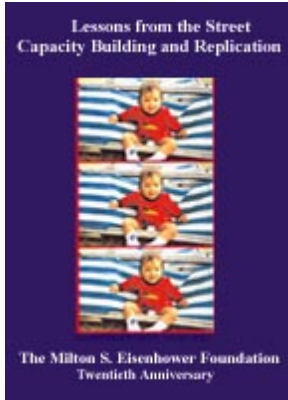


# Lessons from the Street: Capacity Building and Replication



*"It is striking how much less talk there is about the poor than there was eight years ago, when the country was economically uncertain, or in previous eras, when the country felt flush."*

James Fallows  
"The Invisible Poor"  
*New York Times Magazine*  
March 19, 2000

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## Executive Summary: Top Ten Lessons and Recommendations

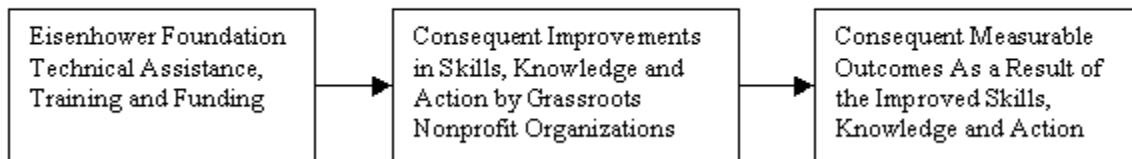
Nonprofit community development corporations pursuing economic development have been successful in capacity building and replication, in part because there are excellent technical assistance and training opportunities for them. But we know less about how to best provide technical assistance and training for capacity building and replication to grassroots nonprofit organizations working in "softer" fields -- like child development, youth development, public school innovation, job training, job placement, advocacy, crime prevention, violence prevention, drug prevention and community-police partnerships.

This report is primarily about the latter groups. The report is based on street level experience by the Milton S. Eisenhower Foundation from 1990 to 2000. During that time, the Foundation sought to enhance the capacity of, or host replications in, eighty-one nonprofit organizations in twenty-seven states, the District of Columbia and Puerto Rico. These groups had annual budgets that ranged from \$45,000 per year to well over \$1M per year. Almost all were African American, Latino or Asian American nonprofit organizations in inner cities. The Eisenhower Foundation financed capacity building, replication, or both, through grants from eleven foundations, four federal departments, eight major corporations and over fifty other national and local matching partners. For some replications, police chiefs in eleven cities supplied officers as in-kind match to work with civilian staff.

Based on this experience, our top ten lessons and recommendations for funders, technical assistants and grassroots, inner city, nonprofit organizations are as follows:

**1. A straightforward cause-effect model for technical assistance can work.** For capacity building, and replication, the Foundation's cause-effect technical assistance model was:

### Cause-Effect Model for Technical Assistance



We began with technical assistance and training by the Foundation in capacity building, technical assistance in replication, funding to sites, or some combination. This we anticipated would result in improvements in skills, knowledge and action by the nonprofit organizations. We then anticipated measurable outcomes that could be attributable to the improved skills, knowledge and action. For example, such outcomes might include more funds raised by the organization or better school performance by youth served by the organization.

In social science terms, Foundation technical assistance, training and funding represented inputs, or "independent variables"; consequent grassroots organization improvements in skills, knowledge and action represented "proximate variables"; and consequent measurable outcomes represented "dependent variables."

The cause-effect relationships we posited did, in fact, operate -- for capacity building as well as for replication -- based on findings from several outcome evaluations documented in the report as well as on a decade of process evaluations.

**2. The same technical assistance and training inputs work for capacity building and replication.** The primary technical assistance and training inputs the Foundation deployed were needs assessments, workplan development, national group workshops, one-on-one training back home and provision of grants and other resources. This formula was successful, for the most part. To refine the formula, we need more funds -- to increase the

number of technical assistance staff making these inputs, lengthen the time staff can spend at any one site, increase resources directly granted to sites and allow for more systematic evaluation. The technical assistance and training, we found, should be done by peers who have both formal training and practical experience. It should be practical, applicable to solving problems, complemented by step-by-step follow up and written instructions, and involve trainees who then become trainers back home.

Our inputs were directed to technical assistance in the following areas of capacity building: board development, fundraising, financial management, organizational management (including evaluation), personnel management, staff development and communications (including leadership development). We learned that technical assistance in all of these areas can create positive change -- including technical assistance in evaluation and in communications, areas not always covered in the field of nonprofit capacity building. The nonprofit organizations we trained felt strongly that every one of these technical assistance areas impacted on every other area. For example, board development facilitates fundraising. Unless programs are well managed financially, they are unlikely to be successful, which makes fundraising and board recruitment more difficult. Skill with media can lead to more visibility and hence income. If the new board members are selected carefully, they will bring in ideas for new programs and can access new funding. The lesson is that a well developed technical assistance workplan must create these linkages for any one organization. Funders need to avoid restrictions on technical assisters and nonprofits making such linkages.

