



The David and Lucile Packard Foundation

OE Goldmine Research Project Executive Summary

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I. Introduction

Since 1997, the David and Lucile Packard Foundation has awarded 1,391 Organizational Effectiveness (OE) grants to over 900 organizations.¹ The OE Program is designed to enable current grantees of the Foundation to undertake projects that transform their organizations in sustained and meaningful ways. OE grants support a variety of capacity-building efforts for grantee organizations and networks. Some examples include strategic planning, financial and executive coaching, organization or network assessment, board development and governance, etc.² While the OE Program has a relatively robust data collection and learning process, results have not been evaluated and shared in many years.

In response to growing demand for learning information from the nonprofit capacity-building field, the Packard Foundation launched the OE Goldmine Research Project to collect, organize, and analyze data from its OE Program in April 2010. Initial work on the project was conducted by the Data Center, who administered a survey to former OE grantees and organized the vast amounts of data related to the program. The Foundation subsequently engaged TCC Group, a national consulting firm that provides evaluation and planning services to nonprofits and foundations, as partners in the learning process.

Between March and July 2011, TCC Group worked with the Goldmine research team to conduct analysis of existing data from its OE Program, including data from the OE Post-grant Survey and grantee final reports, to answer five key research questions:

1. What is the sustained impact of OE grants, if any?
2. How and to what extent can impact on the organization, impact on staff/leaders/board, and impact on program outputs/outcomes be determined?
3. In what ways do OE grants build one-time transactional capacity vs. ongoing transformational capacity?
4. What contributed to the consultant relationship working or not working?
5. What are the factors that contribute to a successful OE project? When and under what circumstances do OE projects succeed or fail?

Using a “learning in public” approach, TCC used the already established Packard wiki site (<http://packard-foundation-oe.wikispaces.com>) to share preliminary findings along the way and worked with the Goldmine research team to engage a variety of stakeholders in the data analysis process through in-person discussion groups, social media, and webinar.

II. Data Characteristics and Methodology

Data Characteristics

As described above, the primary data set for the research consisted of the post-grant survey administered by the Data Center and Packard Foundation OE records such as grant classification, intended outcomes and final report assessment. The post grant survey served as the primary reference point and included 169 OE grantees. These 169 grantees represent all program areas, with 31% in the

¹ OE Goldmine Research Project RFP.

² <http://www.packard.org/what-we-fund/organizational-effectiveness-and-philanthropy/organizational-effectiveness/>.

Foundation's Conservation and Science category. Most of the OE grants were for hiring a consultant for one year and 90% of the grants ranged between \$20k and \$60k, with an average of \$38,989. Sixty percent of the grantees had an annual operating budget under \$5 million, while 18% of the grantees were in the \$10 million or more category. Finally, about three quarters of the grants (77%) were awarded to organizations in the US and a quarter of the grantees described themselves as a network; close to half of the grantees described their organization as highly networked, though they did not fit into the network category.

The survey team took into consideration several important factors such as minimizing the potential impact of organizational turnover, soliciting feedback on the instrument, making strategic targeting decisions for distribution and providing grantees with previous information they had submitted. With a strong response rate (62%), the dataset is very rich, but, as with any dataset, there are some limitations that merit mention and we mention three. First, the survey asked respondents to reflect on specific OE grants that had been completed sometime prior and describe the status of change and assign attribution to factors of success. As a result, there are standard issues of recall and attribution bias in the data. Second, in order to gather a range of experiences, several survey questions were "select all that apply" or contained forced choice options that were not necessarily mutually exclusive. This causes some questions about how specific questions and items were interpreted by respondents and pose a challenge for comparative statistical analyses. Third, there is a mix of narrative and closed-ended data. This is a positive characteristic of the dataset. The limitation is that the narrative data is limited to those respondents that chose to provide the information and how extensively they chose to respond.

Research Methodology

The methodology utilized the existing dataset and included a rigorous examination of that data. TCC Group did not conduct any additional data collection from OE grantees on their grant experience. TCC's analysis process began with identifying which data fields in the Data Analysis Tool could answer each of the five research questions and mapping the questions against the OE Program's logic model, presented on the following page. Once the mapping was complete, TCC did additional coding of the dataset, coding open-ended survey responses as well as recoding anticipated and actual outcomes into TCC's core capacity framework, comprising four overarching capacities and 32 sub-capacities. The four core capacities are Adaptive, Leadership, Management and Technical and are described to the left.

The core capacity framework allowed for detailed examination of specific capacities using a tested framework for which TCC has extensive existing data.³ Once the data had been coded, TCC's analysis followed these key steps:

- Transformed qualitative codes into numeric variables;
- Conducted descriptive analysis of all variables (e.g., frequencies, range, means);
- Examined the relationships between variables;
- Created new variables by combining variables that are conceptually related; and
- Conducted comparison analyses to examine differences in the outcomes between groups.

