

Selected excerpts from
**Building Capacity in Nonprofit
Organizations**
The Urban Institute

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A Model for Nonprofit Capacity Building

The nonprofit sector encompasses a wide range of interests and activities. It includes hospitals and universities, museums, dance theaters, art galleries, employment and training centers, youth development programs, child care centers, food banks, drug treatment and prevention centers, animal shelters, and more. Some of these groups are large, multiservice organizations with multimillion-dollar budgets; others are small, one- and two-person operations that focus on a single issue.

Because of the tremendous diversity in the nonprofit sector, the needs and ability of nonprofit organizations to build future capacity will vary widely from one organization to the next. Walker and Weinheimer (1998), for example, document the rich and varied history of Community Development Corporations (CDCs) in 23 cities and analyze the different types of assistance CDCs need to expand their level of activity. In cities with less experienced CDCs, the emphasis may be on developing organizational

capacity through staff and board training and resource generation. In cities with more experienced CDCs, the focus may be on new models of collaboration or an expansion of the types of programs undertaken. As Milofsky (1988) notes, nonprofit organizational models and systems, particularly at the local level, are fluid, loosely structured, and ever changing, making it difficult to generalize about effective intervention points or strategies for building capacity.

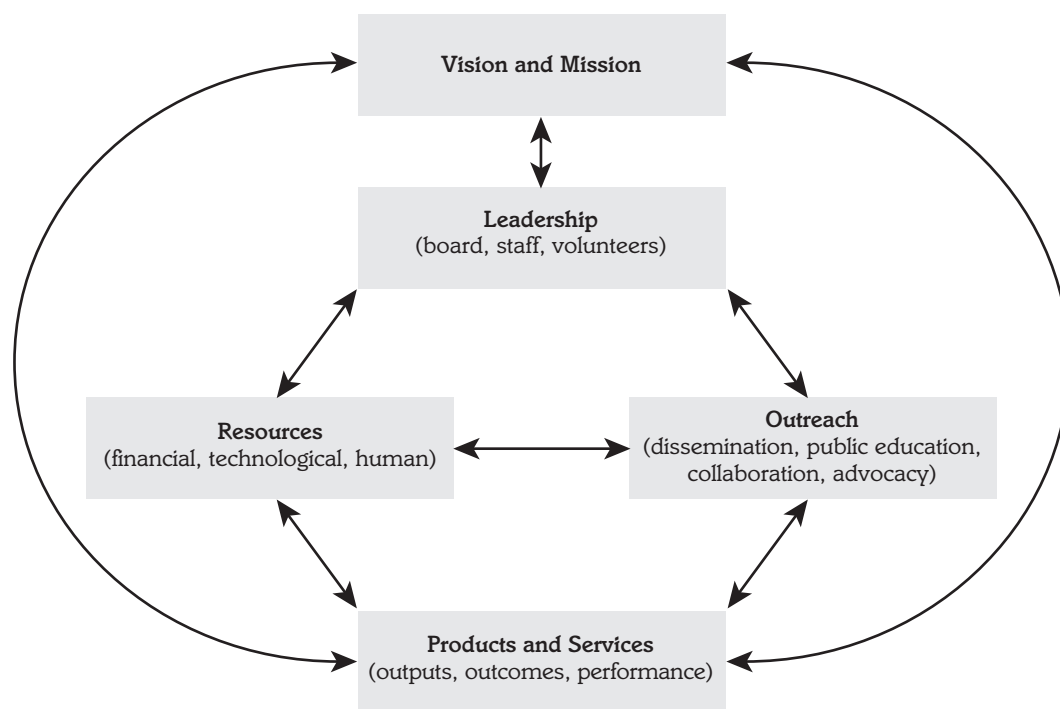
Determining an organization's capacity-building needs is not a simple or clear-cut process, in part, because no one has established what characteristics actually make an effective organization (Light 2000). The existing literature provides no easy formula for building organizational capacity or achieving favorable outcomes. Instead, the model presented below can serve as a guide in the development of intervention strategies.

