



# Fairfax County Listening Project: Strengthening Nonprofits

**Community Meeting**  
March 7, 2011

## Discussion Timeline

Welcome	15 minutes
Presentation of Listening Project Findings	25 minutes
Discussion of Project Findings	40 minutes
Dialogue for Moving Forward	40 minutes
Informal Networking	

## Today's Objectives

- Share findings from the Listening Project community research.
- Discuss considerations for Fairfax County and the community to increase nonprofit and human service system capacity and close service gaps.

# Agenda

Project Overview

Summary Findings

Key Findings – Nonprofit Capacity

Key Findings – System Partnerships

Key Findings – System Supports

Discussion

## Listening Project desired outcomes and goals

### Desired Outcome

An actionable strategy for Fairfax County capacity building that will prepare nonprofits to fill critical gaps in the human service system

### Goal #1

Identify the role Fairfax County should play in nonprofit capacity building

### Goal #2

Design an effective capacity building service portfolio

## Fairfax County Agency Directors identified four key service gap areas for the focus of this project

Service Area	To include but not limited to:
<b>Disabled Services</b>	Services for youth and adults with sensory, physical and mental disabilities.
<b>Housing Services</b>	Support services for disabled individuals, individuals at risk to homelessness and victims of domestic violence – to not only address the housing needs of these populations, but more importantly to provide the support services that will keep them in housing.
<b>Legal Services</b>	Services for documented and undocumented workers and victims of domestic violence.
<b>Mental and Behavioral Health Services</b>	Services for youth and adults with mental illness, substance abuse and related behavioral health issues (e.g., diabetes).

Project focused on delivering a capacity building strategy designed to close system gaps, with an emphasis on building nonprofit-specific capacity and system-wide capacity

## **The Listening Project Addressed the Following Key Questions:**

- What capacity building investments most align with the County's strategic goals to address both nonprofit needs and critical human service system gaps?
- What capacity building approaches should Fairfax County use to ensure stronger nonprofits and better community outcomes?
- What is Fairfax County's role in strengthening partnerships with nonprofits and corporations aimed to improve human service delivery?

# Listening Project timeline 2010-2011



# Research focused on understanding service gap areas and capacity building approaches needed to close gaps

## Survey

- **Identify nonprofit organizational capacity, reflection on capacity building services and opportunities to strengthen corporate and County relationships**
- **Participants:** 27% of Fairfax nonprofit community responded (273 invited)

## Focus Groups

- **Identify nonprofit, county and corporate perspectives on each gap area and possible solutions to close gaps including capacity building services**
- **Participants:** 4 nonprofit focus groups (24 organizations), 2 County staff focus groups (7 agencies represented), and 1 corporate focus group (6 corporations)

## Interviews

- **Probe key themes from focus groups and discuss nonprofit's specific needs to enhance effectiveness and increase service delivery**
- **Participants:** 10 Fairfax County nonprofit executives interviewed

*Note: See appendix for details*

# Fairfax County nonprofits were surveyed on core elements of nonprofit capacity to identify current strengths and weaknesses and future areas of focus for capacity building

## Capacity Building Definition

The development of an organization's core skills and capabilities to improve its organizational performance and increase its effectiveness.

- **Mission, Planning, and Growth**
  - Clarity of mission
  - Alignment of mission and goals
  - Business or strategic planning
  - Innovation
  - Opportunistic adaptation (growth opportunities)
- **Human Capital**
  - Board development
  - Board performance
  - Skill sets & talent
  - Recruitment and retention of staff/volunteers
  - Capacity
- **Fundraising**
  - Fundraising model and strategy
  - Fundraising practices (e.g., grant writing, direct solicitation for donations)
- **Financials**
  - Earned-income practices (e.g., sales, advertising and membership activities)
  - Financial sustainability
  - Access to capital
  - Financial planning, budgeting, cost management, and reporting
- **Market**
  - Knowledge of clients/customers
  - Competitive landscape
  - Positioning and branding
  - Evidence-based positioning
  - Community involvement
  - Partners and collaborators
  - PR and marketing
- **Evaluation**
  - Social performance measurement, monitoring, and reporting
- **Technology**
  - Data management and reporting systems
  - IT

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Appendix

Research identified gaps perceived by nonprofits within each service area. Across all service areas, several common drivers emerged, which contribute to system breakages.