³ See www.tcccat.org for additional information on the framework.

CORE CAPACITIES:

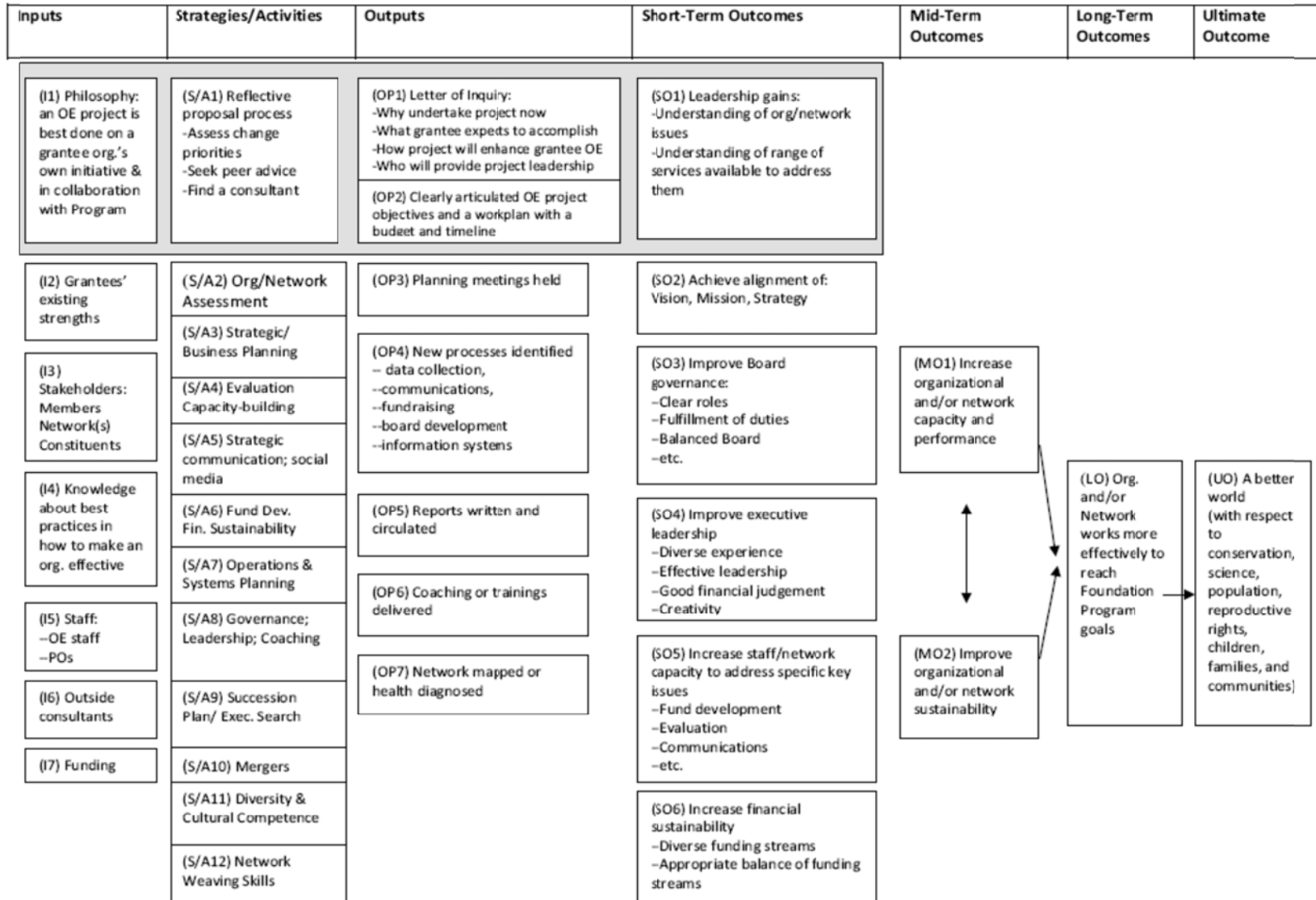
Adaptive Capacity is the organization's ability to: Monitor, assess, respond to, and create internal and external changes.

Leadership Capacity is 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 is the organization's ability to: Ensure the effective and efficient use of organizational resources.

Technical Capacity is the organization's ability to: Implement all of the key organizational and programmatic functions.

