Is Everyone Really Ready for the Task?

by Kien Lee

When several California foundations structured a response to the California legislature on the question of enhanced reporting regarding large foundations’ support of nonprofits serving communities of colors, the agreement downplayed the issue of mandatory public reporting in favor of strategies to better support nonprofits serving communities of color. In addition to commitments to help build a diverse pipeline of leaders for the nonprofit and philanthropic sectors and supporting ongoing research, a core component of the foundations’ plan was to build the capacities of nonprofits that serve communities of color or are led by people of color.

The foundations appear to assume that it is the nonprofits, not philanthropic grantmakers themselves that need capacity building. It also wouldn’t surprise me if the foundations assume a one-size-fits-all-capacity-building approach for all nonprofits that serve minority and low-income communities, including those that are led by people of color. They’re wrong; capacity-building for racial and ethnic equity is complicated. Nonprofits that serve minority and low-income communities do not operate in isolation. Effective capacity building of these nonprofits requires developing and redirecting the orientations and skills of a group of outside professionals who directly affect their success, including program evaluators, capacity-builders, and especially the funders themselves.

It takes both funders and the groups they contract and fund to “walk the talk” in order to have a successful capacity building process. Yet, the literature is dominated by toolkits, guidebooks, and studies about building the capacity of nonprofits, and not of foundations. Few toolkits and guidebooks for foundations (GrantCraft/PRE’s Guide to Grantmaking with a Racial Equity Lens among them) actually discuss the unique lens needed to support nonprofits that serve minority and low-income communities. Other frequently cited sources, such as Connolly and Lukas’ Funders’ Guide to Capacity Building and the Grantmakers for Effective Organizations’ Funding Effectiveness—contain almost no information about working in racially, ethnically, and culturally diverse settings. Only one author in GEO’s Funding Effectiveness, Rick Cohen, pointed to the lack of diversity among foundation program staff and capacity builders, and how this limits the capacity of foundations and management support organizations to assist nonprofits led by people of color and that work with minority and low-income communities.

The situation is similar in the nonprofit capacity-building and evaluation professions, though in the last few years the national professional associations for these sectors have stepped up their efforts to elevate the importance of cultural competency, that is, the ability to understand the history and context of minority and low-income communities, the roles that nonprofits play in these communities, and the approaches needed to promote equity through their work. The American Evaluation Association, with support from the W.K. Kellogg Foundation, launched the Building Diversity Initiative in 2001. The goal was to diversify the profession and create a pipeline for emerging evaluators of color. Since the initiative ended, a core group of evaluators has been working proactively to institutionalize cultural competency standards in the association and in the field.

Likewise, the Alliance for Nonprofit Management established the Cultural Competency Initiative in 2005; the initiative’s goals were specifically to 1) research and document culturally-based practices in nonprofit capacity building, and 2) provide training and resources for nonprofit capacity builders and nonprofit leaders to develop the awareness, the will, and the skill to practice cultural competency effectively. This initiative’s evaluation shows that while this topic was increasingly discussed at the alliance’s national conferences and among some alliance members, many capacity builders were still not ready to consider cultural competency a required skill.
Anecdotal and impartial evidence from the evaluation of the above initiatives suggests that change has to simultaneously occur in the philanthropic, evaluation, and capacity-building sectors to ensure that the capacity building of nonprofits that serve minority and low-income communities occur in a culturally competent manner. Foundations have to recognize this, understand this, and support this; they cannot operate as if it is just the nonprofits that require strengthening. They have to look at their own grantmaking and contracting practices.

**Foundations Must Change Their Grantmaking and Contracting Practices**

Foundations could start by scrutinizing their criteria for a capacity-building grant. Foundations value well-written proposals that contain clearly articulated problem statements and performance measures. Such proposals are usually submitted by large established nonprofits that have been socialized into the culture of philanthropy. Unfortunately, frequently these nonprofits are not close enough to the ground to fully understand and appreciate the history, context, and culture of minority and low-income communities.

Therefore, foundations have reconsider the diagnostic and evaluation tools they typically use to identify areas for capacity building and to monitor the nonprofits’ progress. These tools usually contain questions about the following characteristics demonstrative of a healthy organization: clear vision, mission, and values; strong leadership, governance, and management; strong program development and delivery; diverse funding base and strong financial management; strategic relationships; and infrastructure for learning and evaluation.

