

## **ENCATC Glossary - CAPACITY BUILDING**

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#### **Historical background:**

The term “capacity building” may be described as one of the main issues, discussed seriously by the Chief Executive Officers, Managers of the non-profit organizations and even their employees. However, the multidimensional meaning of this phrase should be underlined: “there is no established capacity building “field” per se – no agreed upon terminology, structure, or approaches” (Ginsler & Associates Inc., 2005).

The historical background of its use dates from mid 1960s and 1970s. Only in early 1990s. this term was introduced, from urban planning and environmental movement, into non-profit sector and its organizations (Ginsler & Associates Inc., 2005).

#### **Definitions:**

As first, and the most popular definition appears “the ability of nonprofit organizations to fulfill their missions and goals in an effective manner” (McPhee, Bare 2001, McNamara 1997). So, one may explain “capacity building” as the conscious and reasonable use of existing resources to obtain sustainability for the organization.

Any group may define its core capacities / core assets differently but finally, basing on them, it accomplishes projects successfully. The core assets can become: human resources, shared know-how, money, facilities, equipment and etc., they can also be obtained from the external environment – like sponsorship or engagement of volunteers. Perceived in this way “capacity building” may be recognized as one of the derivatives from the strategic management planning – solutions designed for for-profit organizations. (Oblój, 2001).

The second definition in use (McPhee, Bare 2001) refers to development of civil society, stimulated by actions undertaken by non-profit organizations. This process of life quality improvement is also called “capacity building”. It can be fulfilled by any project that enable citizens to build relationships among each other and define their commitment to local affairs. However, it also refers to mutual exchange between the society and non-profit organisation. The NGOs may create local networks, offer cultural opportunities, advocate or monitor government decisions (Boris 1999). By doing so they may stimulate surrounding community, and as an outcome the society may create and offer some core capacities for these organisations.

#### **Practical approach:**

The first step is to estimate the organisation’s assets and measure their importance against mission’s fulfilment. “After identifying the assets it controls, the organization should repeat the process to identify specific gaps in its skills, knowledge, expertise, physical plant, etc. that will frustrate its ability to achieve its goals and through them, its mission.” (Ginsler & Associates Inc., 2005). The second crucial moment starts when organisation identifies where it can obtain

resources it needs and finds an access to them. Among resources available to non-profit organizations we may find: “people with talents, knowledge, skills, and expertise in areas in which the organization is deficient, who can be convinced to provide them to the organization for free...” (Ginsler & Associates Inc., 2005). The third step refers to implementation of new assets.

To be successful in a “capacity building”, an organization must be mission focused. Moreover, it must be able to define what success means to its members, and realise when it is achieved. The high importance should be also given to clear distinction between measures of success and tools for success. It is not enough to hire highly skilled professionals, the key issue is to listen and implement their suggestions... (Ginsler & Associates Inc., 2005).

### **References:**

“Capacity Building in Arts, Culture, and Heritage Organizations: Knowledge From the Field”, prepared by: Ginsler & Associates Inc., 2005

McPhee Penelope, Bare John 2001. “Introduction” In *Building Capacity in Nonprofit Organizations*, edited by Carol J. De Vita and Cory Fleming, The Urban Institute

Boris, Elizabeth T. 1999. “The Nonprofit Sector in the 1990s.” In *Philanthropy and the Nonprofit Sector*, edited by Charles T. Clotfelter and Thomas Ehrlich. Bloomington: Indiana University Press.

McNamara Carter 1997, Capacity Building (Nonprofit), Authenticity Consulting, LLC ([http://www.managementhelp.org/org\\_perf/capacity.htm](http://www.managementhelp.org/org_perf/capacity.htm))

Oblój Krzysztof 2001, “Strategia organizacji”, PWN, Warsaw.

### **Related terms:**

- organizational development
- organizational effectiveness
- organizational performance management
- strategic management planning
- strategic marketing planning
- core competencies / capacities / assets
- competitive advantage

### **Useful links:**

[http://www.managementhelp.org/org\\_perf/capacity.htm](http://www.managementhelp.org/org_perf/capacity.htm)

<http://www.npgoodpractice.org/Glossary/Default.aspx?index=C>