Investing in Community Capacity Building

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by

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Community building is more an orientation than a technique, more a mission than a program, more an outlook than an activity. It catalyzes a process of change grounded in local life and priorities. It addresses the development needs of individuals, families, and organizations within the neighborhood. It changes the nature of the relationship between the neighborhood and the systems outside its boundaries. Community building is based on the belief that inner-city residents and institutions can and must be primary actors in efforts to solve the problems of their neighborhoods [Schorr 1997: 361-362].

Introduction

The purpose of this paper is to discuss the role of community capacity building in neighbourhood revitalization and the implications for the way in which such work is funded.

The paper briefly reviews recent trends in funding practices. It then discusses the nature of community capacity building and the challenges it poses, drawing upon the Action for Neighbourhood Change initiative as a case in point. Finally, the paper explores the journey upon which some funders have embarked to support community capacity building. It identifies ten steps that funders can take to advance their efforts.

The argument of the paper is that the dynamics of community capacity building require new ways of thinking and acting on the part of funders. The key is not tighter control over funds but closer relationships with communities. By deepening their role as partners and co-learners, funders can responsibly make the flexible, responsive and long-term investment needed to achieve the results that they and communities are seeking.

Recent Trends in Funding Practices: A Difficult Decade

New approaches to funding community capacity building are best seen as the reverse side of a more problematic recent history in the funding of community work. The Canadian Council on Social Development (CCSD) has described recent changes in the way voluntary sector and community initiatives are funded – particularly though not exclusively – by government:

In the 1990s, in an environment of fiscal constraints, governments cut direct financial support to many nonprofit and voluntary organizations that they had funded for decades. But the changes in funding mechanisms were more profound than just cutbacks for many (although cutbacks were profound enough for some organizations to close their doors) – the relationship itself between government and nonprofit and voluntary sector organizations changed.

This new relationship is reflective of a philosophy that introduced values associated with the private marketplace – competition, diversification, entrepreneurialism, innovation, focus on
the bottom line – into the mix with more traditional public sector values of accountability, stability, responsiveness to clients and community, and serving the public interest [Scott 2003: 8].

In its recent follow-up study on funding practices in Canada, the CCSD described this change as a shift away from ‘giving’ or ‘investing’ toward a ‘shopping’ style of funding [Unwin 2004].

In the giving mode, funding is essentially an open-ended transfer of resources in which there is typically no expectation of a specific return on the part of the donor. It allows the recipient a high degree of latitude with respect to how the funds are employed. In the investing mode, funding is focused on a long-term view of desired goals. It often involves a close working relationship between the funder and the recipient, and aims to build equity, create assets against which other resources can be leveraged and facilitate dynamic growth. In the shopping mode, however, the role of funders is both more directive and restrictive. Here funders tie payments to defined activities and outcomes, and include provisions for the active monitoring of inputs, outputs and outcomes [Scott and Struthers 2006: 7-9].

In general, the move toward a shopping-style of funding can be seen as an effort on the part of funders to improve outcomes by tightening their control over how their resources are used. Regrettably, such control tends to run against the grain of community capacity building efforts. In such initiatives, community participants must have leeway to learn how best to tackle the challenges they face. For various reasons, this learning requires funding support that is flexible (which is not to say entirely open-ended) in terms of both the specific goals pursued and the pace at which action unfolds.

**Complex Problems, Community Capacity Building and the Challenge for Funders**

Ultimately, the funding challenge is not about money per se. Rather, it is about the relationship between funders and communities. The vital role of relationship is apparent in current thinking about the nature of complex problems and what is needed to address them.

Complex problems are now understood to be different in kind from other problems. What distinguishes them is not the number of elements they involve but the dynamic relationship among these elements. In such problems, multiple interdependent factors continually shape one another. The result is a problem that is constantly shifting and can be addressed effectively only when a wide range of partners work together on an ongoing basis to adjust and readjust how they affect one another through the decisions and actions they take.

Funders do not stand outside this web of relations. Rather, they are critical players within it. Understanding the local context and responding flexibly to its changing needs are key components to their role.
Comprehensive, collaborative approaches to neighbourhood revitalization

In the realm of neighbourhood revitalization, such thinking about complex problems is reflected in a new generation of community work often referred to as ‘comprehensive community initiatives.’

According to the Aspen Roundtable on Community Change, these new initiatives are place-based (anchored in geographically defined neighbourhoods or communities), comprehensive in their programmatic scope (working across a wide range of issues) and community-building in their operating principles (committed to developing capacities and connections of individuals and organizations) [Auspos and Kubisch 2004: 2].

