



Deaconess Celebrates the Accomplishments of Round One Impact Partners

“At the beginning, we did not know what kind of roller coaster ride we were about to board. We hit highs and lows, twists and turns. However, as we exit this ride, we leave with a sustainable way to deliver high-quality programs to the children we serve.” – Round One Executive Director

After nearly five years of devoting time and resources to capacity building, Deaconess Foundation’s first round of Impact Partners graduated in December 2009. Most leave stronger organizations with an enhanced ability to execute their vital missions. Six years ago, Deaconess Foundation made a radical shift in its grantmaking approach. Rather than award one-shot, mid-size grants to numerous nonprofits, Deaconess Foundation decided to allocate its resources and staff to working intensely with eight child-serving organizations that met critical needs in the region. “We saw too many organizations with great missions at the edge of survival due to an inability to invest in infrastructure,” relates Rev. Jerry Paul, President and CEO of Deaconess Foundation. Over a period of five years, the Foundation invested a total of \$7.6 million in these agencies. Major categories of investment included: leadership development, fund development, IT, human resources, fiscal management and program outcomes management. “We jokingly referred to this first group of Impact Partners as ‘pioneers.’ They were forging a new path for nonprofits in our area, helping us to test a belief that stronger leadership and organizational systems would result in better outcomes for children,” notes Vice President, Elizabeth George.

“Dear Deaconess, it worked!” In January 2010, Deaconess Foundation asked the leaders from the first eight Impact Partners to report on the results. While the response above from one executive director is both succinct and clear, Deaconess Foundation wanted to know more. With the help of an external evaluator, TCC Group, Deaconess is chronicling the enduring impact the capacity building initiative.

What Worked? According to agency results and the TCC external evaluation, the Impact Partnership helped to do the following.

Promoted Smart Growth. Half of the agencies from Round One of the Impact Partnership are serving more children than they were in 2004. “There have been 68% MORE children who found a safe haven through the doors of the Crisis Nursery than prior to Deaconess’ investment,” reports DiAnne Mueller, CEO of Saint Louis Crisis Nursery. Neighborhood Houses changed its delivery model—taking its afterschool programming to school-based sites. As a result of that strategic decision, it has become the second largest provider of afterschool services in the Mayor’s Afterschool for All initiative. Foster and Adoptive Care Coalition extended its reach and menu of services, growing the number of youth it serves by nearly 60%. Each

Round One Impact Partners:

Annie Malone Children and Family Services Center, a center for at-risk children in North St. Louis.

Christian Activity Center, a community-based youth center in East St. Louis.

Citizens for Missouri’s Children, a statewide agency advocating for children’s wellness.

Foster and Adoptive Care Coalition, an initiative designed to strengthen and support foster and adoptive families.

Neighborhood Houses, a multi-service, multi-site agency that provides critical resources to families in need in the City.

Nurses for Newborns Foundation, an organization that provides a medical safety net to medically-fragile newborns and their moms.

Saint Louis Crisis Nursery, a child abuse prevention agency that offers parents in crisis a respite and a safe haven for children.

Voices for Children, an initiative that provides social and legal advocacy for City youth in foster care.

of these organizations has ensured that program quality has not been forfeited in the name of growth.

Deepened Program Impact. Every one of the Impact Partners invested in intensifying program quality. This included providing

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Impact Partners – Round Two

Deaconess Foundation began a second round of capacity building in October 2008. After a rigorous and multi-phased selection process, the Foundation's Board of Directors chose eight exemplary child-serving nonprofits to join Round Two of the Impact Partnership. Starting in January 2009, the Impact Partners began to implement capacity building plans. Each organization chose between 4-6 areas—from improving IT systems to building better management teams—in which to initially invest. Following are snapshots of each of these agencies as well as early reflections from their leaders.



Big Brothers Big Sisters of Eastern Missouri

Mission: Big Brothers Big Sisters of Eastern Missouri provides a mentor for every child who wants and needs one.

Chief Executive Officer: Becky James-Hatter

Early Capacity Building Investments:

- 1) Increasing emphasis on communications and marketing;
- 2) Strengthening senior team leadership development;
- 3) Investing in new fund development systems.

