THEME: Capacity Building

Measuring Community Capacity for Affordable Housing
Faron Supanich-Goldner

The following article summarizes the findings from a research project recently completed by the MSU Center for Urban Affairs.

Across the United States the nonprofit sector has been increasingly relied upon to revitalize distressed areas.   The growing crisis in the available supply of housing for low-income households, coupled with the fundamental role that housing plays in all communities, makes ensuring access to affordable housing a central element of a nonprofit community-building agenda.

In this context, the question of how best to organize, fund, and otherwise support affordable housing development is a critical issue. If nonprofit groups are to fulfill a mission that includes providing low-cost housing, they must develop into fiscally sound organizations that can effectively utilize staff and volunteer resources. They must also develop the capacity to efficiently plan, finance, and construct quality housing.

Stakeholders in community development have long focused on building the capacity of nonprofit organizations through activities such as providing technical assistance to organizations, conducting training for individuals in leadership positions within organizations, and supporting the development of more informed and active boards of directors.   In recent years, organizational leaders and those supporting their work are giving increased attention to understanding when and how capacity building activities do in fact translate into more effective action by nonprofit groups. Defining and measuring organizational capacity have thus emerged as important issues for the community development profession.

> It may be necessary for nonprofits to strike a new balance between community building and housing construction.

The Michigan State University Center for Urban Affairs recently completed a study to measure organizational capacity and housing productivity among nonprofit housing developers in Michigan. This research was intended to inform the capacity building agenda among Michigan nonprofits by helping to identify relationships that may exist between the components of capacity and the efficient production of affordable housing. In addition, the study identified some specific needs and opportunities for capacity building among the groups interviewed.

The study was conducted with financial support from the Fannie Mae Foundation and the Aspen Institute. The Michigan Local Initiatives Support Corporation and Michigan Habitat for Humanity served as community partners.

Exploring Capacity and Production in Michigan

Early approaches to evaluating the effectiveness of community based affordable housing development groups simply equated organizational capacity with housing production.   As others have observed (e.g., Glickman and Servon, 1998) this approach overlooks many important community building functions that nonprofit groups perform that may supplement the production of housing units. Others point out that the capacities required for housing production may differ significantly from capacities for achieving other community-building successes (e.g., Stoecker, 1997).

Even so, as long as affordable low-income housing remains scarce, unit production will remain an important measure of success for nonprofit organizations with housing-related missions.   In order to increase unit production, affordable housing organizations must systematically develop their capacity.

By carefully defining and measuring capacity in terms of its components and by understanding the relationships between organizational capacity and effective action, those committed to building the capacity of affordable housing organizations might optimize investments of time, talent, and money.

The current study is an effort to build upon Michigan State University's longstanding commitment to engaging university resources in mutually beneficial partnerships with community based efforts to improve the quality of life in communities. As a land-grant university, MSU is committed to a statewide mission that combines teaching, research and outreach. Since its establishment in 1968 as an outreach and research unit of the university, the Center for Urban Affairs (CUA) has been actively involved in issues of affordable housing and a host of other issues related to community and economic development. The CUA will use the current research findings in its continuing efforts to support effective capacity building for Michigan communities.

Findings in Brief

Glickman and Servon (1998) have described an organization's capacity as a complex of five different components: political, networking, resource, programmatic, and organizational. The present study sought to apply these five components in an exploratory empirical study. The study had three principal goals: to devise a useful instrument for measuring organizational capacity and its components; to use the instrument to identify relationships between components of capacity and the efficient production of affordable housing; and to identify specific training needs identified by respondent organizations.

The subjects of the study were nonprofit housing organizations in five geographic regions of Michigan (see Figure 1). Researchers conducted detailed personal interviews with representatives from each organization, which were used along with supplemental written information to develop

Figure 1. Regions studied

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organizational profiles including index scores for each of the five components of capacity. The 37 groups represented in the final analysis reported a total of 4,385 housing units produced over a 32-year span. On average, each organization surveyed constructed or rehabilitated about ten housing units per year (see Table 1). More than three-quarters of this total were multifamily units. Figure 2 illustrates the distribution of housing production by type.[1]

	Total units produced	Age in years	Units per year
Average	118.5	11.9	10.0
Median	32	10	3
Range	2 - 1590	3 - 32	0.2 - 159.0

Table 1. Summary production data, per organization

Figure 2. Production by Type, Adjusted

multi new 29%

single new 18%

single rehab 19%

multi rehab 34%
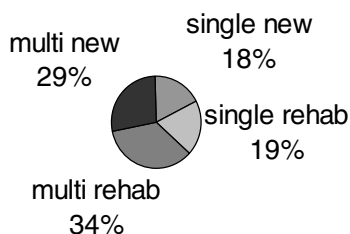
Regional differences

Using a simple average of the index scores for the five components of capacity, overall organizational capacity scores were calculated for each of the 37 groups. Capacity scores were highest among groups in the large urban region of metropolitan Detroit, and lowest for groups in Lansing and the rural northern region of Michigan's Lower Peninsula. Capacity scores for the Grand Rapids and Flint regions were comparable to those of Detroit (see Figure 3).

Productivity measures follow roughly the same pattern, with some variation: organizations in the Flint, Grand Rapids, and Detroit regions achieved greater annual productivity, while Lansing and the rural northern Michigan groups produced less (see Figure 4).

Differences are also evident in the types of housing produced within various regions. In the Detroit, Grand Rapids, and Flint regions, multifamily or rental housing production far outstrips single unit, or homeownership, production. In Lansing and the rural northern regions, by contrast, single units account for 95% of the total unit production.

