Building the Capacity of Community-Based Organizations in Tennessee

January 2023

Building Movement Project
Activating Nonprofits | Fueling Change

Contents

Acknowledgements

Building Movement Project

2023

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 national report on their responses – *Building the Capacity of Community-Based Organizations: The Real Needs* – found that nonprofit leaders of smaller community nonprofits have similar capacity issues across race. However, the data also show there are differences between white and BIPOC leaders when it comes to finding the capacity-building supports they need to address these challenges.

BMP produced this report, *Building the Capacity of Community-Based Organizations in Tennessee* as part of a series of seven local reports that support our partners in meeting the infrastructure needs of organizations in their regions. In each of the local reports, we compare findings from the local subset of the data to the total national sample. Throughout this brief, the terms "local" and "national" are used to refer to the samples. Unless otherwise specified, "local" refers to the Tennessee sample region and "national" refers to the total survey responses presented in our national report.

The Tennessee findings from 99 respondents out of the total 819 show the broad trends in Tennessee were similar to those in the national sample. Because the local samples are small, there is no disaggregation by race in this brief.

Like the national sample, the results reflect some of the recent critiques of the capacity-building field in three ways:

1. By a large margin, the top domain was *Operations, Communications, and Development* in both the national and Tennessee sample. Leaders most often reported organizational-level issues, such as dealing with organizational growth and development.
2. The Tennessee sample was more likely than the national sample to use supports for infrastructure challenges, but respondents still faced barriers in finding time to participate in programs to address issues, finding providers they can afford, and finding providers with knowledge of work or the community served.
3. The current moment, given the Covid-19 pandemic and racial justice uprisings, has increased many of the challenges leaders experience, so the sector must evolve to support nonprofit leaders. For example, focus group participants highlighted the need for funders and philanthropy to provide long-term unrestricted funding.

II. The Sample: Tennessee Community-Based Organizations

The local sample was comprised of 48% BIPOC respondents and 52% white respondents. Compared to the National sample, BIPOC and white representation was more equally distributed in the local sample (Figure 1).

Figure 1. Comparison of BIPOC/white distribution in Tennessee and National samples
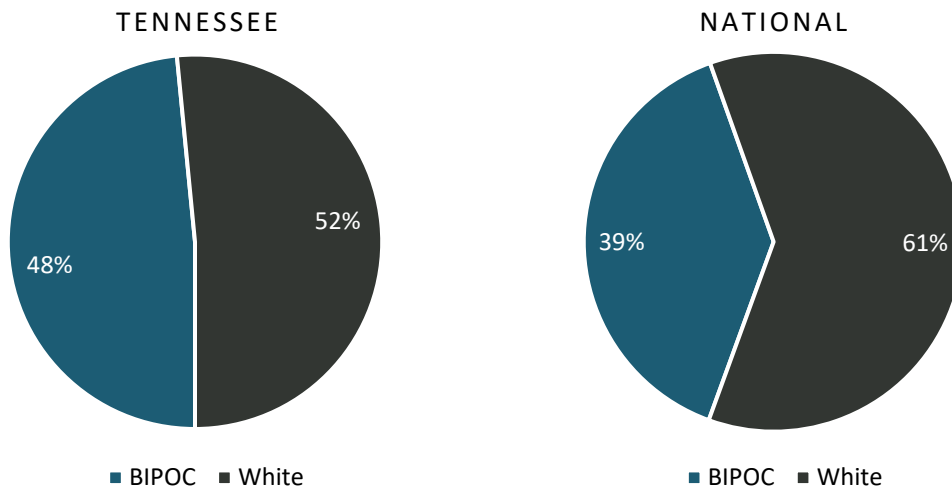
The primary activity of the organizations is seen in Figure 2. Similar to national respondents (57%), more than half of local respondents (53%) reported that their organization's primary activity was "Human and Social Services," "Education," or "Advocacy / Civic Engagement / Organizing".

