Meeting the Need: Building the Capacity of Community-Based Organizations

December 2022

Building Movement Project
Meeting the Need: Building the Capacity of Community-Based Organizations

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I: Introduction

The Building Movement Project (BMP) surveyed leaders in the nonprofit sector to find out what they needed to maintain and build their organizational infrastructure in order to fulfill their mission. Our interest was two-fold. We targeted leaders of smaller community nonprofits that are often left out of national discussions on building nonprofit capacity. We also wanted to understand whether challenges differed when comparing organizations with Black, Indigenous and People of Color (BIPOC) leaders and white-led groups.

The findings—from over 800 survey respondents, including extensive write-in responses, as well as four focus groups¹—show the capacity issues nonprofit leaders face are similar across race. Nonprofit leaders want help growing their organizations, raising money, and addressing staff issues, especially burnout. Despite these similar needs, there are differences between white and BIPOC leaders when it comes to finding the capacity-building supports they need to address these challenges.

The results reflect recent critiques of the capacity-building field in three ways:

1. Our findings call into question the assumptions that BIPOC-led groups have greater needs for infrastructure supports than white-led organizations.² The data shows that BIPOC and white respondents faced similar infrastructure challenges across a variety of indicators.

2. BIPOC respondents reported a harder time than white respondents in finding providers that understood their organization and the communities they served. BIPOC leaders were also less likely to rate the support they received as adequate, suggesting that capacity builders were less able to offer the help BIPOC-led groups needed.

3. Respondents told us their greatest challenge to stabilizing and growing their organizations was funding. The mostly small community-based organizations that responded to this survey were in a bind. Addressing their infrastructure issues would help them grow as an organization, including raising more funds.
But money for capacity-building did not necessarily lead to funding for doing the work. BIPOC participants were especially concerned that they received grants to hire consultants instead of, rather than in addition to, funds that would help them build and operate their organization, or even support to implement the recommendations made by the infrastructure providers.

As we enter a period that many worry will see an even bigger decrease in giving to nonprofits, especially for groups with small budgets, it is important to reflect on how capacity building can provide the best added value to help nonprofits in local communities survive and thrive.⁸

“I sit on a major foundation in our city and what I found is that when Black organizations ask for support and get it, it’s usually in the form of some technical assistance or advising as opposed to what we really need—financial support.”

—BIPOC FOCUS GROUP PARTICIPANT
II: The Sample: Community-Based Organizations

There were 819 nonprofit leaders in the sample; 39% BIPOC and 61% white. For a full demographic description see Appendix I. Thanks to BMP’s distribution partners in seven states, the sample was evenly divided among five geographic regions: East, West, Southeast, Southwest, and Midwest. There was also a similar percentage of respondents working in national organizations.

Infrastructure needs often reflect the size and type of organization. Most of the respondents in this sample led smaller, community-based organizations. Over half had annual budgets under $1 million (see Figure 1), and a majority of respondents reported leading organizations with ten or fewer staff members. BIPOC respondents were more likely than white respondents to lead the smallest groups—those with annual budgets under $250,000—though the differences between these two groups diminished as the annual budget size increased. For example, the same percentage of BIPOC and white respondents (14%) led organizations with budgets over $5 million a year.

![Figure 1: Organizational Annual Budgets](image-url)
The primary activity of the organizations is seen in Figure 2. Just over a quarter of the leaders ran Human/Social Service organizations, with similar rates between BIPOC and white respondents. There were almost identical response rates in all the other categories except for Advocacy/Civic Engagement/Community Organizing where there were significantly more BIPOC (22%) leaders than white (13%) ones.

“As an industry, nonprofits need to move away from the ‘bigger is better’ model and hone in on local BIPOC-led community-centric groups.”

—BIPOC SURVEY RESPONDENT
The greatest organizational differences between BIPOC and white respondents was in the racial composition of the board and staff. We found that over 70% of BIPOC-led groups had a board of directors who were majority People of Color, compared to 20% of white-led groups (Figure 3). The pattern persists for organizational staff. Three-quarters of BIPOC respondents reported they had a majority BIPOC staff, in contrast to just one-third of white respondents.

