

Organizational Assessment:

A Framework for Strengthening
Georgia's Nonprofit Organizations



Healthcare Georgia Foundation
grantmaking for health



Strengthening Your Nonprofit's Infrastructure and Capacity

In a typical organization, day-to-day demands keep staff, management, and Boards of Directors hopping. Hitting an organizational “pause” button to take a look at how things are now, how the organization got to this place, and how it could be different in the future is a rare luxury – and often a costly one, too. Yet periodic assessments of a nonprofit organization’s past, present, and future are essential.

That’s where Healthcare Georgia Foundation and its organizational partners come in. Together, we fund and deliver capacity-building services throughout Georgia – including an organizational assessment that is customized to the specific infrastructure and capacity-building needs of the Foundation’s grantees. The program is completely voluntary and, if you are selected, won’t cost you a cent. For those nonprofit health organizations willing to invest the time and effort over several months, it has proven to be tremendously valuable.

This document explains how an organizational assessment works, briefly describes the experiences of several Georgia nonprofits that have gone through the process and benefited from it, and provides information on how to apply.

What is an Organizational Assessment?

An organizational assessment is an opportunity to work on your organization’s infrastructure with guidance from a professional, neutral, and expert outsider. A consultant will work with your staff and Board over a 3-month period to:

- Develop a shared, candid understanding of your organization’s strengths and challenges in management, governance, and operations;
- Identify high-priority actions specifically designed to strengthen your organization’s infrastructure;
- Create an action plan that you can use immediately to implement the actions your staff and Board agree are crucial; and
- Identify and resolve issues that may be brewing in your organization, before they reach a point of crisis.

The organizational assessment process is not an evaluation of the impact of your services and programs, nor of what programs your organization should be delivering. It’s not designed to replace a management audit or a strategic plan, although it can inform and even strengthen those tools.

Organizational assessments are appropriate in many different situations, including:

- Matching an organization’s mission and portfolio of activities, if these have diverged over time
- Board development activities, such as assessing board skills or aligning board skills and interests with an organization’s mission

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- Responding to external changes in an organization's operating environment, such as the loss of a major funder
- Addressing specific infrastructure challenges, such as human resources or information systems
- Identifying areas for more intensive planning – such as marketing, fund raising, staff training, or facilities planning – and developing specific action plans to address these high-priority areas.

How Does the Process Work?

Applicants must have improvements in health and health care as their primary mission and operate as direct, client-patient service providers for underserved Georgia communities. The number of candidates chosen for the organizational assessment process varies, but usually ranges between 10 and 20 each year. Interested applicants may complete an online application available at Healthcare Georgia Foundation's Web site (www.healthcaregeorgia.org). Successful applicants will be matched with one or more consultants who have been screened and selected for their expertise in working with nonprofits.

The information gleaned through the organizational assessment process is confidential. Although Healthcare Georgia Foundation funds the program and fully supports its aim of strengthening health nonprofits throughout Georgia, consultants do not share information from the assessments with the Foundation. Candor about strengths and challenges is key to the assessment's success. We want you to be able to openly discuss areas of concern, weaknesses, and other vulnerabilities without fear that the information will be shared with others.

The assessment itself is very thorough, exploring key infrastructure areas such

as planning, fund development, governance and board development, human resources, financial management, marketing and communication, information technology, and facilities and equipment. Applicant organizations should plan to allocate approximately 3 months for the most intensive part of the assessment, with follow-up work (for example, implementing high-priority actions from the action plan) continuing afterwards.

During the 3-month period, the assessment will follow a sequence of five phases:

- During the information-gathering phase, the consultant will review documents and background materials, conduct one-on-one and telephone interviews, facilitate group meetings, and/or design and distribute written surveys – depending on the situation. You will work with the consultant to decide which combination of these methods is best suited to your organization and its needs. Again, any information gathered during this process is confidential and will not be shared with the Foundation or anyone else.
- The information-gathering phase is followed by a series of meetings and exercises to build consensus about the organization's strengths and challenges. Both are important; an honest appraisal of both strengths and challenges makes the subsequent steps stronger and more effective.
- Next, the consultant will meet with your organization's Board, Executive Director, and staff to develop recommendations for strengthening the organization's infrastructure, taking into account all the information gathered up to this point.

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– Carol Mushett Johnson
GPAN

Working together, you will set priorities among these recommendations to choose those that are most important and urgent. These will form the basis for your organization's action plan.

- The strengths, challenges, and recommendations will be presented to the Board and Executive Director in a draft report. Once the report is reviewed and approved, it will be presented to the entire organization.
- A two-part evaluation of the process will wrap up the consultant's role – although we expect and hope your organization will continue to use the information generated by the process for many months, if not years. Immediately after the assessment process, we will check in with you to understand how you have benefited from the process and what you expect to achieve as a result of going through the organizational assessment. A year later, you will be contacted again to see how the process unfolded.

What are the Benefits of an Organizational Assessment?

Georgia nonprofits that have completed the organizational assessment process report a variety of short- and long-term benefits.

