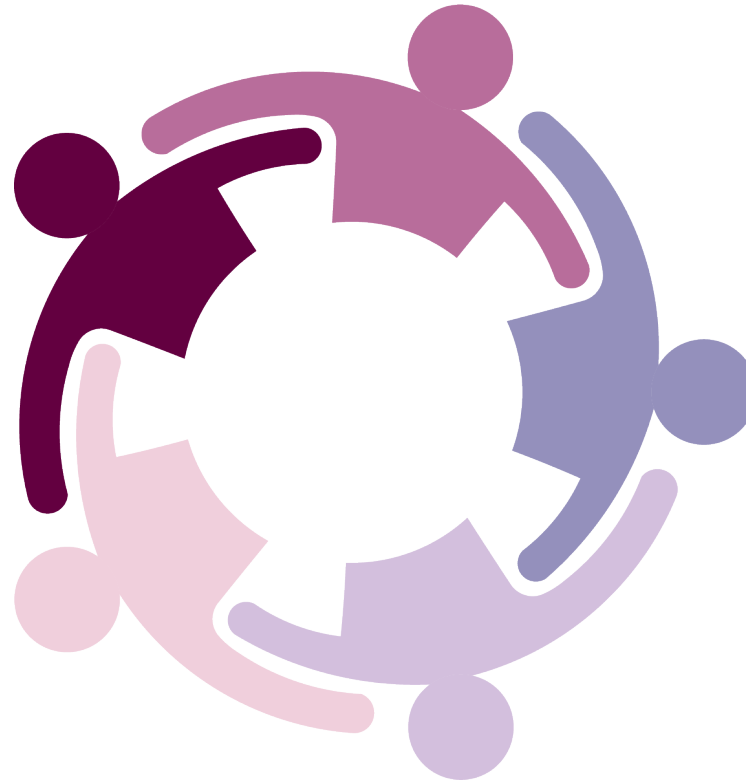




Caribbean Natural Resources Institute



# Civil society organisational capacity assessment tool



This tool was produced with support from Conservation International, BHP Billiton Trinidad and Tobago and the European Union



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This tool was produced in collaboration with Conservation International and BHP Billiton Trinidad and Tobago under the **Climate ACTT: Action by Civil Society in Trinidad and Tobago to Build Resilience to Climate Change** project.



It was then adapted in collaboration with CANARI's partners under the **Powering Innovations in Civil Society and Enterprises for Sustainability in the Caribbean (PISCES)** project. (ENV/2016/380-530) *Civil society and small and micro enterprise innovation for marine and coastal conservation in the Caribbean.*



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The tool was initially developed under the ***Climate ACTT: Action by Civil Society in Trinidad and Tobago to Build Resilience to Climate Change*** project that CANARI implemented in collaboration with Conservation International and BHP Billiton Trinidad and Tobago during 2015 - 2017. It was then adapted and refined under the ***Powering Innovations in Civil Society and Enterprises for Sustainability in the Caribbean (PISCES)*** project with financial support from the European Union (ENV/2016/380-530) ***Civil society and small and micro enterprise innovation for marine and coastal conservation in the Caribbean*** during 2017 - 2021.

The tool draws on over 30 years of CANARI's regional work on CSO organisational strengthening as well as a number of external tools and resources that are in the public domain (see the References and resources section below for details). The tool continues to be progressively adapted as a result of lessons learned in applying it under a number of projects. In this sense, this tool is considered a living document.

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# Acronyms

ACCA	Association of Chartered Certified Accountants
AGM	Annual General Meeting
CANARI	Caribbean Natural Resources Institute
CSO	Civil society organisation
HR	Human Resources
ICT	Information and Communications Technology
MOU	Memorandum of Understanding
PISCES	Powering Innovations in Civil Society and Enterprises for Sustainability in the Caribbean



# Introduction

## Rationale for the tool

Civil society organisations (CSOs) play an important role in natural resource governance and management in Caribbean islands and have the potential to be even more effective and strategic in their contributions. Strong CSO organisational capacity is an essential foundation for effective technical work. This tool aims to provide a framework for a comprehensive assessment of all aspects of a CSO's organisational capacity. Before a CSO embarks on the actual process of organisational strengthening, it is important that the current needs of the CSO are accurately identified and prioritised. This is a key step in ensuring that organisational capacity strengthening is tailored to address the specific needs of each CSO and takes into account the CSO's stage of development and the resources and opportunities available to it.

The tool is based on identification of several interlinking capacity areas (see Table 1: Key organisational capacity areas and their major elements), which then provide the foundation for identifying indicators of basic, intermediate and advanced levels of capacity in each area, as well as some potential probing questions that a mentor or facilitator may find useful (see Table 2: Organisational capacity assessment tool).

This approach implicitly recognises that a CSO is unlikely to have reached the same stage of development in all areas but may be at basic, intermediate or advanced stages of development in different capacity areas. The overall picture of strengths and capacity gaps is therefore typically mixed and unique to the specific organisation.

Importantly, the tool uses an appreciative inquiry approach to help CSOs first recognise their strengths, then identify how they want to build on these to further strengthen their organisation. A simple action plan template (see Table 3: Template for an organisational capacity building action plan) can be used and adapted to guide CSOs in the steps they can take toward organisational strengthening.

### **Who should use this tool?**

This tool is intended for use by experienced CSO organisational strengthening mentors and facilitators rather than for CSOs to apply without external support.

### **How should the tool be used?**

The tool is relatively complex as it is intended to enable identification of the capacities and capacity needs of CSOs up to advanced stages of development. CSO organisational strengthening mentors and facilitators are therefore encouraged to adapt the tool, and particularly the probing questions, to the specific CSO's circumstances, culture and environment. It is important to take into account the time available to conduct the assessment, the capacity of the CSO's participating stakeholders to respond to questions and the unique dynamic of the CSO being assessed.

The process of appreciative inquiry is grounded in the belief that everyone and in this case, all CSOs, have positive knowledge, relationships and experiences that they can build on to achieve a greater goal. Rather than focusing on weaknesses or capacity gaps, facilitators can use the appreciative inquiry approach to begin with identifying the strengths and opportunities within a CSO. This helps to reframe discussions and efforts around what needs to be strengthened (i.e. the capacity gaps) in a way that encourages CSO members to see the bigger picture, understand multiple perspectives and leverage existing strengths, skills and experiences (Pact. 2018).



Facilitators should review the tool in detail and become familiar with the different capacity areas and suggested appreciative inquiry questions before beginning the assessment which can be completed through one or more of the following ways with CSO staff, Board members and volunteers, as applicable: a workshop, focus group session, one-on-one interviews, review of key organisational documents (e.g. policies, manuals and by-laws). Facilitators should ensure that everyone participating in the assessment understands that the goal is to identify and prioritise areas for organisational strengthening. Organisations will not be 'scored' or judged in the assessment. CSOs will have the chance to discuss what areas they need to focus on and then develop an action plan to build organisational capacity.

### **When should an organisational capacity assessment be facilitated?**

Civil society organisational capacity is constantly changing and so it is important to periodically reassess capacity strengths and prioritise areas for strengthening, usually after one to three years from the baseline assessment. Monitoring change and integrating new learning is important to ensure the CSO is maximising resources, leveraging existing capabilities and paying attention to the most pressing needs.

### **What to do after an organisational capacity assessment is completed?**

Once an organisational capacity assessment has been completed, the results of the assessment should be shared and discussed with all members of the CSO (i.e. staff, Board members and volunteers who participated in the assessment). An action plan should be developed with the CSO to determine specific pathways and required resources to strengthen priority capacity areas. It is important that the CSO takes ownership of the action plan.

To learn more about civil society organisational strengthening, including different stages of organisational development, particular challenges faced by, and opportunities presented to CSOs in Caribbean islands, as well as detailed guidance on how to build CSO organisational capacity, see CANARI's Organisational strengthening: A toolkit for Caribbean civil society organisations<sup>1</sup>.

### **We welcome your feedback!**

CANARI regards this tool as a living document that will be refined, adapted and expanded based on its own and others' experiences in applying it. We welcome comments, suggestions and feedback to ensure that the tool meets the needs of CSOs working in natural resource governance and management in the Caribbean. Please send these to [info@canari.org](mailto:info@canari.org).

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<sup>1</sup> CANARI. 2021. Organisational strengthening: A toolkit for Caribbean civil society organisations. Port-of-Spain: CANARI.

# Key organisational capacity areas and their major elements

This assessment tool focuses on five key organisational capacity areas and their major elements (see Table 1). CANARI recognises that there are other important capacity areas not currently outlined in this tool. This tool remains a living document that will be adapted and refined as CANARI learns more and gains feedback from mentors, facilitators and CSOs that have applied it.

