



Plenary 3: Effective Capacity Building

Wednesday 25 May 2016

9:30am

Session reporter: Ubaidullah Qazi

Summary of the Content of the Session:

Moderator: Paul Carttar (Senior Advisor, Bridgespan Group)

Speakers:

- Elizabeth Riker (Senior Partner, New Profit)
- Nagma Mulla (COO, EdelGive Foundation)
- Cliff Prior (CEO, Big Society Capital)
- Joyce Teo (The Community Foundation of Singapore)

The session discussed to answer questions such as:

What exactly is capacity building?

Why is it important?

What role can the CP play for the strategy philanthropist investors take?

What are the challenges and problems in delivering effective CP?

Cliff Prior – Introducing CB

- All organization, whether small or large, young or old, need CB. Non Profit and Social Enterprises needed it more, because they often have less market experience, they often operate in broken markets, with thin margins, and huge challenges.
- For social investors capacity building is very important as without it you wouldn't be able to make the impact you intend to.
- CP works across the entire spectrum of the company, from its incubation to investment readiness to acceleration.
- Never underestimate the power of friends, families, networks, peers bringing people together because it's great having technical advice from professional it's much more convincing when it's a peer who been through something like you and is somebody like you. That's where you accept things for learning.
- There can be problems about CB. Over supply can create dependency. Too much subsidy can lead to ineffective work. Further, how much CB can be offered in a given year that is accepted and utilized. Despite the problems and challenges, it's still worth it.
-

Cliff Prior on Big Society Capital

- Big Society Capital in the UK, only invests in social investors and supports about 15 candidates every year and on average offers investments of US\$7.5 million. It is currently supporting about 45 social investors, who have invested in about 300 frontline social purpose organizations.
- For CB, they got a watch list and put a lot effort in developing CB of 5-10 social investors at any given time.

Elizabeth Riker on New Profit

- NewProfit largely supports non-profits and on average makes 6-8 grants a year where an average grant is about US\$1.5million. They got 30+ ongoing grants and all their grantees receive full Capacity Building support model, with about a third receiving intensive support at any given time
- New Profit realized that new startups need support in scaling up, and focused on helping them through money and CB support.

Naghma Mulla on EdelGive

- EdelGive operates from Mumbai, India. It has about 50 ongoing multi-year grants. On average they give 5-10 new grants every year of about US\$40k each. Their target group is small to upper medium charities. At any given time about 10 such organizations receive intense capacity building support, and about 12 receive medium capacity building help.
- EdelGive's CB model invited all to come together once a year. Their recipients are told that they are in it for everything, good or bad. Building confidence and trust is the key, and encourage them to share their failures just as much as their successes.
- EdelGive identifies the gaps with them, not for them. They are the drivers, EdelGive are the facilitators,

Joyce Teo on The Community Foundation of Singapore

- CPS is a philanthropic intermediary that primarily connects donors with charitable organizations. It gives out around 100-200 grants a years, usually of a smaller size of around US\$20,000, but with those they are engaged for longer duration they offer them around US\$80-150 thousands. About 5-8 organizations receive intensive capacity building measures, while about 10 receive light touch CB support.
- For CFS, capacity building came as a necessity as there was a lack of grantees to satisfy the demands of the donors

Major conclusions of the session

- Building trust between the donors and the grantees is the most important thing, without it, not much is achievable.
 - CB should involve investing in trust building.
- All three models are good, none of them is perfect. All of them have developed and evolved in a context, and working well within that context.
- Though some preferred offering only in-house CB support, the consensus is that involve consultancy where in-house CB support is lacking. Further, external surveys help in seeing what others see.
- If you are in for an impact, be in for a long haul, and never think that money alone will do the job.