### Gaps in Disabled Services

Services for youth and adults with sensory, physical and mental disabilities including:

- Need for transitional services
- Need for increased supports for individuals with severe behavioral issues
- System change addressing issue of children outliving parents

### Gaps in Housing Services

Support services and housing for disabled individuals, individuals at risk to homelessness and victims of domestic violence including:

- Limited affordable housing units
- Limited domestic violence beds
- Need for longer term support for homeless individuals
- Need for employment

### Common Drivers

- Need for healthy nonprofit organizations
- Need for stronger system-wide partnerships
- Need for enhanced Fairfax County funding processes
- Need for supportive regulatory policies
- Need for infrastructure supports

### Gaps in Legal Services

Services for documented and undocumented workers and victims of domestic violence including:

- Need for family law services
- Need for free rather than low cost counseling
- Need for increased access to pro bono legal counsel
- Need for Pro Se divorce filing

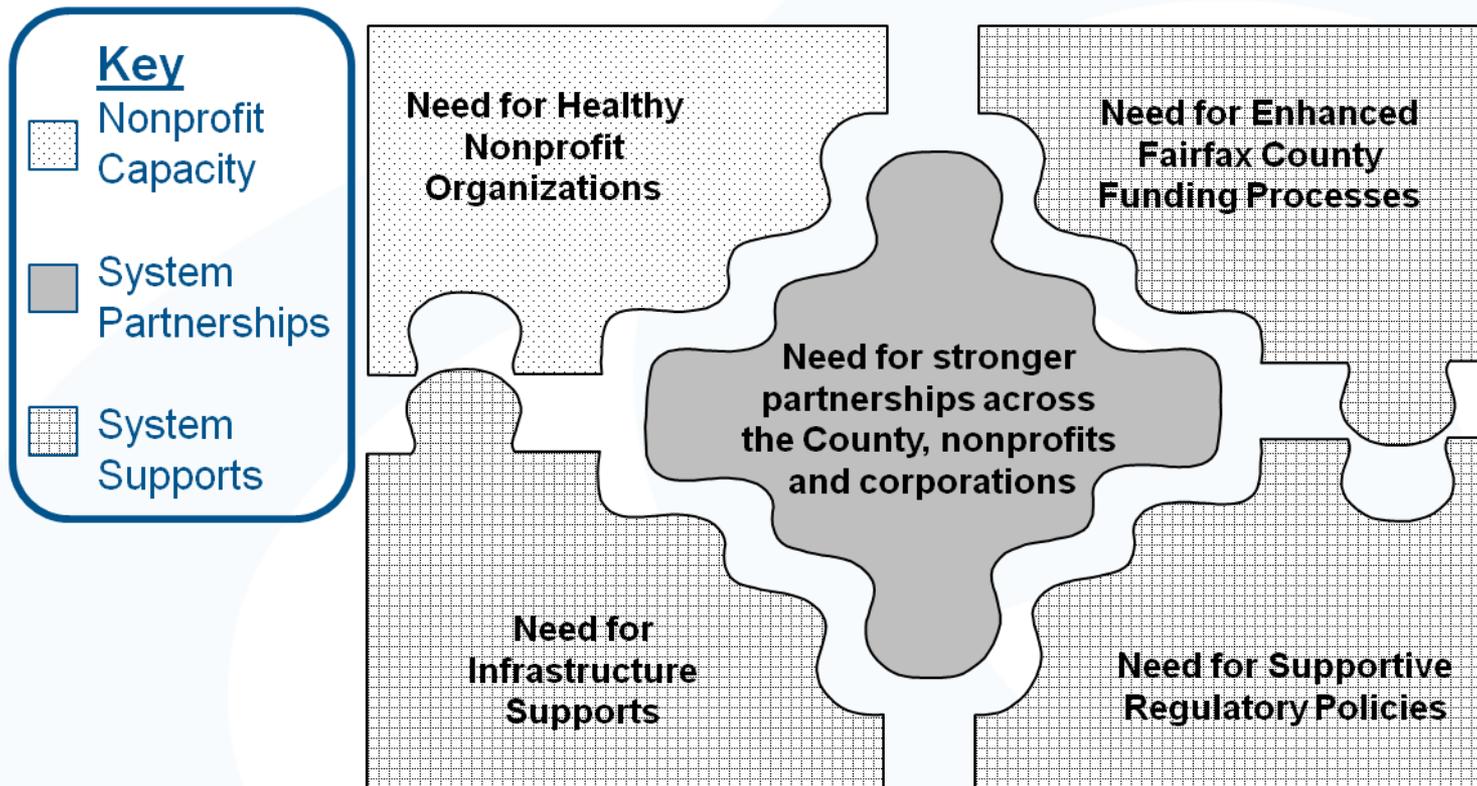
### Gaps in Mental and Behavioral Health Services

