

Leadership Centre County

Four Core Capacity Model

The Four Core Capacity Model is a means for looking at organizational effectiveness for a nonprofit, including its strengths and challenges. The four capacities included in the model are: Leadership, Adaptive, Management and Technical. Each of these four capacity areas works together, both as separate and interconnecting areas, to maximize the effectiveness and efficiency of an organization. These capacities have the ability to mold to every type of nonprofit organization. The core capacities are as follows:

Adaptive Capacity: the ability of a nonprofit organization to monitor, assess and respond to, and create internal and external changes

Leadership Capacity: the ability of all organizational leaders to create and sustain the vision, inspire, model, prioritize, make decisions, provide direction, and innovate, all in an effort to achieve the organizational mission.

Management Capacity: the ability of a nonprofit organization to ensure the effective and efficient use of organizational resources.

Technical Capacity: the ability of a nonprofit organization to implement all of the key organizational and programmatic functions.

While all four capacities are necessary for any organization, the Leadership and Adaptive capacities are the most critical...these are the two capacities that separate effective organizations from those which are less so.

To examine each capacity further:

Adaptive Capacity

- **Decision-Making Tools:** Using important tools, resources, and inputs to make decisions (i.e. outside technical assistance, in-house data, staff input, client input, a written strategic plan)
- **Environmental Learning:** Using collaboration and networking with community leaders and funders to learn about what's going on in the community and stay current with what is going on in the field.
- **Organizational Learning:** Self-assessing, using assessment data/findings to conduct strategic planning, and following through on strategic plans.
- **Organizational Resource Sustainability:** Maintaining financial stability in order to adapt to changing environments.
- **Program Resource Adaptability:** Easily adapting to changes in program resources, including funding and staff.
- **Programmatic Learning:** Assessing the needs of clients and using program evaluation as a learning tool.

Leadership Capacity

- **Board Leadership:** Board functioning with respect to:
 - Empowering through connecting people with the mission and vision of the organization
 - Holding organizational leaders accountable for progress toward achieving the mission and vision
 - Conducting community outreach to educate and garner resources; and
 - Meeting regularly and providing fiscal oversight.
- **Internal Leadership:** Organizational leaders apply a mission-centered, focused, and inclusive approach to making decisions, as well as inspiring and motivating people to act upon them.
- **Leader Influence:** Ability of organizational leaders to persuade their board, staff, and community leaders/decision makers to take action.
- **Leader Vision:** Organizational leaders formulate and motivate others to pursue a clear vision
- **Leadership Sustainability:** Cultivating organizational leaders, avoiding an over-reliance on one leader, and planning for leadership transition (including having a succession plan)

Management Capacity

- **Assessing Staff Performance:** Detailing clear roles and responsibilities and assessing staff performance against those roles and responsibilities.
- **Conveying Unique Value of Staff:** Providing positive feedback, rewards, and time for reflection.
- **Financial Management:** Managing organizational finances, including staff compensation
- **Manager-to-Staff Communication:** Open channels of communication between managers and staff, including how open managers are to constructive feedback.
- **Managing Performance Expectations:** Facilitating clear and realistic expectations among staff.
- **Managing Program Staff:** Managing to ensure that program staff have the knowledge, skills, and cultural sensitivity to effectively deliver services.
- **Problem Solving:** Organizational managers effectively, judiciously, and consistently resolve human resource problems and interpersonal conflicts, including how well they engage staff in the problem-solving process.
- **Program Staffing:** Staffing changes as needed to increase and/or improve programs and service delivery.
- **Staff Development:** Coaching, mentoring, training, and empowering staff to improve their skills and innovate.
- **Supporting Staff Resource needs:** Providing the technical resources, tools, systems, and people needed to carry out the work.
- **Volunteer Management:** Recruiting, retaining, providing role clarity and direction, developing, valuing, and rewarding volunteers.

Technical Capacity

- Facilities: The proper facilities (space, equipment, amenities, etc.) to run efficient operations.
- Facility Management Skills: Ability to operate an efficient facility.
- Financial Management Skills: Ability to ensure efficient financial operations.
- Fundraising Skills: Ability to develop necessary resources for efficient operations, including management of donor relations.
- Legal Skills: Ability to engage proper legal engagement and coverage.
- Marketing Skills: Ability to communicate effectively with stakeholders, internal and external.
- Outreach Skills: Ability to do outreach, organizing and advocacy.
- Program Evaluation Skills: Ability to design and implement an effective evaluation.
- Service Delivery Skills: Ability to ensure efficient and quality services.
- Technology: Resources (equipment, systems, software, etc.) to run efficient operations.
- Technology Skills: Ability to run efficient operations.

Organizational Culture is separate from the four core capacities; it is a context in which the core capacities operate. Each organization has a unique history, language, organizational structure, and set of values and beliefs that affect staff unity and engagement.

Organizational Culture

- Empowering: Promoting proactivity, learning, and a belief in the value and ability of staff and clients.
- Re-energizing: Supporting time for staff to reflect on their work, socialize, and reconnect with why they are doing the work.
- Unifying: Engendering open and honest communication across all levels in the organization, leading to a sense of a cohesive “group identity.”
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