

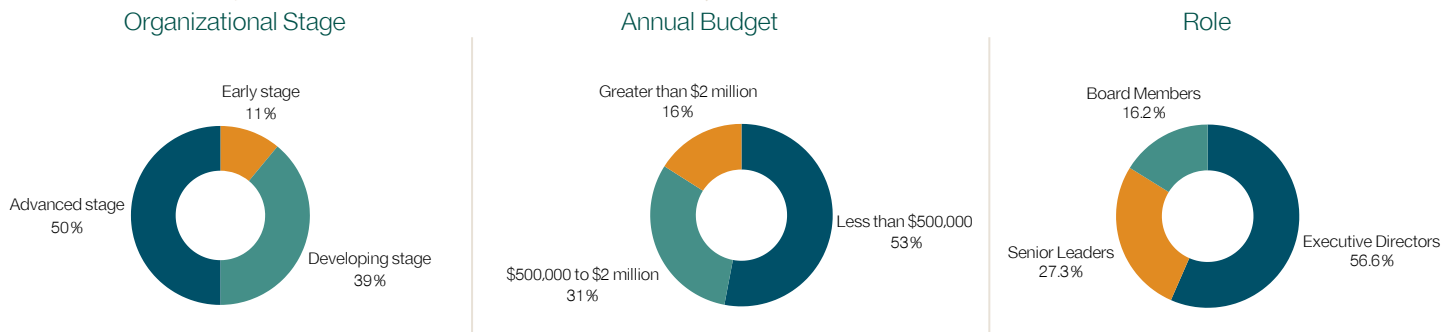
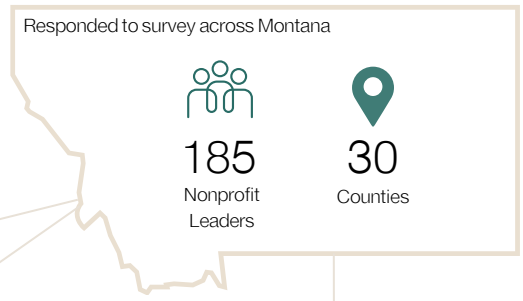
Nonprofit Capacity in Montana



