

# Organizational Capacity Assessment (OCA) Tool and process for Small and Medium agencies/ groups

## I. Introduction

The Consortium for Grassroots Based Development Partners is a local Ugandan-led agency committed to strengthening the capacity of small and medium development agencies in (a) institutional tools and systems and (b) resource mobilization and securing grants/ financing. We focus on Grassroot NGOs/ CBOs, Cooperatives/SACCOs, Small Enterprises and Companies, Community Groups and Associations.

### I.1 Why Organizational Capacity Assessment?

Participatory and honest OCAs, even if done by the internal team itself, is often the first step for any group and development agency to appreciate the challenges it faces, identify gaps hindering or delaying progress and develop actions to address these needs. Infact OCAs are mandatory governance and management processes often recommended prior to any project implementation or financing.

### I.2 The following are the select OCA areas that small and medium agencies may consider;

1. Governance
2. Human Resources
3. Financial Issues
4. Administration
5. Organizational Management and Planning
6. Resource Mobilization and Fundraising
7. Project Management and Monitoring
8. Data Management and Learning

### I.3 The recommended OCA process

An OCA can be done either by the internal team itself or seek for external technical support.

Sr.	Steps	Details
1.	Step 1:	Develop/ review the OCA Tool to apply to your situation
2.	Step 2:	Hold preliminary meetings to agree on the goal, scope and process of the OCA
3.	Step 3:	Discuss and agree on the methodology to do the OCA and everyone's roles
4.	Step 4:	Rehearse/ pilot the exercise with a smaller number of groups or the first unit
5.	Step 5:	Conduct assessment through meetings/ internal workshops, interviews and FGDs
6.	Step 6:	Validate results/ findings with a select authority (usually SMT) and agree on actions
7.	Step 7:	Compile report and disseminate it to stakeholders and discussion implementation plan

## 2.0 The goal of the OCA process

The OCA is an interactive and participatory assessment process to enable organizations and groups develop and implement their organizational strengthening and improvement plan, based on gaps identified.

## 2.1 The scoring process

When scoring, one needs to decide how the different data sets will be desegregated and presented for easier understanding and actioning by the responsible actors. Note that in doing OCAs, like many other organizational development processes – **totals and percentages scored** are less important than the open discussions and resolutions made with-in and among. We also encourage that someone chooses a score-sheet with representative colors – an example is shown below;

No.	Color Codes	Variable	Implications
1.		Poor/ Missing/ Worst state	The situation/ state requires critical attention
2.		Fair/ Available/ In progress	The situation/ state requires urgent attention
3.		Good/ Can still improve	The situation is adequate but can be better
4.		Excellent/No efforts needed	This is the best desired situation

## 3.0 The Instructions

Go through the questions (*in section 5 below*) and answer them as honestly as possible, ticking the number which most closely reflects the situation in your agency. Add up your scores and rank your agency.

## 4.0 The Score range

Sr.	Score	Score	Implications
1.	188 – 140	Good	Agency/ Group exhibits extra-ordinary capacity and is able to secure, manage finances and project activities with minimum support and supervision
2.	139 – 100	Fair	Agency/ Group has <b>SEVERAL</b> gaps that need to be addressed otherwise financing or project implementation may face irreversible risks.
3.	99 - 0	Poor	The agency is very weak and needs significant support to ignite its capacity to manage finances, projects and activities.

**Note:** Score 4 is the highest (implying that if an agency scores 4 on all the 47 variables, then will have a total of 188 marks which is the highest). Score 3 is Fair and if an agency score with-in that range, is performing well – subject to some gaps. A score below 99 exhibits a very poor state of the agency.

## 5.0 Capacity Assessment questions

### 5.1 Governance

No	Issue	1	2	3	4	Total	Action
1.	Does the organization/ group have clear mission and vision?						
2.	Does your group have an organizational diagram/ organogram?						
3.	Does the organization have a functional governance manual?						
4.	Do the governing body and the management have clear roles and responsibilities?						
5.	Does the governing body have the capacity to mobilize resources?						
6.	Does your organization only depend on ED for control and performing key functions like finances, planning & fundraising?						