A Focus on Learning. “The Impact Partnership is giving us the time, space, and resources to reflect on why we do things a certain way and to transfer new knowledge. Staff is learning that it is alright to make mistakes, to change, to make things better, to punch restart. As a longtime leader of BBBSEMO, I am learning to transfer some of my responsibilities and some of my knowledge to others. We are focusing on building the talents of our team.”
— Becky James-Hatter

The Belle Center

Mission: The Belle Center promotes the rights and expectations of all children to be fully included in the community. Belle provides a progressive, family-centered inclusive approach to education and community life that supports children with disabilities and their families.

Executive Director: Jodi Woessner

Early Capacity Building Investments:

- 1) Solidifying and expanding the financial management and sustainability of Belle;
- 2) Expanding its programs;
- 3) Developing a more visible presence in the greater St. Louis community.

Making the Most of an Opportunity for Growth.

“As we build internal capacity, the entire staff – frontline and administrative – will have all grown in leadership and all have developed new skills that we can continue to use long after Deaconess Foundation has left Belle. The worst thing that could happen would be to have the consultants come in, do the work, leave, and we don't have the skills—that would be a missed opportunity to grow. We are striving to ensure that capacity building lessons are transferred to the whole staff, especially to the up-and-coming leaders in the organization.”
— Jodi Woessner



Court Appointed Special Advocates (CASA) of St. Louis County

Mission: Court Appointed Special Advocates (CASA) of St. Louis County advocates for abused and neglected children in need of safe, permanent homes through highly-trained volunteers appointed by the Family Court.

Executive Director: Allie Chang Ray

Early Capacity Building Investments:

- 1) Formalizing HR systems, including job descriptions, training modules, and professional development;
- 2) Developing a program evaluation and management system;
- 3) Outsourcing IT support and developing a strategy for upgrading and maintaining IT.

Capacity Building is both a Gift and a Challenge.

“It is fantastic for CASA to have the resources to address things we’ve wanted to do but have not had the ability to do. However, capacity building is not always easy. It has forced us to face some elephants in the room and that has been very difficult. They’ve always been there, but now we have the tools to deal with them. It’s hard, hard work, but I know that pursuing the challenges will make us much stronger in the end.” — Allie Chang Ray



Fathers’ Support Center

Mission: Fathers’ Support Center exists to foster healthy relationships by strengthening families and communities.

Chief Executive Officer: Halbert Sullivan

Early Capacity Building Investments:

- 1) Upgrading IT systems;
- 2) Formalizing HR functions;
- 3) Defining a strategic direction;
- 4) Coaching and training for senior management team;
- 5) Focusing on resource development efforts.

The Future for Fathers’ Support Center “Fathers’ Support Center is a founder-led, 10+-year-old organization. Capacity building is giving us the chance to do some things we have wanted to do since we began: invest in staff development, work on marketing, build our board. If we are going to succeed and grow over another decade, Fathers’ Support Center is going to need to last beyond my vision. I am trying to help others become leaders in our organization so that I know that Fathers’ Support Center will be around for a long, long time. — Halbert Sullivan

College Summit – St. Louis

Mission: College Summit – St. Louis raises college enrollment rates and career success for students from under-resourced communities, in partnership with area high schools, school districts, colleges and other community institutions.

Executive Director: Stacy Clay

Early Capacity Building Investments:

- 1) Building a strong board;
- 2) Developing a strategic vision and plan;
- 3) Raising the profile of College Summit;
- 4) Exploring new forms of collaboration;
- 5) Strengthening administrative support for the organization.

Strengthening Roots. “College Summit-St. Louis is only five years old, so we are moving from simply being a collection of highly-motivated individuals with an effective program to implement, to becoming a real institution with a functioning board, systems in place, and a culture that outlasts any particular leader. We have been working on strategic planning and board development simultaneously and that has been a good opportunity for everyone to define our vision for the future of College Summit in St. Louis.”