Logic Model for the Packard Foundation's Organizational Effectiveness (OE) Responsive Grantmaking
Version of 9/29/10



Learning in Public

As part of an open process, this research project was conducted with an element of “learning in public” (LIP). The intent of LIP included a desire to disseminate findings and generate conversation around findings that were more easily “digestible” in pieces, rather than as a full report. Second, the process was meant to inform the research itself by identifying additional areas for analysis and providing insight to interpreting the data. The Goldmine research team and TCC jointly implemented two key strategies as part of the “learning in public” approach. The first was to share preliminary findings on the OE Goldmine research throughout the course of the project using Packard’s existing wiki and through blogs, newsletters and personal communications. The second strategy was to engage audience groups in interacting with the researchers around the preliminary findings in real-time, through in-person and virtual meetings, as well as by monitoring the response to statically posted material.

LIP was an exciting part of the project and the process itself generated mention in several high profile venues (e.g., in a conference plenary speech at GEO’s annual conference). The process resulted in some tangible touch points that benefited both the researchers and those engaged, but also included several struggles. Some of the key reflections on this process include:

- **LIP is exciting and provides some real opportunities to enhance the visibility of specific data and issues, but needs clear outcomes attached.** The process itself and the fact that the team was sharing in various venues led to several mentions in major conferences, on listservs and in blogs. It was exciting for both the team and external individuals and kept momentum and engagement in the process. A limitation in our approach to manage excitement versus outcomes was that we did not sufficiently define engagement or engagement success for the projects at the outset. We did get good engagement around defining success during the process through a robust conversation on the wiki and the engagement of stakeholders in defining success was, in our estimation, positive.
- **Real-time interactions with researchers around findings (e.g., in-person discussions, webinar) generated higher levels of interest and engagement than the wiki.** The project struggled throughout to generate an active conversation on the wiki site. There were isolated pockets, such as early threads reflecting on how to best use the wiki site for the project, but overall the engagement on the wiki site was minimal. Other venues, such as conferences, in-person discussion groups and webinars generated thoughtful discussions and raised the visibility of findings. Notwithstanding the challenges of the wiki, we found that both the wiki and the live interactions served to engage new stakeholders. Overall, we likely had unrealistic expectations about the level of interest that people would have in data analysis and interpretation, but found the interaction that did occur to be positive.
- **The level of effort of doing LIP was very high and the benefit to the research was limited.** The amount of time and energy spent by the researchers was significant and exceeded initial estimates. In particular, managing extensive data on the wiki site while continuing to do analysis proved challenging to manage. Further, there was a level of “dissemination” management that the process required that is more intensive than a traditional research project. Some feedback gained through LIP spurred the thinking of the researchers, particularly around additional areas of analysis. Further, the process of preparing discrete findings and presentations forced us as researchers to think about coherence and how to present the data, which was particularly helpful in preparing this report. With regard to analysis, however, the input and insights were limited as external audiences didn’t push on data findings as much as we had anticipated and the level of analysis we had done to arrive at findings was extensive.

III. Findings from the Research

Overall, OE research findings as well as insights generated through the LIP process suggested that Packard's OE program is achieving many of its desired outcomes. Key highlights of the data include:

- Close to 80% of the OE grants have resulted in new capacity at an organizational-wide level, with more than half of the OE grantees (53%) reporting that new capacity was built and has sustained itself with significant organizational wide impact.
- Grantees reported that they can clearly make the link between organizational capacity building and program service outputs or outcomes in a measurable way. Sixty-six percent of 169 grantees said the OE grant had "significant" or "transformational" and measurable impact on program services.
- Grantees identified organizational readiness as the most important factor that contributed to the success of their OE projects. Sixty-eight percent of the grants reported organizational readiness has contributed to their project success, which suggested that Packard's current approach has been effective in ensuring grantee readiness before making an OE grant.

"This grant supported an effective and thoughtful process for our search for a new [President]. As a result, the selected new leader holds the qualities needed to bring improved stability to the organization. Our new leader has experience in our work and in the vision of our mission and best practices for implementing positive developments organization-wide."

These positive results suggest that Packard's current OE approach has been effective. Beyond Packard's own use, the research was intended to address five questions relevant to OE practitioners and nonprofit organizations. Key findings for each research question are found below.

Research question 1: What is the sustained impact of OE grants, if any?

Summary of findings:

- Close to three quarters of the grantees reported new or long-term results related to adaptive capacity; that is, the ability to monitor, assess and respond to and create internal and external changes.
- More than half of the OE grantees (53%) reported that new capacity was built and has sustained itself with significant organizational wide impact.
- A more detailed and rigorous framework is necessary to determine with more certainty the scope and duration of impact for various types of capacity-building activities.