Despite the differences in the composition of their organizations, the leaders in this sample ran similar organizations. As seen in the next section, they also have similar organizational challenges.
III: Similar Organizations, Similar Infrastructure Challenges

The survey explored challenges that organizations face in achieving their mission by first asking respondents about four overarching domains that are key to maintaining and building nonprofits: 1) Operations, Communications, and Development, 2) Staff Wellness and Development, 3) Strategy and Evaluation, and 4) Diversity, Equity, and Inclusion. Respondents who indicated they faced challenges with a domain were then asked additional questions about specific issues their organizations experienced related to that particular domain (Appendix II offers a flow chart of the survey design).

As seen in Figure 4, more than three-quarters of the respondents indicated they faced challenges within the domain of Operations, Communications and Development. Half faced issues of Staff Wellness and Development as well as Strategic Development and Evaluation. A little less than half of the respondents overall indicated they were challenged in the Diversity, Equity, and Inclusion domain.
The data shows that BIPOC and white leaders in this survey have remarkably similar infrastructure needs. In three of the four domains, there were practically identical response rates from BIPOC and white respondents. The one domain where respondents diverged was Diversity, Equity, and Inclusion (DEI). Given the racial composition of the staff and board of white-led groups described above, it is not surprising that white leaders were more likely than BIPOC respondents to list this as an area of concern, with a difference of twenty-five percentage points between the two groups. In contrast, BIPOC leaders were not challenged in diversifying within their organizations, but in finding help and support for their needs as BIPOC-led and BIPOC-focused organizations.

“Small nonprofits like ours run bare bones operations... All of our money goes to the programs and not staff, but this puts us at a disadvantage when it comes to the splashy impact that funders are looking for.”

—WHITE WRITE-IN RESPONDENT
**DOMAIN 1: Operations, Communications, and Development**

*Operations, Communications and Development* was the domain where respondents most frequently noted infrastructure challenges in achieving their organizations’ missions. Among the respondents who indicated that their nonprofits faced challenges in this area, BIPOC and white leaders pointed to similar issues, as seen in *Figure 5*. “Dealing with organizational growth” topped the list as a concern for 70% of this domain’s respondents. It was closely followed by the challenge of “Fundraising,” identified by almost two-thirds of respondents. It is not surprising that these were the most frequently noted issues given the small size of many of these organizations.

There were two issues under the *Operations, Communications and Development* domain that were marked by a smaller percentage of total respondents, but notable because of the size of the gap between BIPOC and white leaders. The first was “Finding help with financial management/banking needs,” with a thirteen-percentage-point difference between BIPOC and white respondents, as shown in *Figure 5*. BIPOC leaders also were more likely, by nine percentage points, than white leaders to indicate a need for help “Understanding and navigating legal issues” at their organizations.
**DOMAIN 2: Staff Wellness and Development**

In the past several years, especially since the COVID-19 pandemic, there has been more concern among nonprofits about the needs of staff performing often high-stress, low-paid work. Just over half the respondents indicated that they were challenged by issues of Staff Wellness and Development in achieving their organizations’ missions. The top six issues in this domain can be seen in Figure 6.

By far the issue that generated the most concern was “Preventing staff burn-out,” which was noted by almost three-quarters of respondents, with little difference between BIPOC and white leaders. Although response rates were similar in this domain, there are some interesting divergences between BIPOC and white leaders. BIPOC respondents indicated higher concern with the need for “Developing staff members” and “Supporting staff wellness,” indicating a concern over individual staffers. In contrast, white respondents were more likely to be challenged by issues of “Building teams/positive staff culture” and “Dealing with staff turnover,” which are often associated with the overall issues of staffing within the organization.

“We’ve got the money for programming, but I’ve got to retain the talent that I have and they’re getting poached right and left. Increasing nonprofit salaries is an ongoing challenge for us.”