— Stacy Clay



Herbert Hoover Boys & Girls Club

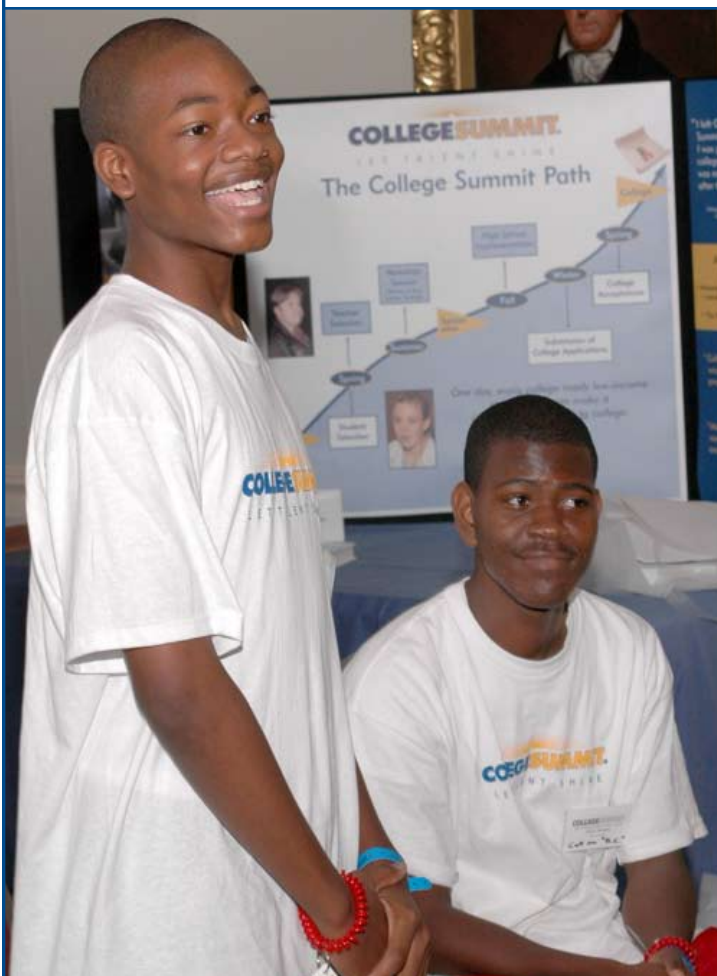
Mission: The mission of Herbert Hoover Boys & Girls Club is to inspire and enable youth ages 6 to 18 to realize their full potential as productive, responsible, and caring citizens. To achieve this, the Club offers a variety of program activities and support services designed to assist in the educational, emotional, physical, and social development of children.

President: Dr. Flint Fowler

Early Capacity Building Investments:

- 1) Creating an HR department;
- 2) Upgrading IT so that staff have better communications capacity, and to promote efficiencies;
- 3) Creating a resource development plan;
- 4) Strengthening internal communications and teamwork.

Catching Up with Growth: “We grew fast over the last few years. Every year has brought a new partnership or program, from opening Adams Park Unit in 2006 to affiliating with Mentor St. Louis in 2009. The Impact Partnership is giving us the opportunity to catch up with our growth. We are spending a lot of time building the systems we need in place to support strong programs and position us for more opportunities.” — Dr. Flint Fowler



SSDN

Mission: SSDN's mission is to nurture, educate, and inspire children and families with limited resources, fostering healthy development and a strong foundation for success.

Executive Director: Anne Kessen Lowell

Early Capacity Building Investments:

- 1) Defining strategy – from marketplace through program definition and planning;
- 2) Upgrading staffing to meet new standards and credentialing;
- 3) Bringing financial systems in-house;
- 4) Identifying facilities needs and crafting a plan to meet them.

Deepening Leadership. “My hope is that we will cultivate a layer of visionary leadership throughout the organization so that I, as Executive Director, can step away and know the organization is running well. This will allow SSDN to be more of an advocate and a networker in the community while the business is taken care of. This is the way that all of us at SSDN can be influential in our field.”
— Anne Kessen Lowell



University City Children's Center

Mission: The University City Children's Center is a nonprofit United Way agency committed to providing quality care and innovative education to a diverse population of children between the ages of six weeks and six years in a nurturing environment while providing supportive services for families.

Executive Director: Steve Zwolak

Early Capacity Building Investments:

- 1) Defining organizational culture and identifying characteristics for replication;
- 2) Developing a business plan, including structure, name, and marketing for program expansion;
- 3) Reviewing and upgrading human resources training, policies and procedures;
- 4) Developing UCCC's Board as the organization grows and learns.