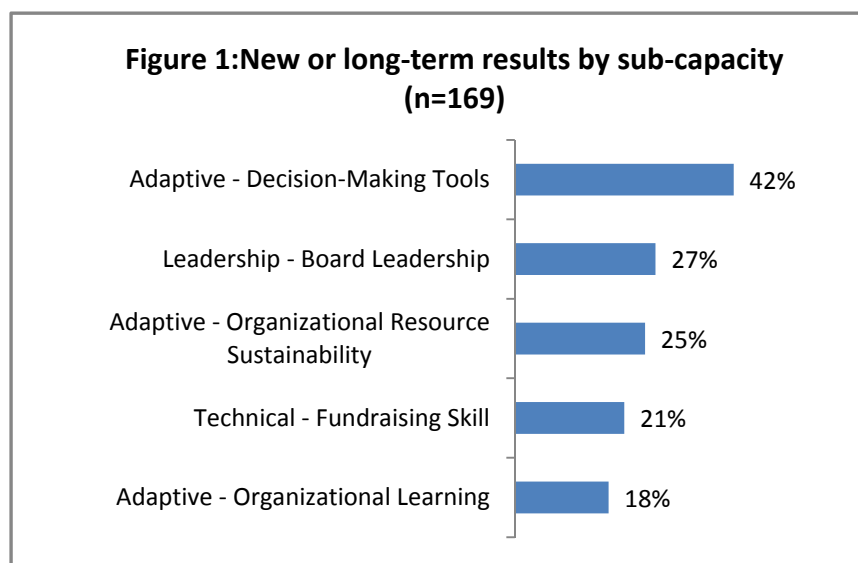
Grantees reported ongoing sustained impact of their grants with more than a year distance between the grant and the survey. When asked to rate the sustainability of their grant results, more than half of the OE grants (53%) reported that new capacity was built and has sustained itself with significant organizational wide impact, while another 30% reported new sustained capacity with some organization-wide impact.

"Fundraising efforts that emerged from Packard grant project led to the creation of a Campaign with major donations that currently total over \$4 million. With one location closing due to the termination of a lease, [the organization] was able to use those dollars to build a new early education campus without debt and without reducing the amount of children served in [our County]. Other dollars raised in the campaign have enhanced operations."

"This process set us on a path of clarifying our purpose and shared goals and vision, and to making this process a continual effort and part of our day-to-day approach. The increased clarity and member commitment has enabled us to grow and diversify while maintaining cohesion and purpose."

It is not surprising that grantees would largely report sustained findings, but the composition of the findings seems to indicate these to be valid reports. Based on grantees' descriptions of new or long-term results of their OE project, most of the long-term gains were in the area of adaptive capacity, with 71% of the grantees reporting at least one type of improvement in this area. This was followed by technical capacity (50%) and leadership capacity (41%). Specific sub-capacities that evidenced particular long-term results can be found in Figure 1. Management capacity evidenced the lowest percentage of long-term results (22%). While not surprising since few organizations overtly focused on management capacities, it is significant since management capacity reflects institutionalization and effective use of additional capacity. The data were limited in this regard and it is not possible to say whether organizations did not build management capacity or simply didn't think to report it within the framework of the data collected, but we raise it here as it has important implications for sustained impact of OE grants.

One piece of evidence that seems compelling with regard to sustained impact is that even though most grantees' main goal may have been focused on one specific area, most grants reported improvement in more than one capacity, indicating the capacity had taken root.



Definitions of capacities

Decision-Making Tools: Developing and using tools to make decisions such as strategic plans, evaluation frameworks, communications or fundraising plans, etc.

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
- **Meeting** regularly and providing fiscal oversight

Organizational resources sustainability: Maintaining financial stability in order to adapt to changing environments

Fundraising skills: Ability to develop necessary resources for efficient operations, including management of donor relations

Organizational learning: Self-assessing, using assessment data/findings to conduct strategic planning, and following through on strategic plans

Research question 2: How and to what extent can impact on the organization, impact on staff/leaders/board, and impact on program outputs/outcomes be determined?

Summary of findings:

