

# Transforming Institutions from the Inside Out: Training Russian Nonprofits for Impact.



## Executive Summary

In 2015 the Vladimir Potanin Foundation was working on the execution plan for its long-term, highly ambitious strategy: to develop Russia's nonprofit sector. Established in 1999, the foundation is one of the largest and the oldest private social ventures in Russia and the CIS. During the past two decades the Vladimir Potanin foundation has been engaged in a number of high-impact projects in the fields of education, culture, the development of philanthropy in Russia as well as promoting the country and its nonprofit sector abroad.

The master challenge of developing Russia's nonprofit sector was not an easy one as the sector was still in its infancy, having emerged after the 80 year Soviet hiatus. Yet despite its modest size and scope, the number of nonprofits had steadily been growing and even internationalizing beyond Russian borders. High-potential small but agile nonprofits relied on their energy, motivation and ambition even as they lacked resources, management skills and tools to realize their full developmental potential.

To facilitate the re-emergence of Russian nonprofits the Vladimir Potanin Foundation aimed at the development of:

**Talent pool** of highly-skilled professional nonprofit managers

**Organizations** creating sustainable business models, efficient processes and support structures

**Institutions**, understood as communities, norms and best practices

To fulfill this ambitious goal the Vladimir Potanin Foundation initiated collaboration with the Executive Education arm of the SKOLKOVO Moscow School of Management. The goal of the programme was to enable Russian and international nonprofits operating in the country with necessary management skills, to strengthen their organizational processes and to contribute to the institutional development of nonprofit sector. The focus of the programme was on the strategic development through financial models, project management and leadership.

Together the SKOLKOVO School of Management and the Vladimir Potanin Foundation developed a

highly-customized programme targeting managers of nonprofit organizations from different regions around the country. The programme was built around 29 real projects targeting new strategic initiatives. While the impact was anticipated in the long-term, the short term results of this initiative could be traced at all three levels.

A new generation of professional nonprofit entrepreneurs would emerge as a result of the collaboration. At the organizational level the new strategic initiatives developed by programme participants made significant impact on the organization measured by the number of adopted new strategic initiatives, funds raised, and partnerships initiated. A total of 10 out of 29 projects did receive financing from participating organizations, while another 8 were awaiting final approval. At the institutional level, the programme contributed to the formation of a strong community of nonprofits, facilitating their professionalization and the creation of norms for the nonprofit sector and its management.