—WHITE FOCUS GROUP PARTICIPANT
**DOMAIN 3: Strategy and Evaluation**

Infrastructure support for nonprofits often focuses on organizational strategy and impact, and half of the survey respondents noted that they had challenges in the *Strategy and Evaluation* domain.

The top three issues in this domain had almost identical response rates between BIPOC and white leaders (see *Figure 7*). “Evaluating and reporting impact” was selected by close to three-quarters of the respondents, followed by “Strategic direction and planning,” which had a little more than two-thirds of the respondents and “Including stakeholders in strategy, decision-setting, and evaluation,” with just over half of respondents.

As with the other domains, the similarities between BIPOC and white respondents did not hold for several issues that were less frequently experienced overall. For instance, BIPOC leaders were more likely to report challenges with “Building coalitions or collaborations,” “Engaging with policy issues,” and “Dealing with competition between organizations” when compared to white respondents. The difference may reflect the earlier-noted finding that BIPOC-led groups in our sample were more likely to be focused on Advocacy/Civic Engagement/Community Organizing than white-led organizations (see *Figure 2* on page 4).

<table>
<thead>
<tr>
<th>Issue</th>
<th>BIPOC</th>
<th>WHITE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evaluating and reporting impact</td>
<td>73%</td>
<td>68%</td>
</tr>
<tr>
<td>Strategic direction and planning</td>
<td>69%</td>
<td>68%</td>
</tr>
<tr>
<td>Including stakeholders in strategy and direction-setting</td>
<td>51%</td>
<td>51%</td>
</tr>
<tr>
<td>Building coalitions to collaborations</td>
<td>43%</td>
<td>35%</td>
</tr>
<tr>
<td>Engaging with policy issues</td>
<td>36%</td>
<td>29%</td>
</tr>
<tr>
<td>Dealing with competition among organizations</td>
<td>36%</td>
<td>27%</td>
</tr>
</tbody>
</table>

*Figure 7: Strategy and Evaluation Issues*
DOMAIN 4: Diversity, Equity, and Inclusion (DEI)

Less than half (45%) of respondents indicated that the Diversity, Equity, Inclusion domain posed a challenge to achieving their organization’s mission. This domain was far more likely to be selected by white than BIPOC respondents, with a thirty-five-percentage-point difference. As seen in Figure 8, it is the one domain where the response rates consistently differed between BIPOC and white leaders. Interestingly, the divergence between the BIPOC and white respondents took two directions. White respondents were more likely, by twelve percentage points, to note the top-rated concern as “Addressing DEI issues internally.”

BIPOC respondents more often than white ones were challenged by “Identifying partners who know how to work with BIPOC-run organizations” (an eleven-percentage-point difference), “Identifying providers from the community served” (a thirteen-percentage-point difference), and “Racism and other forms of discrimination against the organization” (a nineteen-percentage-point difference). In other words, while white-led organizations were challenged by internal DEI issues, BIPOC-led groups were confronting racism and challenges external to their organizations. It is a reminder that both white dominant and BIPOC-led groups face DEI issues, but these concerns may be very different.
IV: Finding Supports

The four domains and the specific issues they highlight begin to paint a picture of the organizational challenges smaller community-based groups face and the capacities they need to deliver on their mission. The issues, though, turned out to be only half the story. We also wanted to know whether the leaders found help. Respondents who indicated they had experienced issues in a domain were later asked if they had sought and received support to address the issues they faced.

We found that when faced with an issue, most leaders sought support. Respondents more often sought help in the first domain of Operations, Communications and Development. For example, of the respondents who were “Dealing with organizational growth and development,” the top issue in this domain, 74% had sought help and of those who expressed a need for “Finding help with financial management,” 83% reported they sought out support. Though the percentage of respondents looking for help was not as high for issues in the other three domains, it was rarely reported by fewer than half of respondents. Overall, BIPOC leaders more often sought out support compared to white respondents, though most of the differences were not significant.