Figure 3. Organizational Capacity by Region
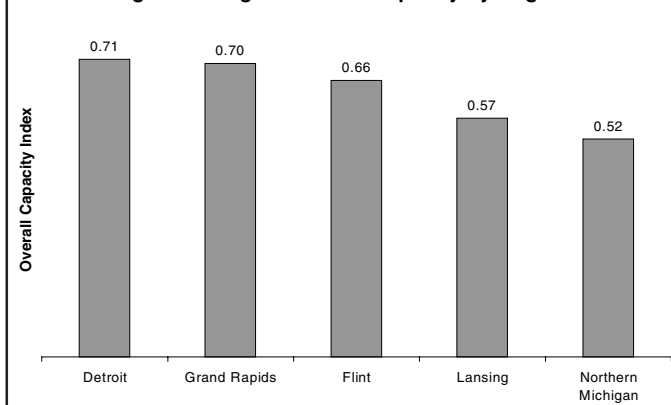
Production efficiency among organizations was also compared, using reported on-time and on-budget performance in recent development projects. Efficiency scores do not follow the same regional pattern. High efficiency scores were least common among Flint and Detroit groups, and most common for groups in rural Michigan, followed by Grand Rapids and Lansing groups (see Figure 5).

Capacity, efficiency, and production

Using the overall capacity scores discussed above, the 37 organizations were sorted into categories of high and low overall capacity. The 19 high-capacity organizations had an average annual productivity of 8.2 units; low capacity organizations averaged 2.2 units produced annually.

Training opportunities

Another purpose of the study was to identify critical training needs among affordable housing organizations. The topics for training most frequently requested by respondents included construction and project management, board development and training, and human resource management. The area of financial management may offer another opportunity for strategic capacity building. Further study is warranted into the most desirable and effective methods of delivering such training (e.g., individual or group, face-to-face or technology-assisted, etc.).

Figure 4. Production by Region

Figure 5. Relative Production Efficiency by Region
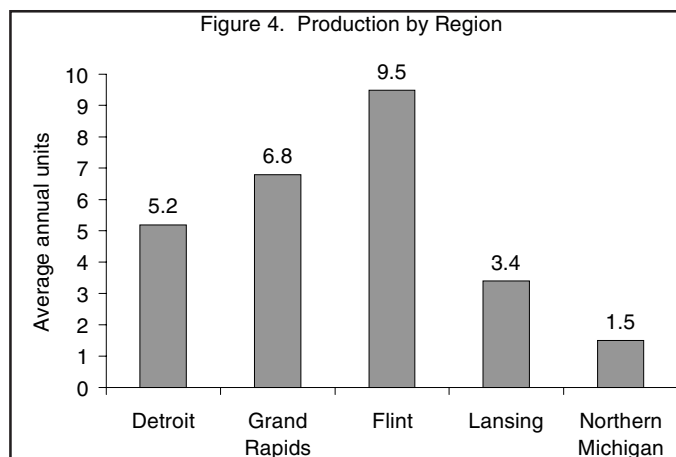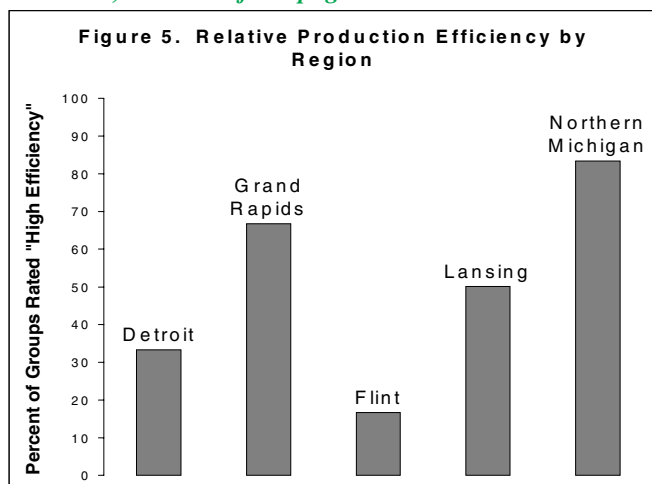
Discussion

While the basic assumption of this study appears to be supported – that higher levels of housing production are related to greater organizational capacity among nonprofit groups, as measured by this empirical analysis based on the categories identified by Glickman and Servon – further investigation is warranted into the nature and details of this capacity-production relationship. Future research might also explore in greater detail how capacity issues differ for younger and older organizations, or for organizations focused on homeownership or multifamily rental development.

Analysis of the relationships between components of organizational capacity, including the relative weighting of capacity components, is also not addressed by the present research, and may warrant further study. For example, access to financial resources may far outweigh networking as an organizatoinal capacity component in relation to productivity of affordable housing units.

Other factors, such as community or market characteristics, might also be explored. Further study would be needed to demonstrate any causal links between specific components of capacity and housing production.

Still, several issues are suggested by the present findings. As noted above, more than three-quarters of the production reported in this study consisted on new, multifamily development. This finding suggests that multifamily development is a reliable route to maximize the number of units an organization produces. However, this choice may carry with it implications for other elements of a community building strategy. For instance, if an organization aims to increase homeownership opportunities within its community, then multifamily rental development, no matter how efficient, will not by itself achieve that goal.

Based on the findings of this study, the following next steps are recommended:

1. Conduct research that clearly defines the scale of the affordable housing crisis.

2. Continue to develop and refine a useful instrument for measuring organizational capacity.

3. Continue to explore the specific relationships that may exist between organizational capacity (and its components) and desired organizational outcomes, including but not limited to housing production.

4. Explore the impact of multiple missions (or a primary mission other than housing) on an organization's housing efficiency and productivity.

5. Explore the opportunities for – and implications of – greater involvement of for-profit developers in the production of affordable housing.

Another issue that has emerged is the need to balance housing productivity goals with community building goals. If community based organizations are forced to choose to increase production capacity at the expense of continuing to meet other community needs, the loss in terms of community building may ultimately outweigh the gains in housing units. Current expectations that community building can be sustained as a volunteer, ad-hoc activity within nonprofit groups seems to have resulted in an environment in which affordable housing production efficiency may be limited. It may be necessary to strike a new balance between community building and housing construction, establishing appropriate providers and support systems for achieving both aims within the nonprofit community.

Although organizational capacity is the focus of this research, it should be remembered that capacity is by no means the only – and perhaps not even the most crucial – factor in determining the level of impact that is achieved by a nonprofit housing development organization. External factors such as market forces, policy constraints, or community support may serve to help or hinder an organization as it pursues its mission. But it is clearly possible that enhancing organizational capacity can address some of these external factors.