These initiatives emerged in response to “accumulating evidence that services meant to improve the life prospects of the poor were often proving ineffective – at least in part because they were so fragmented” [Schorr 1997: 315]. They rejected the tendency to address issues such as poverty, employment, health, crime, education and housing in isolation from one another. Instead, they endorsed “the idea that the multiple and interrelated problems of poor neighbourhoods require multiple and interrelated solutions ... and insist on combining physical and economic development with service and education reform, and all of these with a commitment to building community institutions and social networks” [Schorr 1997: 319].

While each comprehensive community initiative has its own personality, all bear a family resemblance to one another. Typically, such initiatives:

- pursue broad, multiple goals
- promote multisectoral collaboration
- combine different strategies to enhance their effectiveness
- seek changes in a number of spheres (e.g., employment; housing) and levels of action (e.g., individual, organization and community)
- pursue some combination of community empowerment, ownership, participation, leadership and community capacity-building
- are intentionally flexible, developmental and responsive to changing local conditions
- recognize the long-term nature of fundamental community change and employ relatively long-term time frames [Brown 1995: 2].

Important lessons are being learned from these initiatives about the role of community capacity building, the challenges it involves and the support it requires.

Community capacity building in comprehensive community initiatives

While comprehensive community initiatives were developed in response to the limitations of established approaches, they also seek to build on the strengths of past practices.
Given the central role of relationships in complex problems, it is little wonder that community building is reemerging as an important body of practice. At its heart, community development is “an approach that brings individuals of diverse interests together to achieve a common purpose” [Frank and Smith 1999: 17]. Longstanding principles of community organizing and capacity building are being revived and re-worked as components of these initiatives.

Within the realm of community building, different terms highlight diverse aspects of the overall process. For instance, community capacity building tends to focus attention on the community’s effectiveness at addressing problems or achieving goals. Of particular interest here are the abilities to: “develop and sustain strong relationships; solve problems and make group decisions; and collaborate effectively to identify goals and get work done” [Mattesich and Monsey 1997: 3]. Community development, on the other hand, highlights the developmental nature of the work – not a quick fix or a short-term response but a long-term, gradual process for fostering the qualities needed for community health and well-being [Frank and Smith 1999: 7]. As for community organizing, the watchwords here are resident engagement, community ownership and empowerment: building links among local residents so that they can act together as a constituency for change [Traynor 2002: 9].

While various terms highlight different dimensions of the work, together they describe a well-developed body of principles and practices. Typically, initiatives of this kind:

- strive to promote community well-being broadly conceived
- affirm the right of residents to have a say in their own affairs
- recognize the value of local knowledge
- strive to be participatory, inclusive and empowering
- acknowledge and respect diversity
- foster positive relations among participants (social capital)
- are responsive to local circumstances and perspectives
- seek out the linkages among various issues (holistic)
- recognize and build on existing strengths (asset building)
- involve a long-term perspective and commitment
- enable growth and change over time (developmental)
- utilize learning as a key tool for change.

Lessons from Action for Neighbourhood Change

Rooted in this tradition, Action for Neighbourhood Change (ANC) has modelled an asset-based, resident-led approach to neighbourhood revitalization. Sponsored jointly by a series of federal government organizations, ANC was a two-year pan-Canadian action research project involving four national and five local partners working in five selected neighbourhoods across the country.
Underlying the initiative was a recognition that development is a do-it-yourself process: If you don’t do it yourself, development doesn’t happen [Jacobs 1984: 140]. Active involvement of neighbourhood residents is required.

At the same time, ‘do-it-yourself,’ does not mean ‘do-it-alone.’ Rather, it means neighbourhood residents having a seat at the table along with everyone else involved: government, nonprofit and business partners based both inside and outside the neighbourhood [Leviten-Reid 2006: 3]. Collaboration among diverse partners is also critical for success.

Moreover, the ANC initiative understood that healthy neighbourhoods are those that are able to sustain their development over time. Ultimately, this sustainability is achieved by building a stockpile of assets that can be used to generate income, weather hard times and innovate in response to changing circumstances. More than just financial or physical, such assets are both cultural (ways of thinking and acting) and social (connections with others). By developing a critical mass of assets in these different areas, neighbourhoods are able to meet their needs and aspirations on an ongoing basis [Leviten-Reid 2006: 4].

In this light, resident participation is integral to both the process and outcome of neighbourhood revitalization. Such involvement is the very basis through which the neighbourhood is able to build the array of personal and community assets needed to ensure its long-term vitality [Leviten-Reid 2006: 4].

Based on the ANC experience, a number of recommendations can be made with respect to how such neighbourhood revitalization processes should be pursued:

- *Go slow and let the community lead:* The engagement process requires a substantial investment of time and effort. Building relationships with and among residents is the foundation of the revitalization process. The benefits from this investment are felt long beyond the start-up phase. Moreover, it is important to be transparent about the open-ended nature of the process and its reliance on direction coming from the community. By not rushing ahead, facilitators allow residents the space needed to gradually take ownership of the process and to push it ahead as they see fit.

