Organizational Assessments, Part 1:  
Start building your capacity and sustainability

As a working definition, sustainability is having the vision, the financial resources, the systems and processes, and the people in place to meet the current and changing needs of your customers over time. In each of those areas, organizational leaders need to make strategic decisions about where and when to apply resources. What strategic decisions does an organization need to make? When do those decisions need to happen? How do you prioritize? How do you know you are achieving sustainability?

In order for leaders to make strategic decisions they need to have reliable and credible information. Organizational assessments are tools that provide a foundation of information upon which strategic decisions can be made. This is part one of a three part series on organizational assessments. In part one, we will examine how organizations can use assessments to start the process of capacity building and sustainability.

Organizational assessments are like regular health checkups from your doctor. During a regular check-up your doctor will ask a series of questions and conduct diagnostic tests to get a clear picture of how your body is functioning overall. During that process your doctor will gather information that tells them how the specific parts of your body are functioning. Is each vital organ doing what its suppose to do? Are there any potential problems that need to be addressed?

A sustainable organization must commit to regularly assessing its overall health by looking at how specific parts are functioning. Organizational assessment tools allow you to gather information about the specific areas of an organization by providing a list of questions that assess key areas such as:

- Vision and Mission
- Board and Governance
- Human Resources
- Fiscal Management
- Programs
- Technology
- Marketing and Outreach
- Revenue Development

The areas may be called different things depending on the tool you use. However, the overall purpose is to assess functionality and provide information to make strategic decisions. Organizational assessments usually do not account for external factors that affect an organization (recent changes in community demographics, political changes, economic conditions, etc). For these issues, you can supplement organizational assessments with community scans/assessments. Also, organizational assessments are only point in time snapshots. This is why it is important for organizations to conduct regular organizational assessments. Doing so will allow you to develop a baseline of performance and measure progress over time. For example, if an organization commits to a 3-5 year strategic plan, then organizational assessments should occur annually or at 18 months intervals to gauge progress to plan.

Once you complete an organizational assessment there will be extensive information to review and analyze. Do not skip the analysis part! It does not have to be tedious or overly time consuming. Organizational assessment tools will vary in complexity and level of effort required. Selecting the proper
tool for your organization will allow you to smoothly transition from assessment to analysis and then to action planning. When selecting which tool to use, compare them by looking at how many different assessment areas there are. The more areas the more time it will take for you to complete. Another factor to look at is how are the questions formatted? You do not necessarily want all the questions to be in Likert scale format (feedback responses are typically provided as a range of numerical scores) nor do you do want all open-end questions either. The more open-end the questions, the longer it will take for you to review and code the responses. In part two of this series, we will look closely at how to select an organizational assessment tool and compare the pros and cons of various tools. For now, let’s look at how data from organizational assessments are beneficial.

- **Organizational Alignment.** The ARMY’s slogan is: “The power of one.” One thing this slogan communicates is that everyone is unified under one core purpose. Is there a difference in what leadership and program staff see as the strategic goals of the organization?

- **Perspective Gathering.** Comparing viewpoints from different staffing levels can help you with identifying new trends on organizational strengths and weakness.

- **Promotes Dialogue.** All staff can participate and engage in positive dialogue about opportunities for improvement.

- **Demonstrates Strategic Focus.** Partnering organizations and potential funders want to know that you are intentional about resource allocation and why you make certain decisions. Recent and timely data from assessments will support this.

**Next Steps**

If you are a newly formed or emerging non-profit organization you will want to incorporate organizational assessments into your work. The sooner you have a baseline of performance, the sooner you can begin to build your capacity and work toward sustainability.

- Start with a discussion with your project team, organizational leaders, and/or your board. Emphasize the importance of organizational assessments.

- Research and identify which tools are appropriate for your organization. Talk to some of your partner organizations about their efforts in this area.

If your organization has conducted organizational assessments in the past:

- Discuss what was achieved as a result of the findings before starting a new assessment.

- What can be learned about the process moving toward the next cycle of organizational assessments?

In Part 2 and Part 3 of Organizational Assessments, we will look at the pros and cons of specific tools as well as discuss effective strategies for how to conduct and manage the overall organizational assessment process so that you can implement your findings.