Figure 2 illustrates a common framework for analyzing and assessing potential pathways for addressing the capacity needs of the nonprofit sector. It consists of five components that are commonly found in all organizations and intermediary structures: vision and mission, leadership, resources, outreach, and products and services. As suggested by the direction of the arrows, these five factors are interrelated and mutually dependent on one another. As a system, each factor reinforces and bolsters the other factors in the model. It is unlikely, however, that all five factors are equally present in any particular organization. Some groups may emphasize one factor over another, but a healthy mix of these five components is necessary for an organization to survive and thrive. Each factor, discussed more fully below, can be viewed as a possible intervention point for enhancing organizational capacity.

Vision and Mission The legal basis for establishing a nonprofit organization is “to advance the welfare of the community in a noncommercial way” (Bryce 1992). This legal definition, however, tells us very little about the purpose or goals of the group. It is the vision and mission statement of an organization that more directly answers the question of why the organization exists. A clear statement will articulate what is unique or distinctive about the organization and can serve as a long-range planning tool for the organization.

An organization's vision and mission provide a good starting point for assessing its capacity and needs. They not only reflect the types of programs and services offered by the organization, but also affect the other components of the capacity-building model. For example, the vision and mission of an organization will influence its ability to attract and retain leaders who share its goals. The leaders, in turn, will be influential in setting, maintaining, or redirecting the mission of the organization.

The vision and mission of the organization are probably most directly articulated through the leadership component of the organization, but other factors in the model also are affected. For example, as the organization seeks resources—whether recruiting staff or seeking funds—the vision and mission of the organization come into play. Potential staff and donors must find a comfortable match between their own needs and values and those of the organization's vision and mission. Similarly, the guiding principals of the vision and mission statement will shape the outreach activities of the organization. While most nonprofit organizations engage in some type of networking or

FIGURE 2 A Framework for Addressing Nonprofit Capacity Building


sharing of information, how actively they pursue this goal and with whom they seek external contacts may vary depending on their overall vision and mission. An organization established primarily to serve the needs of its members is likely to engage in a very different set of outreach activities than one that seeks to advocate for social change.

The organization's vision and mission also provide an important context for measuring the effectiveness of its work. For example, if a community theater group's mission is to offer culturally diverse arts programs, it can use "cultural diversity" as a criterion for assessing its program activities at the end of the year. In many instances, however, mission statements are written in ways that make it very difficult to measure and evaluate outcomes. A mission statement might focus on improving the community's quality of life, promoting youth development, creating arts, or preventing disease. While such missions are worthy goals, they are difficult to measure and assess. Particularly in an era of public accountability, organizations are being asked to demonstrate their accomplishments in concrete ways. Public perceptions of effectiveness can be influenced by the ability of the organization to demonstrate clear and measurable outcomes of their products or services.

Although vision and mission statements are meant to have enduring qualities, they need to be reviewed and possibly revised from time to time. Nonprofit organizations

can sometimes stray from their original purpose or become bogged down in routine activities that distract them from seeking new opportunities (Bright and Skahen 1987). A local chamber of commerce, for example, may find that its sponsorship of an annual town celebration has overtaken its original purpose, namely the improvement of general economic climate of the community. A reevaluation or rededication to the organization's vision and mission are important first steps in answering the question, "Build capacity for what?"

Leadership Strong and effective leadership is the lynchpin of the system. According to Gardner (1988b, 4), it is "the process of persuasion or example by which an individual (or leadership team) induces a group to pursue objectives held by the leader or shared by the leader and his or her followers." Leadership for nonprofit organizations may come from many sources, including professional staff, board members, and volunteers. While leadership is an essential ingredient for an effective organization, it is difficult to define and capture. Leaders motivate others and create action. They envision and articulate the organization's goals and establish the systems and mechanisms to achieve those goals.

As noted above, leadership is closely tied to vision and mission. Leaders possess vision and can translate those ideals into the organization's mission. Most importantly, they have a commitment to the mission and a willingness to work toward fulfilling it. They articulate the organization's dream of what can be and then marshal the resources necessary to make that dream a reality.

Structurally, an organization requires leadership at every level. This arrangement encourages problem solving and decisionmaking throughout the organization and frees the organization from the constraints of a top-down management style. "Leaders concerned for organizational vitality will push rulemaking to the subsystems and trust supervisors at every level to make the rules work by supplying human judgment. To the extent feasible, they leave in the hands of individuals the power to make decisions and to experience the consequences of those decisions" (Gardner 1988a, 7).