Seeking support did not always result in respondents receiving what they needed, and that was truer for BIPOC leaders than white ones. This finding, though, depended on the domain. Figure 9 (on the following page) shows the top two challenges for each of the four domains by those who did receive support.

In the Operations, Communications and Development domain, there were few differences in receiving support for the top two issues between BIPOC and white respondents. Among the respondents challenged by “Dealing with organizational growth and development,” there was little variation in the support received based on the racial identity of the respondent, and there was no noticeable difference between BIPOC and white respondents on getting support for “Fundraising,” the other top issue in this domain. There were also similar response rates among BIPOC and white respondents who had sought and received support for the top two challenges under the third domain, Strategy and Evaluation.
Gaps between BIPOC and white respondents did emerge in the Staff Development and Wellness and Diversity, Equity, and Inclusion domains. BIPOC leaders less often reported receiving support than white respondents for both the issues of “Preventing staff burnout” (a seventeen-percentage-point difference) and “Developing staff” (a nineteen-percentage-point difference) in the Staff Development and Wellness domain. In the Diversity, Equity, and Inclusion domain, the pattern reflected the different issues BIPOC and white leaders faced. White respondents were far more likely to be challenged by and receive support for “Addressing diversity, equity and inclusion issues internally,” while BIPOC respondents were more likely to be challenged by and receive support for “Identifying partners who know how to work with BIPOC-run organizations.”

* Not all respondents sought support for the specific challenges they experienced. The figure reflects the percentage of respondents who received support among those who sought it.
V: Leadership Challenges

The issues facing leaders in the four domains emphasized the infrastructure needed to achieve an organization’s mission. We also asked respondents about challenges they faced as organizational leaders including 1) whether they faced a challenge, 2) whether they sought and received support for the challenge, and 3) if the support they received was adequate. For this set of questions, BIPOC and white respondents once again had similar challenges, and, as with the organizational issues, BIPOC leaders were less likely to receive the support they needed.

The top six leadership challenges for all respondents can be seen in Figure 10. There were few large differences between BIPOC and white leaders in their responses. The top issue was “Setting aside time for strategic thinking/planning” (66% overall) with a three-percentage-point difference between BIPOC and white respondents. There were also similar response rates between white and BIPOC leaders to the second ranked challenge, “Developing networks to meet new donors/funders.” The largest disparity in the response rates was in “Demanding workload” where just half of the BIPOC leaders (50%) identified this as a challenge, ten percentage points less than white leaders.

<table>
<thead>
<tr>
<th>FIGURE 10</th>
<th>MOST COMMONLY EXPERIENCED CHALLENGES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BIPOC</td>
</tr>
<tr>
<td>Time for Strategic Thinking</td>
<td>64%</td>
</tr>
<tr>
<td>Developing Funders</td>
<td>57%</td>
</tr>
<tr>
<td>Demanding Workload</td>
<td>50%</td>
</tr>
<tr>
<td>Dealing with Staff Issues</td>
<td>46%</td>
</tr>
<tr>
<td>Inadequate Salary</td>
<td>40%</td>
</tr>
<tr>
<td>Working with the Board</td>
<td>39%</td>
</tr>
</tbody>
</table>
When faced with a challenge, BIPOC respondents were more likely to seek out support and less likely to receive adequate support than white respondents. For the top three challenges (“Setting aside time for strategic thinking/planning,” “Developing networks to meet new donors/funders,” “Demanding workload”), BIPOC respondents sought out support five to nine percentage points more often than white respondents as well as for the challenge of “Inadequate salary” where there was a nine-percentage-point difference (see Figure 11 on the following page). “Dealing with staff issues” was the one challenge where whites sought out support more frequently than BIPOC respondents (65% BIPOC versus 73% white).

BIPOC leaders also were less likely to report receiving adequate support than white respondents in five of the top six challenges, (see Figure 11 on the following page). For example, for the challenge of “Dealing with staff issues,” BIPOC leaders were twenty-one percentage points less likely to receive adequate support than white ones. The one area where BIPOC leaders received adequate support more often than white leaders was for the challenge of a “Demanding workload.”