Building Community Capacity
Rex L. LaMore

There is an ancient parable of the three blindfolded wise men describing the true nature of the elephant. As the story goes, one of the scholars has the elephant's leg and concludes the beast is "like a tree." The second blindfolded sage has the elephant's long trunk and observes that the animal is "like a snake." The third sage has the elephant's tusk and determines that the elephant has horns and is therefore like the "water buffalo." While each of the wise men is correct from their perspective, clearly none had fully grasped the true nature of elephant. The lesson of the parable, of course, is that the aspect of a situation one is examining often affects our understanding of its true nature. It is easy to see that one could draw the same conclusion when discussing the nature of "capacity building."

To the extent that each of us must rely on our own abilities to solve problems, the development of our individual capacities is critical to our survival. However, to the extent that we can work together and rely on our shared abilities as a community, our collective community capacity becomes a critical element of the development of sustainable human settlements.

While community development capacity building is in part the mastering of a set of specific individual skills, it is also the process of empowering people and organizations to realize their full potential and the achievement of some level of self-sufficiency and self-determination. As community development educators in a democratic society, we are challenged to conceive of a pedagogy that results in an increase in community capacity.

With nearly three decades of experience in community and economic development, the Michigan State University, Center for Urban Affairs, Community and Economic Development Program has developed an extensive portfolio of techniques to build the indigenous capacity of communities. These strategies include: training, technical assistance, applied research, demonstration projects, professional development, networking, and capacity building.

For the purposes of developing a taxonomy of applied theory, these activities are described as a unique set of events; however, experience has shown us that they are interrelated and often sequential in application. It is not unusual for a particular activity to generate outcomes in two or three of the categories described. We have developed some projects in which training, technical assistance and capacity building occur simultaneously; in other cases, a project will clearly fall into a single category. When applied to the issues of community and economic development, we observe that these activities, while adhering to a set of guiding community development principles, result in an increase in individual and community capacity.[1]

Capacity building activities are those activities designed to improve the ability of citizens and their organizations to solve immediate specific problems and also improve their ability to solve *future* community problems. The expertise needed to conduct capacity building activities may reside with local citizens or in "outside" consultants/ experts. However, successful capacity building always results in an improvement in the skills of local individuals and organizations that is sustained over an extended period of time. Using the well-worn biblical metaphor, when one is engaged in capacity building, you are not only receiving a fish, " you are learning how to fish."

Capacity building is process-oriented as well as product-oriented. This is in contrast to technical assistance activities, which are product-oriented. The outcomes of capacity building often include increased organizational efficiency and productivity, improvements in citizen participation, greater community/organizational self-reliance, improved professional skills, and in general more viable community based organizations that are successful in carrying-out their public service mission. When successful capacity building occurs, the power of active and engaged citizens to bring about positive social transformation in a democratic society is increased.

To the degree that the development of individual professional skills are essential to the creation of indigenous community capacity, institutions of higher education will continue to play an important role in society by providing training and professional certification. The challenge of building community capacity, however, is the mission of many public and private institutions. Like the ancient scholars seeking to describe the true nature of the elephant, each of us has our own perspective and our unique roles.

Rex L. LaMore is the State Director of the Michigan State University, Center for Urban Affairs, Community and Economic Development Program. He also serves on the faculty of the MSU Urban and Regional Planning Program.

[1]Readers are referred to the CEDP's web page for a discussion of these methods and project descriptions:http://www.msu.edu/~cua/

The Core Competencies Project for Community Economic Development Practitioners

National Consortium for Community-University Partnerships
Washington, DC

In April 2000 the National Consortium for Community-University Partnerships (NCCUP) convened an advisory group of community practitioners, university administrators, and academic professors from around the United States to discuss a process for identifying and defining professional curriculum standards for practitioners in the field of community economic development (CED). Participants focused on issues of education and training for local CED practitioners. They sought to answer whether colleges and universities are doing all they can to advance the leadership skills of local CED practitioners. And while many courses are currently offered around themes of volunteerism and leadership development for local practitioners, those assembled also wondered how effective existing curricula actually are in advancing important community-building skills.

Conference participants agreed that the single most important task before the field is growing adequate local community leadership for the next generation, complete with mechanisms to measure improvements and further define areas of importance to all stakeholders. The CED profession now represents a full range of community organizations engaged in a wide array of activities including housing development, community organizing, fundraising, high-tech communication, environmental engineering and small business start-up. Well-trained professionals are needed to meet the many demands these organizations present.

Defining Professional Standards

Understood as a first step intended to give the field greater professional credibility, the advisory group agreed at the April 2000 conference to undertake a process to define degree standards and core competencies for professional recognition in the field of community development (CED). Practitioners would play a key role defining professional standards, pointing out what skills are best learned in the classroom, and which they deem appropriate to on-the-job training alongside experienced experts. The first task advancing this agenda was to initiate the process of gathering information from the field in order to learn what knowledge and skill practitioners need and where they can most effectively be learned.

In May 2000, as a service to its membership, the National Congress for Community Economic

> *Participants agreed that the single most important task before the field is growing adequate local community leadership for the next generation.*

Development (NCCED) engaged NCCUP to help define professional standards and core competencies for individual entry in CED. Together, NCCUP and NCCED launched a set of activities to begin gathering information from the field about skills necessary to local CED leaders. The two organizations intend to disseminate the findings and analyses of the data to key practitioners, and to institutions of higher education and other certificate granting training organizations, as background for future focus groups and a summit between the practitioner field and representatives of education and training institutions.

As an ongoing service to its membership, NCCED envisions playing a key role in the ongoing review of education and training programs for community development practitioners once the standards are defined. NCCED would sponsor their review and updating and endorsement through an expert panel that would provide independent evaluation and authoritative knowledge from the field to help guide programs and curricula and give them professional credibility.