**3. The technical assistance and training inputs for capacity building and replication created improvements in skills, knowledge and action -- as well as measurable outcomes.** To refer back to the above cause-effect model, we were almost always successful in using Eisenhower Foundation technical assistance inputs to create improvements in skills, knowledge and action by grassroots nonprofit organizations. The degree of success varied considerably, but, for any one organization, we always had an example or two of success -- or more.

In the case of capacity building, there were good examples of measurable outcomes (like more funds actually raised and improved performance of youth served by a program) but they were not as consistently apparent as the examples of improvements in skills, knowledge and action by the nonprofit organization. In other words, for capacity building, we found changes in proximate variables easier to come by than changes in outcome (or dependent) variables. Consequently, we concluded on the need to provide capacity building technical assistance to any one site for periods of twenty-four to thirty-six months, in order to more fully generate measurable outcomes. In the case of replication, there were many improvements in skills, knowledge and action -- as well as many measurable outcomes.

However, we found that too many grassroots organization staff members still seem to believe that "success" is at hand as long as there are demonstrable improvements in their skills, knowledge and action. The continuing disconnect -- the failure to translate organizational improvements into measurable outcomes -- is, perhaps, not surprising. The disconnect is all too apparent in the context of national private and public policy in America that seeks inner city solutions. For example, in the case of "welfare reform," "success" has been claimed by some on the basis of reduced welfare roles. But taking people off welfare rolls is an organizational action. "Welfare" originally was designed as an intervention to reduce child poverty. Hence, the outcome measure for "welfare reform" is reduced child poverty. Yet child poverty has not been reduced by much over recent years, and it is difficult to causally link the "reform" to any consequent changes in child poverty. The lesson, here, is that we need more careful technical assistance to better teach grassroots organizers, as well as policy makers, the difference between actions taken and outcomes achieved.

**4. Future progress in capacity building will be a function of adequate resources, regional clustering and distance learning.** Grassroots nonprofit organizations that best respond to technical assistance and training typically are in the "pre-takeoff" stage (often three-to-five years old) have some solid capacity in place and often operate with budgets in the \$150,000 to \$600,000 range. Not uncommonly, such groups exhibit an enthusiasm to learn, a commitment to stay with the technical assistance over many months and a desire to pursue multiple technical assistance linkages.

For such groups, the rule of thumb we developed over time is one technical assistance and training director (who also has at least one area of substantive expertise) and two full time equivalent technical assister/trainers for every ten sites, over twenty-four to thirty-six months of assistance. Each grassroots group also should receive a discretionary grant of at least \$10,000. Such a grant immediately will establish the seriousness of a commitment to change and will allow local grassroots organization staff greater clout in effecting change. Grants of this kind are a much needed financial boost to many grassroots organizations -- which are being asked to make major investments of time without immediate benefit.

Regional clustering of sites creates economies of scale for technical assistance. Given that thousands of nonprofit groups are in need of capacity

building technical assistance in America, any serious effort to provide sufficient assistance requires both national and regional intermediaries. There should be uniform standards -- in terms of quality and quantity of staff and consultants, ratios of assisters/trainers to sites, inputs provided by assisters, areas of assistance covered and length of time assisted.

Capacity building for the thousands of nonprofit organizations currently in need of technical assistance and for new groups would seem a daunting endeavor. However, distance learning could provide a cost-effective breakthrough to allow, over time, assistance to all groups in need. Established funders and new grant makers with endowments from high technology fortunes need to support a series of demonstrations to learn just how far we can proceed and how successful we can be with nonprofit distance learning in capacity building and replication with pre-takeoff groups. Our experience suggests that hands-on in-person training will continue to be necessary, but that committed grassroots organizations can make great progress using clear, well-packaged, peer-based distance learning training that fits their busy schedules.

**5. For capacity building, mechanical change is easier than behavioral change.** At least two types of change occur within an organization receiving capacity building technical assistance and training: 1) "mechanical" change, like change in processes and systems, such as personnel policies, office procedures and fiscal policy; and 2) "behavioral" change, the more important of the two, that requires the emotional and intellectual commitment of key individuals -- such as the executive director, the chair and other key board members -- before they can take effect.

Mechanical change tends to be rather straightforward. You have policies or you don't. The policies are effective or they are not. Such change is relatively easy to make -- once the key executives involved realize that the change improves their operations and makes them appear more efficient.

Behavioral change is the more difficult of the two. It tends to focus on people, rather than on systems. Therefore, it often requires altering long-held beliefs and "ways of doing things" that, however time-consuming or inefficient, are nonetheless "comfortable" and highly resistant to alteration. This is the form of change that can underlie resistance to seemingly "easy" mechanical changes and delay or even sabotage them. It also may explain the continual delays, postponements and obfuscations that prevent "getting things done." Such behavior seems to be associated with people who have been with their organizations for a long time and have become accustomed to doing things in a specific way.