“It’s hard to find time to participate in specific programs that help to build infrastructure when you’re doing all the things... The assistance that’s provided is to make the work that we’re trying to do more palatable for predominantly white funders versus leveling the playing field or reducing barriers.”

—BIPOC FOCUS GROUP PARTICIPANT

“So for me, it’s not just who is able to give [support], but also am I in a place to receive it? And once we’re in this cycle where we’re so overworked that there’s not even any time to work on [our issue] or get help, I find that’s really challenging, and I don’t really know how to get out of that cycle.”

—BIPOC FOCUS GROUP PARTICIPANT
### FIGURE 11 | SUPPORT SOUGHT/RECEIVED FOR CHALLENGES

<table>
<thead>
<tr>
<th>Challenge</th>
<th>BIPOC</th>
<th>WHITE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sought Support</strong></td>
<td>51% (9%)</td>
<td>49% (16%)</td>
</tr>
<tr>
<td><strong>Did Not Seek Support</strong></td>
<td>25% (16%)</td>
<td>59% (25%)</td>
</tr>
<tr>
<td><strong>Developing New Donors/Funders</strong></td>
<td>18% (6%)</td>
<td>65% (46%)</td>
</tr>
<tr>
<td><strong>Dealing with Staff Issues</strong></td>
<td>49% (49%)</td>
<td>43% (54%)</td>
</tr>
<tr>
<td><strong>Inadequate Salary</strong></td>
<td>40% (14%)</td>
<td>60% (52%)</td>
</tr>
<tr>
<td><strong>Demanding Workload</strong></td>
<td>47% (19%)</td>
<td>53% (61%)</td>
</tr>
<tr>
<td><strong>Working with the Board</strong></td>
<td>60% (14%)</td>
<td>40% (16%)</td>
</tr>
<tr>
<td><strong>BIPOC</strong></td>
<td>Sought Support</td>
<td>Did Not Seek Support</td>
</tr>
</tbody>
</table>
| **White**                        | Received Adequate Support | Received Some Support But Not Enough | Did Not Receive Support

Meeting the Need: Building the Capacity of Community-Based Organizations
VI: Accessing Capacity-Building Providers

Receiving the support needed for organizational and leadership challenges often depends on access to and the quality of capacity-building providers. We asked respondents about the types of providers they used to meet their challenges. We found that leaders used a variety of providers and there was little difference by the racial identity of the respondents.

As the following table shows, consulting firms, coaches and individual consultants were the most frequently used, perhaps because their services were more available in areas without nonprofit support organizations or funder-paid consultants. Courses and trainings were used less often but still comprise a substantial part of the support landscape.

<table>
<thead>
<tr>
<th></th>
<th>Operations, Communications, and Development</th>
<th>Staff Development and Wellness</th>
<th>Strategy and Evaluation</th>
<th>Diversity, Equity, and Inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonprofit Support Organizations</td>
<td>40%</td>
<td>39%</td>
<td>40%</td>
<td>49%</td>
</tr>
<tr>
<td>Individual Consultants Not Associated with a Consulting Firm</td>
<td>52%</td>
<td>52%</td>
<td>54%</td>
<td>53%</td>
</tr>
<tr>
<td>Consulting Firm</td>
<td>50%</td>
<td>45%</td>
<td>52%</td>
<td>64%</td>
</tr>
<tr>
<td>Consultants Hired by Funders to Work with our Organization</td>
<td>48%</td>
<td>36%</td>
<td>45%</td>
<td>49%</td>
</tr>
<tr>
<td>Support Groups/Peer Advisors</td>
<td>48%</td>
<td>44%</td>
<td>39%</td>
<td>45%</td>
</tr>
<tr>
<td>Courses/Trainings for Staff</td>
<td>39%</td>
<td>36%</td>
<td>31%</td>
<td>50%</td>
</tr>
<tr>
<td>Pro Bono Support (e.g., University Programs)</td>
<td>42%</td>
<td>43%</td>
<td>45%</td>
<td>38%</td>
</tr>
<tr>
<td>Coaches</td>
<td>53%</td>
<td>51%</td>
<td>50%</td>
<td>62%</td>
</tr>
</tbody>
</table>
Given that there were so many choices for providers who could potentially help leaders with infrastructure needs, what determines whether they find the right one? Respondents were asked on a 5-point scale a series of questions about how often they faced barriers in finding providers who could offer them support for their challenges. Figure 12 shows their responses.