National Survey of Practitioners

The completion of a recent joint national survey undertaken by NCCED and NCCUP underscores these goals. The survey was sent to approximately 2900 practitioners, urban and rural, working in CDCs, community action programs, and other local community organizations throughout the U.S. Detailed responses were gathered to questions ranging from types of service orientation for individual community organizations to short and long-range education and training requirements necessary to maintain healthy organizations. While full analyses and dissemination through focus group discussion of the collected data will not be complete until March 2002, preliminary findings reveal a wealth of information about the training needs of individual practitioners and their community development

Preliminary data from NCCED-NCCUP survey of Community and Economic Development Practitioners
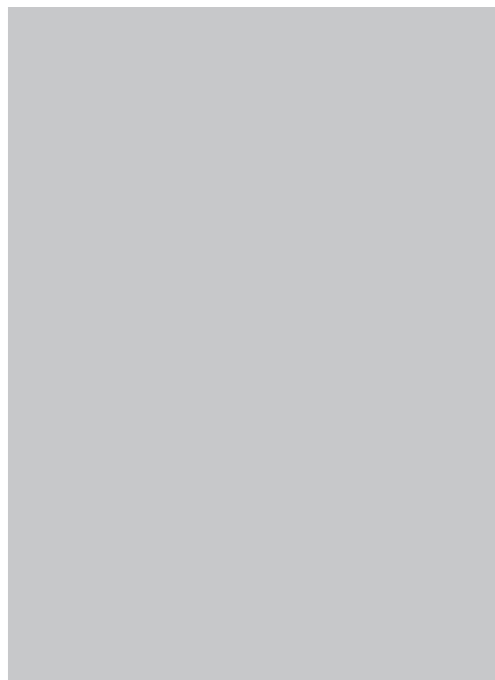
Skills and knowledge best aquired in school:

Urban and regional economics
Legal aspects of planning and CED
Computer software skills
Data gathering and analysis
Technical writing skills
Geographic Information Systems (GIS)
Real estate
Environment/economy interconnections
Public finance
Business development
Regional planning
Second language skills
Market analysis
Program evaluation
Survey research

Background Information	All Respondents
Years doing community & economic development work?	13.7
Years in your present job?	6.8
Highest level of schooling completed.	66% Graduate or postgraduate
Do you think colleges and universities are doing a good job of training entry-level CED professionals?	36% Yes 64% No

organizations. These early results provide insight into how colleges and universities might go about making their relationships with CED organizations more relevant and effective. Some of the preliminary findings from the survey are summarized in the accompanying tables.

When asked, "what four CED services are most important in <u>YOUR</u> work as part of your regular CED job responsibilities?" respondents selected fundraising and community organizing as the top two.

Over 57% of the organizations reported having partnerships with higher education institutions. When asked what type of assistance college and university students and faculty could best provide, organizations selected "Help collect and analyze data" and "Prepare needs assessments."

When asked questions about career motivation, respondents chose "Able to help improve quality of life for others" and "Challenging work & good learning opportunities" as the most important career benefits for CED professionals. "Good pay and benefits" and "Good career advancement opportunities" were reported as not important career benefits. Perhaps this reflects reality more than desire. "Establishing partnerships" and "Working with federal, state and/or local governments" were deemed most important in helping CED clients achieve their goals and objectives.

Next Steps

The success of the Standards and Core Competencies Project depends on carefully weighing the input of a broad constituency of local CED practitioners. This initial survey and its results are a first step in this direction. Further discussion in the field with academicians and trainers needs to take place prior to any "official" statement of CED standards and core competencies. Below are activities designed to advance this agenda through December 2002:

▪ Convene focus group sessions with select regional and state CDC groups, emphasizing the ongoing importance of individual practitioner involvement in the design of university, college, or training program curricula;

▪ Publish the results of the NCCED-NCCUP survey for a wide variety of audiences and markets;

▪ Hold a "standards and core competencies summit" to bring individuals together from grass roots organizations, foundations, federal agencies, and national CED partner organizations interested in advancing the professional status of the community economic development field. The summit goal would be a draft statement of Professional Standards and Core Competencies to guide academic institutions and training organizations in curriculum and content and delivery; The draft set of guidelines would then be market-tested to broad, national academic, membership, and other colleague organizations.

Celebrating John Duley

Bette Downs

On July 10, John Duley was awarded the 2001 Community and Economic Development Award by the Michigan Partnership for Economic Development Assistance (MP/EDA). This award is presented annually at the MP/EDA summer conference on community economic development to an individual or organization demonstrating exemplary use of community development tools in research or practice. Bette Downs prepared this profile.

John Duley sees himself as a "socially responsible hedonist" who says "Yes!" to life. But his hedonism has led him, not to self-indulgence, but to a lifetime of identifying problems of others and orchestrating their solutions.

First he tugs at your heartstrings. Then he tugs at your purse strings. Thus, John Duley's ability to articulate an issue with precision and warmth combined with a gentle appeal for tangible support has resulted in many successes in the realm of social justice.

John Duley receiving the CED award from Rex LaMore at the 2001 Summer Institute.

Two of his most practical achievements, formation of the Greater Lansing Housing Coalition in 1989, and of Closing the Gap in 2001, illustrate his vision and tenacity.

With Duley as its first board president, the Coalition began a modest program, the purchase and rehabilitation of a few houses for lease to low and moderate income families, with part of the rent allocated as a down payment toward purchase. The Housing Coalition continues today with varied financing options for helping families become first time homeowners, Soon the Coalition will acquire its 100th house. Propelled by a dynamic staff and a zealous board of directors, the Coalition has a rental program, a housing preservation program, and has built four new homes designed by Robert Morris of City Vision, Inc.

The most recent Coalition venture, Neighborhood Builders, Inc., transforms rundown structures into livable homes while serving as a training site for new workers. In cooperation with the Lansing School District and the Urban League of Greater Lansing, Neighborhood Builders offers training in construction and rehabilitation techniques to Lansing area youth. By assuming the nitty-gritty tasks of rehabilitation, this nonprofit construction company minimizes contracts with private companies.

In 1997, with his usual insight, Duley saw the desirability of improving the employment skills of the Coalition's new homeowners in order to guarantee their self-sufficiency. Mindful of a continuing demand for computer technicians, Duley marshaled his considerable resources to help organize Closing the Gap with its Port of Entry workshops.

