



## **Funders and NGO Direct Capacity Building**

Many foundations have a fraught relationship with the infrastructure of their grantees, although many who work the field of philanthropy have noted increasing awareness of this gap on the part of funders as well as various efforts to close that gap. In Harvard Business Review article, Dan Pallotta (2016) wrote that funders are more aware now that the nonprofits they fund require “[more love, and more grant money](#)” in the form of capacity building. Pallotta mainly discusses this within the context of providing grantees more flexibility with their funding, but options for capacity building extend beyond money – as important as it is – and extend towards direct engagement, either via consultants or permanent staff members. To date, few funders seem to have gone this route. I provide here a brief synopsis of some which do seem to engage with direct capacity building. A pattern which stood out to me was that many foundations that do engage in this way seem to be focused on a specific geographic area, quite likely due to the fact that staff members know the area and feel confident navigating the social dynamics.

### *Ford Foundation BUILD Program*

The BUILD program is a capacity building initiative on the part of the Ford Foundation. While Ford is mostly a granting organization, [BUILD](#) involves “five years of general operating support, combined with targeted organizational strengthening support.” According to the description, Ford provides their grantees with support on the ground in addition to financially.

### *Ralph C. Wilson Foundation*

This foundation collaborates with organizations and communities in [numerous ways](#). The Wilson Foundation acknowledges, up front, that there are nonprofits that are already engaged in the community the Wilson Foundation seeks to serve. It is worth mentioning that the Wilson Foundation is particularly focused on Western New York and Southeast Michigan. This, perhaps, makes it more feasible for this funder to engage in direct capacity building with potential funders.

### *Kresge Foundation*

Among the Kresge Foundation’s many projects is a Community Support program for [Fresno, CA](#). This program entails sustained support for the city, including a support team. The presence of such a team evinces a commitment to developing the capacity of preexisting community organizations that might not have a readily available record of success.

### *Cleveland Foundation*

As their name suggests, the Cleveland Foundation invests in art, the environment, education, neighborhood revitalization, and other missions in the Cleveland neighborhood. In doing so they partner with smaller donors, and employ staff who work with the communities they serve themselves. This seems to happen under a general rubric of [social investment](#).



### *Annie E. Casey Foundation*

This national foundation focuses on improving conditions for vulnerable children and families. It recently focused on a seven-year [capacity building program](#) which involved a locally driven campaign. In order to do so it enlisted the help of more than 30 consultants.

### *Mary Reynolds Babcock Foundation*

Babcock focuses on building opportunities in the US South by combatting white supremacy and racism. For the most part they focus on organizing, but they have engaged in sustained [capacity building programs](#). Once such program they spearheaded was the Grassroots Organization Grants Program, which assisted grassroots organizations through funding and ongoing operational support.

### *Greater Worcester Community Foundation*

This foundation serves Central Massachusetts by assisting nonprofits and donors. Among the direct capacity building efforts they have offered are an on-site [nonprofit support center](#), and structured peer learning initiatives led by consultants. They have also expanded their support center offerings to artistic and cultural centers.

### *Eugene and Agnes E. Meyer Foundation*

The Meyer Foundation serves the greater Washington, DC area. It focuses on racial equality and equity, viewing those concepts as moral imperatives that benefit all humanity. While they do provide funding they also provide [other resources](#) including a Management Assistance Program, a technology “circuit rider” who helps selected grantees better understand their technology, peer support initiatives, and supporting key infrastructure programs. This one seems, at least at first glance, to be most in line with direct capacity building support provided by an employee of the Foundation.

## **Conclusion**

While there are funders engaging in direct capacity building with their grantees, this model does not seem to be widespread. Where such models do exist, they tend to be funders dedicated to specific geographic communities, particularly the community in which they are located (eg Cleveland Foundation, Greater Worcester Community Foundation). In many cases direct service also tends to be a secondary focus, or a specific program (eg Ford Foundation BUILD Program, Kresge Fresno Program). In still other cases grantees go to the funder itself for capacity building trainings, rather than having an “in house” consultant or staff member (eg Greater Worcester Community Foundation). Ergo, a variety of models exist even among this small subset! Therefore, this model is innovative enough such that the philanthropic community would benefit from literature about it.