



A PODCAST WITH RUSTY STAHL | S3 EP6

Talent-Investing is the Best Capacity-Building

WITH

Tom Fuechtmann
*Community Memorial
Foundation*



[Podcast Intro](#)

[Pilot Ad](#)

[Episode Intro](#)

[Conversation Begins](#)

INTRO [00:00:03] You're listening to the Fund The People Podcast, I'm your host Rusty Stahl. On this show we serve up a healthy nutritious alternative to the nonprofit starvation cycle. If you work as a funder, a non-profit, or intermediary, we'll help you invest in America's nonprofit workforce to drive equity, effectiveness and endurance in our nonprofit and social justice community. So let's get going.

PILOT AD: Folks, Fund The People is cooking up a very exciting new program: The Funding that Works Academy, which will offer online courses that teach our new Talent Investing Framework right from our website. Our initial courses will focus on the fundamentals of talent investing, and there will be versions available for foundation professionals, foundation board members, nonprofit professionals, nonprofit board members and folks working in intermediary organizations, like consultants, educators and membership associations. We want to give our podcast listeners early access to this great new program, so if you fit into any of those broad categories that I just mentioned and you're interested in helping us to pilot the course, please send an email to info@fundthepeople.org and write Pilot in the subject line, you will get special early access to our cutting-edge content and help us make improvements to the course before rolling it out widely. So remember just email me info@fundthepeople.org and write Pilot in the subject line, and we'll get back to you with details. Thanks!

RUSTY: [00:02:02]

Hey, welcome to the Fund The People podcast, I'm your host Rusty Stahl. I'm grateful for your time and attention. I know you have a choice of TV stations so thank you for turning the dial to the Fund The People channel. This is season 3 episode 6. Today we're exploring Talent Investing principle number two: Nonprofit people are bedrock. Dig beneath the outcomes, the outputs, program activities, the strategy, the organizational capacity, the structures, underneath it all you'll find nonprofit people. People are not overhead, they are the bedrock of organizational effectiveness.

In this episode, you'll benefit from the perspective of a foundation senior program officer who has made a deep fundamental connection between organizational capacity building and talent investing. Tom Fuechtmann is Senior Program Officer at Community Memorial Foundation, a health conversion foundation serving the western suburbs of Chicago, and Tom talks about how his work at this fairly modest local foundation has made Cadillac-level investments in staff development at grantee organizations consistently for about a decade and a half.

Before we get started, I want to remind you to subscribe to the show wherever you listen. And remember, we email folks on our mailing list about new episodes and share other great resources. So head on over to fundthepeople.org to sign up for that mailing list. On the website fundthepeople.org you can find all the podcast episodes and show notes and access our free original content on the Fund The People Tool Kit, including our Talent Justice research and tools on investing intersectional racial equity in the nonprofit workforce.

And now here's my conversation with Tom Fuechtmann.

RUSTY: [00:04:22]

So I'm here in Chicago at the Conference of Grantmakers for Effective Organizations, lovingly known as GEO, which is one of the funder networks in the philanthropic community that really focuses on both helping funders to increase their own effectiveness and helping them to use their resources to help nonprofits become more effective. So, really excited to be here at the conference and it's my first conference out of the last couple of years. And I'm here with my friend and colleague Tom Fuechtmann from the Community Memorial Foundation in Illinois, in suburban Illinois, he'll tell us more about the exact footprint and Tom, I think, is one of the folks who has been doing talent investing in a significant sustained way for years and once in a while, we reconnect in person at various gatherings and I thought it'd be a good chance while I'm here in his state to connect and have him on the show.

