Sherwood Trust
March 2012 Workshop

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Program/Grants Management and Capacity Building

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Agenda

- **Building your core capacities**
  - **Understanding nonprofit effectiveness**
  - **Learning from your CCAT report**
  - **Developing a capacity-building plan**

- **Strengthening board leadership**
  - **Deciding the role of your board**
  - **Creating a culture of partnership**
  - **Developing a trust-building action plan**

- **Improving organizational and programmatic learning**

- **Deciding how to take this back to your board and staff**

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"The job is to ask questions --it always was--and to ask them as inexorably as I can. And to face the absence of precise answers with a certain humility."
*- Arthur Miller*

Mission moment introduction

- **Why is this organization <u>relevant</u> to me?**
  - **How am I connected to its work?**
  - **How does it reinforce meaning for me in my life?**

- **What is the <u>return on investment</u> for me?**
  - **What are the personal results of my involvement that make it worth my time and effort?**

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Building your core capacities

Understanding nonprofit effectiveness
Learning from your CCAT report
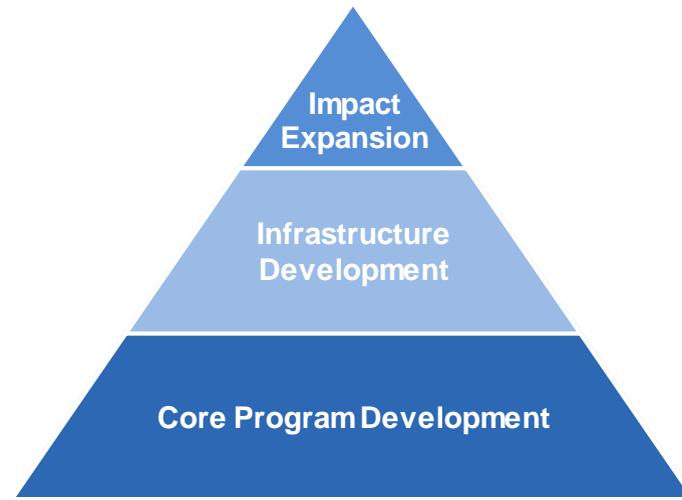*Identifying your capacity-building priorities*

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Effective nonprofits adapt, lead, manage, and do
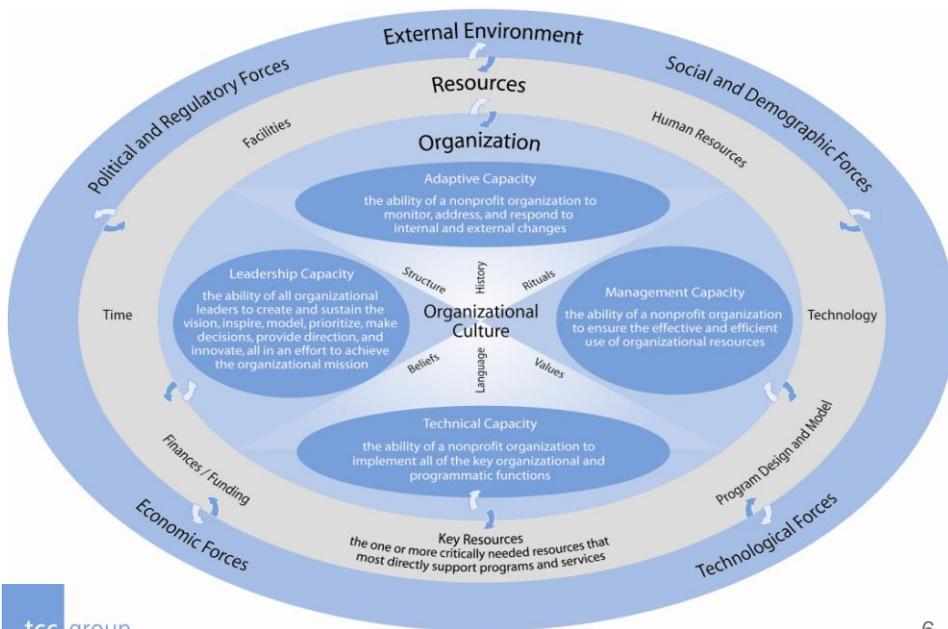
Organizational life cycle

Impact
Expansion

Infrastructure
Development

Core Program Development

What is in the CCAT report?

