



NETWORK Organizational Capacity Assessment Workshop December 12-13th

A Few Key Organizational Development Terms and Concepts

“You can’t pretend that there’s a magic OD formula. There are no ten things to do to solve all problems. It’s about people and their personalities. There’s no resolution but through interaction and day to day management. You can’t ever pretend that things will disappear with OD.”



Advancing Partners & Communities

Advancing Partners & Communities (APC) is a five-year cooperative agreement funded by the U.S. Agency for International Development under Agreement No. AID-OAA-A-12-00047, beginning October 1, 2012. APC is implemented by JSI Research & Training Institute, Inc., in collaboration with FHI 360. The project focuses on advancing and supporting community programs that seek to improve the overall health of communities and achieve other health-related impacts, especially in relationship to family planning. APC provides global leadership for community-based programming, executes and manages small- and medium-sized sub-awards, supports procurement reform by preparing awards for execution by USAID, and builds technical capacity of organizations to implement effective programs.

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Governance

How an organization makes decisions is a critical issue in its effectiveness. A strong board and governance structure can help an organization weather critical program, staffing and funding crises. On the other hand, many organizations with weak, ineffective boards fail to remain effective over the long run, regardless of how strong their programs, how healthy their funding base, or how skilled their staffs.

The relationships among board and staff members contribute to or undermine an organization's effectiveness. The most effective organizations build and nurture trusting relationships among their board, staff and constituents as the foundation for making and acting upon good decisions. Responsible governance by the board and effective day-to-day management by the staff are equally important to organizational effectiveness.

The structures and policies for decision making should reflect the values of the organization. An organization's governance sets the tone for the organizational culture and expresses the organization's understanding of power relationships. OD work related to governance includes clarifying board roles and responsibilities, negotiating relationships between board and staff, understanding and addressing racism and other oppression, developing governance systems and structures (by-laws, committees, etc.), developing skills of individual board members, and planning for board and leadership development.

Mission Statement (Why you Exist)

A one-sentence statement describing the reason an organization or program exists

This should be a practical, tangible tool you can use to make decisions about priorities, actions, and responsibilities?

Needs to...

- ...be clear and simple (most aren't)
- ...avoid elaborate language & buzz words
- ...easily explained by others
- ...not be confused with a **vision** statement
- ...be recognizably yours

1-5 word answers

What type of entity/program? Is this important?

(e.g. a nonprofit, volunteer program, event, business, etc)___

Why do you exist? (problem/needs)

(e.g. Millions lack access to safe water)

What's the broadest way to describe the work?

(e.g. Providing clean drinking water)

For whom do you do this work?

(e.g. To people without access)

Where do you work? (geographic boundaries)

(e.g. in developing countries)

Example mission statements

charity: water is a non-profit organization bringing clean, safe drinking water to people in developing nations. **Hands On Network** inspires, equips and mobilizes people to take action that changes the world.

Vision statement (Desired end state)

A one-sentence statement describing the clear and inspirational long term change, resulting from your work.

These should be practical, tangible tools you can use to lead your group or organization in achieving quality results

Needs to...

- ...be clear and simple (most aren't)
- ...avoid elaborate language & buzz words
- ...easily explained by those involved
- ...not be confused with a **mission** statement

Questions to consider



What needs to be changed?

What are the major issues or problems?



Why should issues be addressed?

What are their costs to the involved parties?



What are the strengths and assets?

Both of org/program and those being served



What is your dream end state?

In a perfect world, what would this look like?



What would success look like?

Specifically for this particular project/organization

Example Vision Statements

No child in our city will go hungry to bed in the evening.

HandsOn Network's vision is that one day every person will discover his/her power to make a difference.

View a large list of example vision statements

<http://topnonprofits.com/vision---statements/>

Creating a volunteer management program

What is Strategic Planning?

Strategic planning is an organizational management activity used to set priorities, focus energy and resources, strengthen operations, ensure that employees and other stakeholders are working toward common goals, establish agreement around intended outcomes/results, and assess and adjust the organization's direction in response to a changing environment. Effective strategic planning articulates not only where an organization is going and the actions needed to make progress, but also how it will know if it is successful.

What is a Strategic Plan?

A strategic plan is a document used to communicate with the organization the organization's goals, the actions needed to achieve those goals and all of the other critical elements developed during the planning exercise.

5 main steps:

- 1. Determine where you are.** This is harder than it looks. Some people see themselves how they WANT to see themselves, not how they actually appear to others.
- 2. Identify what's important.** Focus on where you want to take your organization over time. This sets the direction of the organization over the long term and clearly defines the mission (goals, services etc.) and vision (conceptualization of what your organization's future should or could be).
- 3. Define what you must achieve.** Define the expected objectives that clearly state what your organization must achieve to address the priority issues.
- 4. Determine who is accountable.** This is how you're going to get to where you want to go. The strategies, action plans, and budgets are all steps in the process that effectively communicates how you will allocate time, human capital, and money to address the priority issues and achieve the defined objectives.
- 5. Review. Review. Review.** It's never over. To ensure the plan performs as designed, you must hold regularly scheduled formal reviews of the process and refine as necessary. We suggest at least once a quarter.