The areas where all respondents had the biggest barrier was “Finding time to participate in programs and technical assistance” (average of 3.6), which is consistent with the leadership challenge survey-takers reported on their time demands. The second highest-ranked barrier was “Finding providers that we can afford” with an average ranking of 3.5. For both these top barriers, there was not a significant difference based on race/ethnicity. There also was not a significant difference for the last challenge shown in Figure 12, “Finding providers in our geographic area.”

However, BIPOC leaders faced significantly more barriers than white leaders in finding help in three crucial areas: “Finding providers that are representatives of the communities we serve,” “Finding providers who have a track record of working with BIPOC-led organizations,” and “Finding providers with expertise in addressing racism and other systems of oppression.” Given that BIPOC-led organizations in this sample are more likely to have both a majority BIPOC board and staff, and to service BIPOC communities (see Section II: The Sample: Community-Based Organizations on page 3), these barriers are particularly important.
Accompanying the questions about providers, the survey asked an open-answer question about what constituted an excellent or poor provider experience. Respondents wrote that a good provider experience included tailoring services, having deep knowledge of the organization and its work, and offering practical and actionable support. Specific characteristics of a poor experience were “cookie-cutter” services and ones requiring a lot of follow-up on the part of organizational management to complete deliverables. Some respondents also raised cost as a concern regarding service providers, particularly when describing negative experiences, as these respondents felt they had a poor return on investment.

“Excellent experiences have occurred with a service provider [when we established] an iterative relationship to ensure they understood the nuances of our mission, organizational culture, programs, and our accompanying business model.”

—BIPOC SURVEY PARTICIPANT

“I’m not a big fan of consultants because I find time and again that I pay a lot of money for them to tell me what I already know.”

—WHITE FOCUS GROUP PARTICIPANT
Funding emerged as a major challenge for leaders. Looking across all the domains, “Funding” was the second most frequently chosen organizational challenge, and “Developing networks and relationships with new funders” the second most commonly reported leadership challenge. In addition, the survey asked respondents how they funded their organization’s capacity building. Not surprisingly, the most common sources were foundation grants and donations.

Though the survey was focused on infrastructure needs, respondents made it clear in their responses to open-ended questions and in focus groups that their top priority was seeking financial support. The most frequent write-in responses related to funding. The words “fund,” “funding” or “funder” appeared at least 535 times, which was over a third of all the open-ended responses. The most frequently mentioned needs from funders included general operating support, reduction (or elimination) of onerous application processes and stringent reporting requirements, and multi-year unrestricted funding.

The greatest level of frustration was heard in the BIPOC focus groups, where respondents described how organizations would be awarded capacity-building grants but failed to receive the grant dollars needed to implement the strategies and plans that the consultants would develop for organizations. This frustration had a particular resonance with other concerns that emerged from both the survey write-ins and focus group comments about funders’ commitments to supporting racial equity and justice. Respondents questioned whether the actual resources from funders were proportional to the problems of racial inequity that organizations are working to address in their communities.

“We need major funders to honor the bold commitments they’ve made to provide billions for advancing justice... The scale of the investments and resources must match the scale of the racial equity issues and disparities.”

—BIPOC SURVEY PARTICIPANT
VIII: The New Normal

Looking to inform the future of infrastructure support, our last set of questions in the survey explored changes since March 2020. We wanted to know the impacts of the COVID-19 pandemic, the racial justice uprisings, and the continued shifts in the nation’s political climate. Presented with a list of issues, respondents were asked whether the issue 1) had improved since March 2020, 2) had not changed, or 3) had become more challenging.