**Table 1: Key organisational capacity areas and their major elements**

Governance	Planning	Management	Stakeholder engagement, communication and partnerships	Monitoring, evaluation and learning
<ol style="list-style-type: none"> <li>1. Clarity of mission, vision and values</li> <li>2. Legal status</li> <li>3. Board structure, orientation and policies</li> <li>4. Role of the Board in governance and strategic leadership</li> <li>5. Board meetings</li> <li>6. Board accountability</li> </ol>	<ol style="list-style-type: none"> <li>1. Clearly defined beneficiaries and priority beneficiary needs</li> <li>2. Operational plans for achieving annual and programme/project goals</li> <li>3. High-level plans for achieving longer-term strategic goals</li> </ol>	<ol style="list-style-type: none"> <li>1. Organisational structure</li> <li>2. Leadership and decision-making</li> <li>3. Human Resource (HR) management</li> <li>4. Financial sustainability</li> <li>5. Administrative systems (other than those for financial and human resources)</li> <li>6. Material resources (Information and Communications Technology [ICT], facilities, equipment)</li> </ol>	<ol style="list-style-type: none"> <li>1. Identification and engagement of key stakeholders</li> <li>2. Partnerships</li> <li>3. Communication (with external stakeholders)</li> </ol>	<ol style="list-style-type: none"> <li>1. Monitoring, evaluation of and learning from planning and implementation of strategic objectives</li> <li>2. Monitoring, evaluation and learning in relation to management effectiveness and efficiency</li> </ol>





# Facilitating an organisational capacity assessment

As explained in the Introduction section to this tool, CANARI recommends that an experienced and independent mentor or facilitator use this tool to guide a CSO through the organisational capacity assessment process. Depending on the CSO being assessed and their stage of development, the facilitator may decide to focus on some of the capacity areas as opposed to going through all five key areas. Similarly, the facilitator can use their discretion to determine which probing questions to ask, adapting them as needed. Further, some of the elements within the five key capacity areas may not be relevant to a CSO. For example, if a CSO does not have volunteers then the sub-section on how volunteers are contributing to the CSO's work under the Management capacity area would not be necessary to discuss.

Table 2 is divided into the five key capacity areas with each major element defined by a 'best practice target' and suggestions of probing questions that the facilitator can use in their assessment. There is also one overarching appreciative inquiry question that can start off the discussion.

The right-hand side of Table 2 provides indicators that can help the facilitator to determine where the CSO is at in terms of its development in that specific element of organisational capacity. These general indicators categorised into basic, intermediate and advanced levels are meant to be indicative and can help in the identification of priorities for organisational strengthening.

**Table 2: Organisational capacity assessment tool**

**Governance**

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<b>Appreciative inquiry question:</b> What has your CSO done well in terms of clearly defining your mission, vision and values? Where would you like to improve?					
<b>1. Clarity of mission, vision and values</b>	<p>Written mission statement widely shared internally and externally</p> <p>Clear, documented vision that guides strategic planning</p> <p>Clear organisational values applied</p>	<ul style="list-style-type: none"> <li>• What is the organisation's mission?</li> <li>• How was this determined?</li> <li>• Is there a written mission statement?</li> <li>• Is everybody in the CSO aware of the mission?</li> <li>• Are the CSO's other stakeholders aware of the mission?</li> <li>• Is there a clear set of organisational values?</li> <li>• How was this developed?</li> <li>• What is the link to the vision and mission?</li> <li>• How is this used to further the CSO's mission?</li> </ul>	<ul style="list-style-type: none"> <li>• The founders have a broadly common sense of purpose and direction, but this is not clearly articulated or widely shared.</li> <li>• CSO does not have any agreed values upon which it operates.</li> </ul>	<ul style="list-style-type: none"> <li>• There is a sense at Board level of the CSO's mission and vision but this is not documented and has not benefited from wide stakeholder inputs.</li> <li>• There is some sense in a few people of some core values of the CSO but these are not widely agreed upon or documented.</li> </ul>	<ul style="list-style-type: none"> <li>• The CSO has a clear written mission and vision statement that is easily accessible (e.g. via CSO Facebook page) and/or has been widely circulated to internal and external stakeholders.</li> <li>• The CSO has a clear set of written values that were agreed by Board and staff.</li> <li>• All Board and staff are familiar with and are committed to the CSO's mission, vision and values.</li> <li>• CSO uses its mission, vision and values to guide how it conducts its work.</li> </ul>
<b>Appreciative inquiry question:</b> What do you think are your strengths in other areas of governance? What areas would you like to improve?					
<b>2. Legal status</b>	<p>Registered as a legal entity</p> <p>Compliant with all national legal and fiscal requirements</p>	<ul style="list-style-type: none"> <li>• How and with whom is the CSO registered?</li> <li>• What does that mean for the CSO in terms of legal reporting and other requirements?</li> </ul>	<ul style="list-style-type: none"> <li>• Not registered as a legal entity.</li> <li>• Legally registered but not meeting all the legal and fiscal requirements e.g. <ul style="list-style-type: none"> <li>◦ Directors' returns</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Legally registered including its by-laws.</li> <li>• Fulfilling all legal and fiscal requirements.</li> <li>• All Board members are familiar with the registered by-laws.</li> </ul>	<ul style="list-style-type: none"> <li>• Legally registered and has charitable status (if available).</li> <li>• Fulfilling all the legal and fiscal requirements.</li> <li>• All Board members are familiar with the registered by-laws.</li> </ul>

## Governance

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
		<ul style="list-style-type: none"> <li>Is the CSO currently compliant with all the requirements?</li> </ul>	<ul style="list-style-type: none"> <li>Annual reports to the tax authority</li> <li>payment of taxes and/or levies due</li> </ul>		<ul style="list-style-type: none"> <li>By-laws are reviewed periodically and revised as necessary to ensure they are relevant and appropriate.</li> </ul>
<b>3. Board structure, competency, orientation and policies</b>	<p>Board (s)election is transparent and based on:</p> <ul style="list-style-type: none"> <li>needed competencies</li> <li>commitment to organisation's vision, mission and values</li> <li>ability to commit adequate time to the work of the Board</li> </ul> <p>Board possesses all the competencies needed to provide effective oversight of management and contribute to fundraising.</p> <p>Board has a wide sphere of relevant influence</p> <p>Systematic Board orientation on (s)election</p>	<ul style="list-style-type: none"> <li>How is the CSO's Board (s)elected and what are the criteria for (s)election?</li> <li>How are the Officers appointed?</li> <li>Are there terms of reference for Board members and officers?</li> <li>Does the CSO have persons with the competencies needed/awareness of best practices in, e.g.                             <ul style="list-style-type: none"> <li>financial oversight/management</li> <li>human resource management</li> <li>legal</li> <li>technical (in relevant areas)?</li> </ul> </li> <li>Does the CSO have a formal Board orientation process, e.g.                             <ul style="list-style-type: none"> <li>Do all Board members receive the organisation's by-laws, policies and procedures on appointment?</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Board/Committee made up of founders.</li> <li>The CSO's beneficiary stakeholders are not represented.</li> <li>Competencies are lacking in several key areas.</li> <li>No policies, procedures exist for Board orientation.</li> <li>Officers are unclear on their roles and responsibilities and/or lack the skills to perform them.</li> <li>Board members are unaware of the full scope of their role and responsibilities as directors.</li> <li>Board is taking responsibility for financial management but is unable to produce accurate financial statements and/or interpret financial statements produced by</li> </ul>	<ul style="list-style-type: none"> <li>Board members selected by founders but Board now includes members other than founders.</li> <li>Board members given an informal 'on-the-job' type orientation.</li> <li>Board composition still does not fully reflect beneficiary interests nor the full range of competencies needed.</li> <li>Board and other policies being developed but incomplete and/or fully applied.</li> <li>Officers are clear on their roles and responsibilities and are performing some of them effectively.</li> <li>Most Board members are aware of the scope of their responsibilities as directors.</li> <li>Most Board members understand the importance of financial</li> </ul>	<ul style="list-style-type: none"> <li>Board is transparently (s)elected solely on the basis of merit and may or may not include founders.</li> <li>Board reflects beneficiary interests and the full range of competencies needed.</li> <li>Collectively, the Board has a wide sphere of influence.</li> <li>Systematic Board orientation at the start of each new Board term (and if somebody is appointed mid-term).</li> <li>Board conflict of interest and other policies are in place and being monitored and applied.</li> <li>Officers are clear on their roles and responsibilities and are performing all of them effectively.</li> <li>All Board members aware of scope of their responsibilities as directors.</li> </ul>