- **Overview of the tool – how to read the report**

- **Results:**
  - **Core capacity scores, with strengths and challenges**
  - **Sub-capacity scores, with recommendations**
  - **Lifecycle placement**

- **Capacity-building plan – prioritized for lifecycle advancement (top 10 list and specifics)**
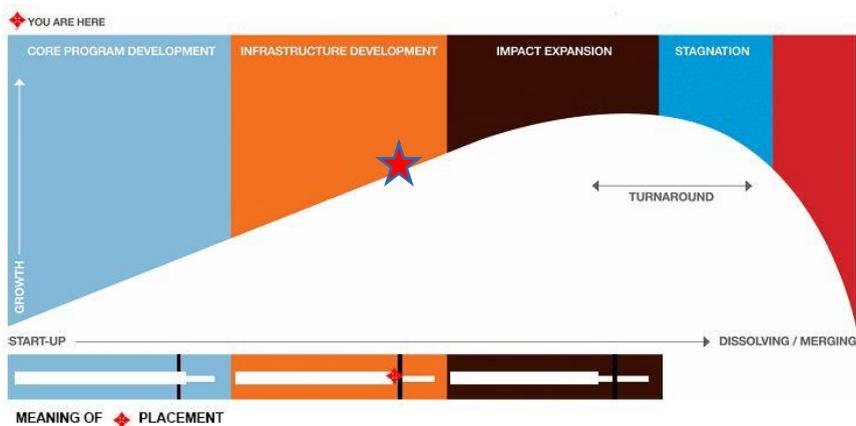
- **The theory behind the tool**

How CCAT reports are scored

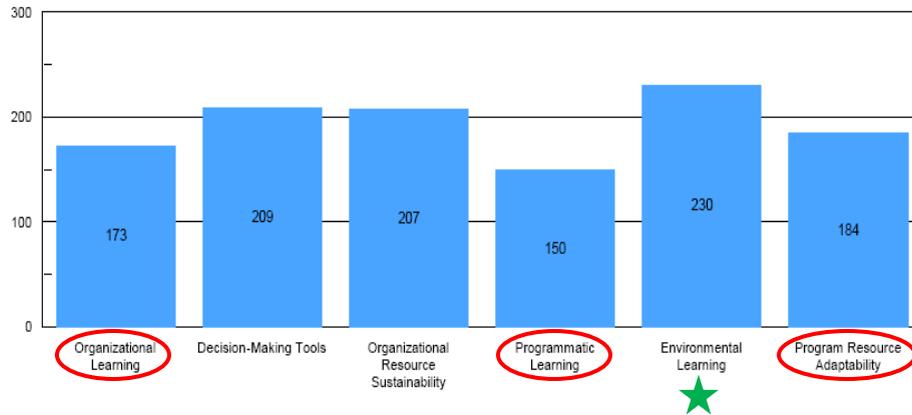- **230 or higher is considered a "Strength"**