Services for youth and adults with mental illness, substance abuse and related behavioral health issues including:

- Need for shared electronic health records
- Funding gap between what healthcare covers and level of care individuals need

*Note: Please see appendix for the solutions proposed by nonprofits for each service area during focus groups*

# The Listening Project identified three primary factors to focus on in order to close service gaps



*Note: This slide reflects summary themes emerging from focus groups, surveys and interviews*

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# Research revealed consistent themes regarding nonprofit strengths and weaknesses, with disagreement around nonprofit risk tolerance

Nonprofit Strengths	Nonprofit Weaknesses
<ul style="list-style-type: none"> <li>■ High level of commitment to mission among staff and volunteers</li> <li>■ High level of collaboration and development of extensive partnership networks</li> <li>■ Strong understanding of community need</li> </ul>	<ul style="list-style-type: none"> <li>■ Limited staff resources</li> <li>■ Limited ability to scale service delivery due to interest in maintaining niche and due to limited organizational capacity</li> <li>■ Limited ability to obtain sufficient revenue</li> </ul>

Discrepancy Between Nonprofit and County Opinion on Nonprofit Capacity		
	Nonprofit Self-Perception	County Staff Perception
<b>Risk Tolerance</b>	<p><b>Weakness</b></p> <p>Survey data indicated that nonprofits perceive risk tolerance to be among the bottom half of organizational capacity factors</p>	<p><b>Strength</b></p> <p><i>“Nonprofits are always receptive to learn, willing to take risks...Nonprofits are able to take risks that we cannot.”</i></p> <p>– County staff</p>

Note: This slide reflects responses from survey data, interviews and focus groups

# In strengthening the system, the County must first look to enhance nonprofit capacity, building on nonprofit strengths and improving weaknesses

<b>Ranking of Small Nonprofit's Self- Assessment of Capacity (Operating Budget &lt; \$1M)</b>	<b>Ranking of Large Nonprofit's Self-Assessment of Capacity (Operating Budget &gt; \$1M)</b>
<ol style="list-style-type: none"> <li>1. Clarity of Mission and Goals</li> <li>2. Partners &amp; Collaborators</li> <li>3. Staff Composition</li> <li>4. Financial Planning and Reporting</li> <li>5. Constituent Service Delivery in Fairfax County</li> <li>6. Strategy Execution</li> <li>7. Cost Controls</li> <li>8. Knowledge of Constituents in Fairfax County</li> </ol>	<ol style="list-style-type: none"> <li>1. Clarity of Mission and Goals</li> <li>2. Staff Composition</li> <li>3. Partners &amp; Collaborators</li> <li>4. Cost Controls</li> <li>5. Senior Management Team Composition</li> <li>6. Constituent Service Delivery in Fairfax County</li> <li>7. Revenue Generation/Fundraising Strategy</li> <li>8. Financial Planning and Reporting</li> </ol>
<hr style="border-top: 1px dashed green;"/> <ol style="list-style-type: none"> <li>9. Use of Technology</li> <li>10. Senior Management Team Composition</li> <li>11. Social Impact Measurement, Monitoring, and Reporting</li> <li>12. Board Engagement</li> <li>13. Resources for Staff</li> <li>14. Risk Tolerance</li> <li>15. Revenue Generation/Fundraising Strategy</li> <li>16. Planning Culture</li> <li>17. Competitive Landscape</li> </ol>	<hr style="border-top: 1px dashed green;"/> <ol style="list-style-type: none"> <li>9. Planning Culture</li> <li>10. Use of Technology</li> <li>11. Risk Tolerance</li> <li>12. Strategy Execution</li> <li>13. Board Engagement</li> <li>14. Resources for Staff</li> <li>15. Knowledge of Constituents in Fairfax County</li> <li>16. Competitive Landscape</li> <li>17. Social Impact Measurement, Monitoring, and Reporting</li> </ol>