2024

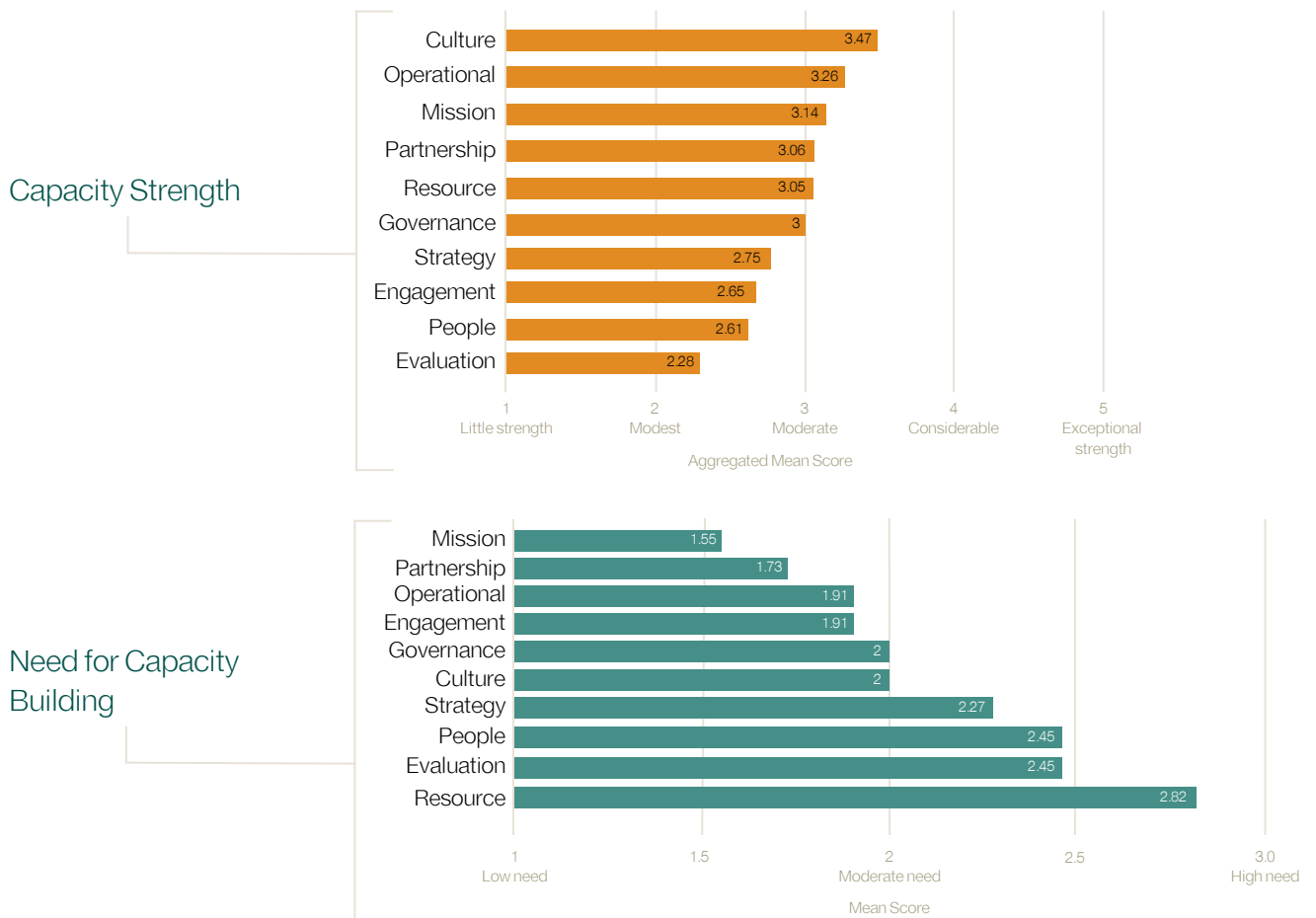
5 State Survey — Montana Report

Montana Nonprofit Association, along with four other states in the Northwest, administered a capacity survey to the nonprofit sector during the Spring of 2024. The aim of the survey was to learn more about the capacity of nonprofits in the Northwest.

