

Resources for Organizational Self-Assessment

There is no one best tool for assessing your organization's capacity, and which you choose will depend on your circumstances and goals. The following is a summary of some of the most commonly used tools.

Venture Philanthropy Partners/McKinsey Organizational Capacity Assessment Tool, a.k.a. McKinsey Capacity Assessment Grid

Web site:	http://www.vppartners.org/learning/mckinsey/index.html
Theory/background:	http://vppartners.org/learning/reports/capacity/full_rpt.pdf
Assessment tool:	http://www.vppartners.org/learning/reports/capacity/assessment.pdf
Cost:	Free
Summary:	Assessment developed by McKinsey & Co. in 2001 to guide Venture Philanthropy Partners' "investments" in nonprofits. The questionnaire is 30 pages long and generally takes an hour (or more) to complete. It is based on a capacity framework comprised of organizational aspirations, strategies, and skills supported by a foundation of HR, systems, and structures, within a context of organizational culture.



VPP/McKinsey Capacity Framework

Advantages:

- Divided into broad aspects of organizational functioning and ratings are based on "best practice" standards.

Disadvantages:

- Responses may vary based on how informed respondent(s) are, differences in perspective, and individual bias due to subjective. For this reason, the grid should be used for assessment and planning, but not for evaluation.
- The instrument does not take into account organizational size, life stage, or type (e.g. human service provider vs. advocacy vs. membership organization). As a result, many items may not apply to the organization and certain ratings may be inaccurate.

Social Venture Partners/McKinsey Org'l Capacity Assessment Tool

Web site:	http://www.svpseattle.org/about/svp-model
Theory/background:	http://www.svpseattle.org/about/key-documents/SVP_Capacity_Building_Model.pdf
Assessment tool:	http://www.svpseattle.org/about/key-documents/SVP_Org_Capacity_Assessment_Tool_(2006).xls
Cost:	Free
Summary:	<p>Adaptation of VPP/McKinsey OCAT reorganized into 10 areas:</p> <ol style="list-style-type: none"> 1. Mission, Vision, Strategy and Planning 2. Program Design and Evaluation 3. Human Resources 4. CEO/ED and Senior Management Team Leadership 5. Information Technology 6. Financial Management 7. Fund Development 8. Board Leadership 9. Legal Affairs 10. Marketing, Communications, and External Affairs



SVP Organizational Capacity Assessment Tool Summary

Advantages:

- Breakdown by functional areas may make it easier to focus on practical changes in organizational practices or delegate responsibility for capacity building to staff or volunteers responsible for that area.
- Formatted as an Excel spreadsheet that automatically calculates aggregate scores in each area and displays results as both table and bar chart.

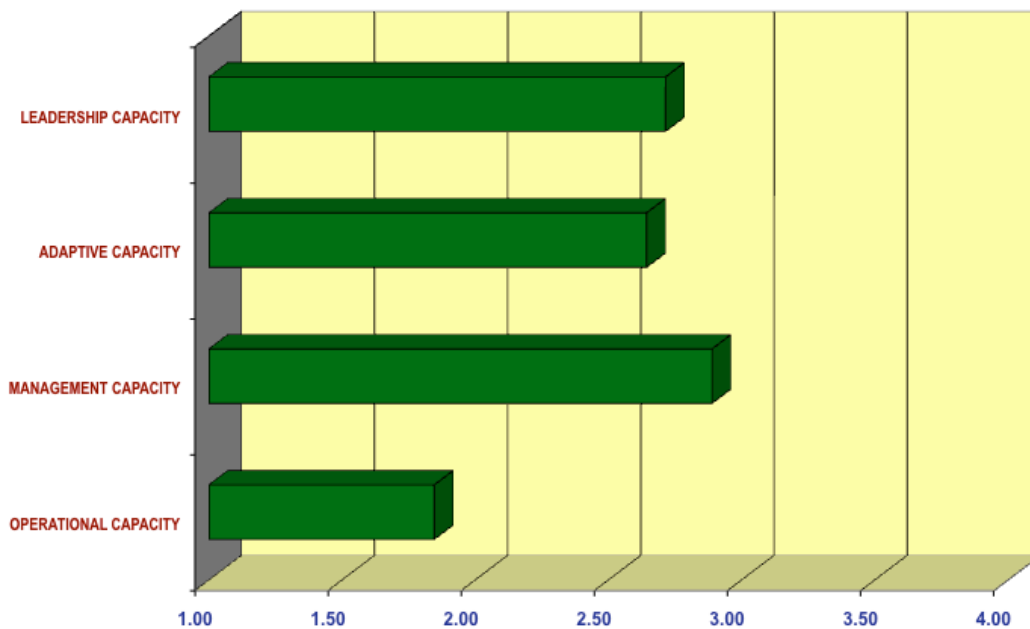
Drawbacks:

- Similar drawbacks to VPP/McKinsey OCAT.
- Excel workbook is locked, so questions can't be modified or results easily aggregated across multiple respondents.

