
DESCRIPTION OF PSI CONSULT'S ORGANISATIONAL CAPACITY ASSESSMENT TOOL

OVERVIEW OF THE ORGANISATIONAL CAPACITY ASSESSMENT TOOL

PSICL have developed this organisational capacity assessment (OCA) tool for grantee or donor-funded institutions. The OCA tool has been adapted from several internationally developed OCA tools and it is based on Excel spreadsheets and is designed to be completed electronically via a computer. It has been designed to assess and score six key institutional capacity areas relevant to the grantee organisations, and these are:

- Governance
- Human resources management
- Financial management
- Administration management
- Programme management; and
- Sustainability and risk

These areas are further divided into sub-areas or indicators (e.g. Governance has the following sub-areas: Legal status; Vision and mission; Organisational structure; Board structure and responsibilities and succession planning). The assessment is based on scores allocated against a series of statements pertaining to each indicator on a scale of 1 to 6 with 1 indicating areas of low capacity that require urgent capacity building or remedial attention and 6 indicating areas of good capacity where there is little or no need for capacity building interventions. Scores for all statements are averaged to derive the score for each indicator and these, in turn, are also added and averaged to derive the overall average capacity score for the organization. All scores are colour coded to provide an easy visual of areas that require attention.

DESCRIPTION OF THE OCA PROCESS

The OCA is largely a self -assessment process which is conducted in two stages. The first stage is an internal self-assessment process to be undertaken by the organization on its own. It is necessary that this initial self-assessment should be undertaken by a team of senior officials representing the main functional areas covered by the assessment (e.g. Governance, Finance, Human Resources, Procurement, etc.). Following the initial assessment, a PSI Consultant will facilitate a second self-assessment to validate the results and derive the final OCA scores. Thereafter an action plan will be jointly developed highlighting priority areas to be addressed to resolve identified weaknesses.

The OCA is NOT an organisational audit or due diligence exercise. It is not a test of attainment with a “pass” or “fail” mark. It is only intended to derive an objective, accurate and honest assessment of the organization’s operational capacity and to provide a basis for an appropriate and tailored capacity development intervention. The use of the OCA process will also provide an opportunity for reflection and stocktaking of institutional development progress (Where are we? Where do we need to go? How do we get there?) and help

to identify gaps between actual and expected performance and an outline of capacity development actions to be taken to close the gap so that the assessed organisations can deliver their services in an efficient and effective manner.

The consultant will conduct a detailed briefing to the participating organisation on the OCA tool and the related administration and implementation processes. The organisations will then be given a specified time in which to complete the initial assessment and return the completed document to the consultant. The consultant will then arrange a meeting or mini-workshop (lasting between half a day to a day) with the client to review and validate the initial assessments and to develop a capacity development plan for the organisation.

DESCRIPTION OF THE OCA SCORING SCHEME

The scoring of the indicators are done using the following ranking scale:

1. Needs very urgent attention
2. Needs urgent attention
3. Needs many improvements, but without urgency
4. Needs to improve some aspects, but without urgency
5. Needs some minor adjustments, but without urgency
6. No need for major improvements

The Excel worksheet has been set to automatically calculate the average score for each criterion or indicator and the average score the whole organisation. In addition, all scores are automatically colour coded enabling a quick visualisation of the areas of critical need and otherwise.

FINAL POINTS TO NOTE

It is important and necessary to note that the following points:

- It is encouraged to share the OCA results with the staff and other key stakeholders of the participating organisation;
- The results of the assessment will be used to identify issues that need immediate attention through capacity building interventions. Areas for attention and improvement will be prioritised according to the needs and absorption capacity of the organization and its staff. Capacity gaps can be addressed in a number ways among them training, coaching, mentoring and system reviews.
- The result can highlight training needs of staff if this has not been done before.
- The results can be used as a basis to develop funding proposals to donors or development partners.
- The results can also be used as institutional capacity baselines and benchmarks which can be used in future performance evaluations of the organisation.