### 5.2 Human Resource Management Issues

No	Issue	1	2	3	4	Total	Action
1.	Do you have HR policy and procedures manual?						

2.	Does the agency have job descriptions prepared for each position?						
3.	Does the organization maintain personnel files?						
4.	Does the organization invest in training to strengthen staff capacity?						
5.	Does the organization have a functional staff supervision mechanism?						
6.	Does the agency conduct regular performance appraisal for staff?						
7.	Does the organization have a consistent and equitable salary and benefits structure?						

### 5.3 Financial Planning and Management

No	Issue	1	2	3	4	Total	Action
1.	Does the agency operational financial policies, procedures & systems?						
2.	Does your agency have budgeting & budget monitoring procedures?						
3.	Does your agency have adequate accounting systems?						
4.	Does your agency have compliant payroll systems?						
5.	Does your agency have operational financial reporting procedures?						
6.	Does the agency have adequate internal controls on cash & banking?						
7.	Does the agency conduct annual audit, review audit report & follow up recommendations?						

### 5.4 Administration

No	Issue	1	2	3	4	Total	Action
1.	Does the agency have adequate & operational administrative procedures on office management, travel & vehicle management?						
2.	Does your organization have an adequate purchasing and procurement system?						
3.	Does your organization have asset management system?						

### 5.5 Organizational Management and Planning

No	Issue	1	2	3	4	Total	Action
1.	Does the organization have a strategic plan?						
2.	Does the organization have a current annual operational plan that supports the strategic plan?						
3.	Does the organization involve stakeholders meaningfully in the making of the strategic plan?						
4.	Does the organization produce and document lessons learned best practices and success stories?						
5.	Are project reports & knowledge products shared internally and externally?						
6.	How do staff members provide feedback and make suggestions						

about the organization?							
-------------------------	--	--	--	--	--	--	--

### 5.6 Resource Mobilization and Fundraising

No	Issue	1	2	3	4	Total	Action
1.	Does agency have operational & current resource mobilization plan?						
2.	Does the agency have a team/ person with competency and skills who is specifically mandated to carry out resource mobilization?						
3.	Does the organization mobilize resources from multiple sources?						

### 5.7 Project Management and Monitoring

No	Issue	1	2	3	4	Total	Action
1.	Are the organization's project informed by needs assessments?						
2.	Are staff familiar with the agency's contractual obligations to donors?						
3.	Does the organization have project work planning processes?						
4.	Has the organization put in place technical program management tools, such as work plan, budget and program reporting tools?						
5.	Does the agency conduct internal & external review meetings?						
6.	Is there a monitoring, evaluation, and reporting plan?						
7.	Are there M&E staff competent & clearly assigned responsibilities?						

### 5.8 Data Management and Learning

No	Issue	1	2	3	4	Total	Action
1.	Are there relevant data collection tools?						
2.	Is data collected on routine basis or as stipulated in the M&E plan or PMP or log frame?						
3.	Is there a data management system (e.g. database)						
4.	Is data used for decision making?						
5.	Does the organization have an operational institutional records management and documentation policy?						
6.	Does the organization have an institutional facility (digital or physical) for storing and sharing records, documents, etc.						
7.	Is periodic data quality assessment or audit conducted?						
8.	Does the organization produce project reports as required?						

**In the final OCA Report, present the following;**

1. The OCA process and teams involved
2. The assessment and scoring process
3. The final score and how these are interpreted

4. Key recommendations
5. The action plan to address the identified gaps

*Some parts of this tool have been adapted from the OCA guidelines used by the President's Emergency Plan for AIDS Relief (PEPFAR) under the New Partners Initiative (NPI). For more information, contact **Consortium for Grassroots Based Development Partners (Kampala, Uganda). Telephone** +256-756-049726 | **E-mail:** [smallcsosuganda@gmail.com](mailto:smallcsosuganda@gmail.com)*

Consortium for Grassroots Development Partners