- *Hear the soft voices:* Special attention is needed to develop an inclusive engagement process capable of hearing the voices of individuals and groups that may not normally be heard. Outreach efforts to youth, various cultural and language groups, and other residents are required.

- *Value informal connections:* Informal connections involve personal exchanges that help build relationships of trust. They also facilitate the involvement of people who may be uncomfortable with more formal events or procedures.
• **Invest in capacity building throughout:** Involving residents as organizers, animators and researchers is one means of anchoring these initiatives within the community. Residents who participate in this way bring with them an established knowledge of the community and relationships with other residents. Providing training sessions to enable participation in specific aspects of the initiative (e.g., community animation, small group facilitation and community research) transfers skills to local residents and builds the community’s capacity to address its needs on an ongoing basis.

• **Build capacity of local organizations to engage in community development:** Not all community agencies have a community development orientation or personnel with skills in this area. Local and national intermediaries can support the long-term process by helping local agencies to build capacity in this area.

• **Show tangible results early:** Although community building is a long-term process, achieving tangible results early on is important for building confidence in the process – both for funders of the initiative and perhaps even more so for residents who often want to be assured of its practical value. Tangible signs of progress may come in many different forms including training events for local animators or researchers, ‘legacy documents’ describing community conditions and plans, improved access to existing programs and services, and new projects or initiatives.

• **Anticipate turbulence along the way:** Change is stressful. It can open up issues and relationships around which residents have different perspectives. It also may expose differences in approaches among the various agencies working to address neighbourhood concerns. While difficult and challenging, such strains are often a positive indication that important issues are being addressed. The point is not to avoid tensions but to find productive ways of responding to them when they do arise. Conflict may, in fact, be a source of innovation [Leviten-Reid 2006: 9-10].

**Challenges for communities…and for funders**

Under any circumstances, community building is demanding work that requires care, attention and skill. However, the scale, complexity and pace of change associated with comprehensive community initiatives compound the challenges involved. Considering both the ANC experience and literature on comprehensive community initiatives, a number of key issues can be identified with which neighbourhoods – and their funding partners – must contend. The defining features of such initiatives include:

• **They are time and energy intensive** – The relationship building that is critical to these processes cannot be rushed. It takes place as much or more through personal contact.
between individuals in small, informal gatherings or over a cup of coffee as in large meetings. Moreover, the trust which is so essential for enabling collaboration is a “studied trust” [Bradford 2005:46] – it is earned over time as people have the opportunity to observe one another’s behaviour and determine whether words align with deeds. Patience is required, especially in the early stages of the development process when the foundation for long-term collaboration is being set.

- **They are highly contingent on the opportunities and challenges posed by a changing context** – To be successful, community-based initiatives need to be responsive to changing local circumstances. In this respect, they may appear to be ‘messy’ processes that periodically stray from their intended course. However, in order to tap into the local energy that is so critical for bringing about positive change, initiatives must be opportunistic and entrepreneurial. Maintaining a focus on long-term plans must be reconciled with this need to respond flexibly to changing conditions.

- **They do not follow a straight-line path of development** – The learning process that underlies the long-term development process has its own rhythm and pathway. It may stall, take side trips or require circling back before moving ahead. As one funder observed about a particular neighbourhood initiative: After three years of support, the initiative appeared to be a disaster; however, it then gelled and became a thriving concern [Kubisch 2002: 65].

- **Committed effort is required to engage residents, particularly those who tend not to be involved or included, and to maintain involvement** – There are many challenges associated with ensuring that residents are included as meaningful participants in neighbourhood development processes. Faced with more immediate personal concerns, residents may not have the time or energy to engage in a broader community initiative. Even if they do wish to contribute, the hardships and stresses of living in poverty may make it impossible for them to participate on a consistent basis. Logistical factors, such as transportation and child care requirements, also need to be addressed. There are many factors that discourage participation: doubts that participating will lead to any positive changes, previous experiences with consultation processes and studies in which the input offered ultimately was ignored, discomfort about participating in formal meetings, and concerns about expressing criticisms about existing programs and services to people in positions of power and authority [Torjman and Leviten-Reid 2003: 9].

- **Process needs to be balanced with outcomes** – The dual commitment of comprehensive community initiatives to both process and outcomes is a source of tension. Judgment is needed throughout the initiative to ensure that both the need to achieve tangible results and the need to build underlying capacity are addressed. One without the other will not achieve the long-term purposes of participants. It is like a car trip: Without a well-functioning vehicle you can’t go anywhere; without a specific destination, you have nowhere to go [Bopp et al. 2002].
• **The change processes they foster can stir conflicts as well as build partnerships** – By its nature, a large-scale change process will disrupt the established patterns of relationship. Doing so will create tensions and conflicts. Role confusion and power struggles need to be addressed effectively so that the end result is a stronger community better able to meet its goals and objectives.