Classes of eight to ten can master the basics of entry-level jobs in today's market in just four sessions of two and one half-hours each, possible because staff and volunteers maintain a one-on-one learning environment. Already some graduates have found jobs for the first time while others have upgraded their employment. Each graduate is asked to coach an incoming group and, on completion of this task, receives a free computer and one year of free Internet access.

Duley says he's an enabler. Colleagues see him as an innovator who leads, yet remains unobtrusive. John Melcher, a long time associate, who worked with Duley during the three year planning phase of Closing the Gap, points out that the new program is just one more example of an entire life devoted to improving the circumstances of others.

"Retirement is a time for people to do what they want," Melcher says. "This is what John wants. The only way to work as hard as he does in retirement is to care deeply about what you do. He sees great disparities in society and wants to overcome them. John attracts the best and the brightest, probably because of his enthusiasm and hard work. His generous spirit inspires us." Observers, even in casual association, often comment about the palpable harmony among staff, board, and host of volunteers working with Coalition and Closing the Gap.

In 1948, following preparation at Union Theological Seminary in New York City, Duley became a Presbyterian minister. His post as Presbyterian pastor of Michigan State University brought him and his wife Betty to East Lansing in 1962. They share a strong sense of the value of collaboration and soon assembled a community network of associates that today continues to expand. Military service, and assignments as a campus minister in Kalamazoo, Michigan, Columbus, Ohio, and State College, Pennsylvania preceded the move to East Lansing.

While at MSU, Duley taught Introduction to Protestantism in the Religion Department and, with a Kellogg Foundation grant, worked with colleges and universities to strengthen services for non-traditional students.

Also while at MSU, Duley became interested in experiential learning, in giving students opportunities to try out what they learned in the classroom. From 1965 until 1968, he helped provide these opportunities at Rust College in Holly Springs, Mississippi. During four summers, about 20 students, under Duley's leadership, worked with Rust College minority student to prepare them for success in their freshman year.

But Duley prefers a more independent role as a "preacher without a pulpit, an educator without a classroom, a community organizer with a mission."

"I work in movements rather than institutions," he says "I want to be in movements, not of them, intentionally marginal so that I can critique as well as support. Often we find in the margins of a piece of writing the most valuable information. I think my usefulness results from deliberate detachment."

In 1982, the Duleys joined others to gather 320,000 signatures requesting Congress to stop the production and distribution of nuclear weapons. The resulting ballot proposal passed with 52 percent of the vote. Organization of the Michigan peace and Justice Network of 159 organization followed.

John Duley with wife Betty.

Betty Duley has always been a full partner with her husband and they spent 1986 in China where they taught English. On their return, they took a year off for reflection. Betty became a client advocate at the Community Service and Referral Center, a reservoir of information about social services. She directed clients to appropriate agencies for help but discovered that inadequate housing topped the list of client problems while housing resources dwindled. As a result of her experience, with typical alacrity and determination, the Duleys assembled like-minded colleagues to form the Greater Lansing Housing Coalition.

Perhaps John Duley's favorite word is "network," but it could be "coalition," or "continuum," or "relationships." Although associates consistently use these terms assessing Duley's accomplishments, they often overlook one of his most practical attributes, his fundraising skills. As in all his activities, Duley approaches fundraising with dignity. As he describes the work of the Coalition or of Closing the Gap, financial needs become obvious and he motivates others to contribute their time and money.

Recently two of John Duley's closest associates were asked for their appraisal of his work. Alan Suits, president of the Housing Coalition, and Almus Thorp, its executive director, prepared this commentary:

Passionate. Compassionate. Just plain feisty. John Duley has more moxie than anyone we know. Driven by a vision of social justice etched in the human heart (and public policy), our friend, in his gently persistent way, does not know the meaning of "quit." Not even the most energetic teenager has a prayer of keeping up with this octogenarian.

John is the founder and spiritual godfather of the Greater Lansing Housing Coalition and countless other organizations that make frontal assaults on poverty, inequality, classism, sexism, racism, and intolerance. He's second only to his bride Betty in making a huge difference in the lives of countless people who have never heard of him. The tri-county area ought to proclaim a 'John Duley Day'."

Bette Downs lives in East Lansing and is a frequent contributor to Community News and Views.

Capacity Building From the Inside Out
Leroy Harvey

There is a tendency in society to focus capacity building efforts on the **external** rather than the **internal**. In doing so, we miss important opportunities for positive change. More importantly, we lose touch with the *heart* of change.

We can't deny the existence of a world that needs help. There are important problems to address – mouths to feed, bodies to clothe, homes to repair, bills to pay, and test scores to improve. What is missing from many capacity-building efforts, however, is a focus on the **inner** dimensions of change. These inner dimensions – our thoughts, beliefs, values, expectations, and attitudes – help *create* the **outer**.

When we dismiss the inner dimensions, we miss important opportunities for (and barriers to) positive change. Our capacity-building efforts are "incapacitated" if we neglect the hearts, minds, and souls of the people that we wish to assist. Here is where we can rediscover what already exists… the unlimited potential and creativity that exists in each of us.

It is easy for past and present appearances to cloud or confuse this realization. People have been taught that they are inadequate, not trustworthy, inferior, and not important. We shortchange each other with a host of age, race, sex, intelligence, and income stereotypes. These limiting beliefs manifest in the "real" world – and are thus reinforced.

We have been taught that "we are how we look" or "how we score." We judge others by how they perform, according to how they measure up to our expectations. When someone doesn't fit our definition of "success," we label them as impoverished, needy, and distressed. Many respond to these labels, internalizing negative self-images, and living up to our (and their own) negative expectations. We are further incapacitated by a complex array of social services, which can foster long-term dependency and reinforce "poverty consciousness."

Our educational system is partly to blame. We place a tremendous burden on students by glorifying the college-bound, the high-achievers, and a narrow range of athletic abilities and learning styles. A growing number fall through the cracks, ignored by a dysfunctional system that produces more and more less-qualified graduates.