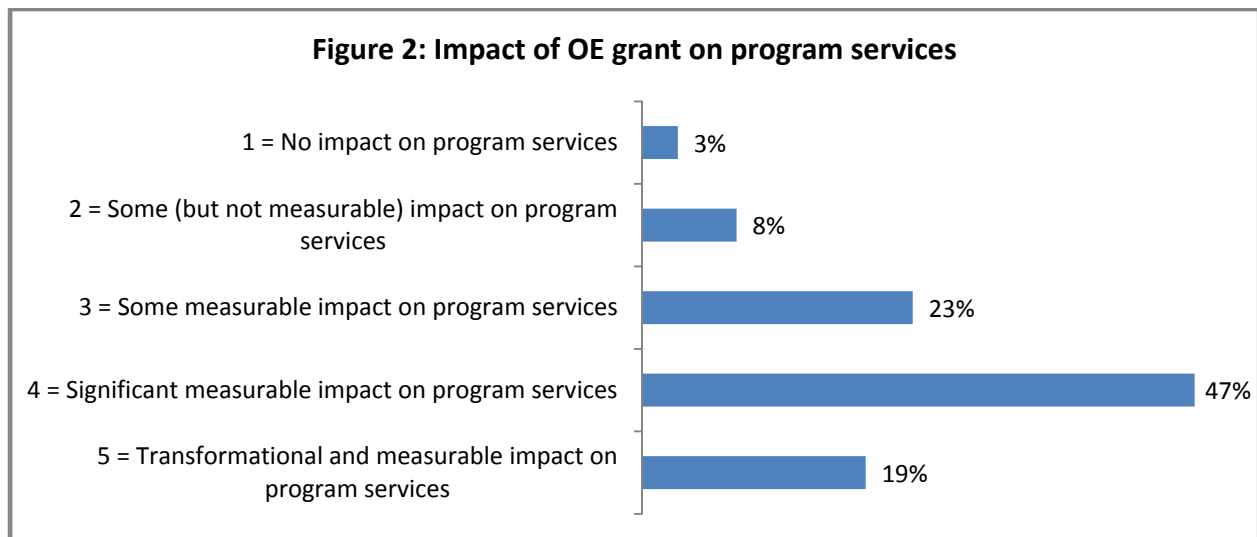
- Grantees reported that they can clearly make the link between capacity building and program service outputs or outcomes in a measurable way. Sixty-six percent of 169 grantees said the OE grant had “significant” or “transformational” and measurable impact on program services. They described programmatic impact examples such as improvements in program quality and reach, more strategic in programming, and more visibility, community support, and program resources.
- While grantees self-report making the connection, the data are not sufficient to answer this question beyond that reporting.

Grantees reported that they can clearly make the link between organizational capacity building and program service outputs or outcomes in a measurable way. As shown in Figure 2, 66% of 169 grantees said the OE grant had “significant” or “transformational” and measurable impact on program services. While a more rigorous comparison to actual programmatic outcome data would likely yield a more compelling answer to this question, it is not insignificant for grantees to indicate such high levels of attribution to OE grants on program services.

“Successful strategic planning has substantially improved our focus on and efficiency in our advocacy projects. For example, a sharper vision of our unique strategic value and strengths has helped us target our efforts more efficiently, advocate more powerfully, and partner more strategically. Our strategic planning process has increased the clarity of our voice and confidence in asserting our agenda. Also, the coaching has helped us develop, empower and retain outstanding senior staff members.”

Specific ways that OE grants impacted programs include:

- Improved program quality and reach (the ability to reach/serve more people) (35%).
- Becoming more strategic with programming (23%).
- Increased visibility, community support, and leadership role in the community (10%).
- Increased program resources (10%).



Research question 3: In what ways do OE grants build one-time transactional capacity vs. ongoing transformational capacity?

Summary of findings:

- TCC does not believe that the Goldmine data are sufficient to answer this research question. One possible data point was a multiple-choice question that asked respondents to describe the nature of the capacity that was built with their OE project. An initial reading of the data suggested that the OE grants seemed largely transformational in nature: close to 80% of the respondents reported that their OE grants have resulted in new capacity at an organizational-wide level. However, further analysis of the data suggests that the conclusion is not clear. Because the survey question asked respondents to check all that apply, TCC recoded the responses to further distinguish grants that built ongoing transformational capacity from grants that built only one-time transactional capacity. The results suggested that only 11% of the grants were transformational.

Survey respondents overwhelmingly indicated that the grants have resulted in increased capacity at an organization-wide level (see Table 1). An initial reading of these data might indicate that the OE grants were largely transformational in nature. Indeed, qualitative data provide rich stories that might be categorized as transformational. When we dissect the data in Table 1 a bit further, however, the conclusion becomes a bit murkier.

- **One-time transactional capacity** applies to grants that built capacity to accomplish a one-time or short-term task (yes to response a), but failed to build capacity to enable internal staff to carry out the task the next time it is needed (no to response b). Sixteen grants fit in this category (9% of the 169 grants).
- **Ongoing transformational capacity** applies to grants that built capacity to enable internal staff to carry out the task the next time it is needed (yes to response b), and the capacity was built at an organizational-wide level (yes to response d), and capacity was not built to accomplish a one-time or short-term tasks (no to response a). Nineteen grants fit in this category (11% of the 169 grants).