*Note: This slide reflects responses from nonprofit survey data*

In spite of nonprofit satisfaction with capacity building services, 36% of organizations **do not** report capacity building services leading to organizational impact; the project identified ways to address this:

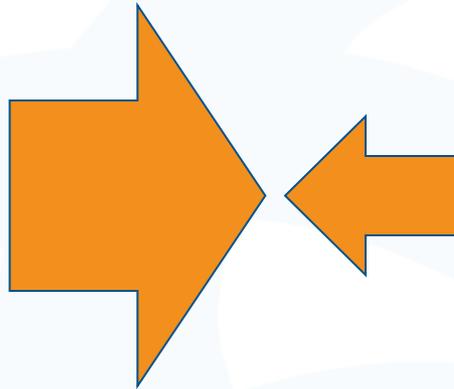
Mechanisms to Improve the Impact of Capacity Building	Supporting Data from Survey*
<b>Provide Access to Customized Assistance</b>	<ul style="list-style-type: none"> <li>■ Services that delivered highest nonprofit satisfaction involved one-on-one technical assistance.</li> <li>■ Nonprofits cite limited organizational impact from basic capacity building services.</li> </ul>
<b>Provide Resources to Cover Cost of Implementation to Ensure Direct Results</b>	<ul style="list-style-type: none"> <li>■ Nonprofits believe that the organizational impact of capacity building services is generally limited when organizations lack sufficient resources needed to implement change.</li> </ul>
<b>Further Develop Existing Capacity Building Resources</b>	<p>Nonprofits found the following tools potentially useful:</p> <ul style="list-style-type: none"> <li>■ Web-portals listing local capacity building resources</li> <li>■ Peer exchange forums for nonprofit leaders.</li> </ul> <p><i>Note:</i> Nonprofits mentioned these tools already exist, but could be developed further.</p>

\*See appendices slides for further details.

## Point of Tension: While nonprofits recognize the importance of capacity building services, there are differing viewpoints on the role of the County

### Most nonprofits believe....

- County's role is to invest in overall system and increase funds for service delivery, rather than provide capacity building services



### However, other nonprofits recognize...

- Capacity building services seen as investment protection for the County

*"I don't think it's the role of Fairfax County to spend money on capacity building of nonprofits. I know it comes from the right place, but it feels so demeaning to have another sector say, let us help you."- Nonprofit*

*"We are large enough, that when we undertake new projects, our board provides us with the resources we need to do a market study or provide financial oversight. However, it makes sense that the County wants to protect its investment in nonprofits through capacity building." -Nonprofit*

## Considerations for the County's role in nonprofit capacity building

- **Offer services that build upon nonprofit strengths and address nonprofit weaknesses; recognize that small and large organizations may require different offerings**
- **Support nonprofit access to customized services focused on individual nonprofit need**
- **Provide additional resources needed for implementation**
- **Support the enhancement of existing capacity building resources (e.g., web-based portals, peer learning sessions)**

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Corporations and nonprofits are interested in working together; however research revealed differences in how each party perceives the other

## Challenges in Developing Partnerships between Nonprofits and Corporations

	Nonprofit Interest	Corporate Interest
<b>Relationship Approach</b>	<ul style="list-style-type: none"> <li>Generally approach corporations asking first for volunteers or funding, rather than asking for discrete capacity building services that align with corporate skills</li> </ul>	<ul style="list-style-type: none"> <li>Interest in engagement opportunities that also develop employee skills</li> <li>Interest in partnering with effective nonprofits that can enhance local brand</li> <li>Interest in partnering with “safe” nonprofits- those which exhibit strong track records or those that don’t expose them to political risk</li> </ul>
<b>Staff Engagement</b>	<ul style="list-style-type: none"> <li>Interest in working with volunteers on an ongoing basis</li> </ul>	<ul style="list-style-type: none"> <li>Stronger interest in developing one time engagement opportunities for large staff groups</li> <li>Interest in “plug and play” employee engagement opportunities (nonprofit coordinates the set up of an event)</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>Interest in funding to support operating costs</li> </ul>	<ul style="list-style-type: none"> <li>Interest in funding specific corporate priorities</li> </ul>
<b>Pro Bono Engagements</b>	<ul style="list-style-type: none"> <li>Frequently express interest in access to pro bono engagements</li> </ul>	<ul style="list-style-type: none"> <li>Interest in providing <i>limited</i> pro bono opportunities to high performing nonprofits</li> </ul>