• **Skilled and thoughtful leadership is needed throughout** – A community building process “does not just happen – it requires both a conscious and a conscientious effort to do something (or many things) to improve the community” [Frank and Smith 1999: 6]. Leadership is needed that can bring good judgment to balancing the many tensions that these initiatives involve: long-term vision with short-term goals; comprehensive perspective with specific, concrete initiatives; challenge and stimulation with support and encouragement; a desire for unity and consensus with openness to diversity and debate. The demands on leaders are great and there is a need to foster new leaders who can share this role as initiatives unfold over the long term.

• **Developing intermediary organizations and structures for collaborative governance** – Given the scale and complexity of comprehensive community initiatives and the ambitious nature of their goals, it is not viable to rely on one or two individuals, no matter how skilled, to carry out the convening and facilitating role. Increasingly, communities are developing specialized structures, referred to as local intermediaries, convenors or community support organizations, to foster the capacity building and systemic changes these initiatives seek. Building a community’s convening capacity is a challenge in itself. While such ‘hubs’ [Frank and Smith 1999: 19] can take many different forms, some mechanism for collaborative governance is needed to guide and support the development process.

**Funding Capacity Building for Neighbourhood Revitalization**

Some funders are seeking to achieve improved outcomes on difficult social issues by asserting more top-down control, narrowing the focus, shortening the time frames and expanding the reporting requirements for funding. Others are seeking new ways to relate to and support communities.

Propelling the search for new ways of doing things is a perception that the old ones no longer work. What binds funders and their community partners is a desire for tangible results in addressing the challenges facing their communities [Connor and Kadel-Taras 2003: 5-6]. Funders who adopt a community capacity building orientation often do so out of a sense that conventional funding strategies cannot keep pace with the array of complex problems confronting communities.
In describing the origins of its *Nurture the Future* initiative, the United Way of Chatham-Kent articulates precisely this concern. *Nurture the Future* is a multisectoral community capacity building project focused on identifying assets and capacities that can be mobilized to address community needs.

United Way [of Chatham-Kent] saw the need to direct our limited resources to the growing social needs in our community. While we continued to be a successful fundraiser, with campaigns regularly exceeding inflation, our community’s needs continued to expand even faster. We realized that we needed to refocus our efforts on a strategy that would begin to address the conditions that created the needs our funding was addressing or we would continue to fall behind. We needed to focus more energy on community-wide prevention strategies. United Way initiated the Chatham-Kent Community Capacity Builders Forum in October of 1997 and created the Nurture the Future Project to maximize existing resources and address emerging community issues in a tri-sector partnership [Peter F. Drucker Award website].

This same type of thinking supported the United Way of Regina in developing a community capacity-building orientation in its work.

The only metric of success couldn’t be the amount of money our organization was raising and allocating. No amount of money would ever be enough to solve the problems we are confronting in our community. Some level of exhaustion (within the organization and outside of it) was beginning to set in with respect to the old way of thinking and acting. Donors indicated that what really mattered to them was seeing actual progress on the issues themselves. Their message and that of others in the community was essentially: “Start picking priorities and moving the needle on these issues.” This helped our United Way begin to shift the way it was thinking about and measuring its own effectiveness. It was one piece of a longer-term process in which our organization explored what it meant to take a community building approach to its work [Interview with Vic Huard 2005].

If such a shift in orientation is the crucial starting point for funders interested in finding new ways to work with communities, where do they go from there? At least ten measures can be identified.

1. **Get closer to community**

   As suggested earlier, what’s at the heart of current issues pertaining to funding and community capacity building is not money *per se* but relationship.

   Funders keen to find new ways of supporting communities typically begin by entering into an extended dialogue with community members to understand more deeply their challenges and aspirations, and how the funder can be of assistance. Building a new relationship means revisiting the
immediate issues of concern to communities, the long-term process for addressing those concerns and the role that the funder may play. Ultimately, it means becoming a partner and co-learner in the long-term and evolving process of community renewal.

In the first year of Nurture the Future, we visited every corner of the community to facilitate small group visioning sessions on the future of our community. We visited rural and urban communities, formal and informal organizations, health, social service, cultural, seniors, youth, recreation, service and many other kinds of organizations. Volunteers from across the community were recruited and trained to go back to organizations that they knew to facilitate these small-group discussions [Peter F. Drucker Award website].

This approach was also the path followed by the United Way of Halifax Region. For much of its early history, this local funder worked as a flow-through charity. Money collected through door-to-door campaigns and workplace payroll deductions was passed on to the charities that worked directly with those in need [United Way of Halifax Region 2006: 1].