> *It's been my experience that people will support that which they help create.*
>
> - Mary Kay Ash,
> founder of Mary Kay Cosmetics

Recognizing Capacity

How do we begin to realize our unlimited inner capacity? Relaxing the negative judgments and labels we place on each other is important. Let's stop judging books by their covers. Let's take time to open the book and look inside… and to not be like every other book ourselves. What a boring library we would have! When we make room for all types of books in our library, we can better appreciate the rich diversity each has to offer. When our minds and hearts are open, we are better able to notice the unexpected.

Unfortunately, capacity limiting practices and policies are deeply ingrained in many organizational cultures. As we recognize and reclaim our capacity, it is helpful to understand that those "in power" have the capacity and often desire to change too. While empowerment efforts can be disruptive to organizational power hierarchies, the "powers that be" often have the most to gain. The good news for CEOs, leaders, teachers, and managers is the positive transformation that can occur as we unleash our individual and collective power, creativity, and compassion. Helping employees, students, clients, and managers reconnect with their inner capacities can truly transform organizations into more productive and fulfilling environment.

Mark Youngblood, President of Quay Alliance, speaks about companies like Whole Foods, Microsoft, Cisco Systems, Starbucks and Harley-Davidson which follow an organic model to management. This model seeks to empower employee's responsiveness, creativity in the face of today's rapidly changing environment. Youngblood concludes that "the role of the new leader is not only more productive for the organization, it is liberating for the leader as well."

Inner capacity building is not new. There are loads of self-help tapes, meditation guides, spiritual gurus, and religious institutions that can help us connect with our inner wisdom, inner power, and

At The Risk Of Defining A Leader
Joe McNeely

Discussing the roles people play in community building is sometimes difficult and beginning to discuss leadership and the leadership qualities that are important in community building is even more difficult.

In a previous article on "Roles in Community Building," we named and described leadership roles in community building with some trepidation (for more information on community building, see "Community Building Coming Of Age" on the DTI website at www.dtinational.org).   Any terminology of a leader/ follower, participant, and coach must be heavily nuanced when applied to an open (voluntary), participatory, democratic structure. As Americans, we are accustomed to associating leadership with a narrow, male, hierarchical model, which favors high profile, aggressive, competitive and domineering characteristics. Some might even say, a hard wired alpha male orientation we derive from our primate ancestors.

However important that style of leadership is in some contexts, it is a wrong frame of reference for community building. In fact, of the well-known constructs of leadership none taken alone is adequate to describe the characteristics of a true community builder who is a catalyst, motivator, innovator, risk taker, supporter of others, leadership and some combination of out front spokesperson and behind the scenes arranger.

We need a blend of several major intellectual concepts of leadership. The first is the traditional hierarchical leadership model we derive from the military or organized sports emphasizing command and control of a highly disciplined team. The second is political leadership, more dependent on winning support, inspiring confidence and negotiating for a majority, if for not consensus. The old politics is the art of the possible. Third, from the modern theory of group dynamics comes the notion of leadership as a set of functions played by many group members collaborating to create and sustain a healthy group or organization. The kinds of leadership defined by the military or political model are just a few of the roles in a group. People other than the initiator or spokesperson often play other process maintenance roles and

implementation leader functions. More recently, there is the notion of servant leadership advanced by Greenleaf and given widespread application in the corporate and nonprofit sector. The leader is one who identifies the gifts of others and brings forth and supports the full expression of those leadership capabilities in everyone throughout the organization, even a large corporation. If the command and control model of old hierarchies now seems inappropriate in the modern corporation, how much more does the effective leader in an open, community system need to be more a servant and enabler, an inspirer and supporter than a commander?

Some theorists have shown us that no approach to leadership is effective in every situation. Blanchard and his colleagues first coined the term situational leadership to refer to the capability of successful managers to adopt different styles and different roles for different situations in the corporation. Blanchard particularly applied situational leadership to three modes of supervision, but a broader application by leadership trainers in a community context has suggested seven or eight typical situations and appropriate leadership styles. It seems that the effective community-building leader has some aspects of the commander, the politician, the group dynamics facilitator, the servant leader and the one who adapts role and style to the situation at hand. In community building even more than in other places, the effective leader is the one with a wide repertoire of leadership skills, styles and personalities from which to choose for the moment at hand.

Moreover, it's important to recognize that community building leadership operates in groups which are being brought into formation. A notion not only of the situation but also of the evolving lifecycles of a new group has been an important component of leadership capability in community building. One thinks of Tuckman's famous portrayal of the stages of group formation and development: forming, storming, norming, performing. Any approach to leadership must adapt itself to the stage of life of the organization being led.

personal creativity. Thankfully, there are some immediate and practical techniques that are being used in organizations that can help jump-start inner capacity building efforts.

Whether you are a neighborhood leader, manager, employee, resident, teacher, or student, there are many ways that you can start to realize and nurture your own inner capacity:

Listen: One of the most important ways that can affirm the capacity of others is to listen deeply when they speak. This takes practice. Try to listen with formulating your response, judging right or wrong, or letting your mind wander. Just listen.

Reflect: Take time to reflect and learn about processes, techniques, projects, experiences. By listening to the way others perceive events, we value their input and can learn from them. Group reflection helps people learn from each other and recognize the value of multiple perspectives.

Lead by example: Setting an example is often the best way to teach a new way of being. When we "practice what we preach" our progress for inner capacity building will be amplified considerably. It is said that people remember:

10% of what they read
20% of what they hear
30% of what they see
70% of what they see and hear

Dialogue: Dialogue has been described as "people truly listening to people truly talking." Dialogue works best when we suspend assumptions and status. Dialogue is different from debate in that we release our desire to "be right" and argue. Participants are encouraged listen deeply to ourselves and each other.

Share Responsibility: Valuing and respecting people is not a task reserved solely for leaders or followers. We each have the "capacity" and responsibility to nurture inner capacity in others and ourselves. Part of realizing this capacity is recognizing opportunities to value and appreciate one another.

Create a Welcoming and Safe Space: For people to discover who they are and share their gifts and ideas, it is helpful to create an atmosphere where they feel safe, welcome, and even encouraged to do so. Current brain research suggests that our minds remain more open and creative in non-threatening environments.