- **190 to 229 is satisfactory**

- **Lower than 190 is considered a "Challenge"**

- **Important to look at the subcategory scores for deeper understanding**

- **Recommendations are based on answers to individual questions**

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Lifecycle placement

YOU ARE HERE

| CORE PROGRAM DEVELOPMENT | INFRASTRUCTURE DEVELOPMENT | IMPACT EXPANSION | STAGNATION |

TURNAROUND

GROWTH

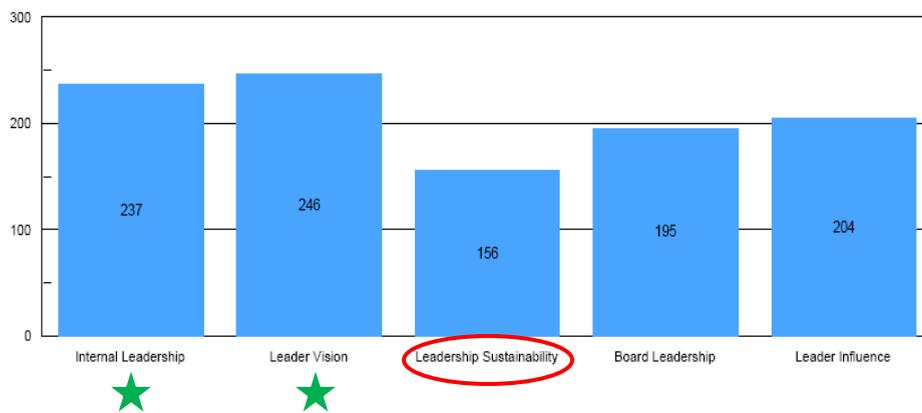START-UP → DISSOLVING / MERGING

MEANING OF PLACEMENT

TCC considers the development of an organization's effectiveness to be an additive process where each successive stage requires more growth from prior stages. Although scores for each of the three stages are represented above, the marker indicates your organization's primary stage.
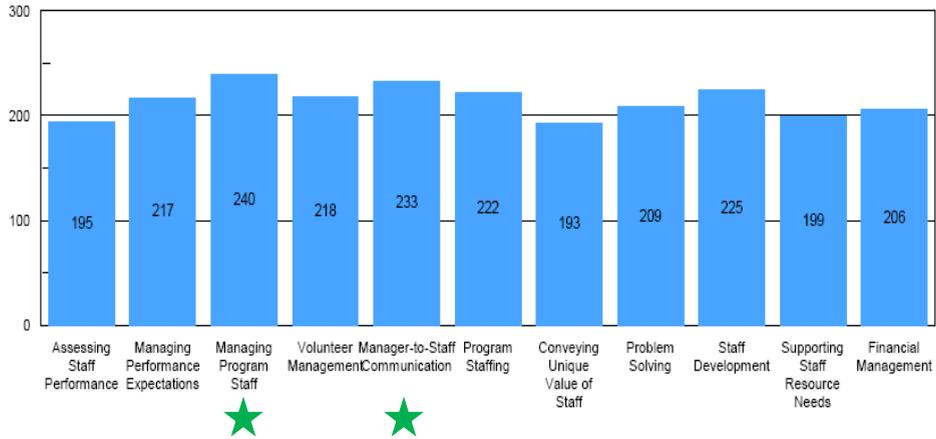
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Adaptive capacity: 192

Leadership capacity: 208

Management capacity: 214

Chart values by category:
- Assessing Staff Performance: 195
- Managing Performance Expectations: 217
- Managing Program Staff: 240
- Volunteer Management: 218
- Manager-to-Staff Communication: 233
- Program Staffing: 222
- Conveying Unique Value of Staff: 193
- Problem Solving: 209
- Staff Development: 225
- Supporting Staff Resource Needs: 199
- Financial Management: 206

Technical capacity: 187

Chart values by category:
- Technology Skills: 177
- Technology: 199
- Service Delivery Skills: 204
- Program Evaluation Skills: 174
- Outreach Skills: 167
- Marketing Skills: 161
- Legal Skills: 225
- Fundraising Skills: 148
- Financial Management Skills: 221
- Facility Management Skills: 206
- Facilities: 172