In the 1990s, however, United Way came to a crossroads. Although it was widely known and trusted as an organization that assisted all parts of the community, it was best known simply as a fundraiser. In various ways, this role appeared to have reached its limits: The organization’s campaign had stopped growing, aging donors were leaving the workplace and not being replaced by people with the same tradition of giving, and corporate donors were rethinking their approaches to philanthropy. At the same time, government was downsizing, community needs were increasing and some member agencies had come to see their annual United Way contribution as an entitlement. The time had come to rethink.

According to Joanne Linzey, the organization’s President and Chief Executive Officer at the time:

The question really was: What value did United Way bring to the community? What difference did it make? Answering those questions meant bringing people together to dream and strategize how to turn a vision into reality. Volunteers participated in weekend retreats, facilitated conversations long into the nights, on weekends, in the hallways and at board meetings. I talked to people across North America wrestling with the same kind of questions. All along the way, there was a commitment to honesty, openness and transparency [United Way of Halifax Region 2006: 1].

Overwhelmingly, people said that they wanted United Way to be a leader in facilitating change in their community. The consultations enabled the organization to develop a new way of working with the community. Instead of the traditional charity model that focuses on responding to needs, the organization moved to a model based on the belief that everyone has strengths on which to build. This belief does not deny there are issues and problems. But instead of simply providing Band-Aids year after year, United Way of Halifax Region now tries to help communities find their own cures [United Way of Halifax Region 2006: 1].
ii. Recast principles to reflect capacity-building goals

Funders that have gone through this process typically encapsulate the lessons learned by recasting the principles guiding their work. This was the case, for instance, with the United Way of Halifax Region. Its principles now reflect an asset-based capacity building perspective:

- **Asset-Based**: Resources are distributed to build on skills, knowledge and abilities that exist in the community.
- **Capacity Building**: Expanding skills and abilities to increase capacity will help organizations meet ongoing challenges and maximize new opportunities.
- **Making a Measurable Difference**: Initiatives funded by United Way of Halifax Region are required to demonstrate the results of their work.
- **Flexibility**: Flexibility in funding ensures support for diverse issues, neighbourhoods, communities and organizations.
- **Collaboration**: Organizations working together to strengthen the community.
- **Stewardship**: United Way is accountable to donors to ensure prudent, effective and efficient distribution and use of its resources in accordance with these principles. The role and responsibility of United Way and funded groups are governed by agreements that reflect this stewardship role and these principles [United Way of Halifax Region nd.].

Similarly, the United Way of the Lower Mainland, long interested in community building, engaged in extensive community consultation and internal research over at least a three-year period as it re-focused its work in the community. It concluded:

Over the past three years, we have learned about United Way’s role in social sustainability and how we prepare for the future. These lessons include:

- We need to be vigilant about addressing root causes of social problems and conditions – and we need to inspire all of the different sectors to want to come to the table to address these issues together – to address what really matters to all of us.
- We need to promote vehicles for sharing promising practices and applying what we learn in a real way at the ground level – both formally and informally.
- We must support preventive approaches and activities that promote community and agency capacity building, strengthening the social safety net for all residents.
- We need to support and promote stability in times of massive social and sectoral changes. This occurs in many ways, and a voice is needed.
- We need to work together differently – we know that many service providers are experimenting and exploring ways of doing their business differently. We have supported these initiatives and will continue to support them in the future.
- We also need to engage all sectors in all of our work. In the end, social sustainability will depend on the extent to which improving social health and well being is shared and championed by all sectors and each of us [United Way of the Lower Mainland 2004: 7].

A third example is the United Way of Regina. It also undertook major consultations with its member agencies, donors and the community at large to help re-think its role. Out of this process, it articulated the following community building principles:
1. We believe that all communities have strengths and assets among their members and that they can build on them.
2. We believe effective community building is community based, community paced and community directed.
3. We believe every member of the community has a right to be part of the process.
4. We believe that building community relationships are as important as the outcomes.
5. We believe in working together, offering resources for community building.
6. We believe community building is a continuous process requiring a long-term commitment [United Way of Regina nd.].

Such examples illustrate the experience of other United Ways that have pursued similar processes. And it is not only United Ways but also a variety of private foundations, community foundations and even some government funders whose experiences echo those presented here.

**iii. Fund communities and systems rather than projects**

The move toward community capacity building entails a shift in focus from the parts to the whole. This is the case both for funders and the community groups with which they work.

Tackling complex problems raises a great deal of uncertainty. Given the multiple and interdependent factors involved, and the presence of many stakeholders with different views, it can be difficult to determine precisely how best to define such problems, let alone solve them. Often in the past, funders have avoided these uncertainties by focusing on discrete parts of the problem more amenable to analysis and solution. By dividing the problem into separate issues, categories and funding pots, funders are able “to target their resources carefully, dig deeply into only a few issues, and find their niche in the larger field” [Connor and Tadel-Karas 2003: 7]. Whether by their own design, or as a response to funding opportunities, community groups often follow the same pattern. The result is that “social problem-solving in communities ends up divided into uncoordinated, piecemeal services” [Connor and Tadel-Karas 2003: 7].