Taking time and space to value and embrace the inner capacity of each other is a step toward becoming a learning organization. This quality is a key to success as we enter the Information Age and attempt to survive in our new global economy and rapidly changing world. We need each other's inner capacity to succeed.

Affirming and realizing inner capacity can help us with our more traditional capacity building efforts. Valuing the hidden ideas, talents, and aspirations of our team, organization, or institution will help us overcome obstacles. As we make the invisible visible, we will begin to recognize our unique gifts and capacity – limited only by our imagination.

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And finally there is the amazing emphasis on value oriented leadership that has sprung up in reaction to an over-emphasis techniques. As one of the foremost spokespersons of that shift, Steven Covey, in his migration from seven habits to the value core, asked: "what difference does it make if you are highly effective at climbing the rungs of a ladder if the ladder is leaning up against the wrong wall?" This development in leadership theory at the end of the 20th century is perhaps the most resonant of all with the thrust of community building leadership with its emphasis on leading by articulating a clear, value-laden vision, and engaging others in a collaborative to be committed to that common vision.

One final dilemma: community based leaders and community organizers have always emphasized the leadership potential of the 'common person' the ordinary resident, the everyday parent, the 'just like me' youth. They eschew the hierarchical leadership model and reject any credentialing associated with formal preparation and education to which many have not had access. One of the advantages of the competency analysis method is the rich description it produces in plain English of leadership characteristics one could imagine being developed through life experiences. One can envision some of the community building leadership characteristics being honed in raising a large family in poverty conditions in a distressed neighborhood; or being the elder of an extended ethnic community; or even being a gang leader among young people. The field is not hostile to formal leadership development or education but assertive of the "school of experience."

As community building is a multi-dimensional, multi-disciplinary combination, so the theory of leadership, which infuses it, is a rich synthesis of many approaches.

How We Use the Internet
Mark Wilson

With support from the U.S. Department of Commerce, Economic Development Administration, the Michigan State University Center for Urban Affairs recently surveyed nearly one thousand Michigan residents about their experiences using information technology. The survey was incorporated as part of the State of the State Survey conducted by the Institute for Public Policy and Social Research at MSU. This is the first of three brief snapshots describing the findings from this survey.

As a common part of daily life, the Internet offers many different functions associated with both work and leisure. To learn more about Internet access issues, we surveyed 932 Michigan residents in 2000, and in this report focus on access and use of the Internet.

Use of the Internet

Chart: horizontal bar graph. X-axis "per cent" from 0 to 100. Y-axis "Purpose".

Purpose	per cent (approx.)
Contact Official	11
Gov't Forms	13
Chat	19
Manage Finances	26
Job Openings	28
Read	32
Local Events	35
Purchase	39
Research	71
E-Mail	85
Information	94

For many, the Internet has become a common element in daily life, with almost 60% of Michigan residents claiming at least weekly use of the Internet. Most users access the Internet from home (65.1%), followed by access from work (25.2%), homes of family or friends (5.1%), school (2.3%) and libraries (1.3%). Schools and libraries are important access points for information and the Internet, yet may not have been significant in this survey as respondents were all 18 years or older. For younger residents, schools and libraries may be far more important as access points.

The high rates of Internet access reported by the survey also show that over 30% of Michigan residents have never accessed the Internet. Of those without access, most replied that the reason was lack of a computer at home, work or school (69.2% of those without access), while 12.3% had tried to access the Internet and found it too complicated or not worth the effort, and 11.3% were not interested in the Internet.

Of the many uses of the Internet, the most common were gathering information, e-mail, and research. Least common were using the Internet to contact public officials, access government forms, and to participate in online chat. The range of Internet activities is presented above.

One use of the Internet not currently employed but considered to have potential is voting for public officials. Concerns over voting accuracy in the 2000 election have raised the possibility of voting via the Internet. When asked about this option, Michigan residents were divided with 51.3% somewhat or strongly opposing Internet voting and 47.2% strongly or somewhat favoring use of the Internet.

The Internet is an evolving tool and system that presents new sources of information and interaction, while at the same time having the potential to change some of our daily activities, such as shopping, seeking information, and communicating. As the Internet expands, it is important to consider the cost and ease of access, and the implications of having some members of Michigan society unable to access the Internet.

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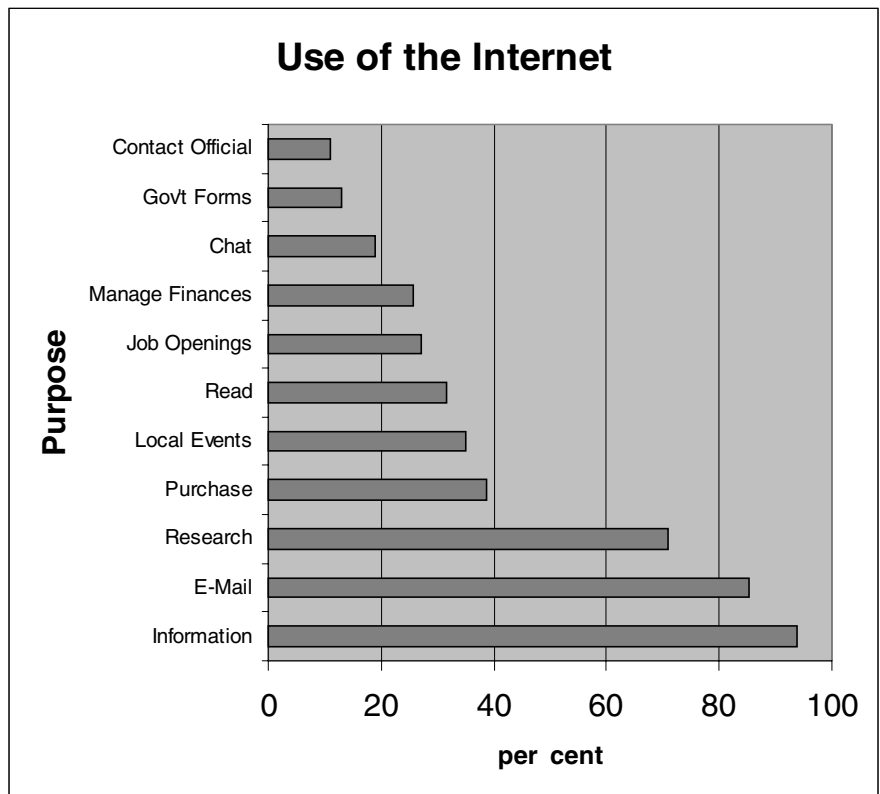
Without diminishing the positive impact that nonprofit housing development groups have had in their communities, the present findings offer little hope that the nonprofit sector alone will resolve the affordable housing crisis. While it is beyond the scope of the present study to quantify the housing need in the regions served by the organizations interviewed, there appears to be little likelihood that nonprofit producers will successfully meet the demand in their communities with an average annual production of ten units per organization.