Organizational culture: 211
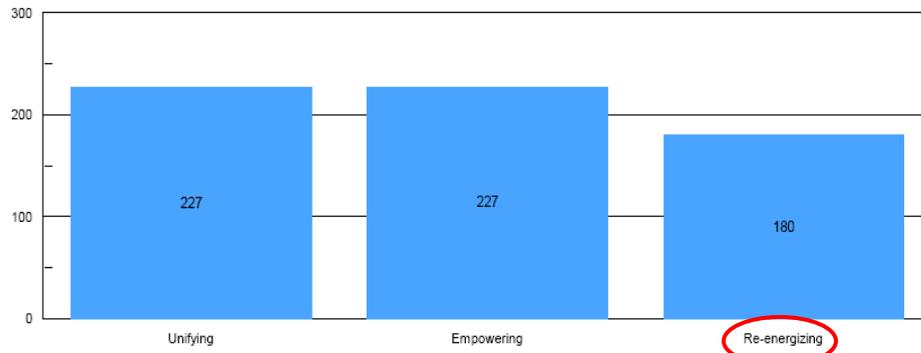
## *Part 1: Understanding your organizational capacity*

1. **Where is the organization in its lifecycle?**

2. **What are your strengths and challenges?**

   • **Which resonate with your experience and other data?**

   • **Which are surprises?**

   • **Which do you disagree with?**

Decide on a manageable set of capacity-building priorities

When two roads diverged in a wood,
Veronica vacillated.
Her indecision made all the difference

Decide what comes first in your ongoing process of capacity building

100 N   100 N

100 N   100 N
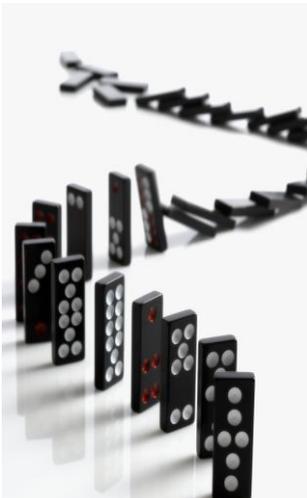
Part 2: Prioritizing capacity-building areas

1. Which ones are relevant to your organization?

2. Which ones do you want to improve or enhance?

3. For the ones you want to improve or enhance, which capacities need to be addressed first?

4. Which are the one to three most important capacity-building areas for your organization to focus on this year?

Common capacity-building efforts by core capacity

- **Leadership:**

  Board Development, Executive Coaching, Succession Planning,

- **Adaptive:**

  Organizational Assessment, Strategic Planning, Evaluation, Partnerships and Strategic Restructuring, Needs Assessment

- **Management:**

  Development of HR and Financial Management Systems, Volunteer Management, Strengthening Internal Communications

- **Technical:**

  Skills Building, Training, New Staff or Volunteers, Technology, Facility Upgrades

Steps in a capacity-building effort

Awareness	→ Knowledge	→ Attitudes & Motivation
Skills	→ Opportunities	→ Behavior
		Learn & Adapt

Part 3: Developing an action plan for capacity-building

1. **For each of your priority capacity-building areas, identify all the relevant recommendations listed in the CCAT report. Which ones can you take action on?**

2. **What are the steps you will take to improve or enhance your organizational capacity?**

Developing board leadership
Deciding the role of your board
Creating a culture of partnership
Discussing a case study on boards

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Role of a governing board
(per 2010 Learning Center trainings)

From Richard Ingram:
- **Define purpose, mission, and planning**
- **Select and evaluate the CEO**
- **Develop a competent board**
- **Monitor and strengthen programs and services**
- **Ensure adequate financial resources**
- **Enhance public standing**
- **Ensure financial oversight and legal and ethical integrity**

From Susan Newton:
- **Strategy and performance**
- **Portfolio and financial management**
- **Partnerships and mergers**
- **Internal and external relationships**
- **Policy setting and operations oversight**

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24

Role of the governing board (per 2011 Learning Center trainings)

From Jan McGowan (via Carter McNamara)
- **Determine and focus resources/efforts on mission and purpose**
- **Set policies, goals, and objectives**
- **Hire and oversee the CEO**
- **Recruit new board members**
- **Plan**
- **Ensure adequate resources and participate in fundraising**
- **Enhance public image**
- **Approve budget, additional staff, annual programming strategies**

From Sonya Campion
- **Serve as effective advocates and fundraisers by giving, helping with campaigns and events, identifying and cultivating donors**
- **Articulate mission and strategic objectives**
- **Set governance and development policies**

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Role of a governing board (as stated in prior trainings)

Fiduciary

Generative

Strategic

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Chait, Richard, William Ryan, and Barbara Taylor. *Governance as Leadership: Reframing the Work of Nonprofit Boards*. Wiley. 2004.