Respondents faced the most increase in challenges since March 2020 in areas related to staff well-being and work (see Figure 13 on the following page), with little difference between BIPOC and white leaders. These include “Demands on your organization’s essential workers” (71%), Providing for staff’s emotional and mental wellbeing” (67%), and “Demand for services” (63%). “Shifting to remote/virtual work” also became more challenging for 56% of the respondents.

We asked respondents about the impact of the “Political climate in your city/state” and found that over half were experiencing greater challenges in this area, with only 15% who said it had improved since the COVID-19 pandemic started.

There were also areas of improvement. As Figure 13 on the following page shows, over a third of the leaders noted that their funding had improved since March of 2020, and over 30% responded that they expanded services to meet community needs. Again, there was little variation between BIPOC and white respondents.
### Increased Challenges in the Current Moment

**Demands on your organization’s essential workers**
- BIPOC: 70% Markedly or Slightly More Challenging, 20% No Effect, 9% Markedly or Slightly Improved
- White: 71% Markedly or Slightly More Challenging, 23% No Effect, 6% Markedly or Slightly Improved

**Providing for staff’s emotional and mental wellbeing**
- BIPOC: 65% Markedly or Slightly More Challenging, 14% No Effect, 21% Markedly or Slightly Improved
- White: 71% Markedly or Slightly More Challenging, 12% No Effect, 17% Markedly or Slightly Improved

**More demand for services**
- BIPOC: 62% Markedly or Slightly More Challenging, 16% No Effect, 22% Markedly or Slightly Improved
- White: 64% Markedly or Slightly More Challenging, 17% No Effect, 19% Markedly or Slightly Improved

**Adjusting to remote work**
- BIPOC: 57% Markedly or Slightly More Challenging, 9% No Effect, 33% Markedly or Slightly Improved
- White: 59% Markedly or Slightly More Challenging, 13% No Effect, 29% Markedly or Slightly Improved

**Political climate in your city/state**
- BIPOC: 54% Markedly or Slightly More Challenging, 30% No Effect, 16% Markedly or Slightly Improved
- White: 57% Markedly or Slightly More Challenging, 29% No Effect, 14% Markedly or Slightly Improved

**Expanded variety of services or approaches to our work to meet the community’s need**
- BIPOC: 53% Markedly or Slightly More Challenging, 16% No Effect, 32% Markedly or Slightly Improved
- White: 54% Markedly or Slightly More Challenging, 14% No Effect, 33% Markedly or Slightly Improved

**Changes in funding**
- BIPOC: 42% Markedly or Slightly More Challenging, 20% No Effect, 38% Markedly or Slightly Improved
- White: 48% Markedly or Slightly More Challenging, 17% No Effect, 34% Markedly or Slightly Improved

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Meeting the Need: Building the Capacity of Community-Based Organizations
IX: Conclusion

This report looks at the infrastructure needs of nonprofits, especially small community-based organizations, with a focus on the similarities and differences between BIPOC-led and white-led groups. We found the nonprofit leaders in our sample across race/ethnicity have similar challenges in building and leading their organizations: planning for growth, raising money, and finding time to think strategically about the work. There were also newer issues, such as addressing staff burnout, a top priority for many nonprofits since the COVID-19 pandemic.

Though the infrastructure needs of these community-based leaders for the most part did not vary by the racial identity of the leader, getting help did. BIPOC leaders were more likely to seek out help and less likely to receive it. This finding is not surprising when we see the responses to a series of questions where BIPOC leaders noted challenges that white leaders faced far less often. These include organizational challenges such as “Identifying providers from the community served” and “Racism and other forms of discrimination against the organization,” and leadership challenges such as “Finding providers who have a track record of working with BIPOC-led organizations,” and “Finding providers with expertise in addressing racism and other systems of oppression.”