Among the 19 OE grants that reported ongoing transformational capacity, 37% were Conservation and Science grantees, 84% were network grantees, 50% had an annual operating budget between one to five million dollars, and 68% were international grantees. Among the 16 OE grants that reported only one-time transactional capacity, 44% were Local Grantmaking grantees, 69% were network grantees, and 94% were based in the U.S.

Table 1: Type of Capacity Built

Q7. The following best describes the nature of the capacity we built with the project (select all that apply):	Number of grantees	%
a) Capacity was built to accomplish a one-time or short-term task (i.e. capital campaign, personnel manual, website redesign, etc.).	29	17%
b) Capacity was built so internal staff can carry out the task the next time it is needed.	40	24%
c) Capacity was built at a departmental level or project specific level.	54	32%
d) Capacity was built at an organization-wide level.	133	79%
e) Our network members would say that tangible capacity was built for their direct benefit.	38	22%

Grantees also ranked their organization’s ongoing learning after the OE project and half of the survey respondents reported ongoing learning throughout the organization, and 38% of the respondents reported ongoing learning for those directly involved with the grant. Again, on its face, this would seem to indicate transformational capacity development, but a closer analysis of the data reveals some concerns. For example, among those who reported having built capacity at an organizational-wide level, only 53% of them reported significant ongoing learning throughout the organization after their OE grant. This leads us to question the sustainability of the new capacity for the grantees that lacked post-grant learning at an organizational-wide level.

Based on these issues and our own experience evaluating other capacity-building initiatives, TCC is skeptical about some of these results. While we would expect descriptions of sustained impact (as described in question one above), the ability to point to “post-grant learning throughout the organization” and sustained capacity at an organizational level seem high. Nonetheless, Packard’s approach and these data points indicate that OE grants do have a transformational element; the question is whether the grants are significantly more transformational than transactional.

Research question 4: What contributed to the consultant relationship working or not working?

Summary of findings:

- According to grantees’ survey responses, the most important factors contributing to consultant success were “understanding of grantees’ unique needs” (34%) and “ongoing communications and trusting relationships” (29%), while “consulting skills” (23%) and “field knowledge” (15%) ranked lower.
- Grantees whose consultants had both field knowledge and nonprofit experience scored higher in three outcome areas: sustainability of grant results, impact on program services, and organizational sustainability. Consultants’ specific consulting experience did not make a difference in grantee outcomes.

The data indicated that the most important factors contributing to consultant success were “understanding of grantees’ unique needs” (34%) and “ongoing communications and trusting relationships” (29%), while “consulting skills” (23%) and “field knowledge” (15%) ranked lower. Based on their experience working with their consultant, close to 80% of the grantees reported that their consultant had solid background and knowledge in the specific consulting work they were looking for.

Two-thirds of the grantees felt that their consultant had experience with nonprofit clients that then translated into a quality relationship with them. About half of the grantees reported that their consultant had a firm grasp of the most pressing issues in their field of work (e.g., conservation, reproductive rights, etc.).

Interestingly, when we examined the relationship between consultant competencies and grantees' outcomes, we found that consultants' field knowledge made a difference with regard to the impact of OE grant on program services, organizational sustainability, and overarching outcomes. In addition, consultants' experience with nonprofit clients also made a difference in two outcome areas: ongoing learning and impact on program services. To explore this finding further, we compared grantees who reported that their consultants had both field knowledge and nonprofit experience (n=67) to those whose consultants did not have both competencies (n=102). The results showed that grantees whose consultants had both field knowledge and nonprofit experience scored higher in three outcome areas: sustainability of grant results, impact on program services, and organizational sustainability. Consultants' specific consulting experience did not make a difference in grantee outcomes. The implication for this is that when looking for an organizational effectiveness consultant, organizations might want to prioritize a consultant's broad knowledge of the field as well as their experience working with nonprofit organizations over their relative experience in a particular aspect of capacity building (e.g. fundraising, board development, etc.).

Overall, grantees reported high levels of satisfaction with their consultants. The top five key factors contributing to a successful consulting relationship and top five challenges associated with working with consultants are presented in Table 2.⁴

Table 2: Consultant Success Factors and Challenges	
Top 5 Aspects of a Successful Consulting Relationship	Top 5 Challenges in the Consulting Relationship
1. Understand grantees' unique needs and culture and provide customized approach (34%)*	1. Consultant availability and accessibility (15%)
2. Ongoing communication, transparency, build trusting relationships (29%)	2. Failed to understand grantees' unique needs and culture and provide customized approach (14%)
3. Clear shared understanding of outcomes, scope, roles and responsibilities, and clear plan to achieve desired goals with measure and indicators (23%)	3. Failed to deliver high quality products that meet grantees' needs while staying within the timeline and budget (9%)
4. Consulting skills (facilitating not giving answers, know when to listen, when to guide, help client stay focused, keep them on track to achieve the objectives, inclusive of different voices, but will not get stuck in endless processing, analytical and synthesis skills, be proactive) (23%)	4. Unexpected internal and external problems (economy, disaster, technology, time, grantee and consulting staff turnover) (9%)
5. Field knowledge (e.g., conservation, reproductive rights, etc.) (15%)	5. Require more staff support than expected due to consultant's lack of knowledge and experience (8%)

*Percentage based on number of qualitative responses.

