findings

Capacity building: lessons from a pilot programme with black and minority ethnic voluntary and community organisations

Significant funding is being injected into capacity building initiatives but there has been little shared learning about concepts and models, practical implementation or effectiveness. A pilot programme to deliver capacity building to black and minority ethnic organisations across London offers lessons about building the capacity of voluntary organisations to flourish within the new environment by adopting more businesslike approaches and becoming more outward-looking. The programme was run by CEMVO. An evaluation of the programme, conducted by Jean Ellis and Shehnaaz Latif of Charities Evaluation Services, found that:

- Organisations which committed to the programme achieved some significant developments in services and organisational structures and broadened their funding base.

- CEMVO's business approach met most success in organisations that were semi-developed, often medium-sized. Good local authority support for the black and minority ethnic sector and for capacity building more generally was also an important enabling factor.

- The strategic approach of working with black and minority ethnic infrastructure organisations and networks as 'host' organisations for programme workers had the potential to add value and greater sustainability to capacity building, but was variable in implementation.

- Linking individual skill building with networking and bringing groups into local partnerships strengthened organisational capacity building.

- The complex cross-regional approach (across London boroughs) meant the programme required more management, administrative and logistical resources than were available under regeneration funding arrangements. This affected the programme's coherence.

- About a third of the organisations withdrew from the programme early, most often because of the pressure of the one-year development timescale and because organisations did not match the programme's model of capacity building. The very conditions which capacity building was designed to address – such as lack of secure funding leading to inadequate premises or staff resources – sometimes made it difficult for organisations to participate fully.

- The funding body measured success using government-defined outputs. However, these did not capture or value some key elements of capacity building – the organisational shifts, strategic approaches, building of alliances and addressing of power balances.

- The evaluation concludes that the business model of capacity building and rigorous approach were well adapted to the needs of more established organisations. Greater flexibility in relation to timescale and in applying the capacity building framework itself would increase its effectiveness and application to less-developed groups.

JOSEPH ROWNTREE FOUNDATION

Background

The Treasury 2002 Cross Cutting Review and subsequent Government agenda have put the role of the voluntary and community sector in public service delivery centre stage. The Review recognised capacity building as a means of ensuring that voluntary and community organisations have the skills, knowledge, structures and resources to realise their potential.

The Review also acknowledged the more acute barriers faced by the black and minority ethnic sector and its role in delivering government targets. Research has found that black and minority ethnic organisations were often poorly positioned to benefit from the opportunities and challenges provided by the new environment – an increasingly competitive market, complex tendering processes and more rigorous reporting procedures. Indeed, often black and minority ethnic organisations were most vulnerable as local councils shifted towards more strategic funding, and total grant funds were often reduced.

The Council of Ethnic Minority Voluntary Sector Organisations (CEMVO) capacity building programme was well timed, anticipating the policy agenda that emerged in 2001 and 2002. CEMVO established a pilot programme to deliver capacity building to black and minority ethnic organisations in London. The £2.5 million programme was funded under the Single Regeneration Budget (SRB).

This study aimed to evaluate how and where the programme added value. It provided the opportunity to reflect on how the programme equipped black and minority ethnic organisations to respond to the public services agenda and the new funding climate, and whether such methods were equally relevant to organisations without a public sector remit. With limited detailed evaluation of capacity building currently available, the study aimed to learn lessons that would inform the design and planning of new capacity building programmes.

How the programme worked

SRB funding permitted a pan-London programme, designed to have a significant impact and to lay a robust foundation for the long-term development and regeneration of black and minority ethnic communities in London. The programme was targeted at some of London's most excluded communities in the London boroughs of Bexley, Brent, Camden, Croydon, Ealing, Kensington and Chelsea, Lambeth, Lewisham, Merton, Redbridge, Tower Hamlets and Waltham Forest.

An emphasis on high quality delivery of capacity building was one of the features of the programme. CEMVO defines capacity building as development work that strengthens the ability of community organisations and groups to build their structures, systems, people and skills to better achieve their objectives.

Capacity building was delivered by officers with a bespoke MBA qualification and to a standardised model of diagnosis. It was based on a holistic model of organisational change and used a comprehensive, integrated approach across nine management areas, with organisations developing a portfolio of work that would provide evidence of achievement and be certified.

The programme consisted of an MBA-taught course for 15 capacity building officers and capacity building for two cohorts of black and minority ethnic groups from October 2001 to February 2004, each working within a tight one-year timetable. Over this time, 302 groups were capacity built according to CEMVO's model, although approximately one-third did not complete the programme. Less than one-third had portfolios certified. Work was started with a third cohort, but not completed when the programme ended in August 2004 due to lack of funding.

Lessons from the pilot programme

Did capacity building work?
For organisations able to make a firm commitment to this programme within the tight timetable, there was some sound evidence of organisational change. Groups surveyed mentioned a large number of management improvements, particularly in business planning, policies and procedural issues and in funding agreements gained and contracts won.

For example, of 93 groups for which data was available in the first cohort of capacity building, just over half had developed or expanded their services. A smaller percentage of groups (34 per cent) were recorded as having any change in numbers running them, with paid staff increasing from 167 to 256, an increase of 53 per cent. Some two-thirds of the new funding brought into participating organisations – £2.5 million recorded for the first cohort and £2 million for the second cohort – was again focused on a relatively small number of organisations.

However, change occurred at a number of levels and was not always easily summarised within defined areas of business management. Examples of this included a move away from individual or family influence on a trustee board or developing a more powerful role within the community and in relation to the local authority.

Groups assessed the importance they attached to the involvement of the capacity building officer in these developments. 57 per cent of first-year groups and 76 per cent of second-year groups said that the capacity building

officer was very important or important, and 25 per cent of first-year and 18 per cent of second-year groups felt that they were quite important in achieving change.