26

13

Second Chance case study

- **Read the case**

- **The board is going to help Russell (the executive director) figure out how to change the organization to survive.**

  - **Identify at least one fiduciary question that the board should consider in doing this.**

  - **Identify at least one strategic question that the board should consider in doing this.**

  - **Identify at least one generative question that the board should consider in doing this.**

The board and executive director should strategically decide what kind of board will work best for the organization
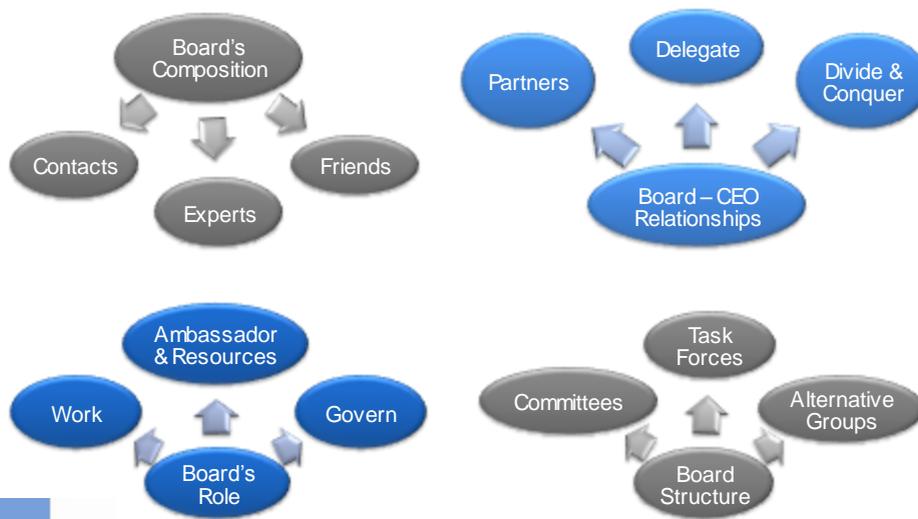
It takes time and trust to build a partnership between board chair and ED

29

Trust defines what types of leadership are possible

- Identification-Based Trust
- Knowledge-Based Trust
- Calculus-Based Trust
- Contractual
- Competence
- Communication
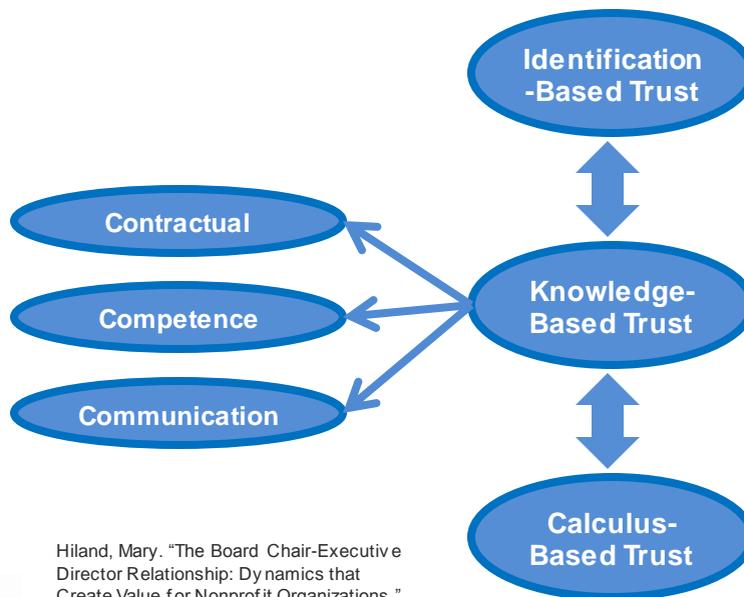
Hiland, Mary. "The Board Chair-Executive Director Relationship: Dynamics that Create Value for Nonprofit Organizations." *Journal for Nonprofit Management*. 2008.