## The project revealed consistent themes regarding Fairfax County Government strengths and weaknesses

Fairfax County Government Strengths	Fairfax County Government Weaknesses
<ul style="list-style-type: none"><li>■ Strong support of nonprofit community</li><li>■ Ability to convene nonprofits and corporations to address community needs</li><li>■ Development of successful collaborative working groups in specific areas</li></ul>	<ul style="list-style-type: none"><li>■ Limited meaningful partnership between the County and nonprofits in underserved areas</li><li>■ Limited transparency around how the County funding is allocated to nonprofits</li><li>■ Limited ability to streamline and standardize funding and reporting processes</li></ul>

*Note: This slide reflects responses from survey data, interviews and focus groups*

## Considerations for the County's role in capacity building to strengthen system-wide partnerships

- **Replicate past successful collaborative initiatives such as the Ten Year Plan to End Homelessness for other service areas in Fairfax County to achieve better integration of partners from identification of desired outcomes to design of solutions**
- **Aggregate nonprofit resources in a “Nonprofit Center of Excellence” and serve as consolidator of nonprofit interest in specific resources to corporations**
- **Continue to facilitate nonprofit/corporate partnerships to create mutual benefit**

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# The project identified ways to increase nonprofits' staff capacity for service delivery through indirect means such as modifying the funding process

## Fairfax County's Nonprofit Funding Process (1 of 2)



### 1 Can the County develop a regional approach to contracting?

*“When you talk about scalability, I think about regionalization. When nonprofits expand, their services decline in quality. It might be that they are trying to deal with too many different policies and procedures. We need to work more on regional contracting. There are crossover providers that work in both Fairfax and Loudon Counties.” - County staff*

### 3 Is the County willing to provide nonprofits with long-term funding?

*“Is the County going to make a [long-term] commitment to providers who invest in capacity building and expansion of services?” - Nonprofit*

### 2,4 Can the County reduce the number of proposals and reports nonprofits write?

*“There is no collaboration between different jurisdictions, some funding streams are one year, two year - not even continuity within Fairfax County and across counties. Reporting systems for each service area are completely different.” - Nonprofit*

### 3 Can the County allocate funding for indirect costs?

*“There is a mentality that overhead shouldn't be in the grant. [I] wrote one once for the funding pool... but it was returned with the G&A removed from the proposal. Might be the County staff or volunteer reviewer's staff...” - Nonprofit*

\*CCFP funding priorities are set by the CCFAC not by the County.

Additionally, the project identified ways to enhance alignment of nonprofit evaluation criteria with desired community outcomes and alignment of past performance on future allocation of funding

## Fairfax County's Nonprofit Funding Process (2 of 2)



### 1,2 How do organizational outcomes affect future funding?

*"I wonder whether nonprofits are actually making the grade...they are not providing services according to the contract, but they still get their contracts renewed year after year."  
- County staff*

### 2 Are nonprofits able to accurately measure outcomes?

*Survey data showed large nonprofits (operating budget > \$1M) indicating the ability to measure social outcomes as the weakest organizational ability.*

### 2 How do outcome measurements map to community outcomes?

*"Individual outcomes of nonprofits are strong, but moving past individual outcomes to the larger community impact is something we haven't done."  
-County staff*

\*CCFP funding priorities are set by the CCFAC not by the County.