Figure 2. Primary Activity of the Organization, Tennessee vs. National
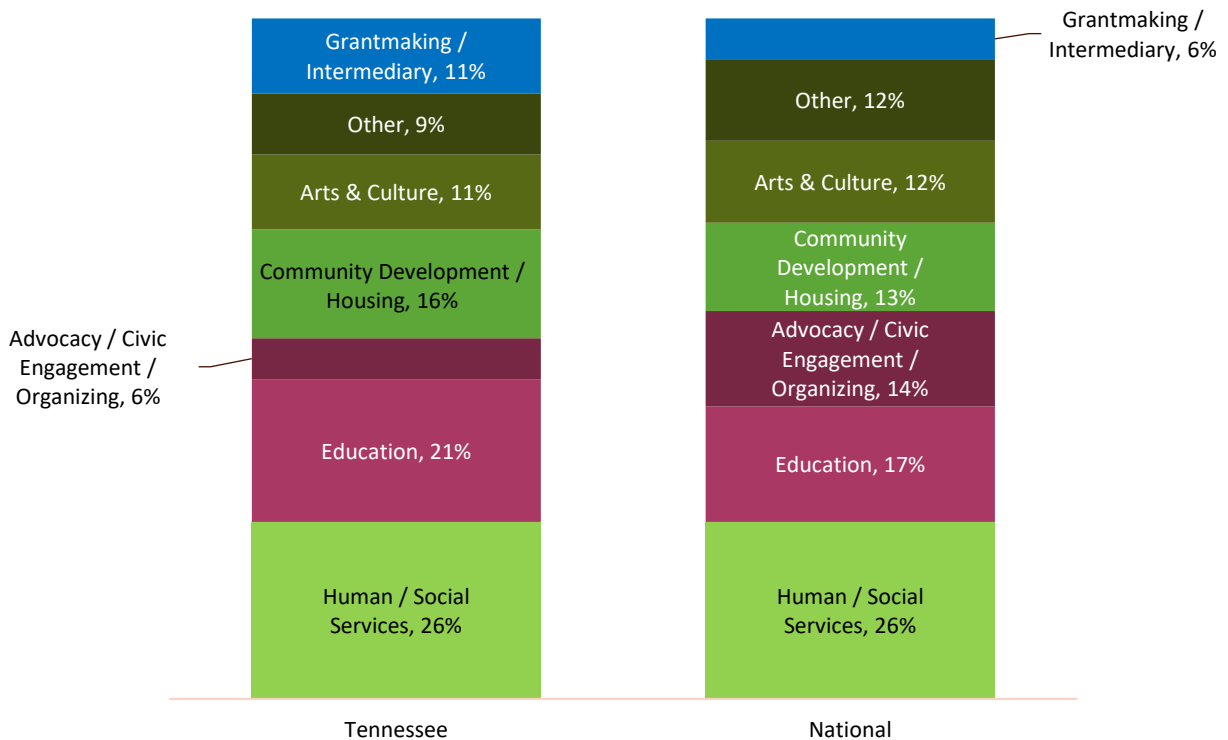
Infrastructure needs often reflect the size and type of organization. Tennessee respondents overall had smaller budgets, with 62% of local respondents working for organizations with annual budgets under $1 million, compared to 57% of the national sample (Figure 3).