Thinking Big. “University City Children's Center is putting the systems in place that will allow us to move forward and establish our philosophical model as a paradigm shift for early childhood education – locally, regionally, and nationally. We have learned so much through the Impact Partnership. It's been more than simply the capacity building activities outlined in our plan. We have learned through analyzing our organization through new eyes, discussions with other executive directors, and the resources, consultants and staff, that Deaconess brings.” — Steve Zwolak



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professional development training to staff, implementing and learning from program evaluation and improving program management. At the Christian Activity Center, staff added a tier of programs for older youth who, they learned, needed different activities to stay engaged. Agencies like Citizens for Missouri's Children and Foster and Adoptive Care Coalition took the calculated risk of revamping program strategy in order to achieve better results. For Voices for Children, a thorough dive into analyzing program results has helped them to have a much better understanding of how to help its clients.

Strengthened Leadership. A key finding from the TCC evaluation has been that leadership cannot be overestimated. The organizations that

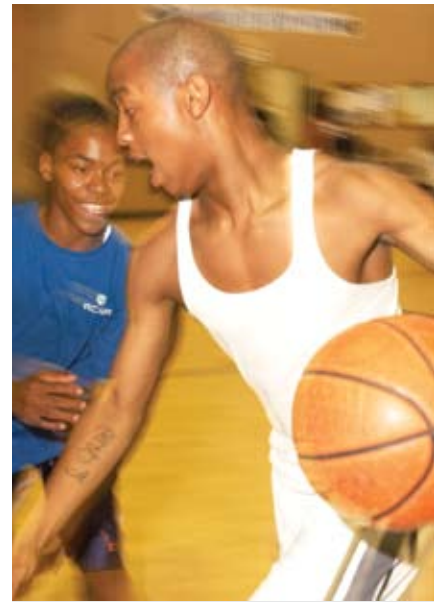
did well overall, or made the most significant improvements, developed strong staff and board leadership. "Being an Impact Partner helped me to understand what kind of leader I am and gain the courage to take some risks," explains Melanie Scheetz, executive director of Foster and Adoptive Care Coalition. According to twice-annual assessments (the TCC Core Capacity Assessment Tool), by the conclusion of the Impact Partnership, six of the organizations had advanced in leadership capacity. For the Impact Partners, this included: developing high-functioning management teams, engaging and empowering boards, making bold decisions, and building better collaborative relationships.

Improved Board Performance.

According to the TCC evaluation, boards of all eight Impact Partners are demonstrating a higher level of engagement and commitment. This has meant that attendance at board meetings has risen, boards have shown the tenacity to tackle thorny topics like leadership changes, and almost all boards have a greater understanding of the critical role they play in shoring up financial sustainability. Some boards have gotten bigger, for instance the Christian Activity Center grew from a handful of members to a full board of fifteen professionals. Some got smaller and more effective. In 2004, Annie Malone had a board of over 30, many of whom only occasionally attended meetings and some of whom had been on the board for more than 20 years. As an early initiative, Annie Malone restructured its board, creating three board levels, the governing board, an advisory board, and a "legacy board."

Grew Revenues and Resources.

Seven of the eight organizations grew and diversified their revenue streams during their time as Impact Partners. Two agencies tripled their individual giving revenue during the Impact Partnership, while two others doubled their revenues. All agencies achieved greater diversification of funds, with special emphasis on cultivating unrestricted donations from individual donors. In addition, six of eight Impact



**TIMELY SUPPORT:
Becoming a Free-standing
Nonprofit**

Located in one of East St. Louis' most impoverished neighborhoods, the Christian Activity Center (CAC) has been a place of hope, unabashed play, and nurturing for children for many decades. For most of its existence, CAC had operated as a ministry of the Metro East Baptist Association (MEBA). In 2002, MEBA asked that CAC become its own independent nonprofit.