It takes time to recognize the need for such behavioral change. When the need for change is recognized, it may require a degree of coddling and nagging, or both, by the technical assister to convince the person to begin to change. It takes more time for these changes to be implemented, and, once begun, tends to require continuous tweaking. Such change requires a tremendous amount of trust between the technical assister and the client grassroots organization staff and trustees, because a great deal of personal power and prestige are involved in these changes. One key element in establishing this level of trust is the clear expertise, professional and interpersonal skills of the technical assister. Senior technical assisters are required.

**6. To qualify as a model for replication, a program should be scientifically evaluated.** In terms of personal and public health, Americans tend to accept the notion that new drugs to fight, say, cancer or AIDS need to be scientifically evaluated and that, if they work, there then should be widespread use of them among all in need.

For the truly disadvantaged, a few instances can be found of replications that follow such a reasonable course. One example is the Ford Foundation's Quantum Opportunities Program, based on adult mentors for inner-city high school youth. After Brandeis University released statistically significant findings that showed Quantum Opportunities worked and could be replicated, the *New York Times* published an editorial summarizing the success. Quantum Opportunities now is being replicated on a broader scale through public and private funding.

Yet the example of Quantum Opportunities is relatively rare. Especially for public sector funding, programs for the truly disadvantaged can be replicated because of the influence of well paid lobbyists, access based on friendships, and fashions of the moment -- not because of positive evaluations.

When it comes to evidence that a model is qualified to be replicated, and that a replication has worked, we believe funders should base decisions on scientific evaluation, not political ideology. By "scientific evaluation," we mean, most importantly, use of a control group or comparison group outcome measure design implemented over sufficient time -- not just in a narrow, academic way but also in the rough-and-tumble of real world street

life, funding, pressure, staff burnout, inadequate salaries and political machinations.

Many successful models provide multiple solutions to multiple problems, and good evaluations must capture this reality.

**7. Replication is possible.** Some assert it is impossible to replicate successful grassroots nonprofit successes -- in part, we are told, because such successes depend on charismatic individuals who can't be duplicated. That is not so. Replication is quite possible and depends on:

- Securing adequate funding over sufficient time (ideally a minimum of thirty-six months);
- Evaluating the replication (not just the model being replicated) in a scientific way;
- Creating sound institutional and staff capacity at replication sites;
- Generating professional training manuals and videos;
- Training replication staff systematically and in stages;
- Adhering to strategic workplans and budgets;
- Insuring tenacious quality control;
- Concentrating on underlying principles rather than exact copies; and
- Recognizing that either an entire program or parts of it can be implemented in another location.

**8. Beware of conventional wisdoms.** As knowledge has accumulated on how to technically assist capacity building and replication, some conventional wisdoms have, wisely, been questioned. This is as it should be, and reflects progress. For example, we have concluded that:

- Technical assistants can push too hard for a corporate model of board-dominated respectability that emasculates a nonprofit organization's founding mission and blurs its founding vision.
- "Volunteerism," "self-sufficiency" and "empowerment" can be used as smokescreens to hide the very real dollars needed for enduring capacity building and replication success.
- Funders should give more priority than at present to replicating unaffiliated, indigenous grassroots nonprofit organizations and relatively less priority than at present to resourcing large national nonprofits to create more affiliates. The result, we believe, can be more grassroots democracy and better outcomes.
- The key to outcome based success is not so much whether a grassroots nonprofit organization is "faith based" or secular but whether it has sound institutional capacity.

**9. Funders and assisters need to better understand the power of communications in capacity building and replication.** A nonprofit organization with a solid communications office can create a great amount of publicity. The publicity can help to generate funds -- useful for management improvements, staff development, further fundraising and replication of the programs favored by the think tank. Yet most grassroots, nonprofit organizations that we have supported and most of their technical assistants are far behind in their media sophistication. As part of a communicating what works movement, inner city grassroots nonprofits and the intermediaries that assist them need to learn strategic communication planning, train to be effective on the electronic media, create local community web sites, and create linked "master" web sites on what works -- all as

means to build capacity and replicate more effectively.

**10. Plan strategically.** Established a new economy information foundations that embrace grassroots nonprofit capacity building and replication to a scale equal to the dimensions of the problem should establish long term strategic plans with local nonprofits and redesigned national nonprofit intermediaries. Established and new high tech foundations that provide the kind of capacity building and replication leadership recommended here -- for child development, youth development, public school innovation, job training and placement, community and economic development, community banking and community equity policing -- should seek to incorporate public sector income streams. Public funding is needed to replicate to scale. It should be modeled, in part, on the way the United States Department of Housing and Urban Development channels public resources through two private nonprofit intermediaries -- the Local Initiatives Support Corporation and the Enterprise Foundation.

At present, knowledge has converged with prosperity. What better time to begin capacity building and replication to scale?