TOM: [00:05:37]

Thank you Rusty, so good to be with you. As Rusty said my name is Tom Fuechtmann, I'm a Senior Program Officer at Community Memorial Foundation. We are a health conversion foundation in the western suburbs of Chicago, we've been around since 1995. I've been with the foundation as a program officer for the last 20 years now. For most of that time, I have directed our capacity building initiative. So we have a universe probably of about 100 grantees and we offer a whole range of capacity building grants and programs to help our organizations, our

grantee partners, be as strong as they can be. So we offer technical assistance grants, which we define as small grants of up to 15,000 to do particular capacity building tasks like strategic planning or a feasibility study, those kinds of things. We also offer educational workshops. So each year, each couple years, we talk with our grantees and ask them what the biggest issues that they are facing that they'd like support with and then we bring in key thought leaders from around the country and provide workshops and other educational opportunities around things like board development, fund development, race equity, HR, you name it.

We also have a program around HR support and we partner with [HR Source](#) which is a local organization here that provides HR support to businesses and nonprofit organizations. We've got about 30 of our grantees participating in that. And we also have provided leadership work, so provided a fellowship program in partnership with the [Center for Creative Leadership](#) to support emerging leaders, middle managers typically, in our nonprofit organizations to learn about leadership with the goal someday, hopefully, that they would take on vice president or executive director roles in our community.

Certainly if anyone wants to know more about us, you can look up on our website, cmfdn.org or feel free to reach out. I'm also always willing to talk about capacity building.

RUSTY (00:07:46):

Thanks Tom for the great overview. One of the things we talked about in the principles of talent investing is about [why it's important to sustain investments over time and commit significant levels of money and time and also to layer investments on top of each other. So having not just relying on one intervention or one program or one kind of grant but rather layering these on](#) and I know you've done that. So, could you talk about how you thought about like adding things, how has this program kind of grown in terms of those layers over time?

TOM (00:08:18)

Yeah, I think that's really important. I think we probably do take a pretty comprehensive approach toward capacity building. One of the program's I forgot to mention is Executive Coaching. We provide up to two years of executive coaching for executive directors of our nonprofit partners and I think [the layering and the comprehensive nature is really important.](#)

So just to give an example of that, one of the things that we asked our grantees after George Floyd and after the whole racial turmoil that rocked our country a couple years ago, we asked our grantees, actually hired a consultant to do some interviews with our grantees, to seek out what was going on in their organizations and what support we might be able to provide. And no surprise, race equity was one of the issues that came right up to the top. And so, we didn't just want to provide some education workshops and coaching around race equity, which we are doing that this year, but understanding that the kind of change that needs to happen in our organizations, in our communities, in our society is not going to happen without leadership and so in addition to the educational workshops on race equity, we are also providing some work through the Center for Creative Leadership on leadership development. So we're talking about "What is leadership?" and how we can engage in change management work in our

organizations, because really, that's necessary. I mean, we can't talk about race equity without talking about change. We can't talk about racial justice without talking about leadership. And so, you know, that's one example.

But through the years, I mean, kind of started with kind of small grants in the technical assistance space and then we realized that, you know, executive directors were leaving their organizations and there was a high degree of burnout. And so we started an executive coaching program - not kind of with any you know, specific deliverables around a specific grant or anything like that. But simply as a way to support the executive directors that are working in the organizations that we fund, so there's no foundation-specific metrics on what you should be talking about, but we will pay for a coach for you to, you know, receive support in the work that you do in leading your organization. And you add that, you know, layer that with the HR support that we provide, with the leadership development work we provide to not just the executive directors but to the emerging leaders, the middle managers in the organization... we're trying to strive for leaderful organizations not just at the board level, not just at the CEO level, but throughout the organization because that's the way, investing in people and investing in, you know, leaders throughout the organizations is what will power the social change that we're looking for.

RUSTY (00:11:17)

How has the board responded? You've been doing this now for 20 years. So the board clearly, you know, and the organization, the institution, your CEO and everyone has committed to this kind of capacity building. It's not just general capacity-building, it's pretty specific that it's about investing in the staff and leadership development at all these levels. So curious how your CEO perceives it, there's no donor behind your foundation because it's a health conversion foundation, otherwise, we talk about the family or whoever is behind the foundation, but the board is really where the buck stops with you all, so how do they perceive this?