Figure 3. Organizational Annual Budget, Tennessee vs. National
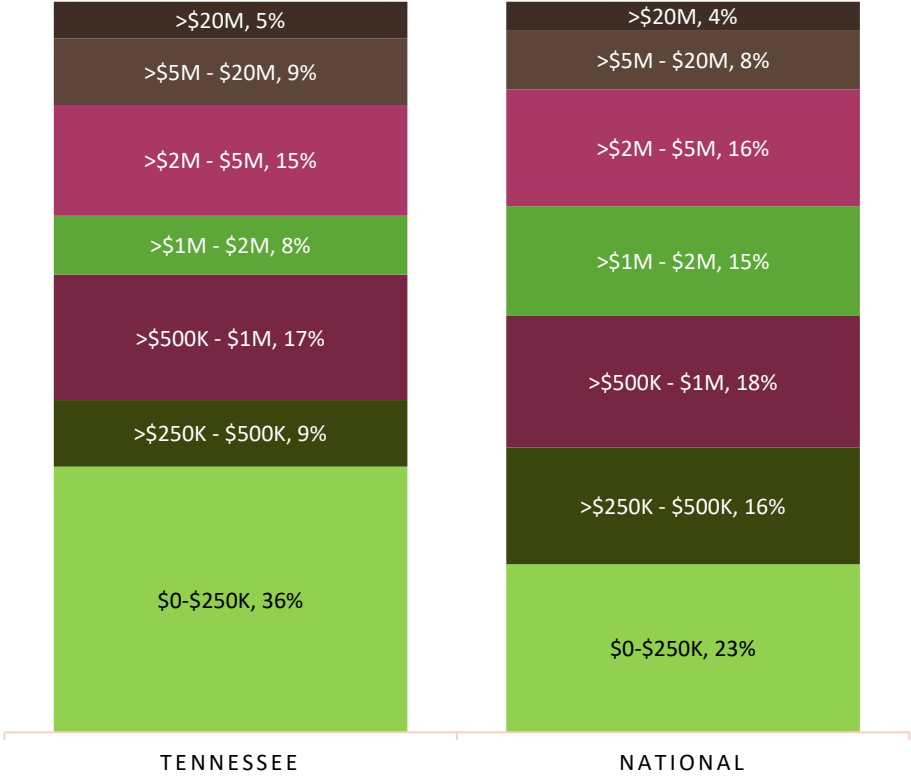
III.   Infrastructure Challenges

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 domain (see Appendix).

The most frequently selected issue area was *Operations, Communications, and Development*, where just under 80% of the national sample and local respondents experienced challenges (Figure 4). The respondents in the Tennessee sample indicated having challenges less often in the other three domains compared to those in the national sample.

Figure 4. Domains Where Respondents Faced Issues, Tennessee vs. National
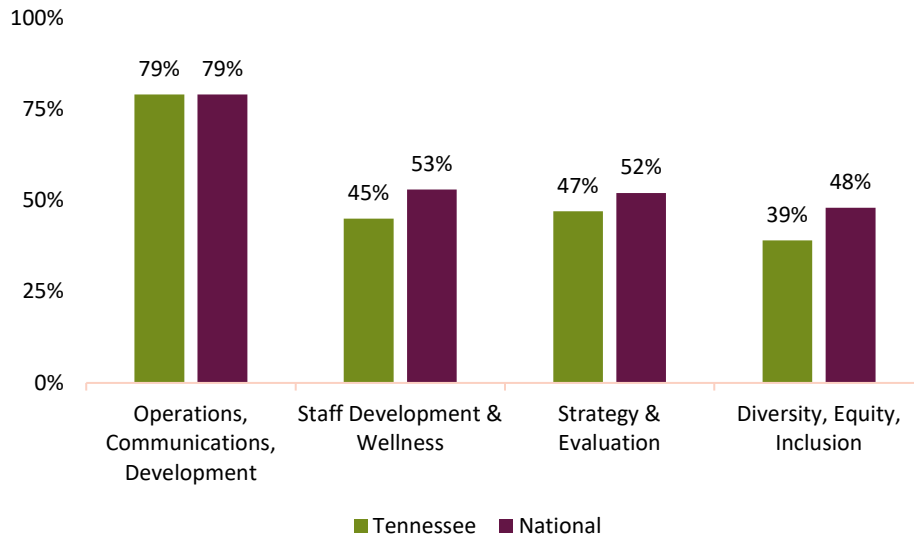
After selecting the domains where they experienced challenges, respondents were provided a list of common issues within the domain and asked to select the specific challenges they experienced. Table 1 shows the top three challenges within each domain that were selected by respondents in the local and national sample. The most frequently selected issues were similar for respondents in the local and national samples, though there is some variation in how frequently they were selected. The biggest gap between the local and national samples was in the domain *Operations, Communications, and Development*, where Tennessee respondents were more likely to be challenged by "Fundraising" but less likely to face struggles when "Dealing with organizational growth and development."