Operational Plan

An Operational Plan is a detailed plan providing a clear picture of how a team, or department will contribute to the organisation's strategic goals.

Operational Planning is the process of planning **strategic goals** and objectives to tactical goals and objectives. It describes milestones, conditions for success and explains how, or what portion of, a strategic plan will be put into operation during a given operational period, in the case of commercial application, a fiscal year or another given budgetary term. An operational plan is the basis for, and justification of an annual operating budget request. Therefore, a five-year strategic plan would typically require five operational plans funded by five operating budgets.

Operational plans should establish the activities and budgets for each part of the organization for the next 1 – 3 years. They link the strategic plan with the activities the organization will deliver and the resources required to deliver them.

An operational plan draws directly from agency and program strategic plans to describe agency and program missions and goals, program objectives, and program activities. Like a strategic plan, an operational plan addresses four questions:

- Where are we now?
- Where do we want to be?
- How do we get there?
- How do we measure our progress?

The operations plan is both the first and the last step in preparing an operating budget request. As the first step, the operations plan provides a plan for resource allocation; as the last step, the OP may be modified to reflect policy decisions or financial changes made during the budget development process.

Operational plans should be prepared by the people who will be involved in implementation. There is often a need for significant cross-departmental dialogue as plans created by one part of the organization inevitably have implications for other parts.

Operational plans should contain:

- clear objectives
- activities to be delivered
- quality standards
- desired outcomes
- staffing and resource requirements
- implementation timetables
- a process for monitoring progress

Resource Development

Organizations that have all the other core components in place cannot be successful without resources to do the work. Effective organizations have clear plans for resource development and the human capacity to implement those plans. Too many organizations depend on a few foundation grants or the fundraising skills of a single staff person or board member to support their work from year to year. Sustainable resource development requires clear program and financial objectives, a long-range plan and an annual plan for fundraising, active and trained board members, skilled staff, and effective systems for record-keeping, communication, evaluation and reporting.

Effective organizations have the components listed above, and their resource development plans match their mission and program work. For instance, a community organizing group may combine an issue campaign with its annual membership drive or hold a special event to raise money and awareness. The healthiest and most sustainable fundraising plans include a broad array of strategies that include membership income, individual gifts, major gifts, special events, earned income, institutional support, corporate and foundation grants, and planned giving. While an endowment is not a panacea, it may be an effective strategy for well-established organizations with strong track records for annual fundraising.

Communications Strategy/Plan

What Is a Communications Plan?

A communications plan is a document that guides the external communications efforts of an organization. It helps an NGO strategically focus its communication and outreach efforts around a certain set of goals – usually the mission and objectives of an organization. A communications plan is necessary to help an NGO effectively promote its work in the public and donors' eyes.

Communications plans help NGOs accomplish this in a number of ways. First, a plan assists an organization in tailoring its message towards specific audiences, and determining which outreach and marketing materials and mediums are best used to communicate with those groups. A communications plan also coordinates the creation and implementation of those materials. Finally, every good communications plan contains an evaluation rubric – a matrix used to assess what is working and what is not so you are constantly improving your communications efforts.

A completed communications plan should not simply sit on the shelf. It is a document that should be a resource whenever a staff member wishes to seek guidance on how to communicate about your NGO. It is a strategy that should be regularly reviewed and updated based on organizational priorities, staff capacity, and program development.

Why Does My Organization Need a Communications Plan?

An NGO without a communications plan is an organization engaging with its audience blindly. Here's an example. Perhaps you are trying to recruit new youth participants to join your program. Without a communications plan, you may not have an informed sense of who these youth participants are, where they access information about new programs, and the language to use with them. Thoughtful brainstorming as part of a communications plan can help better target these desired beneficiaries.

Or say you have been trying desperately to engage with a new donor over email, but have never received a response. A communications plan workshop may show that the person you are trying to reach does not check their email often and prefers introductory letters sent to their office. Perhaps someone within your organization knew this, but it was not yet institutional knowledge. A communications plan taps into the background and networks of your team to create informed choices around who you are speaking with and how.

An NGO-wide communications plan will also mean there is consistency in the way you are communicating about your organization. Rather than the Executive Director and a Project Manager referring to programs in different ways, a communications plan will help sync those

messages so you do not confuse your audience. Before you create your communications plan, there are a few considerations to take into account:

- **Budget:** Despite there being a variety of free communications channels on the market, the reality is this: it often takes money to communicate effectively with large audiences. From printing costs to media house stipends to sponsored social media ads, it is essential you have a sense of your communications and marketing budget before dreaming big with your communications efforts.
- **Capacity:** Does your NGO have the staffing ability to create, maintain, and use a communications plan? While a communications strategy is an essential part of any organization no matter its size, you must have a champion on your team to lead this process in the long-run.
- **Executive will:** Does your NGO's executive team believe in the value of a communications plan? Often these are the people communicating to the widest group of people about the organization. It is necessary to ensure they are on board before getting started with any workshop or planning.