TOM: [00:12:15]

Well, we're fortunate that our board has always been very supportive of this work and I'd like to say in part, that's probably a function of the kind of foundation we are and the geographic focus that we have. So, our foundation serves a very limited geographic area. We serve 27 suburbs in the western suburbs of Chicago, population of about 400,000 people, cut across kind of two counties or portions of two counties: western Cook and eastern DuPage for those of you who are familiar with Illinois. We have a universe as I said at the outset of about 100 grantees, and that's everybody, that's not who's applying to us each year. That's probably everybody who's applied to us, who's received funding from us in the last five years, right?

So when you have that limited universe it provides some opportunities, you have to play ball with those who are in your neighborhood so to speak. So there's a lot of enlightened self-interest in helping the people who are working the nonprofit institutional infrastructure in our communities, to help them to be as strong as they can be. The people and the organization's themselves, because without strong partners, it becomes very difficult for the foundation to be able to meet its mission.

Our vision is to transform our region, the 27 communities that we serve, transform that region into the healthiest region in the country. That's our big, bold vision and you can't do that without strong partners. And so, the board has always been very supportive of all of the capacity building work that we have done. They have served on our advisory board, they have provided support, not just support, but guidance, and have always been exceptionally, I would say, excited and proud of the work that we have done in this area because they've understood from the beginning that **we can't just give grants, right? That's not enough to make the kind of change that we really want to make. If we're truly going to transform our communities into a healthier place, it's going to take the kind of work and the kind of investment that we do in our capacity building. It's going to take investing in people, it's going to take investing in organizations beyond just the programmatic and general operating support dollars that we provide, which are very important, but that alone is probably not enough to be able to achieve the kind of overall impact that we're shooting for.**

RUSTY (00:14:38)

Very well said. One of the challenges I get from funders sometimes is: isn't general support enough? Do we have to get proactive and directive about investing in your staff or how to do so? It sounds like you've found a way to offer resources in kind, grants, programs, that kind of let people opt in to fellowships or memberships in the HR source, resource, things like that. So, how do you balance that sort of prescriptive versus responsive balance in your foundation?

TOM (00:15:16)

I think to some extent, I begin by rejecting the premise of the question. I sometimes think that we create this false dichotomy that it is either the foundation prescribing what should be done or providing the grantee the autonomy to do what they will with general operating dollars, for example. I frankly think it's both, right. So this is the first thing I'll say, **it has to begin with listening. I have no patience for funders who do not listen to their grantees or not actively engaged in a dialogue and an open conversation about, what are you seeing, what are you experiencing, what do you need to do the work that you're doing better?** It has to begin there, if you don't begin there with any capacity building after, it will fail and you should not bother, right? Because, I think **we as a field have done far too much damage over the years by thinking we know what's best.** So I do think it has to begin with a conversation with grantees about what is it that you need most in terms of, you know, strengthening your organization.

However, most executive directors I know do not have the time, the energy or the bandwidth to be able to go out and research the key thought leaders, or the key capacity building programs, or the key education work, or the coaching, or the executive coaches that might benefit them and benefit their organizations to move them to the next level. So, we in philanthropy have the luxury of that time, the resources to be able to provide the support, you know, bring in key thought leaders, vet possible coaches for a coaching pool, look at different models around leadership development programs, all of these kinds of things that might really benefit our grantees. And most grantees that I know don't, you know, especially smaller ones, do not have the time to be able even to look for programs or workshops or consultants that could help them

even in fund development, or in financial management, which are a couple other areas that we focused on over the years.

So I think it's "both / and", right? I think we have to start with a conversation of what are the greatest needs, but I also think that we can then bring to our grantees, to bring to cohorts of grantees, to gather, to convene, to provide opportunities beyond just general operating support, which is critically important, I'm a big believer in that, and the on program support which again, critically important and we're a big supporter of. So again, I think it's not "either / or" it has to be "both / and".