The evaluation found that organisations benefiting most from capacity building typically had sufficiently strong co-ordination at staff and management committee level to be able to make a commitment to the programme. This often meant they had already achieved a basic level of development, and had some sound systems in place when capacity building started. Groups varied in their ability to sustain the changes experienced during the programme. This was often most difficult to achieve for smaller organisations, where the funding remained unstable and learning had the potential to be lost due to changes in personnel.

Working with different organisations
One of the major lessons from the first year was that CEMVO's intensive, holistic and standardised approach was less suited for smaller, more embryonic organisations; for the second year of the programme, CEMVO issued guidance to work only with more established groups. Additionally, some organisations recruited were not in a state of health likely to respond effectively to capacity building. The very condition of the organisations which capacity building was designed to address – lack of funding, dedicated staff resources and time, and poor understanding of organisation management – sometimes made it difficult for CEMVO to work with them.

Establishing effective timetables
Even groups that remained with the programme experienced the tight one-year timetable as a pressure. Working to targets and the many demands of the work also meant that capacity building officers were not always able to provide the amount of face-to-face contact that organisations required to work to the standard.

CEMVO had a highly specialised model that required careful target setting to take into account demands of portfolio building, policy level work and other facets of capacity building. As a pilot, the programme showed how planning needs to consider how timescale, targeting and methods of work can affect efficiency.

A programmatic approach to capacity building
The programme did deliver initiatives in a significant number of locations and with some helpful activities provided centrally. It was a complex design and set-up requirements, such as the MBA programme, were demanding. Creating real added value from a programme approach required considerable investment centrally, but delays in agreeing funding in the first year and demands to meet targets from year one cut short the considerable planning time required to lay appropriate foundations

at the local level and to 'join up' programme activities. Central management resources were also insufficient to bring strong coherence to the programme and appropriate funds were not available for implementation costs at the local level, an essential element within the chain of capacity building.

Working with funders
The funding requirements also acted as a constraint. The London Development Agency's targets set a narrow definition of success, based on a particular model of social and economic regeneration. The monitored output areas did not recognise the importance of developing local networks, building alliances and community cohesion and creating access channels to decision makers and funders.

Working strategically
CEMVO designed its capacity building to be a replicable model. This in itself had value, with a programme rolled out nationally in 2004, and CEMVO the lead partner in a Tower Hamlets project agreed in May 2005. There were other elements that added to the strategic value and potential sustainability of capacity building. Placing capacity building officers with black and minority ethnic infrastructure and network organisations as host organisations was sound in principle. Where arrangements worked, they brought considerable added value, but in practice second-tier black and minority ethnic organisations were not always established or sufficiently robust, and this aspect required a higher investment in partnership working.

Work to strengthen the profile of the black and minority ethnic sector and their representatives, to link them to local councils, funders and commissioners and to place them within local partnerships was also important in creating a more sustainable effect. This work had to compete for time with organisational capacity building and was not specifically brought within recognised targets for funding. The success of this work was greatly influenced by the local policy environment, and the extent to which local authorities were receptive.

Various methods evolved for enabling less developed groups to have 'pre-capacity building' input and for linking organisations to further support, but this was less strategic. The intensive but relatively short-term nature of the engagement with organisations imposed by the funding regime, a timescale for work driven by annual targets rather than individual organisational needs, and feedback from groups all suggested the need for a more coherent entry and exit strategy.

Conclusions

CEMVO's capacity building programme was well-timed, anticipating the policy agenda that emerged in 2001 and 2002, with its emphasis on the voluntary and community sector's role in public services, and a funding environment demanding quality and value for money. The business model of capacity building and rigorous approach were well adapted to the needs of more established black and minority ethnic organisations, and greater evidence was found in those organisations of changes in strategic approach and funding. Greater flexibility in relation to timescale of implementation and in applying the capacity building framework itself would increase its effectiveness and application to less developed groups.

The research emphasised the importance of the process of engagement between the groups and the capacity building officer and the complex measures of change and success; this should be recognised when targets are set with funders. The design and resourcing of capacity building should also consider the implementation costs of building organisational capacity and individual skills, and of investment in the interlinked activities of building networks and alliances. The commitment of both the organisation and the capacity building officer is important to the capacity building process, but the context in which capacity building takes place is also critical. A linked focus at the community and policy making level provides a framework for sustainable organisational change.

About the project

A wide range of data sources and research methods were used. These included:

- document review, including capacity building officers' monthly reports and a sample of portfolios of work prepared with groups;
- monthly output and annual outcome monitoring forms completed by capacity building officers;
- face-to-face and email interviews with CEMVO capacity building officers, members of the programme team, CEMVO development officers, host organisations and other stakeholders;
- one-to-one interviews with 20 capacity-built groups and a workshop with nine capacity-built groups and a host organisation in one borough;
- postal questionnaires to both cohorts of capacity-built groups.

When the programme ended in August 2004 due to lack of funding, the researchers were able to obtain annual monitoring forms for only some of the capacity building officers for their second cohort of groups. This meant that quantitative data was obtained for the first cohort only. However, this was useful in complementing the rich qualitative data obtained from across the programme. This was supplemented with a case study approach, researching four different capacity building settings in detail.

For further information

The full report, **Capacity building black and minority ethnic voluntary and community organisations: An evaluation of CEMVO's London pilot programme** by Jean Ellis and Shehnaaz Latif, is published by the Joseph Rowntree Foundation.

Read more *Findings* at www.jrf.org.uk
Other formats available.
Tel: 01904 615905, Email: info@jrf.org.uk

JOSEPH ROWNTREE
FOUNDATION

Ref: 1928