Further research is warranted to explore the maximum productivity attainable by nonprofit housing development organizations, and to consider the likely effectiveness of alternative production strategies, such as increasing use of new housing technologies or a greater role for private, for-profit builders. A related topic for new research might be to investigate the "nonprofit carrying capacity" of communities, to consider the question of how many viable nonprofit housing producers a community can reasonably sustain.

Notes:

1. For Figure 2 and subsequent analysis, results from one unusually high-producing organization (which alone accounts for 36% of the production in the entire study and which produced nearly triple the number of units of the next highest producing group) are excluded. Also excluded from data analysis are those organizations whose mission includes housing development but which, at the time of the survey, had not yet constructed or rehabilitated any units.

References:

Glickman, Norman, and Lisa Servon. 1998. "More than Bricks and Sticks: Five Components of Community Development Corporation Capacity." *Housing Policy Debate*, 9: 497-540.

Stoecker, Randy. 1997. "The CDC Model of Urban Development: A Critique and Alternative." *Journal of Urban Affairs*, 19: 1-22.

This article summarizes a research report issued in October 2001 by the MSU Center for Urban Affairs, Community and Economic Development Program. The research discussed was conducted with support from the Fannie Mae Foundation, the Aspen Institute, and Michigan State University. Report conclusions are those of the authors alone.

Members of the research team included Project Director Rex L. LaMore, Susan Cocciarelli, Jose Gomez, John Melcher, and Faron Supanich-Goldner of the MSU Center for Urban Affairs; John Metzger of the MSU Urban and Regional Planning Program; and Matt Syal of the MSU Construction Management Program.

CEDP

Free Public Lecture Series
Creating Sustainable Cities in the 21st Century

Citizens throughout the nation are engaged in a far-ranging discussion of land use policy that promises to affect the quality of life in our society well into the next century. While the preservation of farm land and open spaces are important, perhaps the greatest challenge confronting society in this century will be our capacity to conceive of and create environmentally viable democratic human settlements.

In 2002 Michigan State University, in a series of free public seminars, will bring together the expertise and experience of some leading scholars and practitioners to discuss the historic trends, emerging policies, and scientific challenges that confront us in creating sustainable cities in the 21st century. MSU Urban Affairs Programs will sponsor the series, with seminars underwritten by MSU Extension, Victor Institute for Responsible Land Development and Use, MSU Urban Collaborators, the Wege Foundation, and the Dow Chemical Company.

These free public lectures will take place on five consecutive Tuesdays from March 12 through April 9, 2002. They will run from 4:00-5:30 p.m. in the Moot Court Room at the Detroit College of Law at Michigan State University.

March 12: Myron Orfield. Senator Orfield is currently an adjunct professor at the University of Minnesota Law School and a member of the Minnesota Senate.

March 19: John A. Powell. Professor Powell is founder and Executive Director of the Instiute on Race and Poverty at the Law School of the University of Minnesota.

March 26: Avis Vidal. The newly appointed chair for urban planning at Wayne State University, Dr. Vidal's most recent book is *Community Organizing: Building Social Capital as a Development Strategy.*

April 2: David Morris. Vice President of the Institute for Local Self-Reliance, Mr. Morris is author of the book *Seeing the Light: Regaining Control of Our Electricity.*

April 9: William H. Hudnut III. Having served four terms as Mayor of Indianapolis, Mr. Hudnut is currently senior resident fellow at the Urban Land Institute.

For more information about this lecture series, visit our web site at www.msu.edu/unit/cua, or call (517) 353-9555.

UPDATES

Resident Leadership Development Program Wins Additional Funding

The Michigan State University Center for Urban Affairs recently received a second federal grant from the U.S. Department of Housing and Urban Development (HUD) that allowed the Center to extend partnerships with residents from four additional communities. For the past year, MSU/CUA has been involved in a resident capacity building training program with residents of public housing from 13 communities throughout Michigan. The curriculum for this program is designed to help enhance the capacity among Resident Commissioners and Resident Leaders in order to increase their leadership skills and self-sufficiency and to promote active, effective participation on Public Housing Commissions and Councils.

Sixty-four residents participated in the first round of onsite and distance learning training sessions. A number of those who completed the ROSS I program are now participating as trainers for ROSS II. The new funding, made available through HUD's Resident Opportunities for Self-Sufficiency (ROSS) competitive grant program, allowed MSU/CUA to extend the capacity building program to new partners in Benton Harbor, Detroit, Inkster, and Pontiac.

Community Capital Initiative Continues to Assist Michigan Credit Unions

The CUA continues to assist credit unions in developing a foundation for Individual Development Account (IDA) programs in low-income Michigan communities. With support from the Michigan Family Independence Agency (MFIA), the CUA provides assistance designed to inform Michigan credit unions of IDA program development opportunities and to support a process by which each credit union determines its capacity to take a leadership role in the establishment of an IDA Program for their membership community.

The CUA has provided leadership statewide in building community capital initiatives, including assisting in the establishment of IDAs within several high schools, a faith-based organization, and among child care homeowners in Saginaw. The CUA also initiated support for the inclusion of IDA language in the MFIA State Plan and in 1997 received support from Governor John Engler as an applicant for a national IDA demonstration project.

The overall goal of the current project is to inform Michigan credit unions about IDAs and assist them as they explore their role as viable community-based financial institutions advancing an asset-building strategy to help low-income citizens to strengthen their financial well-being.

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