Solid and consistent leadership has important spillover effects into other areas of the organizational model. It can facilitate the acquisition and development of resources, and it can enhance the organization's outreach activities. In short, the organization's leadership provides direction for selecting among the constraints and options posed by both the internal and external environments. In particular, it sets the tone for internal management decisions and provides the public face to the external world. Effective leaders enhance the organization's image, prestige, and reputation within the community and are instrumental in establishing the partnerships, collaborations, and other working relationships that advance the goals of the organization.

Strong leadership can make the difference between success and failure in implementing programs and services. Leaders have a strong sense of ownership in the work of their nonprofit organization and set standards for organizational performance. According to Bernstein (1997, 14), good leaders "insist on excellence in the organization's performance, and reject complacency and rigidity. They have vision and are

flexible about the possibility of change, yet realistic and practical when considering its feasibility.”

To build capacity in the leadership component of nonprofit organizations, two factors must be considered: (1) enhancing existing leadership, and (2) developing new leadership. Working with existing leadership can take a variety of forms. Administrative and procedural policies can be reviewed and updated to streamline operations and better reflect environmental conditions. Training can be provided to staff and volunteers to upgrade skills or promote team-building efforts. The organization can also formulate a board development strategy to review the functions of the board and help individuals understand and fulfill their roles and responsibilities as board members.

Identifying and developing new leadership is akin to the sustainable development process. Without an eye toward the future, the present leadership runs the risk of becoming outdated, obsolete, and depleted. Not only must new leaders with new ideas and energy be brought into an organization from time to time to stimulate and invigorate the work, but also current leaders should be aware of the need to mentor the next generation of leaders. This process is likely to lead to greater racial and ethnic diversity within the leadership ranks of the nonprofit sector as organizations reflect the people and communities that they serve. Organizations, like individuals, pass through developmental life cycles. The ability of the nonprofit sector to renew and sustain its work can only be met through a pool of younger people who have been prepared and groomed to carry on the activities in future years.

Resources Resources are an essential and critical component of the system. They can affect the organization’s ability to carry out its mission, attract competent leadership, and get its work and message out to the community. Although resources do not necessarily have to be extensive, they do have to be well managed. Bringing organizational capacity up to scale to deliver essential services and programs is one of the continual challenges of the nonprofit sector.

Resources come in many forms. Financial resources are arguably the most central aspect of the organization’s resource pool because they can affect the recruitment of human resources (paid staff, volunteers, and board members) and the acquisition of physical resources (such as building space and equipment). In today’s world, physical resources increasingly involve access to computer-based technologies, such as databases, tracking systems, Web sites, and listservs. Computer technologies and people with the skills to use these tools effectively can open new horizons, but these resources are often in short supply in nonprofit organizations.

Traditional efforts to build nonprofit capacity typically focused on expanding an organization’s resources. Interventions took the form of providing more money, staff, or equipment. Simply providing more resources, however, is not necessarily the only answer to the challenges faced by nonprofit groups. How resources are used is also a critical factor. One way to use resources wisely is to periodically train staff, volunteers, and board members. In a rapidly changing environment, upgrading skills and revamping established procedures can help stretch limited resources. Improved technology has

also enabled organizations to use their resources in new and more effective ways. Computer software programs have altered the ways in which routine, internal management tasks are handled. Scheduling a meeting, for example, no longer requires one person to make multiple phone calls to check everyone's schedule, but rather sending one e-mail to the group to determine the best available times to meet. Financial management software has made paper accounting ledgers almost extinct. Internal management systems and procedures must be accompanied, however, by periodic monitoring, evaluation, and feedback to assure that the organization is getting the most from its often scarce resources.

External communications and outreach have also been changed dramatically by the telecommunications revolution. In today's fast-paced world, a nonprofit organization without connections to e-mail service and the Internet can be at a distinct disadvantage. Organizations that have Internet access have the potential to provide enhanced services and programs. Animal shelters and humane societies have greatly improved their ability to place abandoned animals by building and maintaining Web sites where potential clients can view the animals before visiting them in person. Performing arts organizations routinely advertise performances via the Internet, along with the more traditional radio, television, and newspaper ads. Technology also broadens and facilitates an organization's ability to collaborate with people both locally and around the world through listservs and e-mail. These communication options help generate new ideas and increase public participation and networking opportunities.