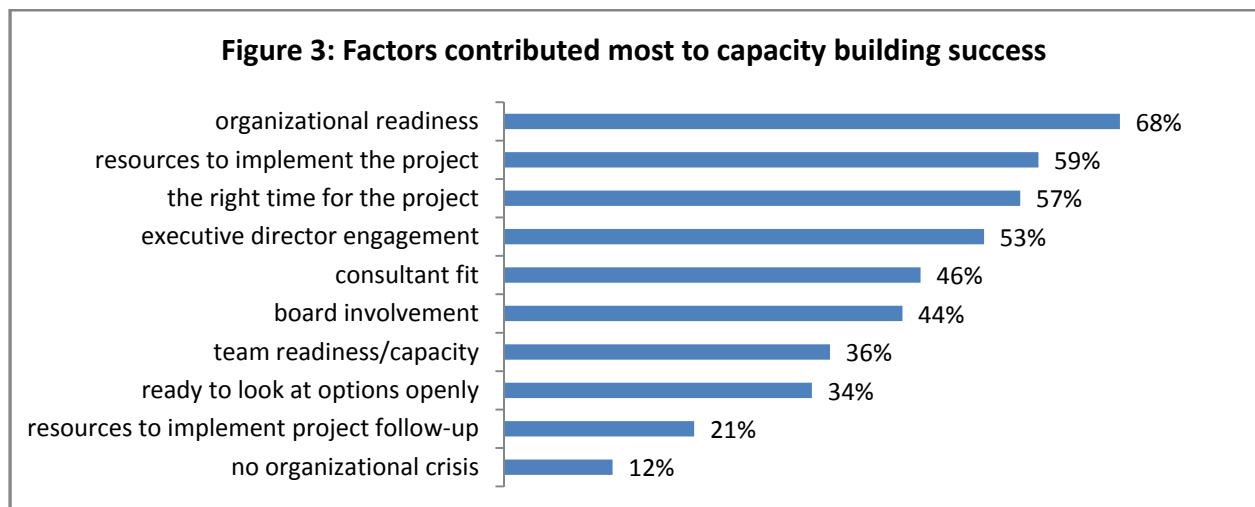
⁴ These factors are derived from a thematic analysis of open-ended survey questions.

Research question 5: What are the factors that contribute to a successful OE project? When and under what circumstances do OE projects succeed or fail?

Summary of findings:

- Grantees identified organizational readiness as the most important factor that contributed to the success of their OE projects.
- Strategic planning, organizational learning and leadership succession grants had higher levels of sustainability than fund development grants, though all had high levels.
- Fundraising grants achieved better results when there was strong leadership involvement. Fundraising grants that identified “Executive director engagement” had higher outcomes.
- Grantees that identified “resources to implement the project” as a key factor to project success scored higher in three outcome areas: ongoing learning, organizational sustainability, and overarching outcome.

In the survey, grantees were asked to identify key factors that contributed to the success of their OE project. As shown in Figure 3, the number one factor to project success was organizational readiness (68% of the grants), which was followed by resources to implement the project (59%), the right time for the project (57%), executive director engagement (53%), and consultant fit (46%). This finding was consistent with the results from TCC’s evaluation of other capacity building initiatives, in which readiness was one of the most important predictors of capacity building success. The fact that 68% of the grants reported organization readiness has contributed to their project success suggested that Packard’s current approach has been effective in ensuring grantee readiness before making an OE grant.



The Packard Organizational Effectiveness dataset included two separate open-ended fields derived from questions in grantee end-of-project reports: one on learnings and the other on challenges. It is not likely a coincidence, though no less surprising, that there is near-perfect alignment between reported challenges and reported learnings from the process. Table 3 below compares the top five challenges with their learning corollary, all of which are also in the top five. Perhaps due to our own bias as consultants, we found the challenge of managing consultants in relation to their perceived value as a particularly interesting connection.