Table 1. Top Three Issues in each Domain for Local Sample Compared to National

Domain	Issue	Tennessee	National
Operations, Communications, and Development	Fundraising/in-kind (incl. grant writing)	76%	68%
	Dealing with organizational growth and development	62%	73%
	Lack of financial reserves for a "rainy day"	56%	51%
Staff Development and Wellness	Developing staff members	71%	65%
	Preventing staff burn-out	67%	75%
	Supporting staff wellness	49%	57%
Strategy and Evaluation	Strategic direction and planning	74%	69%
	Evaluating and reporting impact	68%	71%
	Including stakeholders in strategy, direction-setting, and evaluation	43%	52%
Diversity, Equity, and Inclusion	Addressing DEI issues internally	72%	75%
	Identifying partners who know how to work with BIPOC -led organizations	28%	32%
	Identifying providers from communities served	26%	31%

IV.   Accessing Capacity-Building Providers

After indicating the challenges that they have experienced in each domain, respondents were presented with a list of common infrastructure supports and asked to select the types of supports they have used to address challenges in the domain area being queried. Table 2 shows the distribution of supports used for each domain among the local sample. In most cases, supports were accessed more often in Tennessee across all four domains than they were nationally.

Table 2. Supports Used for Challenges in each Domain, Local vs. National

	Operations, Communications and Development		Staff Development and Wellness		Strategy and Evaluation		Diversity, Equity and Inclusion	
Type of support	Tennessee	National	Tennessee	National	Tennessee	National	Tennessee	National
Nonprofit support organization	87%	78%	90%	83%	88%	77%	94%	78%
Individual consultants	79%	74%	76%	77%	84%	70%	83%	76%
Consulting firm	67%	63%	72%	72%	71%	67%	77%	70%
Consultants hired by funders to work with organization	68%	57%	65%	69%	73%	64%	73%	68%
Support groups/peer advisors	85%	80%	85%	84%	77%	79%	87%	79%
Courses/trainings for staff	85%	80%	83%	87%	75%	80%	92%	74%
Pro bono support	67%	64%	68%	68%	69%	64%	72%	66%
Coaches	66%	57%	71%	69%	73%	67%	75%	65%

Given that there were so many choices for providers to support leaders with infrastructure needs, what barriers prevented access to these supports? Respondents were asked to rate a list of barriers to finding infrastructure support on a scale of 1 to 5, with 1 indicating the item was not a barrier to getting support and 5 indicating that the item presented a significant barrier to getting support. Table 3 shows their responses.

Among Tennessee respondents, "Finding time to participate in programs" and "Finding providers that we can afford" were top barriers. Conversely, "Finding online or remote learning options" and "Finding providers in our geographic area" were not significant barriers. These top barriers were similar to those in the national sample, with some differences in the extent to which respondents experienced them.

Table 3. Mean rating on a scale from 1 (not a barrier) to 5 (a significant barrier), Tennessee vs. National

Barrier	Tennessee	National
Finding time to participate in programs and technical assistance	3.3	3.6
Finding providers that we can afford	3.1	3.5
Finding providers that are representative of the communities we serve	2.9	3.1
Finding providers with experience in the areas of our needs	2.7	2.9
Finding providers with knowledge of our work or community	2.6	3.0
Finding providers with availability to support me or my organization	2.5	2.8
Finding providers with expertise in addressing racism and other systems of oppression	2.5	2.6
Finding providers who have a track record of working with BIPOC-led organizations	2.5	2.6
Finding partners in our field with whom we can collaborate	2.4	2.5
Finding providers in your geographic area	2.4	2.3
Finding in-person training	2.3	2.5
Finding online or remote learning options	1.9	2.0

