



PATTERN BREAKING STRATEGIES

## CAPACITY 2.0

Organizational capacity is best understood as an entity's ability to achieve mission and impact. While internal systems and management practices may *contribute* to capacity, they do not, in and of themselves, represent capacity. By definition, high capacity organizations make a significant difference in the lives of the individuals and communities they serve. They achieve *impact*.

The traditional way of developing capacity has focused on training organizational volunteers and employees in techniques designed to strengthen managerial systems. This focus on optimizing management systems and practices--not impact--has produced disappointing results.

We describe this *managerial* approach to capacity development as Capacity 1.0. The Capacity 1.0 organization has strong systems in place, is well managed, and is able to respond consistently to the everyday challenges it faces. It operates with high efficiency and accountability. However, Capacity 1.0 organizations are not necessarily gifted at creating and maintaining a "can-do culture" of committed volunteers and staff who collectively achieve fundamental, far-reaching, and sustainable social change--particularly in response to challenges arising from new contexts.

Increasingly, organizations must address complex, novel challenges for which tried and true solutions are either unavailable or of questionable utility. Consider, for example, the outbreak of a new pandemic; "natural" disasters that stem from population pressures and unsound environmental practices; and unmet humanitarian needs due to a global recession. The organization that can deal with such issues effectively has much more in place than sound administrative systems.

What does the Capacity 2.0 organization look like? While it certainly has highly evolved systems, processes and procedures (the core Capacity 1.0 attributes), it also is extraordinarily adaptive and well prepared to function in a world of rapid change and complexity.

The Capacity 2.0 organization focuses outwardly and cultivates extensive stakeholder involvement. It emphasizes impact through innovation, entrepreneurship, brokering, leveraging resources, partnering, advocacy, and networking. The goal of Capacity 2.0 organizations is disruptive innovation and breakthroughs that respond to the priorities of poor or vulnerable populations.

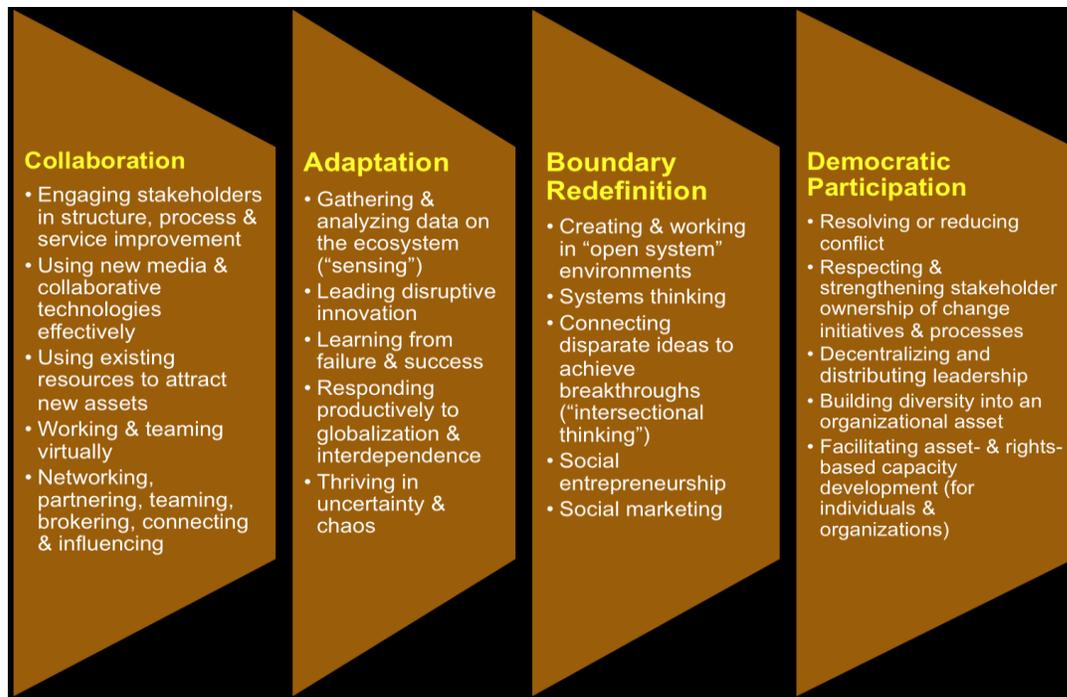
To accomplish such sweeping changes, Capacity 2.0 organizations take measures to build social capital (bonds of trust and connection) both internally and externally. Internal social capital enables the Capacity 2.0 organization to attract and retain the most gifted personnel. External social capital allows organizations to affect change through productive alliances with supporters, policy-makers, colleague organizations and--most importantly--people served through the programs.

An organization with extensive social capital enjoys a network of committed staff, donors, volunteers, and friends who provide access to other social networks. These networks lead to other essential forms of capital -- financial, human, and political -- that allow the organization to increase its influence and impact.

Root Change capacity development strategies help to build a strong organizational core by promoting:

- Results-focused communication
- Adaptable, flexible, nonlinear approaches for solving new problems; coping with change; working in new settings; and resolving conflict
- Networking and strategic partnering that contributes to mission-related progress
- Shared ownership across stakeholder groups
- Learning through experimentation; knowledge management; and systematic inquiry
- Data-driven decision making
- Organizational transparency

The image below captures the four focus areas of our Capacity 2.0 approach.



Root Change assists organizations in moving along the Capacity 1.0-2.0 continuum through compelling communications, advocacy and constituent outreach. We work with our partners to introduce demand-driven models of technical assistance that replace donor-driven, supply-side approaches. We introduce tools to facilitate value chain analysis, core competency identification; network analysis; strategic partnership assessment; and capacity assessment. Most importantly, we help organizations develop an internal culture that is focused on measurable outcomes and results.