30

Develop a trust-building action plan

1. **What type of trusting relationship do you want to build?**

2. **What are the benefits of strengthening trust?**

3. **What are the costs if you do not strengthen trust?**

4. **What actions can you take to improve trust?**

5. **What is one thing you will personally do to build trust over the next two weeks?**

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31

Improving organizational and programmatic learning
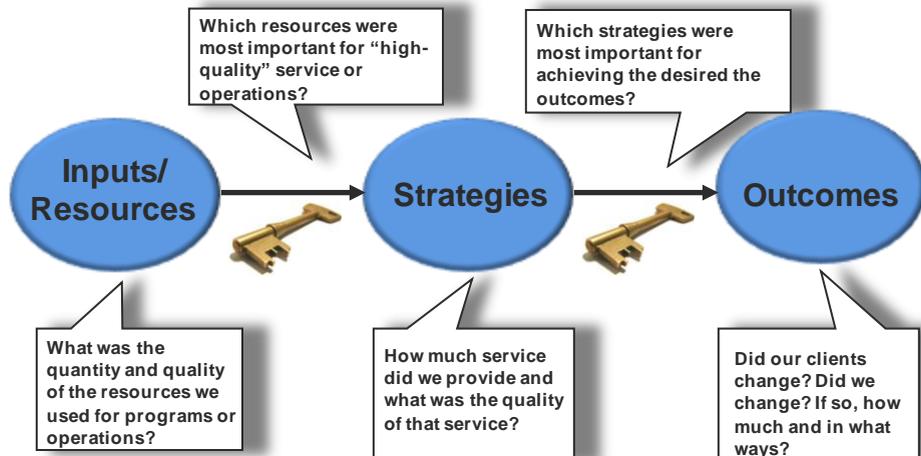
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16

Learning is critical to great leadership

- **Learning entails:**
  - **Gathering data on the environment**
  - **Gathering data on finances, programs, and operations**
  - **Gathering feedback directly from program recipients**
  - **Monitoring evidence-based best practices**
  - **Using program data to understand what works, for whom, under what conditions, and with what resources.**

- **Leaders:**
  - **Engage internal and external stakeholders to learn**
  - **Take decisive action on what is learned!**

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A culture of learning requires space for reflection

- **Planning**
- **Decision making**
- **Motivating via communications**
- **Accountability**

- Program delivery
- Operations
- Knowledge management

Lead **Do**

Learn **Assess**

- **Interpreting**
- **Identifying patterns, trends, categories**
- **Co-creating meaning**
- **Challenging assumptions**

- Monitoring
- Auditing
- Assessing
- Evaluating

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34

17

Reflection requires looking at relationships, trends, and patterns

Which resources were most important for "high-quality" service or operations?

Which strategies were most important for achieving the desired the outcomes?

Inputs/ Resources → **Strategies** → **Outcomes**

What was the quantity and quality of the resources we used for programs or operations?

How much service did we provide and what was the quality of that service?

Did our clients change? Did we change? If so, how much and in what ways?

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35

Decide your next step to improve or enhance learning

- **What are you already assessing, evaluating, monitoring, or auditing?**

- **To improve learning: How can you create more space for learning from what you are already doing?**
  - **When is a good time for a learning conversation?**
  - **Who needs to be involved?**
  - **What do you need to do to prepare for this conversation?**

- **To enhance learning: if you are already a learning organization:**
  - **What could you do differently in terms of assessing, evaluating, monitoring, or auditing to support learning?**
  - **What could you do differently to take action on learning?**

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36

18

Deciding how to take this back to your board and staff

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Thank you!

**Please sign up for a one-hour coaching call
to discuss the application and implementation of today's session.
Up to ten organizations can participate.**

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