## Governance

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
	<p>Board conflict of interest policy in place that is monitored and applied</p> <p>Board performance assessment carried out at least once during the term of a Board</p>	<ul style="list-style-type: none"> <li>◦ Are all Board members clear on the legal responsibilities of a company director?</li> <li>◦ Are all Board members able to interpret the financial statements that are presented?</li> <li>• Does the CSO have a Board conflict of interest policy?</li> <li>• Do members of the Board get paid:               <ul style="list-style-type: none"> <li>◦ For Board duties?</li> <li>◦ For management/operational work?</li> </ul> </li> <li>• Does the CSO have a process for reviewing Board performance? If so:               <ul style="list-style-type: none"> <li>◦ how frequently?</li> <li>◦ who is involved in the review (i.e. just Board members or also e.g. staff and beneficiaries)?</li> </ul> </li> <li>• Does the CSO have a process for building Board capacity?</li> </ul>	<p>others (balance sheet, income and expenditure, cash flow) or budgets.</p>	<p>statements and are able to interpret them.</p> <ul style="list-style-type: none"> <li>• Board members recuse themselves when they perceive that there is a conflict of interest.</li> <li>• Board member capacity building is being implemented to address any gaps in awareness or competency.</li> </ul>	<ul style="list-style-type: none"> <li>• All Board members understand the importance of financial statements and are able to interpret them.</li> </ul>



## Governance

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<p><b>4. Role of the Board in governance and strategic leadership</b></p>	<p>Clear separation of the roles of Board and management.</p> <p>Board appoints and reviews the performance of the Executive Director.</p> <p>Board members play an active role in fundraising and public relations/ external promotion of the CSO and its work</p>	<ul style="list-style-type: none"> <li>• Who determines the overall strategic direction for the CSO?</li> <li>• Does the Board review the organisation's performance against the strategic plan? If so, how often?</li> <li>• Does the Board fundraise?</li> <li>• Does the Board play a role in public relations activities/ promoting the CSO to its stakeholders?</li> <li>• Do you have transparent policies and procedures for selecting, monitoring and evaluating the performance of the Executive Director?</li> <li>• Who provides oversight of the management and staff of the CSO?</li> <li>• Is the Board involved in staff hiring, performance management and establishment of salary levels?</li> </ul> <p><i>If Board members are also playing operational / management roles: e.g.</i></p> <ul style="list-style-type: none"> <li>• Are they paid?</li> <li>• What is the oversight mechanism?</li> <li>• Who determines salaries?</li> <li>• Who reviews performance?</li> </ul>	<ul style="list-style-type: none"> <li>• No clear strategic direction provided by the Board.</li> <li>• No differentiation between oversight and management roles.</li> <li>• Paid work being done mainly by Board members.</li> <li>• Board determines the need for and appoints all staff.</li> <li>• CSO's work programme determined without beneficiary input.</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic direction starting to emerge but only a few Board members are playing a strategic leadership role.</li> <li>• Board members no longer represent the majority of the salary bill.</li> <li>• Board recruits and provides oversight of the Executive Director.</li> <li>• Board still tends to try to micromanage the CSO.</li> <li>• Board assisting with some fundraising.</li> <li>• Staff driving the strategic direction instead of the Board.</li> <li>• Some Board members playing an active role in promoting the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Board members driving the strategic direction of the organisation, including the development of a formal strategic plan.</li> <li>• Board members are occasionally paid to undertake operational consultancy work within their particular area of competency.</li> <li>• Board and Executive Director working towards common objectives based on a clear understanding of their respective roles.</li> <li>• Board not only reviewing the performance of the Executive Director but actively participating in his/her development.</li> <li>• Board playing an active role in fundraising.</li> <li>• Board members play an active role in promoting the organisation, at the request of the Chair or Executive Director.</li> </ul>

## Governance

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<b>5. Board meetings</b>	<p>Board meetings held at regular intervals</p> <p>Board receives detailed and timely information to enable it to perform its oversight function effectively</p> <p>Staff and/or beneficiaries participate in Board meetings when relevant items are on the agenda</p>	<ul style="list-style-type: none"> <li>• How often does the Board meet?                             <ul style="list-style-type: none"> <li>◦ Are meetings held on a regular date, enabling members to plan in advance?</li> <li>◦ If not, how much notice is provided?</li> </ul> </li> <li>• What documents do Board members receive in advance of a Board meeting, and how far in advance? What do they receive at the meeting?</li> <li>• How soon after a Board meeting are the minutes (or at least an action list) circulated?</li> <li>• Do you invite staff and beneficiaries to Board meetings when the topic is particularly relevant to their work, they have specialist knowledge relevant to the topic or important decisions are due to be taken that will affect them?</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings are infrequent and/or at irregular intervals.</li> <li>• Board member attendance is erratic, making it difficult at times to achieve a quorum.</li> <li>• No agenda.</li> <li>• No financial reports.</li> <li>• Minutes do not clearly document decisions and actions.</li> <li>• Meetings tend to be dominated by one or a few people.</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings held more regularly.</li> <li>• Agendas for all meetings.</li> <li>• Financial reports are presented at some but not all meetings.</li> <li>• Accurate minutes produced but only circulated just before the next meeting.</li> <li>• More Board members are actively participating in the discussions.</li> <li>• Staff are occasionally invited to attend but do not participate actively.</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings held at regular intervals.</li> <li>• Board receives detailed and timely information to enable it to perform its oversight function effectively.</li> <li>• Action lists and/or accurate minutes are produced very soon after the meeting.</li> <li>• All Board members are actively participating in discussions and in one or more Committees.</li> <li>• Staff and beneficiaries are regularly invited to participate in meetings and play an active role in decision-making.</li> </ul>

## Governance

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<b>6. Board accountability</b>	Organisation produces an annual report that is widely disseminated and includes key information	<ul style="list-style-type: none"> <li>How do you report/account to your various stakeholders?</li> </ul>	<ul style="list-style-type: none"> <li>No reporting to non-Board members.</li> <li>Reporting to Board ad hoc and infrequent.</li> </ul>	<ul style="list-style-type: none"> <li>Programme and project reporting to donors as required by grant agreements.</li> <li>Occasional emails to members/close partners with news updates.</li> <li>Annual General Meetings (AGMs) held at the appropriate time with brief reports from Chair and Treasurer.</li> </ul>	<ul style="list-style-type: none"> <li>Programme and project reporting to donors as required by grant agreements.</li> <li>Full reports from Chair and Treasurer at AGM, including things that have not gone well and lessons learnt.</li> <li>Annual report that is widely disseminated and includes: key financial figures, basic governance structures, activities undertaken, key results and lessons learnt.</li> </ul>

## Planning

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of prioritising its planning based on beneficiary needs, particularly those not being addressed by others? Where would you like to improve?</p>					
<b>1. Clearly defined beneficiaries and priority beneficiary needs</b>	Beneficiaries consulted on their needs	<ul style="list-style-type: none"> <li>• Who are the CSO's target stakeholders or beneficiaries?</li> <li>• What stakeholder needs are you seeking to address?</li> <li>• How did the CSO determine what these needs are?</li> <li>• How did the CSO determine the priority beneficiary needs? Are these guiding your current work?</li> </ul>	<ul style="list-style-type: none"> <li>• Beneficiaries are poorly defined and their needs are not well understood.</li> <li>• Links with beneficiaries are weak.</li> <li>• Beneficiaries are viewed by the CSO as passive recipients of the services or benefits of the CSO; not as actual or potential partners.</li> </ul>	<ul style="list-style-type: none"> <li>• Beneficiaries are well defined and their needs have been identified based on information gathered through ad hoc interactions with them.</li> <li>• Needs and views of beneficiaries are considered in planning and decision making.</li> </ul>	<ul style="list-style-type: none"> <li>• Beneficiaries are recognised as partners and are regularly involved in review of CSO's strategies and programmes.</li> <li>• Regular survey of beneficiaries' needs conducted with results integrated into planning processes.</li> </ul>
	CSO niche clearly identified and defined	<ul style="list-style-type: none"> <li>• Does the CSO know who are the other players working in its areas of focus?</li> <li>• Has the CSO defined a clear role/niche for itself in relation to what others are doing?</li> <li>• Has the CSO identified potential partners to help achieve its mission and vision?</li> </ul>	<ul style="list-style-type: none"> <li>• No knowledge of other stakeholders working in this area.</li> </ul>	<ul style="list-style-type: none"> <li>• Some ad hoc accumulation of information about other stakeholders working in this area.</li> </ul>	<ul style="list-style-type: none"> <li>• Systematic and regular mapping of other stakeholders working in this area, including assessment of whether and how they might act as partners.</li> <li>• Strategic assessment of how the CSO can best contribute to this area of work.</li> </ul>