Size is not necessarily a predictor of a well-run or efficient organization. There are many examples of effective organizations that operate with a small staff and limited budget. However, sufficient resources must be devoted to the infrastructure to keep any organization running smoothly. The effective allocation and use of available resources are keys to the long-term success of a nonprofit organization.

There are many possible intervention points from which to address the resource needs of nonprofit organizations, but two areas are receiving considerable attention in the nonprofit sector: fundraising and financial management. As indicated above, fundraising and financial management practices are critical elements of any nonprofit organization and demand careful attention in capacity-building efforts. Resource dependency theory, as studied by Gronbjerg (1993), Smith and Lipsky (1993), and others, notes the difficulties of sustaining programs or staying true to the organization's mission when funding streams are in flux. Gronbjerg's work also notes that nonprofit organizations generate income in different and more numerous ways than for-profit firms and therefore require more complex tracking and reporting systems. As nonprofits are asked to show greater transparency and accountability in their financial operations, the need to improve accounting and reporting systems becomes more pressing.

In recent years, nonprofit organizations have been asked to pattern their programs and operations after business models. These models typically take one of two approaches, either (1) more formalized systems of monitoring and tracking finances, clients, and program outcomes to provide greater accountability, or (2) more loosely

structured practices that give greater flexibility to capitalize on environmental opportunities and experiment with new service delivery practices. While these two approaches may not be incompatible, they are difficult to achieve simultaneously. Because nonprofit organizations often have multiple constituents (clients, audiences, members, the community, board members, volunteers, donors, contractors, and others), responding to demands for greater accountability can be quite complex. Standardization of practices may alleviate some of this burden, but it may undermine the unique qualities of some nonprofit groups. On the other hand, calls for innovation may require the type of loose organizational structure that is often found in small businesses, start-up firms, and many small nonprofits. Protocols and hierarchical boundaries are minimized or eliminated to generate a greater flow of ideas and results. This structure (sometimes called chaos theory in the business literature) may be effective in the early stages of capacity building, but there is little research on the long-term consequences of these structures as organizations mature.

Outreach An organization can have a vital mission, good leadership, and sufficient resources, but unless it is known in the community, its impact will be limited. Outreach is an essential element for strengthening and extending the work of community-based organizations. It can take many forms, including marketing and public relations; community education and advocacy; collaborations, alliances, and partnerships; networking; and more. As the Amherst H. Wilder Foundation (2000) notes, “For capacity approaches to truly achieve their potential, attention must be given to the web of connections affecting all the persons, organizations, groups and communities involved.” This strategy in part is building social capital, but it also is good management practice.

Outreach is the mechanism for building a base of support. Even groups that offer confidential services, such as family planning services or suicide prevention hotlines, must engage in some type of outreach to let people know what programs and services they offer. Increased networking and greater outreach mean access to more people. The more people who know about the organization and its work, the more opportunity there is to attract people to the organization as board members, staff, volunteers, clients, or supporters. Outreach and networking activities can have multiple purposes. A children’s science museum, for example, may participate in a community festival not only to promote its educational programs to the public, but also to introduce the museum to a new source of potential donors or volunteers.

The effectiveness of an organization’s outreach and networking efforts can have short- or long-term benefits. If an organization decides to host a rally to call media attention to an issue, the extent of coverage that the event receives may depend on whether a few hundred or several thousand people turn out for the rally. The Million Mom March, held in Washington, D.C., in May 2000, received wide media coverage, in part because of the estimated size of the gathering. The march was organized and supported by hundreds of organizations, including medical associations, housing groups, law enforcement organizations, teachers’ unions, mayoral associations, and many others. Such broad-based support demonstrates the legitimacy of the coalition that is seeking to place the issue of gun control on the public policy agenda. The longer-term test,

however, will be if the coalition can hold together for the difficult work of promoting change after the media spotlight fades.

