PACE’s Strategic Action Planning Program is one of several projects developed as a result of a series of meetings in 2009 and 2010 between the executive leadership of the McCune Foundation, POISE Foundation, Richard King Mellon Foundation, The Heinz Endowments, The Pittsburgh Foundation, State Representative Jake Wheatley, members of his office and invited guests, and PACE. Following Representative Wheatley’s invitation to California based Greenlining Institute to examine the diversity of grant recipients statewide, the four foundation presidents requested a meeting to discuss his inquiry. The meetings led to a research study; a series of dinner meetings; and the Strategic Action Planning Program designed and managed by PACE. The purpose of the program was to increase the number and organizational capacity of African American led, governed and serving organizations in their funding portfolios.

Sustained funding and programmatic support from Richard King Mellon Foundation, The Heinz Endowments, and The Pittsburgh Foundation enabled PACE to measurably increase the organizational capacity of four cohorts of small to midsized, African American led, serving and/or governed organizations through the Strategic Action Planning Program (SAP). McCune Foundation provided early financial support and the POISE Foundation has provided program support since the program’s inception. Over 10 years, the program has served organizations with budget sizes ranging from $29,300 to $2,204,470.

At the beginning of the application process for Cohort IV, PACE and the funding panel expanded the eligibility to include organizations led by and serving led by people of color serving marginalized communities.
LESSONS LEARNED AND CONSIDERATIONS

PACE successfully completed the Planning Phase with four Cohorts of organizations seeking to build their organizational capacity. To date, 22 of 24 participants received funding support to complete and implement their 2–3-year strategic plans. Over the past 10 years of managing the program in collaboration with our funding partners, PACE has learned and observed the following:

- Years of disinvestment have kept most organizations in marginalized communities in early stages of organizational growth and development, irrespective of chronological age.
- Small organizations led by and serving people of color need access to targeted, customer-centric capacity building programs.
- SAP participants who demonstrate an independent, strong desire to engage in strategic planning in the application process have a better experience and outcomes overall.
- SAP applicants open to rethinking their ways of operation have a better experience and outcomes overall.
- The program may be more challenging for founder led, closely held organizations that may be less receptive to change.
- The overarching goals crafted by the founding executive panel members in 2010 may not be relevant to current funding panel members.
- PACE should continue to communicate to applicants and consultants the rigor of the program and the commitment required to be successful.
- PACE should encourage our funding partners to creatively support organizations through introductions, advice, support, mentoring and funding during and after completion of the program.
- PACE should continue to check in with organizations to better gauge, respond, and adjust to their needs, particularly during times of stress (i.e. pandemic).
Consistent with prior cohorts of SAP, Cohort IV demonstrated measurable increases in knowledge gains in broad areas of nonprofit management and performance. Taken from pre- and post-data of the POCAT (PACE Organizational Capacity Assessment Tool), Cohort IV indicated growth in knowledge including but not limited to planning, fundraising, governance, and evaluation during the Planning Phase of the SAP Program.
PROGRAM GOALS, SUCCESS MEASURES AND OUTCOMES

Ninety-two percent (23 of 24) of all SAP participants successfully completed Planning Phase milestones of the Strategic Action Planning Program, underscoring achievements across the five broad outcome areas determined by the inaugural panel of funders for the pilot of this program in 2010. Outcomes range from the completion and successful implementation of a strategic plan to the deepening and improvement of service to constituents. Program outcomes are supported by data taken from PACE’s internal POCAT, the external CCAT and iCAT assessments and participant’s Interim and Final Reports and are highlighted in the table below:

<table>
<thead>
<tr>
<th>GOAL</th>
<th>SUCCESS MEASURE</th>
<th>OUTCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Measurable increase organizational capacity</td>
<td>Positive change in pre/post assessments</td>
<td>92%*</td>
</tr>
<tr>
<td>2. Develop ongoing relationships with funding partners</td>
<td>Participants become direct grantees of supporting funders</td>
<td>44%*</td>
</tr>
<tr>
<td>3. Improve or deepen service to constituents</td>
<td>Positive change recorded in final reports, surveys, interviews, and direct observation</td>
<td>64%*</td>
</tr>
<tr>
<td>4. Increased opportunity for successful consulting engagements</td>
<td>Successfully completed plan</td>
<td>100%**</td>
</tr>
<tr>
<td>5. Successful strategic plan implementation</td>
<td>High priority and other funding received to implement plans</td>
<td>92%*</td>
</tr>
</tbody>
</table>

Additionally, 87% (21 of 24) of Cohort participants who completed both Phases of the Strategic Action Planning Program are operational. This compares to the Small Business Administration’s statistic that nine of 10 new business ventures fail overall, with 70% by year 10. PACE’s recent Nonprofit Effectiveness Study confirms that “nonprofits that engage in capacity building are 11 times more likely to increase their output, local scaling and contribution to community well-being, than those that do not.” The study also finds that communities of color have less access to effective nonprofits in part because organizations closest to communities with the greatest need often receive less funding overall and less support for capacity-building.

*Outcome for Cohorts I, II and III combined. Cohort IV data will be added at end of Implementation Phase.
**Outcome for Cohorts I, II, III and IV.
RECOMMENDATIONS

- Based on the demonstrated success of the program, we recommend funding partners support PACE’s management of a 5th cohort
- PACE create opportunities to increase engagement between funding partners and SAP program participants
- PACE enhance program support to founder led organizations
- Increase engagement with SAP participants to identify and address issues that may compromise planning efforts

PACE appreciates the significant support from our funding partners. We are invested in helping nonprofits in the SAP program strengthen their organizational capacity and their ability to increase well-being in the communities they serve. We are grateful to partner with you in this critical work for each community and for the region.

Program to Aid Citizen Enterprise (PACE)
Two Gateway Center, Suite 1700
603 Stanwix Street • Pittsburgh, PA 15222
412-562-0290 • www.pacepgh.org