

Part II

Capacity Building Models

Capacity building programs vary greatly in their design and delivers, and undoubtedly in their effectiveness. In Part II, nine capacity building programs are described in some detail, including the sponsors' goals and assumptions about organization change, common challenges, lessons learned, and inherent weaknesses. These programs are used to illustrate three distinct models of capacity building: Capacity Grants, Development Partners, and Structured Programs. Each model is defined first by how it is funded, whether the capacity building assistance is provided through Capacity Grants to individual grantees; through General Contracts to a Development Partner, or through Structured Programs. A related question is whether assistance is delivered by consultants hired in the marketplace, a group of consultants referred to as a "Development Partner," or an intermediary.

Programs using the same approach—similar funding and delivery models—face similar challenges, and often share a common philosophy about how organizations improve.

FIGURE 1. Funding and Delivery Options

Funding Options	Description
Capacity Grant	Funding is provided for a specific capacity building project, often paid directly to the grantee from the grantmaker
Development Partner	One or more funders purchase a block of consulting time for a designated group of grantees from a consulting group (referred to as the Development Partner), who then provides assistance to the funders' grantees. Typically, grantees seek help from the Development Partner when ready.
Structured Program	One or more funders provide long-term and sometimes comprehensive support to a group of selected grantees. The program often imposes a structured process on grantees, and may include significant financial incentives linked to performance goals.
Delivery Options	
Independent Consultant	A consultant is hired, typically by the grantee, to deliver assistance. Independent consultants, consulting firms, and MSOs compete in the marketplace for consulting contracts.
Development Partner or Intermediary	The sponsor has chosen a group of consultants to provide assistance to grantees. This group is often an MSO. Grantees are often able to exercise some degree of choice in selecting a consultant from the group.

While Capacity Grants delivered by independent consultants are by far the most common capacity building model used, two other combinations are highlighted in the coming chapters-Development Partners and Structured Projects, often delivered by an intermediary. The following table categorizes several well-known capacity building programs and other specific programs that are described in Chapters 3 through 5.

FIGURE 2. Featured Capacity Building Programs

Capacity Building Approach	Featured Programs	Delivery Method
Capacity Grants	Packard PCMI	Consultants
Development Partner	Shatil/New Israel Fund Community Resource Exchange/New York Foundation Management Assistance Group/Ford Foundation	Development Partners
Structured Program	National Arts Strategies Build for the Future SM (BFF) Matrix Edna McConnell Clark Foundation	Intermediary Intermediary Intermediary Assistance from funder and consultants

INVESTING IN CAPACITY BUILDING

FIGURE 3. Comparison of Nine Capacity Building Programs

Capacity Building Examples	Key Features of Capacity Building Programs				
	Sponsor	Primary Funder	Type of Grantee	Geography of Grantees	Costs per Grantee
Packard OE Grants	Grantmaker	Packard only	Several sectors, sizes	National	Average \$40,000
PCMI OD Grants	MSO	Pew Charitable Trusts	Arts organizations	Philadelphia Region	Up to \$80,000 for OD grants
Community Resource Exchange	MSO	Several	Community-based	New York City	\$10,000 per year
SHATIL	MSO	New Israel Fund	Community-based	Israel	\$10,000 per year
Management Assistance Group	MSO	Ford Foundation	Peace and social justice	National	\$6,000 per year
National arts Strategies	MSO	Many Funders	Arts organizations	National	\$12,000 to \$20,000 per year Plus grants
Build For the Future	MSO	Hayden Foundation	Boys & Girls Clubs	East Coast	\$3,000 for support Grants average \$194,000
Matrix	Consulting Firm-Community Impact Consulting	Stuart Foundation	Social service organization	National	\$10,000 to \$17,500 total cost
Edna McConnell Clark Foundation	Grantmaker	EMC only	Youth development	East Coast	\$1-\$4 million \$250,000 for planning consultants