"I went from being a program director to an executive director. I had a steep learning curve ahead of me," explained CAC's longtime leader, Rev. Chet Cantrell. During the Impact Partnership, CAC established its own board and by laws, developed HR systems and an organizational structure, launched a formal fundraising program, and engaged in strategic and program development planning. Today, CAC serves over 200 youth a day and offers them the structured academic, recreational, and emotional support they need to forge positive futures. "Being selected as an Impact Partner was a major turning point in our history," notes Cantrell, "the experience forever enriched the life and the promise of CAC."

For more on CAC's growth, go to: www.deaconess.org

**IMPACT
PARTNERSHIP
AT A GLANCE**

There are four main components to the Impact Partnership.

- 1) Development of a multi-year capacity building plan with funds to implement it;
- 2) Ongoing training and education sessions;
- 3) Peer exchanges and learning;
- 4) Regular coaching and consultation from Deaconess Foundation staff and consultants.

Almost all of the Impact Partners Invest in the following:

- Leadership Development
- Program Outcomes Management
- Fund Development
- Information Technology
- Human Resources Development

Partners grew the number of volunteers they attract.

Achieved Financial Sustainability.

When Deaconess Foundation started the Impact Partnership, it could not have predicted the harsh economic downturn that began in late 2008. Today, on the whole, the Impact Partners have the fiscal systems and stability to weather the current storm. Deaconess Foundation provided ongoing training and tools so that each organization could do budget forecasting. “We are no longer on the capricious pendulum swing between being flush and being broke,” reflects one Impact Partner. Three Impact Partners developed reserves for the first time. Some partners have learned to make tough choices. They have redefined their business models, reduced or frozen staff size, trimmed less successful programs and achieved more through collaboration.

Created Better Operating Systems.

Nonprofits are almost chronically starved of adequate operating systems. Infrastructure is usually the last thing funders want to invest in. Likewise, executive directors rarely choose buying a new copier over putting a few more dollars in the hands of program staff. A substantial portion of the Impact Partners’ investments were allocated to “systems building.” This included everything from creating HR systems to developing better fiscal tracking systems

to investing in IT. For instance, Saint Louis Crisis Nursery developed a state-of-the-art client database and established a local area network linking their now five Nursery sites and two Outreach Centers. This investment in technology resources allowed the Nursery to reduce intake time by 80%.

Seeded Culture Change. For many of the agencies, capacity building became a catalyst for significant transformation. As Jan Huneke, Executive Director of Voices for Children reflects, “Our entire culture has changed. We have become an organization that puts mission above organization. We have created an environment that not only embraces, but craves planning and accountability... a culture that takes a longer view of decisions and thinks more strategically with a view toward sustainability of high quality, high impact services for our kids.” This kind of culture change, which reflects a nimble willingness to challenge, learn, and seek may be one of the most enduring impacts Deaconess Foundation’s investment made.

Deaconess Foundation is deeply grateful to the ‘pioneering’ organizations which took the risk to engage in significant assessments, reflection and change. The Foundation is committed to measuring, as time progresses, each agency’s capacity to serve children. “We owe the children in our community—especially those in extremely challenging

environments—the best possible services. We owe the nonprofits—especially the innovative and tenacious ones—support for their infrastructure so that they can do what they do best: inspire hope against all odds,” concludes Rev. Jerry Paul.

TIMELY SUPPORT: Leadership Transition

Capacity building support was especially helpful to one organization that was making a planned leadership transition. Nurses for Newborns Foundation was co-founded by nurse Sharon Rohrbach in 1992. Over time, Rohrbach grew Nurses for Newborns from a concept—supported by her own credit card—to a nationally-recognized social solution that serves more than 2,000 babies and their moms a year in Missouri, as well as Tennessee. During Rohrbach’s tenure Nurses for Newborns became one of St. Louis’ most respected nonprofit organizations, receiving honors from the Robert Wood Johnson Foundation, the Oprah Winfrey Show, and Civic Ventures/Purpose Prize. Succession planning at Nurses for Newborns commenced almost as soon as the Deaconess Impact Partnership began. Deaconess provided support for board and staff training on succession planning, the development of a succession plan, a national search for a new leader, and coaching for staff and leadership as it entered a new phase. Today, the highly-capable Melinda Ohlemiller serves as the executive director. She has made some important, needed changes, but Nurses for Newborns’ vision and mission stay strong. “This was Sharon’s baby,” noted Ohlemiller. “She was handing over her child and we were both aware we had to put the needs of the organization before the needs of either of us.” According to Rohrbach, “trust, good communication, and mutual respect,” were keys to the strong transition. For a full description of the transition, go to: www.deaconess.org.