RUSTY (00:18:17)

You've offered a framing, a reframe of, and rejected the premise which I appreciate, of something that's been eating at me, gnawing at me about how do I not go against general support but be for, proactive, intentional talent investments at the same time. So, we were talking before we started recording about that listening that you just talked about, listening to grantees. And certainly the pandemic I feel like has so many people and organization at the last nerve, like people are stressed out. Everything that's happened with race in this country, everything that's happening today with policy, with the murder of people in Buffalo that just happened a couple days ago. I mean it doesn't stop and it's all layered on top of the stress from just running organizations before the pandemic and before this era of politics and policy in our country.

So, I think talent investing, the capacity building you are talking about, that we talked about is perennial, it mattered before, it matters now. But how has it changed in this season, this period of not just virtual work or work from home, but also the strain that organizations that you support, that your foundation supports and what people are going through individually as a part of that. How have you responded? What do you see changing?

TOM (00:19:41)

Yeah that's a really deep question. A couple things that we did: early on in the pandemic. We did a listening tour, every member of our staff, we divided up the number of grantees that we had in, we called or did Zoom meetings with everyone that we had given funding to just to check in and see how things are going, and see what their needs were. And we did that again just a couple months ago, you know, as we are entering a new phase of the pandemic. Just to check in and see how things are going.

And I would say over the course of the pandemic, so much has changed, right? We, like many foundations early on, provided emergency Covid relief funds. We found money in our budget, that we weren't going to conferences like GEO, we weren't traveling, we weren't, so we just put that in a Covid response fund and, you know, did some special grants, we shortened up our responsive grants, that first cycle in particular so that we could get money out the door quicker to our grantees. We continued to ask what the greatest needs were. We did a whole series on financial management which turned out to be incredibly timely and gave some additional grants associated with that capacity building program as well.

And I think one thing that could be said is we, like many foundations, were looking differently at goals and outcome objectives. So, you know, for example, we fund a number of food banks and they were very clear to us early on that there was no way they were going to be able to tell us, you know, if the people they were giving food to were from our communities, right? They were literally standing in their parking lot putting food in people's trunks. And we said, fine, that's great, just keep doing that. Don't worry about the metrics that we've asked you to do in the past, just keep feeding the people. And that's what they did.

And even now, they're able to provide metrics in different ways now because things are back to at least a little more "normal" but, you know, still things are different, right? People have left, the Great Resignation is a thing definitely in the nonprofit sector. And so, when you don't have staff, you're obviously not going to meet the metrics that you thought you were going to meet, you know, when you submitted the grant requests a year ago, right? We provide support to an oral health organization, when dentist offices were closed for three months because of quarantine rules, obviously they're not going to make the metrics they said they were going to. So, again, it starts with listening and compassionate listening and kindness and also remembering that kind of we're all in this together, right? We're all trying to achieve the same outcome here and the way we frame it we're trying to have healthy communities, right? For our communities to be as healthy as they possibly can be.

But the world is what it is, right? You know, life happens. Inflation is high, costs are high, people are leaving their jobs. We have executive directors who are taking off their blazers at 5 o'clock and then going into residential homes and cooking dinner because they don't have staff to do that anymore. **So the world is very different and I think we as funders need to come alongside and see and recognize what's going on and be as supportive any way we can.**

RUSTY (00:23:07)

I think that's a great place to end it. I appreciate you taking time to talk with me today and it's really good to see you and be together and, you know, we're both here, we're both masked and vaxxed, the whole conference is, and I certainly hope we and everyone here stays healthy. I hopefully will see you again before too long. Thanks Tom.

TOM:

Absolutely, thank you.

OUTRO:

Thanks for listening to the Fund The People podcast where we help you cook up nutritious and delicious alternatives to the nonprofit starvation cycle by investing in the nonprofit workforce. On behalf of myself, Rusty Stahl, our gracious guests and everyone who makes the show possible we hope you enjoyed the episode. You can find links to the resources that were mentioned, guest bios, show notes, and the audio for this episode by visiting fundthepeople.org and clicking on Podcast. Thank you for driving change in our communities, our country and the world. Remember to keep your tank full, take care of yourself and take care of one another.