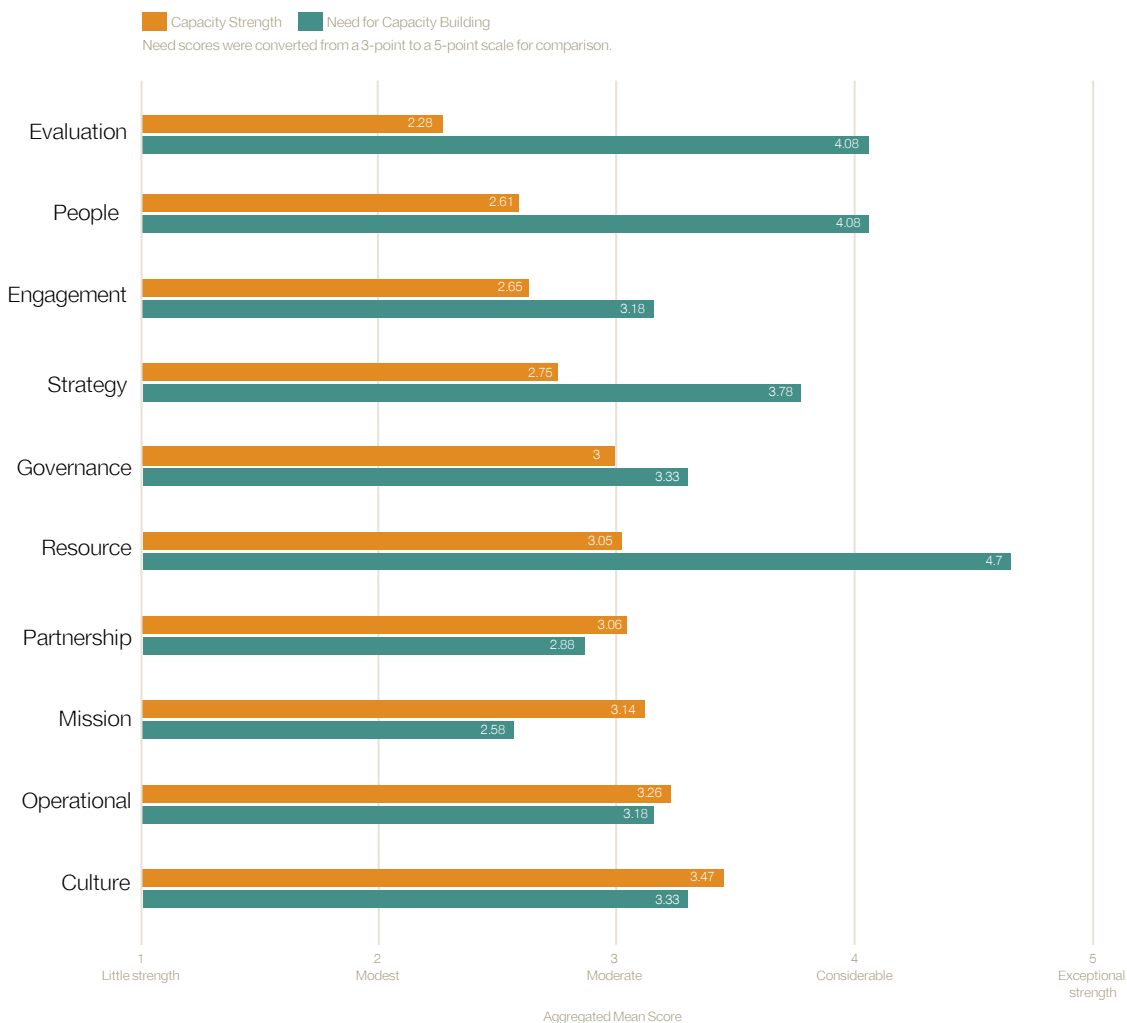


Summary of Survey Data

The survey reveals the relative strength of capacity in each domain using six indicators and the corresponding level of perceived need for capacity-building.



Capacity Strength and Perceived Need for Capacity Building



Deeper Dive into the Capacity Domains



Mission Capacity

Nonprofits in Montana report having considerable strength in mission capacity. Their mission, vision, and values are clearly understood and are compelling to staff, participants, and communities. Their organizational goals are aligned with their mission. The lagging item in this category is about the ability of nonprofits to listen and respond to the historically marginalized in their communities as they shape their goals.

Strength: 3.14 | Need: 2.58



People Capacity

Nonprofits in Montana report a substantial strength of capacity in retaining capable staff and volunteers over time. They are also relatively strong in having clear policies on vital human resource issues that are applied evenly to all staff. There is opportunity for Montana nonprofits to improve in the development of succession planning that effectively prepares them for the future. The data also reveal opportunities to grow in the effective recruiting, training, and managing of volunteers.

Strength: 2.61 | Need: 4.08

Deeper Dive into the Capacity Domains



Governance Capacity

The domain of governance capacity is relatively strong for Montana’s nonprofits. In particular, the clarity of policies and practices of board governance and the skill of the board to guard the financial and missional integrity of the organization rate highest in strength. There are two areas that show opportunity for improvement: (a) the ability of the governing body to provide strategic guidance to shape the future of the organization and (b) the ability of the governing body to hold the executive leadership accountable through annual reviews. These are areas for possible growth and development.

Strength: 3 | Need: 3.33



Culture Capacity

The culture capacity of Montana nonprofits has considerable strength in many aspects. The strongest reported area of culture is the ability of the staff and volunteers to work well together even under pressure and stress. The staff and volunteers feel comfortable expressing their thoughts and opinions, including disagreement and dissent. They make decisions that are appropriately transparent, timely, thoughtful, and consultative. The well-being of staff and volunteers and their ability to thrive in their work is an area for improvement.

Strength: 3.47 | Need: 3.33



Strategy Capacity

The strategy capacity of Montana nonprofits is modest to moderate in strength. Most notably, they show strength in adapting strategies to meet the shifting needs of the community. They are also disciplined and courageous in trying new and emerging approaches to improve their strategy for impact. There appear to be opportunities to grow in (a) monitoring and communicating progress on the strategy to interest-holders and (b) engaging a diverse group of people in the development of strategy goals.