Marguerite Casey Foundation Capacity Assessment Tool

Theory/background:	http://www.caseygrants.org/documents/misc/CapAssessmentOverview.pdf
Assessment tool:	http://www.caseygrants.org/pages/resources/resources_downloadassessment.asp
Cost:	Free
Summary:	<p>Modified and expanded McKinsey/VPP OCAT intended for use by community organizing and activist organizations. Results are organized into four capacity areas based on a version of the TCC Group's capacity framework:</p> <ol style="list-style-type: none"> 1. Leadership Capacity 2. Adaptive Capacity 3. Management Capacity 4. Operational Capacity

Marguerite Casey Foundation Organizational Capacity Assessment Summary



Advantages:

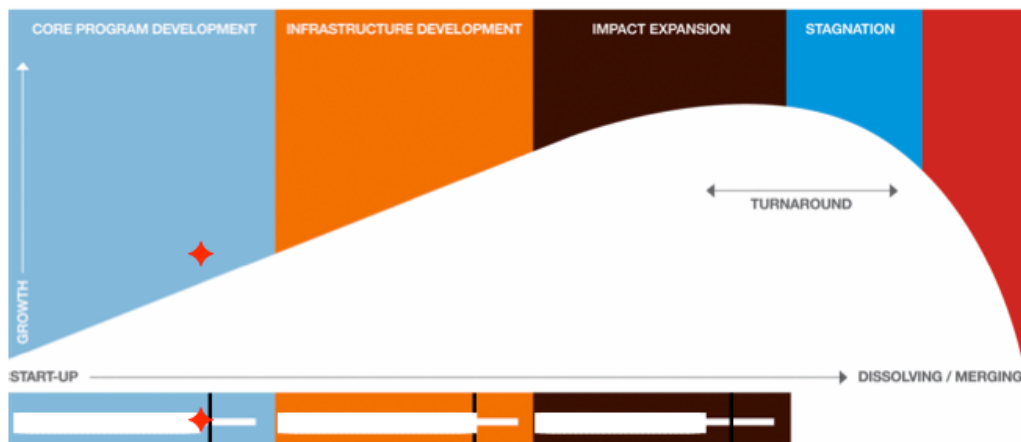
- Results organized into areas whose relevance to organizational performance is supported by research by TCC Group.
- Excel workbook developed by the same consulting firm that created the SVP/McKinsey OCAT, so appearance and advantages are similar.

Disadvantages:

- Similar drawbacks to SVP/McKinsey OCAT.

TCC Group Core Capacity Assessment Tool (CCAT)

Website:	http://www.tcccat.com/
Theory/background:	http://www.tccgrp.com/pdfs/SustainabilityFormula.pdf
Assessment tool:	http://www.tcccat.com/aboutccat.html
Cost:	\$300 per organization + \$100 for additional benchmarking reports
Summary:	<p>An extensive (134-question) assessment measuring four capacity areas:</p> <ol style="list-style-type: none"> 1. Leadership Capacity (including board, staff, vision, and influence) 2. Adaptive Capacity (e.g. organizational learning and adaptability) 3. Management Capacity (e.g. managerial skills, HR policies, staffing and volunteer management) 4. Technical Capacity (e.g. facilities, financial management, marketing, technology) <p>The assessment also reports on two contextual factors that shape the capacity needs of the organization:</p> <ol style="list-style-type: none"> A. Organizational culture B. Organizational lifecycle <p>There is a supplemental assessment tailored for advocacy organizations developed by TCC for the California Endowment.</p>



TCC Group's lifecycle assessment

Advantages:

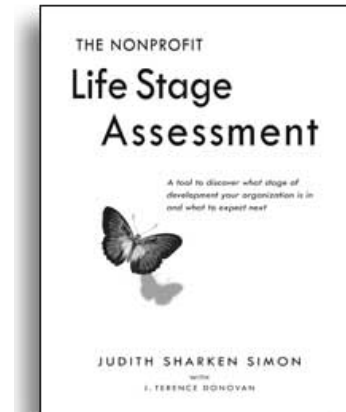
- Simple online tool that can be used with multiple respondents for greater reliability. TCC recommends a minimum of 3 people from the organization complete the assessment.
- Takes into account organizational lifecycle stage and related developmental needs.
- Provides automated “prioritized capacity building plan” with recommended actions to improve organizational effectiveness and sustainability that can be taken either on your own with minimal resources or with assistance of a consultant.
- Can produce comparison reports with results benchmarked against similar organizations by size (and for an extra charge: service focus, location, and type of programming).

Disadvantages:

- Recommendations may be generic. As with any assessment, they need to be worked through in light of the organization’s unique needs and priorities.