# To improve public access to existing services, the project identified ways to address barriers including limited transportation options and insufficient translation services

## **Issue: Nonprofits cannot afford to address diverse language needs.**

*“For individuals who speak a minority language, there are some psychiatric services, but these services are a huge stress on the budget.”- Nonprofit*

## **Issue: Client cannot reach nonprofit services given limited transportation options in a very large County.**

*“Transportation is almost always an issue, but again it comes down to resources. Some programs pay for taxis and metro fare cards. Fairfax is very large, public transportation is not necessarily a viable option.”- Nonprofit*

## **Issue: Nonprofits are interested in real-time database to increase information sharing about community resources.**

*“Currently, if someone comes to my organization and needs a referral, I have a list of providers, but I don’t have information on their quality of service or their availability.”- Nonprofit*

*“In my service area, each organization has its own referral list and housing vacancy list. However, it takes a lot of time and energy to continually update vacancy lists and identify referral organizations with openings. Can we consolidate these lists?”-Nonprofit*

Note: These are direct quotes from the survey, focus groups and interviews

## Considerations for the County's role in strengthening system supports

- **Explore ways for the County and nonprofits to share risk**
- **Evaluate opportunities to reduce nonprofit costs associated with County funding requirements**
- **Leverage technology to enhance the collection and dissemination of real time data throughout the County**
- **Consider providing access to low cost language translation services to nonprofits**
- **Improve access to services through co-location of complementary services and/or locating service providers near clients (e.g., mental health services in schools)**

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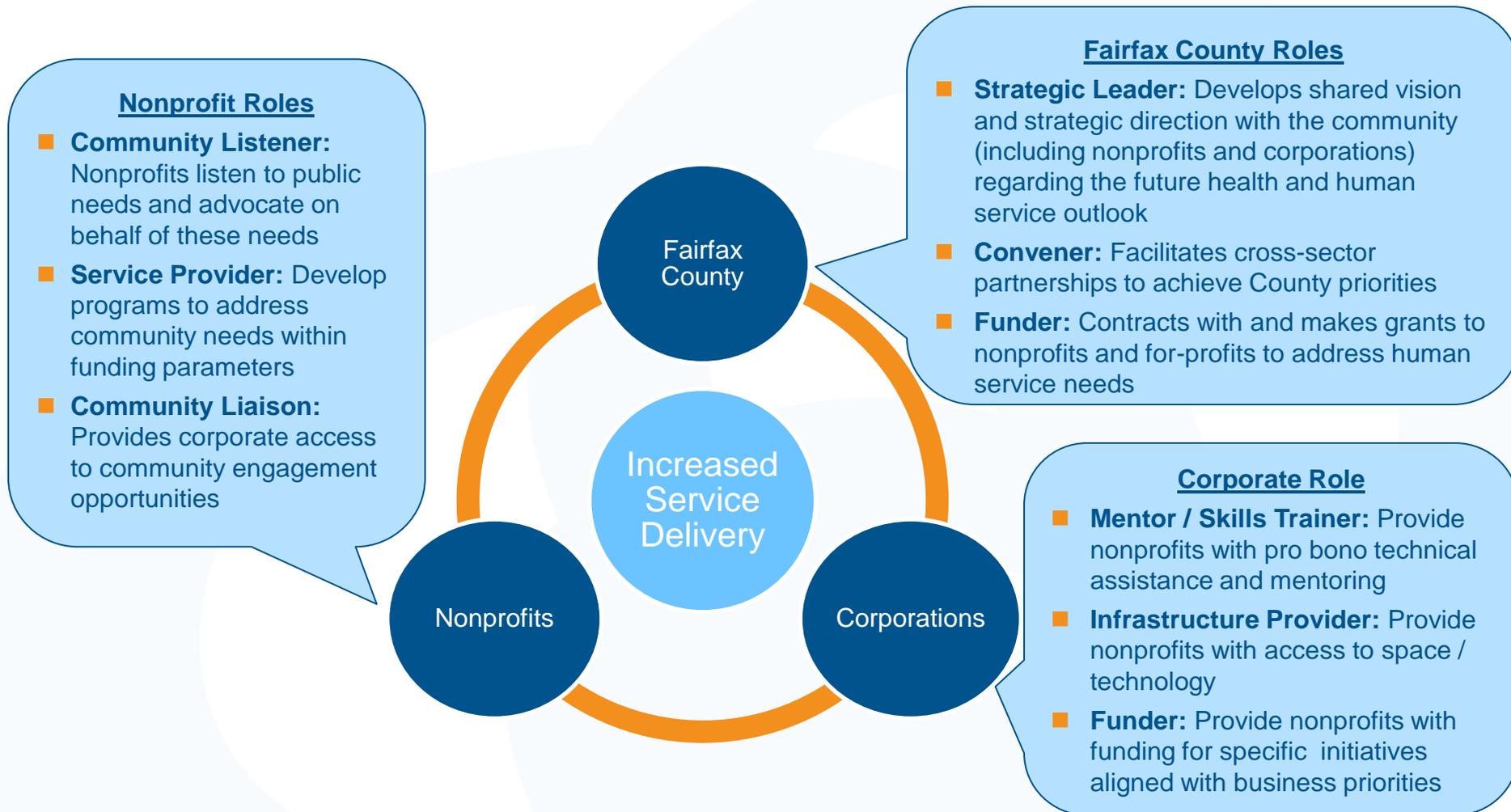
Key Findings – Nonprofit Capacity