What Are the Elements of a Communications Plan?

A communications plan has six key elements. These half dozen steps are closely intertwined, and the information included in one is used to determine the information in the next.

Communications objectives and goals



Identify your audience



Find your message



Determine your materials and mediums



Implement your communications plan



Evaluate and update your plan

Human Resource Management

People are often the most valuable resource a nonprofit organization has. How they are developed and managed is critical to their productivity and to the organization's success. Each employee, board member or volunteer brings skills, experiences and core values to their work. Organizations often place people in positions that require skills they do not have, and provide little opportunity for them to get the training and mentoring they need to develop the required skills. Effective organizations, on the other hand, develop staffs, boards and volunteers that embrace and support the organization's values, vision and mission. They provide individuals with avenues of service and opportunities for personal development that match their skills and interests. They offer training, mentoring and professional development support.

Nonprofit managers, often untrained in human resource management, need basic training in such skills as developing board members and hiring and managing employees. Organizations may lack basic elements of sound personnel policies: job descriptions, competitive salary and benefits structures, staff development plans and budgets, and annual performance evaluations. Tight budgets and ambitious missions leave many nonprofits with policies and an organizational culture that accepts low salaries and long hours. Effective and sustainable organizations actively support the notion that people must take care of themselves and not be exhausted by the work.

Job Descriptions

A job description need not account for every task that might ever be done, says the CELL. Here are the most critical components of a good job description.

1. **Heading information.** This should include job title, pay grade or range, reporting relationship (by position, not individual), hours or shifts, and the likelihood of overtime or weekend work.
2. **Summary objective of the job.** List the general responsibilities and descriptions of key tasks and their purpose, relationships with customers, coworkers, and others, and the results expected of incumbent employees.
3. **Qualifications.** State the education, experience, training, and technical skills necessary for entry into this job.
4. **Special demands.** This should include any extraordinary conditions applicable to the job (for example, heavy lifting, exposure to temperature extremes, prolonged standing, or travel).
5. **Job duties and responsibilities.** Only two features of job responsibility are important: identifying tasks that comprise about 90 to 95 percent of the work done and listing tasks in order of the time consumed (or, sometimes, in order of importance).
 - a) The first task listed should be the most important or time-consuming one, and so on.
 - b) Employers can cover 90 to 95 percent or more of most tasks and responsibilities in a few statements.
 - c) It's more important to list what must be performed and accomplished than how, if there is more than one way to do it. Being too specific on how to accomplish a duty could lead to ADA issues when an employee asks for an accommodation.

Financial Management

This brief introduction outlines how to take proper care of your funds. Good financial management involves the following four building blocks:

- Keeping records
- Internal control
- Budgeting
- Financial reporting

I. KEEPING RECORDS

The foundations of all accounting are basic records that describe your earnings and spending. This means the contracts and letters for money you receive and the receipts and the invoices for things that you buy.

These basic records prove that each and every transaction has taken place. They are the cornerstones of being accountable. You must make sure that all these records are carefully filed and kept safe.

You must also make sure that you write down the details of each transaction. Write them down in a 'cashbook' - which is a list of how much you spent, on what and when.

If you are keeping your basic records in good order and writing down the details of each transaction in a cashbook then you cannot go far wrong.

2. INTERNAL CONTROL

Make sure that your organisation has proper controls in place so that money cannot be misused.

A system of controls, checks and balances put in place to safeguard an organisation's assets and manage internal risk. Their purpose is to deter opportunistic theft or fraud and to detect errors and omissions in the accounting records.

Controls always have to be adapted to different organisations. However, some controls that are often used include:

- Keeping cash in a safe place (ideally in a bank account).
- Making sure that all expenditure is properly authorised.
- Following the budget.
- Monitoring how much money has been spent on what every month.
- Employing qualified finance staff.
- Having an audit every year.
- Carrying out a 'bank reconciliation' every month - which means checking that the amount of cash you have in the bank is the same as the amount that your cashbook tells you that you ought to have.

This last control is particularly important. It proves that the amounts recorded in the cashbook and the reports based on it are accurate.

3. BUDGETING

For good financial management, you need to prepare accurate budgets, in order to know how much money you will need to carry out your work.

A budget is only useful if it is worked out by carefully forecasting how much you expect to spend on your activities.

The first step in preparing a good budget is to identify exactly what you hope to do and how you will do it. List your activities, then plan how much they will cost and how much income they will generate.

4. FINANCIAL REPORTING

The fourth building block is writing and reviewing financial reports. A financial report summarises your income and expenditure over a certain period of time.

Financial reports are created by adding together similar transactions. For instance, this might mean adding together all the money you spent on fuel, new tyres and vehicle insurance and calling them "Transport Costs".

Financial reports summarise the information held in the cashbook. This is normally done using a system of codes, to allocate transactions to different categories. These categories might often be defined by donors.



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