To some extent, this breaking down of issues enables a level of technical expertise to develop with respect to specific aspects of complex problems. However, the weakness of the more specialized approach, and the associated ‘silod’ public policy and funding streams, is that the linkages across these spheres of activity are not well addressed. As a result, community members in need of assistance fall through the cracks in the system and opportunities that might be realized through interorganizational collaboration go unfulfilled.

In their analysis, Connor and Tadel-Karas conclude that: “Funders and communities are weighed down by past ways of working – such as fragmented problems, fragmented resources, uncoordinated public policies, and turf protection – that are no longer very helpful” [Connor and Kadel-Taras 2003: 17]. What is needed instead is to “work at a systems level, crossing artificial boundaries of sectors and programs so community problems can be addressed in a comprehensive
way” [Connor and Kadel-Taras 2003: 20]. They liken the situation to shifting attention from the frog to the ecosystem: from seeing the issue of concern as an isolated reality to appreciating the web of relationships in which it exists [Connor and Kadel-Taras 2003: 7].

If communities “are now going to bring the specialized knowledge and services together to address the whole, they need foundations that are also prepared to work on the whole problem” [Connor and Kadel-Taras 2003: 9]. Essentially, this means supporting initiatives that bring together all of the players involved in a particular setting (such as a neighbourhood) or issue (such as poverty, employment, health or safety).

iv. Support the core process

Fundamentally, community problem-solving requires some kind of supportive infrastructure to accomplish the multiple tasks of collaborative work. Such initiatives “need someone who is keeping an eye on the ball at all times – finding answers to questions, involving additional participants as necessary, handling logistical details and assuring that the process is achieving results. These efforts also need someone who will continually remind the group of its highest aspirations and challenge attempts at compromise or consensus that fall short of these aspirations” [Connor 2003: 1].

While skills and resources are required for all community building efforts, they are all the more vital with complex ventures such as comprehensive community initiatives. With such initiatives, some kind of community support organization is required: an impartial, skilled, local intermediary dedicated to facilitating local collaborations and systemic change. As one local funder summarized his thinking based on ten years experience: “You need to fund full-time glue and connective tissue in community work” [Connor 2003: 2]. In essence, what you are trying to do is “build a central nervous system for your community, to create another way information is passed around the community and received and processed and utilized. And this just takes full-time work” [Connor 2003: 2].

Funders can play different roles with respect to creating this type of infrastructure. Most importantly, they can provide the funding required to support the core structure and the convening, organizing, animation and planning role to be played by this organization’s staff.

Under some circumstances, however, it may be appropriate for local funders themselves to assume this convening/facilitation role. By their nature, local funders such as United Ways and community foundations are often well positioned to play a convening role. Typically, they have relationships with a broad array of local stakeholders including business, nonprofit organizations, government and residents experiencing specific problems.

In some cases, funders may modify or augment their existing functions to take on the role of community support organization. For instance, they may expand their research and information-gathering work to better support collaborative planning efforts. They may also become more visible
champions of the issues being addressed by the local collaboration, helping to carry its message to those whose support may be needed, such as government or other funders.

Assuming these roles, however, can pose complications for funders. It may, for instance, interject them into roles already being played by others in their community – e.g., the research and planning activities of social planning councils. Funders may also face problems playing the facilitator role while serving at the same time as funder with all of the power and influence that inevitably come with control over financial resources. Moreover, funders may find it difficult to be closely associated with a particular community agenda, especially if and when the local collaboration raises challenging or controversial issues. Some funders fear the effect that this may have on their efforts to raise funds from local donors.

Of course, it is possible for funders to use their assets to bolster collaborative efforts without assuming the role of community support organization. They may instead fund such a structure and participate in its work as a committed partner.

v. Enable resident involvement

While institutional supports are a vital element of the community building process, the heart of such initiatives is resident involvement. As discussed, such participation is central to the development process.

The implication for funders of this participation should not be underestimated. It adds an exciting but also demanding dimension to the community initiative and significantly alters both the substance of the work and the pace at which it unfolds.