Fieldstone Alliance Nonprofit Life Stage Assessment

Website (book):	http://www.fieldstonealliance.org/productdetails.cfm?SKU=069229
Assessment tool:	Online (free): http://surveys.wilder.org/fieldstone/lifestages/ Printed version: http://www.fieldstonealliance.org/productdetails.cfm?SKU=069237
Summary:	<p>Assessment of organizational life stage based on a model presented in Judith Sharken Simon's book, <i>Five Life Stages of Nonprofit Organizations</i>:</p> <ol style="list-style-type: none"> 1. Imagine and Inspire 2. Found and Frame 3. Ground and Grow 4. Produce and Sustain 5. Review and Renew <p>The tool assesses lifecycle development within seven functional areas and overall:</p> <ol style="list-style-type: none"> 1. Governance 2. Staff Leadership 3. Financing 4. Administrative Systems 5. Products and Services 6. Staffing 7. Marketing



Advantages:

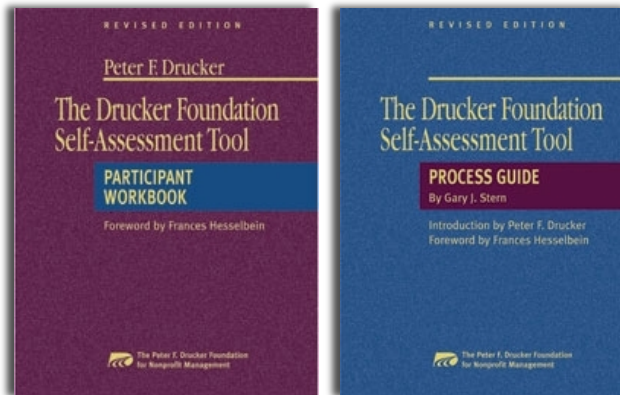
- Identifies the organization's developmental stage within each of the seven areas and recognizes that organizations have elements of each of the life stages, allowing for a nuanced understanding of the organization's strengths and developmental needs.

Disadvantages:

- Online version does not allow for multiple respondents.
- Organizations' evolution does not necessarily adhere to a linear sequence of stages.

Drucker Foundation Self-Assessment Tool (now the Leader to Leader Institute)

Website:	http://www.leadertoleader.org/tools/sat/index.html
Theory/background:	http://www.leadertoleader.org/knowledgecenter/publications.aspx?MediaID=499
Assessment tool:	http://www.leadertoleader.org/tools/sat/order.html
Cost:	\$35 facilitator guide + \$17/participant guide
Summary:	<p>One of the first self-assessment guides for nonprofit organizations (published in 1993), the Tool guides nonprofits through a discussion of Peter Drucker's "five most important questions":</p> <ol style="list-style-type: none"> 1. What is our mission? 2. Who is our customer? 3. What does the customer value? 4. What are our results? 5. What is our plan?



Advantages:

- Can help to stimulate conversations and refocus the organization's attention to its core purpose, its stakeholders (whom Drucker calls "customers" — such as beneficiaries, donors, supporters, staff, volunteers, and community members), and the results that matter most to them.
- While thinking of stakeholders as customers may be hard for some nonprofit staff to grasp, volunteer leaders often find it helps them relate their experience as businesspeople to the work of the nonprofit.

Disadvantages:

- Strictly speaking, this is more of a planning tool than a self-assessment. While it does provide a structure for important reflective discussions, it does not directly address organizational capacity or management practices.

Finance Project Sustainability Self-Assessment Tool and Workbook

Website:	http://www.financeproject.org/special/engage/workbook.cfm
Theory/background:	http://www.financeproject.org/publications/sustaining.pdf
Assessment tool:	A modified form of the self-assessment tool intended for funders can be found in: http://www.financeproject.org/Publications/FundersTool.pdf The assessment tool can be found here (unofficial download site): http://www.ij.org/publications/docs/Sustainability_Self_Assessment_Tool.pdf
Cost:	\$125 for the Sustainability Planning Workbook, including five modules outlining a comprehensive sustainability planning process.
Summary:	<p>The Finance Project’s model identifies eight “key elements for success” for building a solid base of financial and other support for sustaining organizations and initiatives over time:</p> <ol style="list-style-type: none"> 1. Vision. Have a clear picture of what needs to be sustained, which starts with clearly articulating what the organization wants to achieve through its work and then clearly identifying the strategies and activities that will get it there. 2. Results Orientation. Define “success” for the initiative, measure progress over time, and adjust the work based on what is learned. 3. Strategic Financing Orientation. Estimate the resources the organization will need and develop financing strategies and funding sources to provide a stable base of resources over time. 4. Broad-Based Community Support. Consider whose support is needed and develop appropriate outreach efforts and vehicles for community involvement in the initiative. 5. Key Champions. Rally leaders from businesses, faith-based institutions, government agencies, and other parts of the community and persuade them to use their power and influence to generate support for the initiative. 6. Adaptability to Changing Conditions. Be proactive in the policy environment and adjust to changing social, economic, and political trends in the community. 7. Strong Internal Systems. Build strong systems and structures, such as fiscal management, information, personnel, and governance. 8. Sustainability Plan. Create a written plan the organization can use to manage and market its work.

Advantages:

- The Finance Project’s framework is focused on sustainability as a key outcome, but conceptualizes it in broader terms than simply financial resources.
- The workbook accompanying the assessment tool provides a structured, step-by-step process for self-assessment and sustainability planning.

Disadvantages:

- Does not take organizational life stage into account.
- Ratings are framed as degree of progress toward completion of various tasks, which may be open to subjective variations depending on respondent.