Nonprofits that work with minority and low-income communities, however, have to build additional capacities. They need capacity to: understand how these communities are organized to support their members; engage these communities’ leadership to advocate for policy and systems change; navigate the intergroup and intragroup dynamics in these communities; respond to constant changes in their environment; sit at more than one “table” and be a player, and develop and disseminate the solutions that work for the particular community they serve. These capacities are usually left out of traditional organizational assessments and evaluations.

Further, this additional set of capacities requires foundations and nonprofits (especially the large established ones) to acknowledge the disproportionate power distribution in our society and the part they play in perpetuating the status quo. The nonprofits’ part gets little attention in the literature. In evaluations I have conducted about collaborations (e.g., Initiative to Strengthen Neighborhood Intergroup Assets, Community Foundations/Intergroup Relations Project), the cultures of large established and small grassroots nonprofits often clashed, even though they shared a commitment to strengthen the minority and low-income communities they served. The large established nonprofits (both majority- and minority-led) enjoyed the status quo because they had access to all kinds of resources, while their smaller counterparts (usually minority-led) were trying to change the status quo so that they too could have the same access.

*Are foundations prepared to build the additional capacities required by nonprofits that serve minority and low-income communities? Do foundations understand the unequal distribution of resources between large established and small grassroots nonprofits and be prepared to change their practice to level the playing field?*

Another important factor affects the unequal playing field. It is no secret that our communities are rapidly changing because of global migration. As a result, many nonprofits led by immigrant leaders are emerging in response to the needs of their communities. These nonprofits have staff who are passionate and committed, but unfamiliar with the grant-writing process and philanthropic culture. These nonprofits probably don’t have the resources to hire a professional grantwriter. Consequently, they are at a disadvantage.

Even if the immigrant-led nonprofits were fortunate enough to get funded, they may be deemed unsuccessful if the criteria for progress are based on the traditional capacities expected of nonprofits.

*Are foundations willing to change their grantmaking criteria for capacity building? Are they willing to take the time to understanding nonprofits that do not look, act, or sound like the nonprofits they typically fund? Are they willing to provide intermediate funds (e.g., to teach the nonprofit staff how to write a proposal in response to a request) as a first step towards full and more conventional capacity grants?*
Finally, if foundations were to become more effective in building the capacity of nonprofits that serve minority and low-income communities, they also have to examine their criteria and selection process for management support organizations (MSOs) and program evaluators. The criteria for a suitable MSO and program evaluator should include cultural competency.

Some foundations have started to ask MSOs and evaluators about the racial and ethnic diversity of their leadership and staff as a reflection of this competency. Such counting is helpful, but not enough. Foundations have to ask the MSO and evaluator to explain their values and practices that support cultural competency and social equity.

**MSOs Must Become More Culturally Competent**

*Can foundations move beyond funding “solutions” to becoming part of the solution itself?*

The Alliance for Nonprofit Management posits that capacity building must be a culturally competent process that pays attention to historical realities and the community’s assets in its own cultural context in order to foster change that will result in a just society.¹⁰ Culturally competent capacity building practices are still being developed and not widely accepted as a core competency for capacity builders. Rick Cohen mentioned also in GEO’s *Funding Effectiveness* book that the nonprofits surveyed by the National Committee for Responsive Philanthropy routinely bemoaned the lack of diversity among capacity builders, a comment I and others¹¹ also hear all the time when evaluating capacity-building initiatives.

Another challenge my colleagues and I frequently encounter in our evaluations of capacity-building initiatives is the engagement of national MSOs to do capacity building because they are more well known and credible among foundations. But they are not familiar with the local history and context of the communities they assist and they usually don’t apply a lens that focuses on power differences between majority and minority groups. While nonprofits may benefit from these MSOs’ national perspective and broad experience, they don’t get a tailored approach that is responsive to their local dynamics. Foundations need to require these national organizations to demonstrate their cultural competency and/or partner with local experts.