## Planning

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of developing operational plans to achieve your annual and project goals? Where would you like to improve?</p>					
<p><b>2. Operational plans for achieving annual and programme/project goals</b></p>	<p>Annual plans and budgets used to guide work</p>	<ul style="list-style-type: none"> <li>• How does the CSO plan its work each year to achieve its vision and mission (and strategic objectives)?</li> <li>• Who is involved in the planning?</li> <li>• Does the CSO have written annual plans?</li> <li>• Does the CSO start the year with an annual budget?</li> </ul>	<ul style="list-style-type: none"> <li>• No systematic annual planning.</li> <li>• Decisions and plans made without reference to the vision and mission or the strategies identified to achieve these.</li> <li>• Planning ad hoc with limited participation from staff or beneficiaries.</li> </ul>	<ul style="list-style-type: none"> <li>• Projects being implemented and staff may be performing functions that support the mission but there is no systematic annual planning.</li> <li>• Operational annual planning is conducted by one or two managers but may not be fully linked to the budgeting process, nor have involved input from other staff or beneficiaries.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual operational plans and budgets are developed to guide implementation of strategic plan.</li> <li>• Annual operational plans and budgets incorporate relevant information from programme and project plans.</li> <li>• Staff, beneficiaries and partners involved in operational planning.</li> </ul>
	<p>Programme plans to guide coherent implementation of activities towards achievement of strategic objectives</p>	<ul style="list-style-type: none"> <li>• Does the CSO have defined programmes of work?</li> <li>• How are these linked to the strategic plan/objectives?</li> <li>• Does the CSO organise its work in a way that facilitates links between its various projects (even if these are not formalised as programmes)?</li> <li>• Who is involved in this planning?</li> </ul>	<ul style="list-style-type: none"> <li>• CSO works on a project-by-project basis.</li> <li>• CSO develops and implements projects with no systematic link to programme or strategic objectives.</li> <li>• Little coherence across projects.</li> <li>• Planning executed by one or a small number of people.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has streams of work (programmes) but these lack clear links to the strategic plan and do not specify well-defined, measurable results.</li> <li>• Projects developed and implemented independently with few or weak linkages.</li> <li>• Staff only involved in planning projects in which they are directly involved.</li> </ul>	<ul style="list-style-type: none"> <li>• Work organised under clearly defined multi-year programmes.</li> <li>• Synergies across projects to deliver programme results.</li> <li>• Staff, members, beneficiaries and partners involved in programme planning.</li> </ul>

## Planning

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
	Project plans used to guide work	<ul style="list-style-type: none"> <li>• How does the CSO plan implementation of its projects?</li> <li>• At what stage(s) does project planning take place?</li> </ul>	<ul style="list-style-type: none"> <li>• No systematic method for planning projects.</li> <li>• Project proposals lack detailed information about implementation.</li> <li>• Initiatives implemented in an ad hoc manner.</li> </ul>	<ul style="list-style-type: none"> <li>• Donor project planning templates completed in proposals but not effectively used in project implementation.</li> <li>• Project leader attempts to document project activities but these may not be logically ordered, aligned with specific budget lines, or with clear milestones and deliverables.</li> </ul>	<ul style="list-style-type: none"> <li>• Each project has an overall plan and annual operating plans where relevant.</li> <li>• Project plans include a comprehensive matrix of activities aligned with specific budget lines and with clear milestones and deliverables.</li> <li>• Project plans are developed with involvement of staff, beneficiaries and project partners.</li> </ul>
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of developing and using high-level strategic plans? Where would you like to improve?</p>					
<b>3. High-level plans for achieving purpose</b>	Clear strategic plan/objectives linked to vision and mission	<ul style="list-style-type: none"> <li>• How does the CSO plan what it will do to achieve its vision and mission?</li> <li>• Who is involved in the planning process?</li> <li>• Does the CSO have written strategic objectives or a strategic plan?</li> </ul>	<ul style="list-style-type: none"> <li>• CSO conducts its work and develops projects on an ad hoc basis without specific reference or links to its vision and mission.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has a written plan to guide its work over the next 3-5 years.</li> <li>• Strategic plan developed by Board or managers, with little involvement of other staff, members or beneficiaries.</li> </ul>	<ul style="list-style-type: none"> <li>• Comprehensive strategic plan in place and being implemented.</li> <li>• Strategic plan developed with full participation of staff, Board, members, beneficiaries and partners.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<p><b>Appreciative inquiry question:</b> How does the CSO's structure work well in fostering effectiveness and efficiency? Where would you like to improve?</p>					
<p><b>1. Organisational Structure</b></p>	<p>Organisational structure facilitates effectiveness and efficiency</p>	<ul style="list-style-type: none"> <li>• How is the CSO's management and other staffing structured?</li> <li>• Does a chart exist which shows the most significant units or functions of the CSO?</li> </ul>	<ul style="list-style-type: none"> <li>• Work implemented based on directives from one or a few persons.</li> <li>• Little or no understanding of the value of having a more structured work environment.</li> <li>• Individual or project plans developed, but not coordinated across positions, functions, or to maximise the range of expertise in the CSO.</li> </ul>	<ul style="list-style-type: none"> <li>• Work is directed by a variety of work methods.</li> <li>• Recognition that staff are able to make useful suggestions about effective and efficient organisation of their work.</li> <li>• Teamwork encouraged and work plans shared between projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Roles and mechanisms for coordination between units and staff functions are clear.</li> <li>• Team leadership competencies built with teams largely self-directed and organising their own work in support of the organisation's mission and strategies.</li> <li>• There is a formal mechanism in place for inter-team linkages, inter-team planning and coordination, and sharing of M&amp;E processes, outcomes and lessons learned.</li> </ul>
<p><b>Appreciative inquiry question:</b> What is good about the CSO's leadership and decision-making processes? Where would you like to improve?</p>					
<p><b>2. Leadership and decision-making</b></p>	<p>Effective leadership and decision-making at all levels of the CSO</p>	<ul style="list-style-type: none"> <li>• What roles do Board, management, staff and members play in leading the CSO?</li> <li>• How are decisions made and who is involved?</li> </ul>	<ul style="list-style-type: none"> <li>• There are one or a few dynamic individual(s) controlling most functions.</li> <li>• Decisions are made by the Board with staff informed afterwards.</li> <li>• Staff primarily provide technical input and usually understand work requirements only based</li> </ul>	<ul style="list-style-type: none"> <li>• Board/ management's relationship to staff/ volunteers/members is more consultative with decisions increasingly delegated to project personnel.</li> <li>• Basis for decision-making increasingly understood, but staff not systematically involved.</li> </ul>	<ul style="list-style-type: none"> <li>• Board and management have a clear understanding of their respective roles and responsibilities.</li> <li>• Staff/volunteers/ members appropriately involved in setting organisational direction and policy development and not just consulted on occasion.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
			<p>on instruction from Board or managers.</p> <ul style="list-style-type: none"> <li>• Staff/volunteers/ members know little of Board and management decision-making processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Board/ management's function seen as providing overall direction and monitoring of performance.</li> <li>• Select staff / members consulted on some decisions.</li> </ul>	<ul style="list-style-type: none"> <li>• Importance attached to and processes developed for internal leadership development of Board, management, staff and members.</li> </ul>
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of human resource management? Where would you like to improve?</p>					
<p><b>3. Human resource (HR) management</b></p>	<p>Transparent HR management system in place and applied</p>	<ul style="list-style-type: none"> <li>• Are there job descriptions for all positions?</li> <li>• Is there a written employee manual?</li> <li>• Is there a systematic orientation process for new staff?</li> <li>• Are there policies in place for staff performance review and staff development?</li> <li>• Are there salary guidelines/ scales? Who decides these?</li> <li>• Is hiring a transparent process?</li> <li>• Are the HR systems in line with national legislation and international best practice?</li> <li>• Is there a conflict of interest policy for staff?</li> </ul>	<ul style="list-style-type: none"> <li>• No or weak HR administrative systems (such as those to administer salaries or to record personnel data).</li> <li>• Formal policies and procedures for hiring, orientation and performance management do not exist.</li> <li>• No awareness of national legislation or international best practice.</li> </ul>	<ul style="list-style-type: none"> <li>• Most HR systems are formalised, including salary guidelines/ scales determined by the Board.</li> <li>• There is little understanding of the need to integrate HR hiring and other practices with the overall strategic planning process.</li> <li>• Compliant with national legislation.</li> </ul>	<ul style="list-style-type: none"> <li>• Board sets/approves salary scales and guidelines.</li> <li>• HR systems understood by staff, with staff input into formal HR policies and procedures.</li> <li>• HR systems regularly reviewed by the Board and revised as needed with input from staff.</li> <li>• Formal employment practices are used and reviewed periodically to ensure they support and are consistent with the CSO's mission, strategies, and other policies.</li> <li>• Exceeding the requirements of national legislation/adopting some international best practices.</li> </ul>



## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
	Organisation of work promotes effectiveness and efficiency	<ul style="list-style-type: none"> <li>• Is there a clear assignment of responsibilities and tasks?</li> <li>• Are the tasks assigned consistent with the mission of the CSO?</li> <li>• Are things not getting done because they are not assigned?</li> <li>• Is staff involved in the review of how work is organised and jobs assigned?</li> <li>• How do staff balance multiple priorities and decide between what is urgent and important?</li> </ul>	<ul style="list-style-type: none"> <li>• The roles of existing staff and the assignment of work to them is unclear and changeable.</li> <li>• Staff fulfils responsibilities beyond their expertise and some essential tasks not carried out by anyone.</li> <li>• Staff constantly feel overloaded and are not clear on how to decide on their priorities.</li> </ul>	<ul style="list-style-type: none"> <li>• Some gaps exist between job skills required and those of existing staff.</li> <li>• Job descriptions do exist, but are usually based on the supervisor's idea of work to be performed.</li> <li>• Some human resource planning does take place but still not integrated with the CSO's strategic planning process.</li> <li>• Some staff are good at juggling multiple priorities but important tasks often not done as focus is on urgent tasks.</li> </ul>	<ul style="list-style-type: none"> <li>• All skill areas competently covered and capacity exists to contract out for other needed skills.</li> <li>• Jobs well defined and documented in regularly updated job descriptions or team assignments.</li> <li>• Organisation-wide analysis of work requirements conducted and regularly reviewed and updated, including as part of strategic planning.</li> <li>• Clear relationship between the current objectives of the CSO and the functions to be performed by staff.</li> <li>• Staff priorities are guided by organisational priorities jointly determined by management and staff, with both urgent and important tasks addressed.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
	Performance management and development policies and practices in place	<ul style="list-style-type: none"> <li>• Is there a formal staff performance management system?</li> <li>• Is training and other capacity building (e.g. coaching, mentoring, exchanges) provided for staff?</li> <li>• Are staff assigned, promoted and rewarded according to performance?</li> <li>• Is staff performance management integrated with strategic planning?</li> </ul>	<ul style="list-style-type: none"> <li>• No assessment of performance conducted so no basis for systematic staff capacity building.</li> <li>• No or weak understanding of the relationship between staff performance and the achievement of CSO purpose and objectives.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff performance management system may exist, but assessment is not always fully linked to job requirements as documented in job descriptions.</li> <li>• Job descriptions not reviewed with staff to ensure tasks match the description.</li> <li>• Good match between staff competencies and the requirements of the position.</li> <li>• Staff assigned and promoted according to performance.</li> <li>• Resources identified for ad hoc training.</li> </ul>	<ul style="list-style-type: none"> <li>• Human resource planning and development integrated with strategic plan and seen as integral to achieving the CSO's mission.</li> <li>• Performance management policies and procedures support effective implementation of the human resource plan.</li> <li>• Performance appraisals conducted jointly by the employee and their supervisor.</li> <li>• Staff development plans regularly updated to support enhancement of individual and team performance and career development.</li> <li>• Grievance procedures in place.</li> <li>• All staff trained in conflict management/ resolution techniques.</li> </ul>
	Volunteers effectively contributing to the CSO's work	<ul style="list-style-type: none"> <li>• Does the CSO have volunteers?</li> <li>• Do volunteers have clear assignments or terms of reference?</li> <li>• How are volunteers mobilised?</li> </ul>	<ul style="list-style-type: none"> <li>• No active recruitment of volunteers but may have small number of volunteers randomly providing services.</li> <li>• Volunteers do not always have the</li> </ul>	<ul style="list-style-type: none"> <li>• Volunteers mobilised under specific programmes / projects and given tasks appropriate to their competencies.</li> <li>• Some identification of</li> </ul>	<ul style="list-style-type: none"> <li>• Volunteer recruitment based on a plan designed to support implementation of the strategic plan, programmes and projects.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
		<ul style="list-style-type: none"> <li>• Is volunteer help regular and consistent?</li> <li>• How are volunteers managed?</li> </ul>	<p>correct competencies to support the work of the CSO or are inappropriately assigned.</p> <ul style="list-style-type: none"> <li>• Volunteers performing tasks that would be better assigned to paid staff as a result of insufficient planning and fundraising.</li> </ul>	<p>tasks needing volunteers and mobilisation of people with the right competencies.</p> <ul style="list-style-type: none"> <li>• Use of volunteers is integrated into the planning and evaluation processes of the organisation.</li> <li>• Management of volunteers, including oversight and assessment of performance, is often ad hoc.</li> </ul>	<ul style="list-style-type: none"> <li>• High integration of volunteers with paid staff.</li> <li>• Volunteers have specific assignments and are actively planning, implementing, and evaluating their own activities with staff oversight and assessment.</li> <li>• Capacity development process in place for volunteers.</li> <li>• Volunteers feel work satisfaction and that they are a valued part of the organisation.</li> </ul>
	Teamwork effectively used	<ul style="list-style-type: none"> <li>• Is teamwork a value for the organisation?</li> <li>• Do staff and others (volunteers, Board members) work as effective teams?</li> <li>• Have you engaged in any team building activities?</li> </ul>	<ul style="list-style-type: none"> <li>• Teamwork not recognised as a key factor in achieving the CSO's mission.</li> <li>• Focus is on individual achievement.</li> <li>• Little appreciation of the value of collaborative work.</li> <li>• Conflict among people in the organisation is not addressed.</li> <li>• No attempt to promote teamwork or team building activities.</li> </ul>	<ul style="list-style-type: none"> <li>• Recognition of the need to foster a collaborative work environment.</li> <li>• Managers attempt to mediate conflict but lack the skills to do so effectively.</li> <li>• Training in interpersonal skills and teambuilding provided on an as-needed basis.</li> <li>• Some good team performance.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO executes its work through high performing teams.</li> <li>• Team building given a high priority.</li> <li>• Team performance recognised and rewarded.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of achieving financial sustainability? Where would you like to improve?</p>					
<p><b>4. Financial sustainability and management</b></p>	<p>CSO has sufficient funds to ensure long-term sustainability of the CSO and its programmes</p>	<ul style="list-style-type: none"> <li>• What are the existing sources of the CSO's income?</li> <li>• Is there a plan for developing the financial resources needed over the long-term?</li> <li>• Does the CSO have any revenue generating activities?</li> <li>• Who is involved in fundraising for the CSO?</li> </ul>	<ul style="list-style-type: none"> <li>• CSO dependent on a single or limited number of donors.</li> <li>• Funds solicited for one or a few short-term (under 1 year) projects and only from one source.</li> <li>• Fund-raising for income is on a small scale or unsuccessful.</li> <li>• Funding is available to cover some short-term (under 1 year) project costs but no or few administrative/overhead costs.</li> <li>• Only the founders are fundraising.</li> <li>• No funding to pay regular salaries.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has funding from at least two sources with no one source exceeding 60% of the CSO's total expenditures.</li> <li>• Growing awareness of the potential for revenue generation but little new funding mobilised yet.</li> <li>• Some core administrative costs covered by revenue generating activities or other sources of unrestricted funding.</li> <li>• Funding is available for short-term (under 1 year) and medium-term (1-3 years) costs but no formal fundraising plan exists.</li> <li>• Senior management and project staff play a role in fundraising.</li> <li>• Secure funding in medium-term (1-3 years) for some staff salaries.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has funding from 3 or more sources with no one source exceeding 40% of the CSO's total expenditures.</li> <li>• Long-term (over 3 years) funding plan exists aimed at CSO financial sustainability.</li> <li>• A significant percentage of core administrative costs is covered by revenue generating activities.</li> <li>• All programmes have funding plans and current funds meet programme and project needs.</li> <li>• Basic programme delivery can continue even if there is a funding shortfall.</li> <li>• Board, senior management and project staff all play a role in fundraising.</li> <li>• Secure funding for all necessary operational and project staff in medium-term (1-3 years).</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
	Budgets used as a key management tool	<ul style="list-style-type: none"> <li>• Does the CSO have a regular budget planning process?</li> <li>• Who is involved in budgeting?</li> <li>• Are the annual budgets balanced?</li> </ul>	<ul style="list-style-type: none"> <li>• Budgets are inadequate or exist only because they are required by donors.</li> <li>• Using budgets as a management tool is not fully understood, so the reliability of the projections is questionable.</li> <li>• Overall organisational budget is not balanced, (i.e. it shows anticipated costs but not the anticipated source of revenue).</li> <li>• The executive director or accountant are the only persons who are familiar with and understand the budget information and do not build the capacity of others.</li> </ul>	<ul style="list-style-type: none"> <li>• Only managers are consulted by the accountant/ financial manager for budget development.</li> <li>• Project managers play some role in project budget development but rely heavily on the accountant/ financial manager.</li> <li>• Some staff use budgets as project management tools.</li> </ul>	<ul style="list-style-type: none"> <li>• Budgets are an integral part of project management and are adjusted to reflect changes in project implementation plans and results.</li> <li>• Project staff are responsible for preparation and management of and reporting on project budgets.</li> <li>• Budgeting is integrated with the annual operational planning process.</li> <li>• All staff have a good understanding of and use budgets as tools for implementing the CSO's work.</li> </ul>
	Financial record keeping and reporting effective	<ul style="list-style-type: none"> <li>• Does the CSO have a qualified financial person on staff or Board?</li> <li>• Does the person tasked with oversight of financial recordkeeping and reporting have non-profit experience and/or a clear understanding of the differences between for- and non-profit accounting?</li> </ul>	<ul style="list-style-type: none"> <li>• No qualified financial person on staff or Board of the CSO.</li> <li>• Financial procedures and reports are incomplete and difficult to understand.</li> <li>• Financial reports produced only on demand.</li> <li>• Cash accounting is done.</li> </ul>	<ul style="list-style-type: none"> <li>• No qualified financial person on the Board but the staff includes someone with at least basic bookkeeping skills.</li> <li>• Financial recording system in place.</li> <li>• Financial reports are usually timely, but still incomplete and with errors, and tend to</li> </ul>	<ul style="list-style-type: none"> <li>• Qualified financial person on the Board and the staff includes someone with full Association of Chartered Certified Accountants (ACCA) or similar qualification.</li> <li>• Qualified financial specialists understand the distinctions between for- and non-profit accounting.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
		<ul style="list-style-type: none"> <li>• Is there a written policy, manual or guidelines for accounting procedures?</li> <li>• Is there a procurement policy?</li> <li>• Is there a policy for authorising financial transactions, signing cheques and segregation of cash management duties? If so, is it applied and who is authorised to do what?</li> <li>• Does the CSO use manual or electronic recordkeeping, and if the latter, what software is used?</li> <li>• Are there financial reporting procedures in place? If so, what are they and who receives the reports? Does the Board understand/monitor/comment on financial reports?</li> <li>• Does the CSO meet all governmental financial reporting requirements?</li> <li>• Are there procedures for recording and reporting in-kind contributions?</li> <li>• Are staff/volunteer time sheets used?</li> </ul>	<ul style="list-style-type: none"> <li>• No clear procedures exist for handling payables and receivables.</li> <li>• Many transactions are done using cash and there is no separation between petty cash and other cash expenses.</li> <li>• Financial management duties are not segregated (e.g. the same person is entering data and signing off on financial reports to the Board, signing cheques to themselves etc.).</li> <li>• The CSO is not aware of governmental financial reporting requirements.</li> <li>• Procurement procedures do not exist.</li> <li>• Staff/ volunteer time sheets are not prepared.</li> </ul>	<p>present an optimistic rather than a realistic picture.</p> <ul style="list-style-type: none"> <li>• Financial management duties are segregated to the extent possible, but the separation is not complete.</li> <li>• Mix of accrual and cash accounting is done.</li> <li>• Some informal accounting procedures agreed, but not all put into writing.</li> <li>• Procurement procedures are not documented in writing but best practices are usually adhered to.</li> <li>• Staff/ volunteer time sheets are prepared but not always in a timely fashion.</li> <li>• The CSO is only partially meeting governmental financial reporting requirements.</li> </ul>	<ul style="list-style-type: none"> <li>• Accounting manual in place and adhered to.</li> <li>• Full accrual accounting is done.</li> <li>• Financial systems can quickly provide reliable and current financial reports.</li> <li>• Reports are always timely and trusted, and feed back into wider financial planning processes.</li> <li>• Excellent cash controls for payables and receivables.</li> <li>• Financial management duties segregated.</li> <li>• Procurement policy is documented and procedures are always adhered to.</li> <li>• The CSO meets all governmental financial reporting requirements.</li> <li>• Financial reports are clear and complete, even as the portfolio of projects becomes more complex.</li> <li>• All Board and staff members have a good understanding of how</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
					to interpret financial records. • Staff/volunteer time sheets are prepared in a timely fashion.
	Financial controls effective	<ul style="list-style-type: none"> <li>• Are there controls in place to prevent expenditures in excess of budget?</li> <li>• Does the CSO track budget versus actual expenditure?</li> </ul>	<ul style="list-style-type: none"> <li>• There is no system in place to monitor budget versus actual expenditure.</li> <li>• Budgets are often over- or under-spent by more than 20%.</li> </ul>	<ul style="list-style-type: none"> <li>• Financial controls exist but not systematically applied or reflected in documented procedures.</li> <li>• Total expenditure is usually within 20% of budget, but actual activity is often different from budget.</li> <li>• Funders do not get timely notice of the rationale/ need for budget adjustments and the required approvals are not sought.</li> </ul>	<ul style="list-style-type: none"> <li>• A comprehensive system is in place to track and report on budgeted versus actual expenditures.</li> <li>• Total expenditure is usually within 10% of budget, with clear analysis and rationale for deviances.</li> <li>• Funders get written notice of desired budget adjustments with required approvals requested in a timely manner.</li> </ul>
	Audits conducted to ensure transparency and accountability	<ul style="list-style-type: none"> <li>• Has the CSO received any external financial advice or used an external qualified accountant?</li> <li>• Has the CSO ever had an independent audit? If so,                             <ul style="list-style-type: none"> <li>◦ what were the recommendations and have they been implemented?</li> <li>◦ did the auditor fully understand the</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Independent audits or external financial reviews are not performed but the CSO recognises it as desirable.</li> </ul>	<ul style="list-style-type: none"> <li>• Independent audits or external financial reviews are performed mainly in response to funder demand or infrequently rather than annually.</li> </ul>	<ul style="list-style-type: none"> <li>• Independent audits or external financial reviews are performed with regular and appropriate frequency by an auditor experienced in CSO accounting.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
		distinctions between for- and non-profit accounting?			
	Funds managed effectively	<ul style="list-style-type: none"> <li>• Do the accounts clearly separate unrestricted from restricted funding?</li> <li>• Does the CSO operate a separate petty cash system?</li> <li>• Is the CSO able to cover its overheads/unrestricted/ core administrative costs?</li> <li>• Are donor funds placed in separate bank accounts and/or tracked separately in the accounting system?</li> </ul>	<ul style="list-style-type: none"> <li>• Accounts make no distinction between restricted and unrestricted funding.</li> <li>• Project and operating funds are not separated.</li> <li>• CSO can't meet all its expenses.</li> </ul>	<ul style="list-style-type: none"> <li>• Account categories exist and most project funds are separated.</li> <li>• Standard procedure is to avoid cross-project financing but some temporary cross-project financing may occur.</li> <li>• CSO meets its expenses but not always in a timely manner, so needs to identify and budget its project and programme costs more accurately.</li> <li>• Overheads/ unrestricted/ core administrative costs not always fully covered.</li> </ul>	<ul style="list-style-type: none"> <li>• All project funds are separated.</li> <li>• Adequate controls exist to avoid cross-project financing.</li> <li>• CSO is expanding its programmes and projects, and pays the increased costs in a timely manner.</li> <li>• Overheads / unrestricted / core administrative costs fully met using agreed system.</li> </ul>
<p><b>Appreciative inquiry question:</b> In what areas do the CSO's administrative systems work well? Where would you like to improve?</p>					
<p><b>5. Administrative systems</b> (other than financial and human resources)</p>	Administrative management facilitates effectiveness and efficiency	<ul style="list-style-type: none"> <li>• How are administrative procedures developed?</li> <li>• Are there formal written policies and procedures?</li> <li>• Is there an operating/ administrative manual?</li> <li>• Are systems and procedures regularly reviewed and modified to support changing plans and priorities of the CSO?</li> </ul>	<ul style="list-style-type: none"> <li>• An informal system exists for getting things done but is not complete or in writing nor understood by staff/ volunteers.</li> <li>• Procedures are developed on an as-needed, ad hoc basis.</li> </ul>	<ul style="list-style-type: none"> <li>• Attempts made to develop/ improve procedures on basis of staff/ volunteer inputs.</li> <li>• Administrative procedures are being documented in writing and form part of orientation and training sessions.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff continuously seeking to apply best practices and regularly review and modify procedures based on inputs from both staff and external stakeholders (e.g. donors, beneficiaries).</li> </ul>



## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
			<ul style="list-style-type: none"> <li>Staff/volunteers sometimes identify procedures that are inadequate/unsatisfactory, but there is no systematic process for reviewing or modifying procedures in response to suggestions.</li> </ul>	<ul style="list-style-type: none"> <li>Filing and recording systems are used, but not for all activities.</li> <li>There is no operating manual.</li> </ul>	<ul style="list-style-type: none"> <li>Operating / administrative manual exists and is regularly reviewed and updated as needed.</li> <li>Operating / administrative manual is accessible to and used by all staff.</li> </ul>
	Internal communication and coordination of work facilitates effectiveness and efficiency	<ul style="list-style-type: none"> <li>How is information shared internally among staff/volunteers?                             <ul style="list-style-type: none"> <li>Do staff/volunteers meet regularly?</li> <li>Do staff/volunteer meetings have an agenda?</li> <li>Are decisions taken and actions agreed and documented at these internal meetings?</li> <li>What other mechanisms exist for internal communication?</li> </ul> </li> <li>Is the mix of oral/face-to-face and electronic communication optimal?</li> </ul>	<ul style="list-style-type: none"> <li>Staff/ volunteers do not know what each other are doing.</li> <li>Staff/volunteer meetings non-existent or irregular, tend to be dominated by a few persons, do not have a clear purpose/ agenda, and do not reach concrete conclusions or agreed actions.</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings of staff / volunteers are conducted.</li> <li>Members of teams are communicating well but there is little communication between teams.</li> </ul>	<ul style="list-style-type: none"> <li>Mechanisms exist for vertical and horizontal communication across staff / volunteer teams and with management.</li> <li>Regular staff / volunteer meetings held with written minutes.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
	Information effectively managed	<ul style="list-style-type: none"> <li>• How does the CSO gather, use, disseminate, save, analyse and retrieve data?</li> <li>• How is this information used for planning and decision making?</li> <li>• How does the CSO protect its intellectual property rights when sharing information?</li> </ul>	<ul style="list-style-type: none"> <li>• No organised system exists for the collection, analysis, or dissemination of data.</li> <li>• Information is collected randomly and manually.</li> </ul>	<ul style="list-style-type: none"> <li>• A rudimentary electronic database system to manage information is in place, but not effectively or systematically used.</li> <li>• The potential use of data for strategic and operational planning is not well understood and computers are used primarily for word-processing or spreadsheet work.</li> <li>• Information is disseminated to Board and some external stakeholders but CSO does not always receive credit for its data collection/ analysis.</li> </ul>	<ul style="list-style-type: none"> <li>• Information management system used.</li> <li>• Data analysis capability exists.</li> <li>• There is improved planning (projects, programmes, strategic plan) based on analysis of data.</li> <li>• CSO has a written policy to ensure protection of its intellectual property rights when sharing data (including under contracts it signs).</li> </ul>
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of managing its equipment and facilities? Where would you like to improve?</p>					
<b>6. Material resources (ICT, facilities, equipment)</b>	Office or other facilities support CSO to be effective and efficient	<ul style="list-style-type: none"> <li>• Are the office and other facilities adequate to enable the CSO to deliver its mission and vision?</li> <li>• Does the CSO own or rent its facilities?                             <ul style="list-style-type: none"> <li>◦ If rented, is the rent at a fair/manageable level</li> <li>◦ If no office, how is the CSO operating, e.g. entirely virtual, occasional face-to-face meetings, out of someone's home?</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• CSO does not have an office to support its work or has a very basic facility that is not well equipped.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has an office that is equipped with standard office furnishings but it is not fully conducive to effective implementation of its work (e.g. lacks meeting rooms, not up to health and safety standards).</li> <li>• CSO does not have secure tenure over its facilities (e.g. via</li> </ul>	<ul style="list-style-type: none"> <li>• CSO owns a well-equipped office and other facilities to facilitate staff and others to work efficiently and effectively.</li> <li>• Plan in place for management of the office, including maintenance, implementation of health and safety best practices and 'greening' of facilities.</li> </ul>