Table 3: Link Between Reported Challenges and Learnings (Numbers Relate to Ranking by Number of Mentions from Qualitative Coding)	
Challenge	Learning
1. Implementation of CB changes	5. Continuity/Capacity building doesn't end
2. Staff time	2. Staff involvement is critical 3. Takes more time/resources than anticipated
3. Lack of Leadership	4. Board participation is important
4. Staff turnover	2. Staff involvement is critical
5. Consultant management	1. Value of external perspective/consultant

Finally, TCC did extensive inferential analysis to identify what specific aspects of OE projects were most closely linked to outcomes. While there are a number of findings that emerged, some of the key findings include:

1. There were no discernable differences in outcomes between Packard program areas or between network/non-network grantees.
2. Strategic planning, organizational learning and leadership succession grants had higher levels of sustainability than fund development grants, though all had high levels. Further, fundraising grants that identified "Executive director engagement" led to higher outcomes.
3. Grantees' budget size mattered in one outcome area. Organizations with a budget of \$10 million or above reported higher levels of organizational sustainability.
4. Grantees that identified "resources to implement the project" as a key factor to project success scored higher in three outcome areas: ongoing learning, organizational sustainability, and overarching outcome.⁵ In addition, grantees that identified "resources to implement project follow-up" as key factor to their project success scored higher in the overarching outcome. Likewise, grantees who reported implementation of capacity building changes as a challenge reported less impact on program services and scored lower in the overarching outcome.
5. Grantees who experience challenges with regard to consultant management reported lower levels of outcomes in ongoing learning, organizational sustainability and overarching outcome.

IV. Recommendations

As discussed above, Packard has had strong success in their OE grantmaking. As hypothesized, the data contain a "Goldmine" of information that can be mined for important trends, best practices and better understanding. While there are some limitations to the data and further research is warranted to more fully answer many of the questions explored through this research project, this report lays out a number of important findings derived from this iteration of exploring the Goldmine.

"[We have a] new 3-year strategic plan, including a Theory of Change, recently developed. The organization's culture is more fully becoming that of a learning org. Budgeted net cash flow for FY11 is better than recent history. Strategic decision making is now part of our organizational culture. Board is engaged in understanding the org and moving it forward."

As we reflect on the data and our experience with the data and its findings, we present the following implications and recommendations for Packard consideration to further enhance the OE program.

⁵This variable is created by calculating the average of the four outcome variables: sustainability of grant results, ongoing learning, impact on program services, organizational sustainability.

- **Organizational readiness is a critical factor to the success of a capacity building project.** The key question is not whether an organization is ready for capacity building, but what types of intervention is an organization ready for? To answer that question, nonprofits will need to conduct a comprehensive diagnosis and use the assessment results to help them prioritize organizational needs based on where the organization is developmentally. While Packard’s current informal readiness assessment process seems to be effective, TCC wonders if grantees and Packard would benefit from a more systematic diagnostic tool that incorporates input from multiple people from the grantee organization. While the desire to not place duplicative burden on grantees is important (e.g. force them to do a Packard specific assessment and another funder forces them to do their own assessment), the notion of having a clear diagnostic as part of the process is important. At a minimum, OE grants should ensure that there is strong engagement from organizational leaders.

- **Continue to ensure that grantees have necessary resources and support to implement their project during and after their grants.** Packard and other funders may want to consider providing more “go” capacity building or implementation support services, such as action-oriented learning, peer exchange, coaching, real-time tools, and hands-on assistance. Go capacity building is the process of providing support to help nonprofits to continue to practice new behaviors, learn and modify them, with the goal of not only changing behavior once, but to institutionalize new individual and group behavioral practices (i.e., habits). In addition, capacity builders can help nonprofits prepare for the “go/implementation phase” during the earlier “ready/set” phase, helping them to anticipate implementation programs and to consider contingencies. In practice, Packard would seem to do this through their ongoing program operations funding. However, experience in evaluating general support grants indicates that organizations frequently do not make strong connections between their program funding (including general support type funding) and capacity building. As a result, the “go” type services here are likely to benefit from an explicit relationship to OE activities that may go beyond Packard’s current practice.

- **Review ongoing OE evaluation protocols.** Packard is committed to evaluating its effectiveness and to continue the process of learning. The report has highlighted several considerations with regard to the data. Packard should review its evaluation process to understand how things can be better streamlined and how to gather data that are consistent and reliable.

- **Help grantees make explicit management implications and capacity-building goals related to their OE work.** There is clear evidence that OE grants helped organizations improve their capacity to plan, learn more effectively, and develop strategies to garner more resources. A critical next step for these organizations is to strengthen their management capacity to ensure that they have the ability to manage and utilize the growing resources efficiently and effectively. Focusing on management capacity in the abstract can be challenging for grantees. As a result, grantees might assume management capacity as an implicit part of their OE work. Data from the field indicate that this is an unfounded assumption and that OE work would benefit from explicit recognition of management capacity implications.