It takes a level of intentionality to ensure a culturally competent capacity-building process. Foundations must be willing to invest the time and effort to be that intentional. I am fortunate to have evaluated the Jessie Smith Noyes Foundation’s national effort to build the capacity of nonprofits advocating for sustainable food policies that benefit minority and low-income communities. The program officer recognized from the outset that some of these nonprofits’ proposals were not well-written but still deserved a closer look because of the nature of the issues they were addressing. She also recognized that if funded, these nonprofits required more intensive capacity building than others. These challenges did not turn her off from working with these nonprofits; on the contrary, she developed an honest relationship with these grantees and openly discusses issues related to race, ethnicity, and power with them. She goes out of her way to identify capacity builders who understand the history and context of minority communities, food and agriculture issues that affect these communities, and challenges faced by nonprofits that get involved in advocacy work. As a result, the grantees get the best of all worlds.

As I stated in the beginning of this article, effective capacity-building of nonprofits that serve minority and low-income communities requires developing and redirecting the orientations and skills of professionals who directly affect the success of nonprofits. This includes MSOs; however, MSOs can’t do it alone. Foundations have a part in changing their practices by setting higher performance standards and increasing the demand for culturally competent capacity building.

**Program Evaluators, Too**

Program evaluators have an important role in evaluating nonprofits’ work and generating evidence-based models; thus, they are part of the process of building the capacity of nonprofits. Unfortunately, like the capacity-building sector, cultural competency is not yet a required skill among program evaluators, in part because there is not sufficient demand for it by the foundations who pay for evaluations as well as the nonprofits that are being evaluated.
A few consequences occur when program evaluators do not practice cultural competency. First, they could pick the wrong measures, which might deem the nonprofit unsuccessful or noncompliant. Second, they might assume that the playing field is level for every racial and ethnic group and inappropriately compare groups to each other. Third, they might conclude wrongly that race is the factor causing group differences because they failed to control for other key factors (e.g., income, education level, gender, age) and to carefully study the context for other possible explanations for the group differences. Evaluators, like MSOs, directly affect the success of nonprofits that serve minority and low-income communities.

I was part of an evaluation that involved two Native American nonprofits’ effort to address the impact of exposure to violence among young children. After spending a few months on the evaluation, my colleagues and I quickly learned that these nonprofits needed time to deal with the historical trauma their communities have experienced for decades. Any expectations for the organizations to progress more quickly would have been unrealistic. They could not implement an effective mental health intervention for the child victims without first initiating a community-wide healing process and preparing the community to talk about the taboo subject of the violence that has affected their families for generations. Had we not paid attention to community context and history, but instead inappropriately compared these nonprofits to other grantees in the initiative, these two grantees could have been perceived as behind schedule and less successful.

Culturally competent evaluation practices such as understanding how another racial, ethnic, and cultural group values data and views the people who collect the data, identifying the appropriate key informants to engage (which requires the evaluator to understand the social organization of the community involved), and providing professional translation and interpretation during evaluation activities (e.g., focus groups, surveys) require time and resources. Further, evaluators usually have to assist the smaller nonprofits develop systems for collecting data. The problem, however, is that evaluations that look at the efforts of the smaller nonprofits, particularly those led by minority persons, rarely get enough funding to do the above. I often see Requests for Proposals that range between $20,000 and $50,000 for a regional or national initiative that involves ten or more grantees. Culturally competent evaluators recognize this and must decide if they can actually meet the foundations’ expectations without compromising their practices, or if the effort is critical enough for them to do it no matter the cost. The more perilous situation is if a culturally incompetent evaluator gets selected for the evaluation contract because he/she did not account for the costs associated with the above practices.

Are foundations ready to change their selection criteria for evaluators? Are they willing to re-examine the resources they allocate for culturally competent evaluations?

In conclusion, effective capacity building of nonprofits that serve minority and low-income communities is a complex, nuanced process that simultaneously requires the capacity building of foundations, MSOs, and program evaluators. These nonprofits do not operate in a vacuum or static environment and the responsibility to create an equitable society is not theirs alone. Are the philanthropic, capacity building, and evaluation sectors and their leaders ready to step up to the plate and share this responsibility?

References


3 *Grantmaking with a Racial Equity Lens* (GrantCraft and Philanthropic Initiative for Racial Equity, 2007).


5 Will Pittz and Rinku Sen, *Short Changed: Foundation Giving and Communities of Color* (Oakland CA: Applied
7 Connolly & Lukas, 2004.


12 *The Role of Culture In Evaluation* (Denver, CO: The Colorado Trust, 2006)