Strength: 2.75 | Need: 3.78



Resource Capacity

Montana nonprofits rate themselves as having strong capacity in the practices of finance. They practice adequate fiscal oversight, financial planning and budgeting, and budgeting priorities that reflect their strategic priorities. Montana nonprofits rate themselves with less strength in the practices of fund development. There is room for improvement in having sufficient and diverse funding to meet the commitments of their mission.

Strength: 3.05 | Need: 4.7



Evaluation Capacity

Evaluation capacity is generally lower in strength among nonprofits in Montana than other domains of impact. There are opportunities for improvement in the practices of nonprofits to consistently evaluate the impact of their programs using varied methodologies that account for diverse ways of knowing.

Strength: 2.28 | Need: 4.08

Deeper Dive into the Capacity Domains



Operational Capacity

Strength: 3.26 | Need: 3.18

The capacity of nonprofits is moderately strong in operations. Organizations report having the most strength in their practices of timely financial policies and practices. The opportunity for improvement is in having the right level of human, financial, and infrastructure resources to fit the scale and scope of their commitments.



Engagement Capacity

Strength: 2.65 | Need: 3.18

The domain of engagement is of moderate strength. The positive areas of note are the presence and visibility in the communities of nonprofits. The lowest rated item is about the ability of nonprofits to organize and mobilize the community to influence public policy, which reveals advocacy as a need for capacity-building. Also rated lower is using power and privilege as a lens to examine internal culture and external work. There is also opportunity to improve in volunteer recruitment and engagement.



Partnership Capacity

Strength: 3.06 | Need: 2.88

Nonprofits of Montana report substantial strength in partnership capacity. They partner and collaborate strategically with others and participate in networks and coalitions that identify and advance important issues for communities. The areas for potential growth are in cross-sectoral work and movement building.

6 Takeaways for Capacity Building

- 1 **Mission and Culture are greatest strengths.** Nonprofits in Montana are focused on their mission and aligned in their core work to their mission. The strength of organizational and team culture they create is, in the perceptions of the respondents, exemplary. The data reveal the organizational clarity and health of culture to energize and advance their cause.
- 2 **Resourcing is a significant need.** Nonprofits in Montana need adequate and diverse funding to meet mission needs. Even when funding is adequate, many nonprofit business models are non-diversified, leading to high levels of risk as funding models change.
- 3 **People: Beyond hiring and retaining staff, the key need is leaders and volunteers.**
 - Leadership development and succession is reported as a key capacity need. MNA has and is continuing to devote significant resources toward this.
 - Organizations report significant needs for recruiting, training, and engaging volunteers.

6 Takeaways for Capacity Building

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Evaluation and Engagement: Two Sides of the Same Coin.

- **Need for Impact Evaluation:** Evaluation is the lowest rated capacity of the survey. Evaluating and communicating sector and subsector impact is challenging. Organizations are not adequately evaluating the impact of their programs beyond outputs and activities.
- **Need for Community Mobilization around Engagement:** Nonprofits report lower scores in their ability to organize and mobilize their community to influence public policy and engage the broader community in their mission.
- **Opportunity to bring these together in support of the sector:** Identifying and touting sector and subsector impacts across communities can create numerous opportunities for community engagement, collaboration, and generating more people and financial resources.

5

Small, early stage, and culturally specific nonprofits. Nonprofits that are smaller, early stage, rural, and culturally specific report the greatest needs for capacity-building across many of the ten domains represented in the survey. To uplevel all nonprofits, targeted investment will need to be offered to smaller, early stage, rural and culturally specific organizations.

6

Benefits of Association. Involvement with MNA corresponds to a higher capacity across all domains. Nonprofits that engage with the programs and services of the nonprofit state associations demonstrate a higher level of capacity than average.



Montana Nonprofit Association

Montana

Montana Nonprofit Association provides leadership within and for the sector, partners with charitable nonprofits to promote a sustainable, networked, and influential nonprofit industry, and is recognized as the voice for Montana's nonprofit sector.

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For more information on the NWCS or to explore partnership opportunities in disseminating the 2024 results, please contact one of the following partners:



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