Overall, survey respondents identified the importance of finding help that can be customized to the organization and can devote the time it takes to build a trusting relationship. The problem is both in finding those providers and being able to afford them, given that many of these groups already struggle with funding.

Funding for capacity building is important for groups to be able to hire the providers that can offer the help these leaders need. But funding is also key to sustaining the organizations to do the critical work related to their organizational mission. Investment in capacity building has the potential to increase the impact on the ground in local communities. However, without a commitment to sustain the organization itself, funding for capacity building can appear to simply bolster a growing field of intermediaries while leaving grassroots groups under-resourced, with the benefits only occasionally trickling down to communities they are designed to engage and serve.
Appendix I

The sample for this report consists of 819 respondents, all of them leaders in their organizations. Respondents were 39% BIPOC and 61% white, as seen in Figure 14. Of the respondents who identified as People of Color, 20% were Black, 8% Latinx, 5% Asian American, and 2% Native American. Less than .5% identified as either Arab American/Middle Eastern or Native Hawaiian/Pacific Islander. Asked about gender (Figure 15), 73% identified as women, 26% as men, and 2% as gender non-binary/non-conforming. Sixteen percent identified of LGBTQIA+ (Figure 16).

A third (34%) of the leaders had been in their role 3 years or less and a similar percentage (31%) had been in their position between 3 and 7 years. Five percent had been in their position over 20 years (see Figure 17 on the following page). The size of leaders’ organizations ranged from 22% with annual budgets of $250,000 or less, a third (33%) with budgets from $251,000 to $1 million, another third (33%) between from $1 to $5 million, and 14% with annual budgets of more than $5 million (see Figure 18 on the following page).
Respondents were equally divided across regions of the U.S. As Figure 19 shows, 18% of our respondents worked with organizations serving the Northeast, 17% from the West, 16% from the Southeast, 17% from the Southwest, 17% from the Midwest, and 16% at organizations with a national scope. This distribution was achieved thanks to our regional partners, who include the following:

- **Massachusetts**: The Barr Foundation, barrfoundation.org
- **Oregon**: Coalition of Communities of Color, coalitioncommunitiescolor.org and The Nonprofit Association of Oregon, nonprofitoregon.org
- **New Mexico**: Groundworks New Mexico, groundworksnm.org and Santa Fe Community Foundation, santafecf.org
- **North Carolina/Southeast**: MDC, mdcinc.org
- **Tennessee**: Momentum Nonprofit Partners, momentumnonprofitpartners.org
- **Texas**: Mission Capital, missioncapital.org
- **Wisconsin**: Helen Bader Institute for Nonprofit Management at University of Wisconsin-Milwaukee, uwm.edu/hbi
Appendix II

FIGURE 20 | FLOW CHART OF SURVEY DESIGN

ALL RESPONDENTS

- Operations, Communications, and Development
- Staff Development and Wellness
- Strategy and Evaluation
- Diversity, Equity, and Inclusion

Specific Challenges Experienced
- Sought/Received Support for Challenge

Meeting the Need: Building the Capacity of Community-Based Organizations
Endnotes

1 Building Movement Project conducted focus groups with participation drawn from the survey respondents. The four focus groups were conducted by video, two with white leaders and two with leaders of color.

2 See Littles, Marcus, “Should We Cancel Capacity Building?” Nonprofit Quarterly: September 13, 2022, nonprofitquarterly.org/should-we-cancel-capacity-building/ and Nishimura, April; Roshni Sampath; Vu Le; Anbar Mahar Sheikh; and Ananda Valenzuela, “Transformational Capacity Building,” Stanford Social Innovation Review: Fall 2020, ssir.org/articles/entry/transformational_capacity_building


4 The full descriptions of these racial identity categories were Black – Black/African American/African/African Descent; Latinx – Latinx/o/a, Chicax/o/a, Hispanic; and Asian American – Asian American/East Asian/South Asian/South East Asian.

5 LGBTQIA stands for Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, and Asexual.