Funder support is required to ensure meaningful resident participation in a number of ways. Most of all, there is a need for funders to recognize the importance of such involvement and the time and energy required to achieve it. Skilled and experienced community organizers are essential. Adequate funding is needed to allow for such staffing. In addition, a commitment to resident involvement makes the development process a learning process as well. As a result, the initiative is not likely to follow a straight-line path of progress but may veer off in various directions as learning occurs, circle back from time to time before proceeding or stall occasionally while deeper challenges are encountered and resolved. Finally, funder understanding, patience and good judgment are needed to properly interpret the rhythms of such initiatives. Finally, funder expectations must be adjusted about the pace at which ‘bottom-line’ results – e.g., jobs for the unemployed, housing for those with inadequate accommodation, can be achieved when initiatives are also committed to building the foundation of community involvement.
On another level, funder support is needed to enable resident capacity building, especially with respect to leadership development. Enhancing skills in a wide range of areas – conducting research, preparing proposals, facilitating meetings, solving problems and dealing with conflict – is vital to the long-term vitality of the initiative and the community. On a still more fundamental level, residents often need basic supports as well, such as access to child care and transportation, to enable their participation in the local development process.

vi. Locate one’s spot in the funding cycle

From the perspective of funders, investing in these community capacity building activities carries a heightened risk. On the one hand, these efforts may be the only effective way to address complex problems in the long run and uncertainty is unavoidable. On the other, from the vantage point of funders concerned to see ‘bottomline’ results from their support (virtually all funders!), investing in the core processes of community building may appear to hold substantial risk. As noted, these efforts take time and they do not necessarily follow a steady course. In terms of pace and substance, their development is determined largely by the evolving local context.

In this light, it is important for funders to be clear about the fit between the realities of community capacity building initiatives and their own interests. The J.W. McConnell Family Foundation captures this reality in its paper, *Accelerating Our Impact: Philanthropy, Innovation and Social Change*. Acknowledging its own interest in supporting social innovation with the risk it entails, the Foundation also recognizes other potential entry points:

Although funders are typically more comfortable in the front loop of the S curve (the birth, growth and maturity of organizations and/or ideas), they can enter into this process at any point. Some, less amenable to risk, will choose to support initiatives that are at the stage of consolidation; that is, they are already tested and ready to be implemented. Others will want to invest in research and development – the generation of ideas (‘renewal’). Still others such as venture philanthropists may want to step in just as ideas are ready to be turned into prototypes (moving into consolidation). And some may want to follow and support an entire cycle [Pearson 2006: 10].

To varying degrees, investments at these different entry points may support the community capacity building process. Naturally, these initiatives give rise to a variety of other activities. Support for the convening, facilitation and planning process is critical, and is often the most difficult funding to secure. But other kinds of support are also needed – e.g., for specific projects or to scale up experimental programs that have proven their effectiveness. The key, however, is to avoid a mismatch – i.e., funding community capacity building with expectations and practices more appropriate to activities at a different stage in the development cycle.
vii. Form consortia to support learning and to share the risk

One way to manage risk is for funders to join forces in support of such community initiatives:

Funders can also work together to support promising initiatives through these various stages and thus ‘share the risk.’ Community foundations, for example, are often early funders of promising local innovations. They may then turn to national or regional funders to increase the innovation’s reach and impact beyond the community of origin [Pearson 2006: 10].

In some instances, funders form formal or informal consortia to coordinate their support for multifaceted community ventures. Such consortia may serve a variety of purposes.

In some cases, funders agree to pool their resources in order to collectively share the costs and risks of funding community collaborations. This was the approach taken in Quebec, for instance, with the Table des partenaires du développement social de Lanaudière (Lanaudière Table of Partners for Social Development). The Table brings together a wide array of local and regional partners to share knowledge and insights on social problems and to take action for social development. In 2000, five funding bodies – the Conseil régional de développement (Regional Development Council), the Ministère des Régions (Québec Ministry of Regions), the Régie régionale de la santé et des services sociaux (Regional Health and Social Services Board), the Ministère de la Solidarité sociale (Québec Ministry of Social Solidarity) and Emploi-Québec (Québec Employment Agency) – jointly provided $490,000 over three years to support the work of the Table, including facilitation of its working committees and local working groups, and implementation of regional and local priorities [Ninaes 2001: 6].

In other instances, the impetus behind forming a funder consortium is related more to knowledge and learning than it is to funding. For example, Los Angeles Urban Funders (LAUF) was established as a response to the 1992 civil unrest in Los Angeles. It brought together funders, corporate leaders, public policy-makers and community members to support neighborhood problem solving. According to its year-five report, LAUF “was invented in order to test the assumption that collaboration among funders would produce better results in low-income communities. It was also hoped that collaboration would deepen our knowledge and enhance our grantmaking practices individually as well as collectively” [Los Angeles Urban Funders 2000: 2]. The effort allowed funders to pool their knowledge of the issues around neighbourhood renewal and learn from one another, as well as community members, about how funders can best support comprehensive initiatives.

viii. Develop broad, flexible criteria

One basic lesson from funders that have supported such community initiatives is that funding criteria need to be sufficiently broad to allow for their flexible adaptation in different communities – and in the same community over time.
Recognizing the complex nature of innovative community initiatives, the McConnell Foundation observes:

Such complexity can contribute to uncertainty: without knowing which specific strategies will in practice be most effective, many innovative organizations make an educated guess about their potential reach. This is not a fault. In many cases clear intentions and commitments can serve as a stable platform on which to plan a course of action [Pearson 2006: 6].