When Capacity Building Did Not Yield Results

While every Impact Partner in the first round can report some specific gains as a result of capacity building, not every participating organization is stronger today than it was five years ago. The reasons are myriad. However, Deaconess Foundation has learned that multi-year, high-investment capacity building can be ill-timed for some organizations. Capacity building does not work when the following factors are present:

- 1) leadership is in such transition that the organization cannot focus on the additional demands of capacity building;
- 2) the organization’s core programs are not clearly defined;
- 3) capacity building is not embraced by all tiers of an organization from board to frontline staff; and
- 4) the organization resists change.

The Impact Partnership, v. 2.0 – Applying the Learning

In Round Two of the Impact Partnership, Deaconess Foundation has tried to integrate what we have learned in the first round of the Impact Partnership into the program design of the Deaconess Impact Partnership v. 2.0. Below are some adaptations we have tried so far.

Intensified Focus on Leadership Development. We know from the first round that capacity works best in organizations that have strong leaders. As a result, Deaconess Foundation has front-loaded efforts to build strong leadership in the Impact Partners. This has included investing in executive coaching for each of the current Impact Partner leaders and working more closely with the boards of each organization. “We know that it is ultimately the board’s responsibility to champion a culture of excellence,” explains Rev. Paul, “so we have moved quickly to get to know the boards and seek ways of supporting their evolution.” Finally, all of the Round Two capacity building plans include extensive opportunities for developing the ‘bench strength’ of each organization and cultivating a strong tier of senior managers.

Preparing for Change. “Capacity building is welcome but unrelenting. You don’t have an excuse to ignore your agency’s ‘issues,’ since Deaconess can provide the resources to address them,” reflects one executive director. Change was a constant in the first round of the Impact Partnership; some was planned and other changes came as a result of deeper analysis and reflection. In Round Two, Foundation staff have tried to help agencies see that change is a natural, healthy part of the process. They have also provided: more upfront time with organizational staff and board to prepare them for some inevitable change; formal change management training for executive directors; and peer-to-peer conversations on techniques for leading an organization through difficult change.

The Right Intervention at the Right Time. Providing too much capacity building support too soon can have unstabling effects. For instance,



Giving youth serving organizations a firm grip on the future

there is no benefit in investing heavily in strategic planning if an agency’s board is not performing at a level to implement the new vision. Likewise, investing in data tracking software before understanding core programs of an organization can be a waste of resources. In the second round, Deaconess Foundation is working with agencies to plan the right capacity building activity at the right time.

Using Consultants Wisely. For many of the nonprofits, the Impact Partnership presents a first chance to access the expertise of a wide range of consultants. However, tapping the right consultants and leveraging their talents is an art and a result of experience. Deaconess staff are playing a significant role in helping agencies get the most out of their relationships with consultants.

Promoting Whole Agency Participation. Through Round One, the Foundation learned that capacity building requires a significant investment of time from any agency... and a mind shift. If staff do not believe that capacity building is a worthy investment and that it will result in their organization’s improved ability to deliver programs, then resentment can set in. In Round Two, Deaconess has attempted to help whole organizations see the ultimate payoff of capacity building and to engage all staff early on in building the vision. Strategies to gain the ‘buy in’

have included: investments in activities that will benefit all staff (i.e., higher performing IT); communication and transparency about goals of capacity building; and a broad inclusion of staff in the creation of capacity building plans.

As this second round of the Impact Partnership evolves, Deaconess Foundation will stay committed to responding to new realities. “The magic of the Impact Partnership,” notes Jane Donahue, Deaconess Foundation Vice President, “is that it is firmly rooted in a philosophy and set of values; those don’t waver. Yet, no one activity is so sacred that it cannot be customized and adapted to meet the needs of the nonprofits.”

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In the spirit of our faith heritage, the mission of Deaconess Foundation is the improved health of the St. Louis metropolitan community and its people.

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