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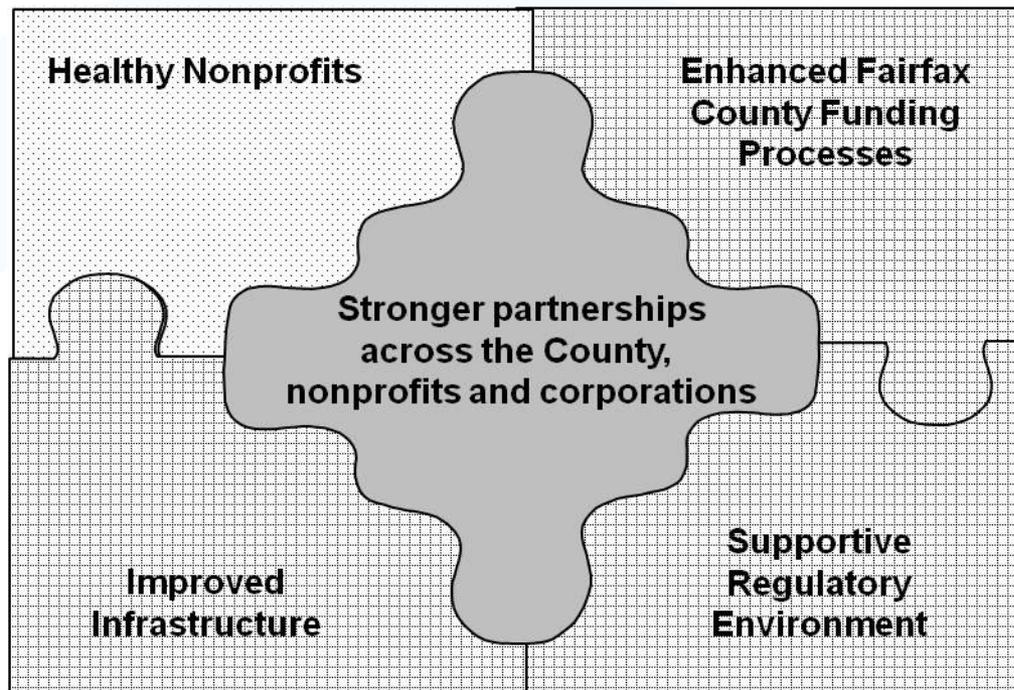
# Fairfax County is in a unique position to harness the strengths of each sector



Note: This slide reflects findings from focus groups and interviews

By harnessing the strengths of each sector, Fairfax County can dramatically improve community outcomes

## Desired Outcomes for a Stronger Fairfax County Human Service System



*Note: This slide reflects summary themes emerging from focus groups, surveys and interviews*

## Discussion Questions

- **Are There Any Questions about the Project Findings?**
- **Role of County in Providing Capacity Building Services**
  - How can the County best support nonprofit capacity building and cross-sectoral partnerships?
- **Risk Tolerance for New Program Development and/or New Service Models**
  - How can the County encourage nonprofits to develop new services or implement new approaches?
- **Considerations for Future Action**
  - What types of capacity building efforts are of most interest to you?
  - Which ideas have the potential to be most impactful?
  - Which ideas would you like to see accomplished within the next 6 months? (Quick wins)
  - What additional ideas do you have for the County?
- **What Have You Found Most Surprising and/or Interesting about the Results?**

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