## Management

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
				ownership or medium-long term lease agreement).	
	Technical equipment used for delivery of purpose	<ul style="list-style-type: none"> <li>Is the right technical equipment in place (e.g. dive equipment, vehicles) to enable the CSO to deliver its mission and vision?</li> </ul>	<ul style="list-style-type: none"> <li>CSO does not have much of the equipment that is needed to deliver its work.</li> </ul>	<ul style="list-style-type: none"> <li>CSO has some equipment but it is not being widely used.</li> <li>Equipment not fully inventoried, maintained or insured.</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate equipment used to support CSO's work.</li> <li>Inventory of equipment maintained.</li> <li>Appropriate insurance coverage in place.</li> <li>Procedures for equipment maintenance in place and used.</li> <li>Plans in place and applied to replace equipment as needed.</li> </ul>
	Information and Communications Technology (ICT) helps CSO to be effective and efficient	<ul style="list-style-type: none"> <li>How is the CSO using ICT to support implementation of its mission and vision?</li> </ul>	<ul style="list-style-type: none"> <li>Very limited appreciation of ICT tools and how these could be used by the CSO to enhance efficiency and effectiveness.</li> <li>Very limited use of ICT tools.</li> </ul>	<ul style="list-style-type: none"> <li>Only one or a few staff members are competent in the use of ICT tools.</li> <li>Some people trying to use ICT in some areas.</li> </ul>	<ul style="list-style-type: none"> <li>Thorough understanding of ICT tools available.</li> <li>Tools appropriately used by all staff to enhance efficiency and effectiveness.</li> <li>The CSO invests in development of its ICT capacity as a priority.</li> </ul>

## Stakeholder engagement, communication and partnerships

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of identifying and engaging with its stakeholders? Where would you like to improve?</p>					
<p><b>1. Identification and engagement of key stakeholders</b></p>	<p>CSO has systematically identified its key stakeholders and engages them in planning, implementing, monitoring and evaluating its work</p>	<ul style="list-style-type: none"> <li>• How has the CSO identified its various stakeholders (beneficiaries, donors, partners, etc.)?</li> <li>• How does the CSO engage its key stakeholders in:                             <ul style="list-style-type: none"> <li>◦ planning (strategic and operational, including programmes and projects)</li> <li>◦ implementation of its strategic objectives and programmes/ projects</li> <li>◦ monitoring and evaluation?</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• CSO has a vague idea of some of its key stakeholders.</li> <li>• CSO does not effectively engage its key stakeholders in planning, implementation and monitoring and evaluation.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has a good understanding who are its key stakeholders but has not conducted a systematic identification process.</li> <li>• CSO believes in the value of stakeholder engagement.</li> <li>• CSO engages some stakeholders in some aspects of its work.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has done a thorough assessment of who are its key stakeholders and how best to engage them.</li> <li>• CSO has a clear stakeholder engagement strategy.</li> <li>• CSO maintains a database of relevant information on its stakeholders.</li> <li>• CSO systematically engages its key stakeholders in the most important aspects of planning, implementation and monitoring and evaluation.</li> </ul>
<p><b>Appreciative inquiry question:</b> What is positive about how the CSO develops and uses partnerships? Where would you like to improve?</p>					
<p><b>2. Partnerships</b></p>	<p>CSO develops strategic partnerships to assist in implementing its mission</p>	<ul style="list-style-type: none"> <li>• Is the CSO involved in any partnerships?                             <ul style="list-style-type: none"> <li>◦ Are these formal [e.g. with a Memorandum of Understanding (MOU)] or informal?</li> </ul> </li> <li>• Is the CSO involved in any networks or coalitions?                             <ul style="list-style-type: none"> <li>◦ Are these formal or informal?</li> <li>◦ What role does the CSO play?</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• CSO has no, few or weak partnerships.</li> <li>• CSO not involved in any formal or informal networks.</li> <li>• Partnerships and networks not making a strategic contribution to implementing the CSO's mission.</li> </ul>	<ul style="list-style-type: none"> <li>• CSO has strong partnerships with a few organisations who are actively collaborating in activities designed to further its mission.</li> <li>• Partnerships and networks are informal.</li> </ul>	<ul style="list-style-type: none"> <li>• Formal partnership strategy is in place (with defined criteria and processes for establishing partnerships) aligned with achieving the CSO's mission and strategic priorities.</li> <li>• Formal MOUs developed with key partners and</li> </ul>

## Stakeholder engagement, communication and partnerships

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
		<ul style="list-style-type: none"> <li>How do partnerships and networks contribute to the CSO implementing its mission?</li> </ul>			systematically applied and assessed. <ul style="list-style-type: none"> <li>CSO playing a leadership role in coalitions and networks.</li> </ul>
<b>Appreciative inquiry question:</b> What works well in terms of how the CSO communicates with its external target audiences/stakeholders? Where would you like to improve?					
<b>3. Communication (with external stakeholders)</b>	The CSO and its work are effectively promoted	<ul style="list-style-type: none"> <li>To what extent is the CSO and its work known to its external stakeholders?</li> <li>Does the CSO have materials that describe its approach and achievements?</li> <li>How does the CSO use different communication products and pathways (mass media, internet and social media; written publications, audio-visual materials, etc.) to disseminate information about itself and its achievements?</li> </ul>	<ul style="list-style-type: none"> <li>CSO is little known beyond the circle of its direct collaborators.</li> <li>No clearly articulated branding/image of the CSO that has been circulated to or is readily accessible by its key stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>CSO is known by some of its key stakeholders in its main areas of focus, but does little to promote the organisation or its activities.</li> <li>CSO has limited contact and few effective lines of communication with its key stakeholders.</li> <li>A few leaders (e.g. Executive Director, Chair, senior staff) can communicate a number of key messages about the CSO.</li> <li>Some informal annual reporting.</li> </ul>	<ul style="list-style-type: none"> <li>CSO has a written communications strategy.</li> <li>CSO has a clearly articulated image/brand including vision, mission, values and key policies.</li> <li>CSO's work is well known to all of its key stakeholders across sectors.</li> <li>CSO has effective mechanisms for two-way communication with its stakeholders.</li> <li>CSO has an annual report that is widely circulated.</li> <li>Board and staff members understand and consistently communicate a common set of key messages about the organisation.</li> </ul>