It is critical to be clear about the ‘strategic intent’ that is being pursued [Pearson 2006: 6]. Clarity about strategic intent can provide the focus that funders require for accountability while allowing the flexibility that communities need for effective action.

This has been the approach taken, for example, by the McConnell Foundation in partnership with the other national sponsors of Vibrant Communities. Vibrant Communities is a pan-Canadian initiative exploring promising local approaches to poverty reduction. A few key principles have guided the initiative as a partnership between national sponsors and local communities. Most of all, the national sponsors have supported a community-driven approach. Rather than specifying the initiative’s goals, strategies and time frames, the Vibrant Communities national framework set out overarching themes and objectives. This guiding framework has been discussed and revised by national sponsors and community partners at the outset of the initiative and at points along the way [Leviten-Reid 2007: 34].

**ix. Lengthen the terms of funding**

Another key ingredient for funding community capacity building is an appropriately long-term time frame. For many activities in the voluntary sector, lack of long-term, stable funding is a cause of concern. However, the concern is especially acute when it comes to community capacity building.

On the one hand, it is clear that the type of capacity building efforts discussed in this paper are necessarily long-term efforts. In most cases, they are undertaken in community settings that face multiple challenges built up over many years, even decades. Such complex and deeply-rooted problems are not resolved overnight. On the other hand, for several reasons, short-term funding may actually do more harm than good. First of all, the effort to mobilize local partners and develop the basic infrastructure needed to pursue such initiatives requires a substantial amount of time and energy. If longer-term funding is not available, the gains made from such investment can be undone before the anticipated payoff is realized. Of greater concern is the impact of short-term commitments on residents. Even when leaders of such initiatives make efforts not to raise expectations, community capacity building initiatives inevitably encourage residents to raise their hopes for the future. If funding is not in place to sustain the work, those hopes can be dashed. Such experiences make it all the more difficult to engage residents in similar initiatives in the future – even if more adequate support is promised.
While all funders (including governments) are wary about making commitments to core funding, some funders (even governments) recognize the need for multi-year funding for initiatives which by their nature need to unfold over a period of years. This is the thinking, for instance, with the federal government’s National Crime Prevention Centre (NCPC) whose funding programs use long-term (three- to five-year) agreements because they understand crime prevention to be a long-term investment [Task Force on Community Investments 2006: 24]. As the federal government’s Task Force on Community Investments recently reported:

The outcome-based evaluation of their programs has indicated that they [NCPC] should move to more focused, strategic, larger and longer-term projects. As a result they have successfully made the case in their TB [Treasury Board] submissions for longer-term commitments and see this strategy as closely tied to their ability to utilize evidence-based practices [Task Force on Community Investments 2006: 24].

Although three-to-five-year agreements are not adequate in themselves to support community capacity-building efforts, they are a reasonable start. Coupled with appropriate evaluation processes to allow funders (and participants) to assess progress, such agreements can provide the balance between support and accountability. If periodic reviews justify continued funding, multi-year agreements can be renewed.

x. Create cross-organizational teams

Support for community capacity building initiatives often require some internal adjustments in funding bodies, due partly to the multifaceted nature of such initiatives. Funders, such as governments, that support different types of substantive activities in such areas as employment, safety, housing and health, typically need to bring representatives from these different areas of their work onto the project team.

Community capacity building ventures may also require the reworking of funder operations in other respects. For instance, they may create new demands and opportunities for fundraising and donor relations. They may also need different tools for evaluation and accountability.

Whether the federal government or a local funding body such as a United Way is involved, cross-organizational teams may help effectively administer and support such activities. Action for Neighbourhood Change, like other ‘horizontal initiatives’ undertaken by government, required close collaboration among its various federal government partners. Likewise, some local United Ways involved in the initiative considered forging their own cross-organizational working groups. This was the case, for instance, with the United Way of the Lower Mainland. Over the course of its involvement, it moved from seeing ANC as something that staff members from various departments should support if their workload permitted to actually being part of their workload. To facilitate this involvement, the United Way considered creating a ‘cross-department team’ to support ANC’s
work. Staff members from Communications and Marketing, Agency Relations and Allocations, and Research and Planning would be recruited to assist ANC and to bring back lessons from ANC to their departments [Leviten-Reid 2006: 14].

The challenges of horizontal collaboration within funding bodies, especially large organizations such as government, are considerable. The recent work of the federal government’s Task Force on Community Investments makes numerous recommendations on this and other aspects of government involvement in funding community initiatives.

**Conclusion**

In all these respects, funders are finding ways to work with communities to build long-term capacity and address complex challenges. More than any specific technique or practice, the key to success is the closer working relationships that are being constructed. By becoming partners and co-learners with communities, funders deepen their understanding of the dynamics of community capacity building and better align their support with community needs and aspirations.

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