Outreach can increase the resources available to an organization, but it does not replace the need for an effective strategy to secure new or additional resources. New methods of fundraising are challenging the old styles of philanthropy. Computer technologies have made it easier to obtain information about nonprofit organizations. GuideStar, for example, is a new Web site that offers financial and program information about charitable organizations throughout the United States. The site contains a searchable database of over 640,000 nonprofit organizations, allowing potential donors to compare and contrast the charities they are considering supporting. E-philanthropy, with its ability for donors to give online, is creating a new fundraising path for organizations that are able and willing to engage in this technological strategy. Designated donor funds are making it easier for potential donors to contribute to a wide variety of charitable organizations.

Research shows that isolated organizations are the ones most likely to struggle and fail (Galaskiewicz and Bielefeld 1998). Without supportive networks and effective outreach efforts, organizations may limit their access to resources and fail to establish a positive image or reputation within the community. Intermediary organizations, such as regional arts councils or affinity groups of nonprofit child care providers, for example, provide connecting links among individual groups. They can be important resources for younger organizations that are starting out and vital networks for older organizations. These groups offer opportunities for organizations to share information, learn from one another, and coalesce on issues of common concern. In short, they help build the organizational relationships (or social capital) that are important to organizational stability.

Products and Services

The persistent call for nonprofit organizations to demonstrate that their products and services are making a difference to society and that they are effectively using their resources heightens the need to measure and evaluate these products and services. Funders and community leaders want to know how well a program is working and what it has accomplished.

Two schools of thought have developed on how to assess the work of nonprofit groups. Traditionally, nonprofit organizations have used output measures to demonstrate their effectiveness. "Outputs are immediate program products resulting from the internal operations of the program, such as the delivery of planned services. Examples of output indicators might include the numbers of children immunized, home visits by case managers, or youth completing a job training program" (Harrell et al. 1996, 3). These measures tend to be quantitative in nature. More recently, however, the trend has been to demonstrate performance outcomes (Morley, Bryant, and Hatry 2001). Outcomes are generally more qualitative in nature than outputs and attempt to demonstrate how the program has produced desired benefits or changes. For example, a desired outcome might be safer neighborhoods, better educational opportunities, or strengthening the lives of children and families in low-income neighborhoods.

Conceptually, organizational outputs and outcomes are the product of the multiple and cumulative interactions of vision and mission, leadership, resources, and outreach. These components work together to create effective outputs and outcomes, driving the model and helping to shape the quality of the end product. The outputs and outcomes, however, provide a feedback loop to the other elements in the model and can enhance or diminish their availability and capacity. Poorly delivered products or services, for example, may result in fewer resources coming to the organization or signal the need to change leadership. In contrast, high-quality products and services can increase access to resources, create greater networks, give more visibility to the organization, and strengthen leadership.

Nonprofit organizations are much more adept at measuring outputs than outcomes and are only beginning to explore how to develop outcome measures. The community indicators movement is one effort aimed at assessing community outcomes. The movement sprang from a need for communities to have a way to measure their overall health and quality of life and document changes over time. Indicators provide communities with benchmarks by which they can gauge their progress and can cover a broad range of issues. High school graduation rates and SAT scores, for example, can serve as measures of educational quality. Crime statistics and unemployment rates may be benchmarks for a community's economic health. Kingsley notes that indicators are especially helpful in monitoring trends in outcomes. "The indicators tell you in what areas, and to what extent, things are getting better or worse, and that presumably tips you off as to where policy changes and new action programs may be needed. The process also inherently supports accountability" (Kingsley 1998, 4).

New requirements by government and other funders have increased the pressure on nonprofit organizations to improve performance and develop measurable outcomes. Light (2000, 1) notes that "the sector suffers from a general impression that it is less efficient and more wasteful than its government and private competitors." The pressure to improve, however, is not focused in just one area. Light (2000) identifies four tides of management reform that place new pressures on nonprofit organizations: (1) scientific management, concentrating on setting standards and codes of conduct; (2) the war on waste, focusing on reorganization, downsizing, and strategic alliances; (3) the watchful eye, emphasizing accountability and transparency in operations; and (4) liberation management, promoting deregulation, a market orientation, and performance-based measures. While each of these tides raises legitimate concerns regarding nonprofit management, they are neither uniform in intent or method. When confronted with pressures to improve many things at the same time, a nonprofit organization with limited resources is likely to ignore these pressures and do nothing.