Stakeholder engagement, communication and partnerships

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
					<ul style="list-style-type: none"> <li>• Beneficiaries are telling positive stories about the CSO and the outcomes of their involvement with it.</li> <li>• Mass media is covering stories about the CSO and its work.</li> </ul>

## Monitoring, evaluation and learning

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
<p><b>Appreciative inquiry question:</b> What has your CSO done well in terms of monitoring, evaluation and learning to support implementation of your strategic objectives? Where would you like to improve?</p>					
<b>1. Monitoring, evaluation of and learning from planning and implementation of strategic objectives</b>	Clear procedures and processes used for monitoring and adaptive management to deliver results within budget and on time	<ul style="list-style-type: none"> <li>How does the CSO track whether its projects are being implemented as planned to deliver results within budget and on time?</li> </ul>	<ul style="list-style-type: none"> <li>No systematic method for monitoring if projects are on track.</li> <li>Projects often go over budget and/ or deliverables are submitted late.</li> <li>CSO does not communicate with the donor when project goes off track.</li> </ul>	<ul style="list-style-type: none"> <li>Some project managers pick up when projects are off track.</li> <li>Some adaptive action options identified and measures taken, often on an ad hoc basis and without negotiation and approval by management and the donor.</li> </ul>	<ul style="list-style-type: none"> <li>Rigorous system in place for collecting and analysing information for monitoring implementation of workplan and completion of milestones/ deliverables within budget and deadlines.</li> <li>Clear communication with management and the donor and negotiation for approval of adaptation measures when projects are off track.</li> <li>Changes decided with input of and communicated to beneficiaries and stakeholders.</li> </ul>
	Clear procedures and processes used for evaluation of results and lessons learnt	<ul style="list-style-type: none"> <li>How does the CSO assess whether it is achieving results that contribute to its vision, mission and strategic objectives?</li> <li>How does the CSO capture what it is learning?</li> </ul>	<ul style="list-style-type: none"> <li>Poor definition of outputs, outcomes and impacts of projects, programmes and strategic plan.</li> <li>No systematic method for evaluating the results of projects and lessons.</li> <li>No evaluation of programmes and</li> </ul>	<ul style="list-style-type: none"> <li>There is some review of work achieved under projects compared to objectives, often focusing on output level.</li> <li>Occasional project evaluations conducted, usually at request of donor.</li> </ul>	<ul style="list-style-type: none"> <li>There is a regular review of the strategic plan to assess delivery of results.</li> <li>Beneficiaries and other stakeholders involved in participatory evaluations of projects, programmes and strategic plan.</li> <li>Independent evaluations used.</li> </ul>

## Monitoring, evaluation and learning

Capacity area	Best practice target	Probing questions	Level of organisation – indicators		
			Basic	Intermediate	Advanced
			strategic plan to assess results and lessons.	<ul style="list-style-type: none"> <li>• Ad hoc or minimal assessment of achievement of results under programmes and strategic plan.</li> <li>• Discussion of lessons learnt is ad hoc.</li> <li>• Lessons not systematically documented.</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluations go beyond assessing delivery of outputs to look at contribution to outcomes and impacts.</li> <li>• System used to document lessons learnt.</li> </ul>
	Clear procedures and process used for integrating lessons learnt into NGO's work	<ul style="list-style-type: none"> <li>• How does the CSO use what it is learning to guide its current initiatives and future work?</li> </ul>	<ul style="list-style-type: none"> <li>• CSO develops and implements plans and projects without considering what it has learnt from past experiences.</li> </ul>	<ul style="list-style-type: none"> <li>• Ad hoc discussions among some staff / members / management / Board about what is being learnt and what this means for how the NGO does its work.</li> </ul>	<ul style="list-style-type: none"> <li>• Lessons learnt are systematically disseminated to Board, staff, beneficiaries and other stakeholders and applied to current and future activities.</li> </ul>







## Developing an action plan to strengthen organisational capacity

After an organisational capacity assessment has been completed, the mentor/facilitator can work with the CSO to identify the highest priority capacity areas for strengthening. An action plan should be developed to outline the specific needs and determine pathways for strengthening. It is useful to propose specific organisational strengthening activities and think about the resources that may be required for implementation. For example, a CSO may need to seek funding to hire a strategic planning consultant or purchase ICT equipment.

Table 3 provides a template for an action plan. The plan should clearly outline next steps, resource requirements including estimated costs (if any) and a timeline for implementation.



**Table 3: Template for an organisational capacity building action plan**

Capacity area	Specific capacity component	Competency	Identified capacity area for strengthening	Proposed activities to strengthen capacity	Resources required (and estimated costs, if applicable)	Timeframe for implementation				
						Month	Month	Month	Month	Month
Governance	Role of the Board in governance and strategic leadership	Board appoints and reviews the performance of the Executive Director	<i>The Board is not providing sufficient oversight of the Executive Director's performance or supporting their development.</i>	<ol style="list-style-type: none"> <li>1. Refine the Board terms of reference</li> <li>2. Update the by-laws</li> <li>3. Facilitate a Board strengthening workshop to support the Board of Directors in developing and implementing good governance practices and to reinforce Board roles and responsibilities</li> </ol>	\$400 to cover workshop costs					
Planning	High-level plans for achieving purpose	Clear strategic plan/ objectives linked to vision and mission	<i>Strategic and management plans need to be updated in a participatory manner.</i>	<ol style="list-style-type: none"> <li>1. Undergo a participatory strategic planning process</li> <li>2. Draft a strategic plan with definition of specific targeted results and indicators</li> </ol>	\$500 to hire a strategic planning consultant					
Management	Human resource management	Transparent HR management system in place and applied	<i>No job descriptions exist and there is no employee manual</i>	<ol style="list-style-type: none"> <li>1. Develop job descriptions for the Executive Director and other key staff members</li> <li>2. Draft an employee manual</li> </ol>						

*Examples shown in italics are meant to be indicative; the estimated costs and timeframe are not accurate.*

# References and resources

The following resources formed the basis of CANARI's initial civil society organisational capacity assessment tool and CSOs may still find them relevant, even though the tool has evolved significantly since then.

Commonwealth Foundation's Civil Society Accountability Toolkit for CSOs in Trinidad and Tobago (<http://www.commonwealthfoundation.com/civil-society-accountability-toolkit-trinidad-and-tobago>)

Critical Ecosystem Partnership Fund (CEPF) Civil Society Tracking Tool ([http://www.cepf.net/resources/publications/Pages/monitoring\\_and\\_evaluation.aspx](http://www.cepf.net/resources/publications/Pages/monitoring_and_evaluation.aspx))

Foundation for Civil Society's NGO Characteristics Assessment for Recommended Development (NGO CARD) (<http://www.setoolbelt.org/resources/34>)

INTRAC. Participatory Self-Assessment of NGO Capacity. Occasional Papers Series No: 10. 1995. Alan Fowler with Liz Goold and Rvick James. (<http://www.participatorymethods.org/resource/participatory-self-assessment-ngo-capacity>)

Mango's Financial Management Health Check (<https://www.mango.org.uk/guide/healthcheck>)

Pact. 2018. Organizational Capacity Assessment (OCA) and Action Planning: Facilitator's Guide. Washington, D.C.: Pact.

The McKinsey Capacity Assessment Grid (<http://mckinseysociety.com/ocat/>)

UN Women NGO Checklist



### **Caribbean Natural Resources Institute**

The Caribbean Natural Resources Institute (CANARI) is a regional technical non-profit organisation which has been working across the Caribbean for over 30 years. We are registered in Trinidad and Tobago, Saint Lucia and the United States Virgin Islands, with charitable status in Trinidad and Tobago and 501 (c)(3) status in the United States.

Our mission is to promote and facilitate stakeholder participation in the stewardship of natural resources in the Caribbean. Our work is oriented in five strategic directions: resilience, biodiversity and ecosystems, equity and justice, participatory governance and innovation.

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