lifecycle Stages. Additionally, nonprofits from all sectors and across programmatic areas noted the same technical subcapacities as lacking in their organizations.

Technical subcapacity scores fall primarily in the satisfactory range, with the exception of the identified challenges in Outreach Skills (182), Marketing Skills (189), and Fundraising Skills (171). These three subcapacities often group together, as they relate directly to an organization’s ability to tell its story and communicate its mission and vision to external stakeholders. Additional areas of challenge identified by many organizations include Program Evaluation Skills and Facilities.
ORGANIZATIONAL CULTURE

Organizational culture, while not considered a fifth “Core Capacity,” relates to the history, values and beliefs of an organization, and comprises the context in which the other four core capacities operate. It is composed of three subcapacities: Empowering, Re-energizing, and Unifying. Organizational culture subcapacities often reinforce areas of priority capacity building and relate heavily to scores in the other four core capacity areas. The majority scored themselves quite low in the re-energizing sub-capacity, indicating a region-wide shortage of adequate human capital in the nonprofit sector. Low scores in re-energizing usually indicate that organizations are running very “lean,” or with inadequate staff to successfully achieve their missions. When paired with similarly low scores in some of the other Core Capacity areas (e.g. low Program Resource Adaptability and the “human support” management subcapacities), this generally rises in priority as a critical area to address immediately. When seen as a trend regionally, funders can benefit by increasing investments in human capital across the geographic area in question; without such investments, the nonprofits run the risk of being unable to continue to deliver their services with the level of quality necessary to achieve desired outcomes. This makes the philanthropic sector’s other funding efforts unsustainable (e.g. programmatic grantmaking).

The vast majority of nonprofits gave themselves strong organizational culture scores. Staff clearly feel empowered by the work they are doing. Subcapacity scores in the re-energizing and unifying areas were not nearly as uniform, and underscore the need to build human resources and technical skills in the majority of those nonprofits in the Impact Expansion Lifecycle Stage.