Approaches to Building Nonprofit Capacity

In natural ecosystems, a rich diversity of species is considered a sign of sustainability and relative health. Similarly, diversity in the number, types, and structures of nonprofit organizations in a community may also be seen as a sign of community well-being.

Because the needs of nonprofit organizations and the conditions of the community environment often vary, approaches to capacity building must be customized and flexible. A one-size-fits-all model is likely to yield inappropriate or ineffectual results in many communities.

Drummond and Marsden (1995) in their study of sustainable development note that effective interventions are targeted at points in which flows of energy are most concentrated and have the greatest influence on the overall dynamics of the system. This idea of targeting interventions is echoed by Light (2000). If nonprofit organizations are asked to undertake too many changes simultaneously, the efforts are likely to be diluted, ineffective, or ignored. The philanthropic community must answer the question, “What are we building capacity for?” Foundations will need to examine how their goals and interests intersect with those of nonprofit organizations or the nonprofit sector in a given community to determine where mutual energies are concentrated and how to effect change.

Because of the enormous differences in the number and types of nonprofit groups in a community and variations in their readiness to embrace change, we identified five steps that will enable foundations to strategically and systematically determine potential intervention strategies. These steps can be applied to both individual nonprofits and supportive organizations seeking to strengthen the sector as a whole.

1. Determine the basic needs and assets of the community. A first step in developing a capacity-building strategy is to learn about the basic needs and strengths of the community. This can be done through a variety of mechanisms—surveys, focus groups, town meetings, individual interviews, or community indicators. The purpose of this step is to obtain a variety of perspectives and learn from differing points of view. For example, community indicators that use existing information and data can be a cost-effective way to identify potential weaknesses or strengths in the socioeconomic conditions of the community. They also provide benchmarks for monitoring change over time. On the other hand, discussions with local leaders and residents can help identify areas of concern and target specific needs. Perhaps more importantly, this process can generate local support for a capacity-building initiative.

2. Assess the number and types of nonprofit organizations in a community through mapping. Having determined the needs and strengths of a community, a next step is to measure the community-based resources that are potentially available to address local concerns. Mapping nonprofit organizations to determine both their prevalence and geographic distribution within a community provides a framework for identifying potential gaps in service or a spatial mismatch between needs and resources in local areas. For example, are nonprofit organizations geographically located in areas of high need, and are they accessible to residents who seek such services? Are the capacities of these organizations sufficient to meet the demand for service? In addition, mapping government agencies and for-profit businesses in the area can enhance the assessment of potential resources available to address local problems.

3. Identify the infrastructure that can be used to build nonprofit capacity. An environmental scan can be conducted to determine if there are networks or organizational structures that can expand the capacity of community-based organizations. For example, is there a regional association of nonprofits that can help nonprofit groups access information and resources? Are there management support organizations that can provide technical assistance for building organizational systems or technology skills? Are there potential partnerships with the business or public sectors that can facilitate capacity-building strategies? Determining the presence, scope, capacity, and quality of such groups can be helpful in targeting and leveraging resources. Attention should be given to the intermediary or support organizations that can foster capacity building throughout the sector.

4. Select appropriate capacity-building strategies. Because the needs of the sector vary, capacity-building efforts must determine the type of intervention that is most needed. For example, some groups may benefit from technical assistance, such as help with fundraising, accounting systems, outreach, or marketing activities. Others may require help in building networks and collaborations with other organizations in the local area or across the region. Tailoring the strategy to local needs and organizational readiness is likely to require some flexibility in the approach and expected outcomes.

5. Monitor and assess progress on a periodic basis. Building nonprofit capacity is not a short-term undertaking. As strategies are implemented and environmental conditions change, periodic assessments help guide the process. Mid-course corrections are likely as new conditions unfold and new needs arise. The process of ongoing feedback and adjustment can both strengthen the nonprofit community and promote wise use of foundation resources.