V.   The New Normal

Acknowledging that the Covid pandemic and racial reckoning of summer 2020 catalyzed a "new normal," respondents were asked to rate a list of items on a scale of 1 to 5, where 1 indicating the item had markedly improved and 5 indicating that the item was markedly more challenging since the start of the pandemic. Table 5 shows the level of challenge for these items in the current moment compared to before the start of the pandemic. In Tennessee, respondents were more likely than respondents in the national sample to say that the "Political climate in your city/state" had become more challenging, and less likely than those in the national sample to report that "Demands on their organization's essential workers" were more challenging.

Table 5. Challenges in the current moment

Challenges	Markedly or Slightly More Challenging		No Effect		Markedly or Slightly Improved	
	Tennessee	National	Tennessee	National	Tennessee	National
Demands on your organization's essential workers	67%	74%	21%	12%	21%	5%
Providing for staff's emotional and mental wellbeing	66%	73%	12%	16%	18%	15%
More demand for services	67%	64%	16%	12%	21%	20%
Adjusting to remote work	61%	60%	11%	14%	25%	29%
Political climate in your city/state	69%	57%	29%	21%	9%	14%
Expanded variety of services or approaches to our work to meet the community's need	55%	55%	12%	14%	31%	33%
Changes in funding	58%	47%	17%	16%	26%	36%

VI. Qualitative Data

Respondents were asked four short answer questions:

1. "What made an excellent experience with a service provider? What made a poor experience?"
2. "List the top three areas where you would like to receive more help for your organization."
3. "Do you have any other comments or explanations? For example, reflecting on the challenges you have experienced and support you have received, what has worked? What hasn't?"
4. "What do funders and capacity builders need to know to move the field forward?"

These short answer responses provided valuable qualitative data that added nuance to the survey findings. Selected quotes from the local sample are provided below. In addition to identifying helpful supports, these quotes highlight an emphasis on funding, which was also reflected in focus groups conducted with survey participants. The focus group data is discussed in the national report.

Selected Quotes

- "We spend a great deal of time with consultants talking out an issue or project before the consultant even begins. Don't get a cookie-cutter program. There is an excellent nonprofit organization in our area called Momentum Non Profit Partners that provides excellent training and connections to resources. Additionally, Meals on Wheels American does a wonderful job of providing training and development opportunities for our staff."
- "That we stand by our word and go beyond to reach our programmatic goals. We are successful at making an impact for our community through the arts. We have sought and now partner with our city's finest arts organizations, presenting artists that take their craft seriously. With the proper funding, we can increase our capacity and create more work for artists, thereby increasing visibility and tourism to our city. We just need help."

- "Our circumstances are a reflection of the chicken & egg analogy. We need funding to hire appropriate and qualified staff. We need staff for operations and programming. We need to provide excellence in our programs to get the attention of funders. And the circle ensues."

A complete set of quotes from Tennessee respondents is provided in a separate workbook accompanying this report.

VII.   Conclusion

The national report centered on the infrastructure needs of community-based nonprofits and found that sector leaders across race, region, and organizational focus faced similar challenges. Respondents reflected on the difficulties growing their organizations, raising money, and finding time for strategic planning. In our comparison of the Tennessee data to these national findings, we saw that the story was much the same.

Overall, supports specifically tailored to the organization were most helpful, though many respondents considered this a luxury they couldn't always afford. Funding and financial stability were some of the most common issues survey respondents and focus group participants raised. A commitment to financially sustaining these nonprofits for the long-term was necessary to ensure they could achieve their missions and address other capacity needs along the way.

VIII.   Appendix

Flow Chart of Survey Design