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Preview of Key Findings

Eight core components of effective capacity building are discussed at the end of this paper. As this review's limited data set is examined further, and later expanded by

findings from other studies, these components are likely to be refined and to grow in number. However, from the perspective of this environmental scan, effective capacity-building programs sponsored or operated by foundations tend to be:

1. **Comprehensive.** While narrowly-defined interventions can work, foundations' most effective capacity-building activities offer some degree of "one-stop shopping" in which grantees can access a range of assessment services, technical assistance, financial aid, and other kinds of support.
2. **Customized.** The most effective capacity-building services are custom tailored to the type of nonprofit, its community environment, and its place in the "organizational life cycle" (young, start-up nonprofits are likely to have needs very different from more-established organizations).
3. **Competence-based.** The most effective capacity-building services are those that are (a) offered by well-trained providers (both foundation staff and expert service suppliers) *and* (b) requested by knowledgeable, sophisticated "consumers" (nonprofit managers and board members).
4. **Timely.** The most effective capacity building happens in the balanced space between action taken too slowly to be relevant (often because of funder delays in acting on grant applications) and action performed too quickly to allow the flowering of an intervention in a complex context.
5. **Peer-connected.** The most effective capacity building happens when there are opportunities for peer-to-peer networking, mentoring, and information sharing.
6. **Assessment-based.** The most effective capacity building begins with a thorough assessment of the needs and assets of the nonprofit and the community in which it operates, which in turn drives the types of capacity-building services provided.
7. **Readiness-based.** The most effective capacity building occurs when the nonprofit "client" is ready to receive this specialized kind of service (e.g., the nonprofit is not in the midst of a major crisis that would make it unable to benefit from the intervention at that time).
8. **Contextualized.** The most effective capacity building occurs in the larger context of other strengthening services a nonprofit is receiving, other activities of the sponsoring foundation, and other elements of the current community environment.

Five challenges were identified by the environmental scan. These all need to be addressed in order to increase the impact of capacity-building activities in philanthropy:

1. **Quality and evaluation.** Services offered by or through foundation capacity-building programs are of variable quality (in the view of both consumers and independent observers). There has been little rigorous evaluation of these services so that they can be improved (evaluation, in fact, may become the ninth core component of effective capacity building, to add to the list above).
 2. **Nonprofit and community engagement.** Nonprofits and communities need to be more actively involved in setting the agenda for capacity building and in evaluating
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its outcomes; capacity-building programs provide real opportunity for funder-nonprofit partnerships and for the sharing of power.

3. **Funder education and development.** Many foundations need education and technical assistance in order to learn state-of-the-art practices in capacity building, the advantages of involvement in such philanthropic activity, and how to appraise the payoffs achieved from what they fund.
4. **Shakeout and the second generation.** Increasing duplication of services and marginally effective providers make a “shakeout” in the capacity-building field likely, followed by a second generation of more sophisticated (evaluation-based, theory-driven) capacity-building programs.
5. **Field building.** More infrastructure is needed to support capacity building in philanthropy—to educate funders, nonprofits, and communities; to replicate proven strategies; to promote sharing of good practices; and to enhance the relationship of capacity building to overall goals of philanthropy.

Six specific recommendations for improving capacity building and the national infrastructure supporting these activities emerged from the environmental scan:

1. **Conduct a more comprehensive study of “good practices” in capacity building,** creating a database (containing brief descriptions in a standard form of at least the 200 programs that have already been identified) that can be made available to the field both in print and online formats.
 2. **Conduct a meta-analysis of evaluations of capacity-building programs in philanthropy,** to synthesize common findings, refine the preliminary definition of core components presented here, and identify methodological problems with this type of evaluation (and resolutions attempted for them).
 3. **Conduct a series of case studies of capacity-building programs in philanthropy,** identifying key types of philanthropic initiatives and using the case study approach to develop a deeper understanding of how these programs were created, what they did, and what impact they produced.
 4. **Conduct empirical research on the effectiveness of specific capacity-building interventions,** to determine, for instance, whether peer consultation approaches may be more effective than expert interventions, at least for certain types of capacity building.
 5. **Develop and pilot test an online capacity-building service** that would use the Internet to deliver information resources, assessment technologies, and online technical assistance to nonprofits and foundations.
 6. **Promote cross-sector dialogue on capacity building,** to stimulate sharing of ideas among nonprofits, philanthropy, and other sectors—particularly the corporate world and government, both of which have their own distinctive interests in capacity building.
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