Several organizations have shared their experience and give a clear picture of how the organizational assessment already has benefited their organizations and will continue to do so in the future. These include:

- Blending the different perspectives of an organization's Board, staff, and management team

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– Donato Clarke
NAESM

- Viewing an organization through the lens of a neutral outsider, who may be able to see situations and solutions that are obscured for insiders
- Clarifying roles and responsibilities within the organization – especially when these have evolved and stretched over time
- Identifying priority areas and specific action steps to address them
- Creating a blueprint for future change and a sense of accountability
- Engaging staff and Board members in new ways
- Creating sustainable, lasting change
- Nudging an organization to address issues and make changes that may have been difficult, overlooked, or postponed.

Blending Different Perspectives

One immediate benefit is the opportunity that an organization's Board, staff, and Executive Director have to work together in an inclusive way, sharing each other's different perspectives and reaching greater consensus about what the organization is facing. In many organizations, opportunities for working together and listening to one another's perspectives are relatively rare, and the organizational assessment process provides both a mechanism and a purpose for doing so.

Christi Kay, Executive Director of Health MPowers, notes that one of the biggest challenges during the process was simply convening everyone in the same room at the same time to work with the outside consultant. At the same time, though, she found this to be one of the most valuable aspects of the process – especially because her organization was a relatively young one.

A Neutral Outsider

The outside perspective provided by the consultants was particularly helpful, these alumni agree. Carol Mushett Johnson, former Executive Director of the Georgia Coalition for Physical Activity and Nutrition (GPAN), found the outsiders' voices reaffirming and reassuring – not only to her but to the organization's Board. "It was an independent and trusted voice, telling us that these things were important and we were moving in the right direction," she explains. She describes the outside consultant's role as akin to operating a camera, figuring out different camera angles until a clear, complete picture emerges – one that the participants might have trouble seeing on their own.

Clarifying Roles and Responsibilities

Another important short-term benefit is clarifying roles and responsibilities for Board members, staff, and the organization's management team. For example, Members of the Board of Directors of National AIDS Education Services for Minorities (NAESM) completed a thorough, three-part assessment tool as part of NAESM's organizational assessment. The tool – which was completed anonymously – encouraged a candid look at each Board member's skills, contributions, commitment, attitudes to fundraising, and Board responsibilities. As a result of discussions about the assessment results, three Board members decided to resign. Donato Clarke, the organization's program manager, points out that those who left were not offended. Instead, he says, the assessment helped them put NAESM first. "The Board members realized that what the organization needed was for them to step down and make room for new Board members with different skills and contributions." Today, the former Board members continue to be active as volunteers, and the Board has been strengthened and

reinvigorated by the addition of its new members.

Melinda Rider, Executive Director of the Neighborhood Improvement Project, describes a similar situation at the organization's Neighborhood Health Services Center. Initially, the clinic had been operated as a mini-hospital by the hospital that provided its funding. As the clinic shifted to a more community-based primary care model, the organization's complexity and the responsibilities of both staff and Board members increased dramatically. As a result, many aspects of the organization needed updating – including the role of the original Board of Directors. The organizational assessment process and consultant recommendations led to greater independence for the organization and a redefined, stronger role for its Board, especially in fundraising activities (which had not been a focus of Board activities until that point). As a result, Board members are planning the first big fundraising event in the center's history, which they hope will set a precedent for future involvement and fundraising success.

Taking Action

Each assessment ends with a specific action plan for the organization to follow. Many have found this a particularly useful benefit, since it is based on the consensus built from interviews, surveys, and discussions. The plans help organizations focus on the organizational challenges that they agree are the highest priority and to hold themselves accountable for taking these actions. For example, although Health MPowers was a relatively new organization at the time of its organizational assessment, it had already undergone a name change and a transition in leadership. Their action plan emphasized revamping some personnel policies and procedures, as well as developing a more formal strategic plan – a recommendation they took to heart and pursued

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Health MPowers

immediately. “The assessment process,” says the organization’s Executive Director, Christi Kay, “gave us a fabulous roadmap.” GPAN’s former Executive Director also felt that the organizational assessment helped with the difficult task of setting priorities. “It helped with the tactical decisions about what should come first,” she recalls. “We needed to get certain pieces in place before we could fulfill the image of what we wanted to be.”

Melinda Rider of the Neighborhood Improvement Project’s Neighborhood Health Services Center believes she and her colleagues will be reviewing the recommendations in their assessment report on a regular basis, far into the future. Many of the goals identified by the staff and Board are ambitious ones that will require patience and several years of effort. The tool is used at staff meetings and Board retreats to discuss what has and has not been done – and if not, why not. Lacking a budget for ongoing consultation, Ms. Rider says, she sees the report itself as a kind of consultant on paper – a report that sits on everyone’s shoulders, reminding them of what they agreed upon during the assessment process and prodding them to do more.

Connections to Peers

While these and other organizations appreciated the role of outside consultants, they also benefited from the connections to other organizations struggling with similar issues. “We were linked to a whole cohort of other organizations going through the same kinds of things, which was an incredible service,” says GPAN’s Carol Mushett Johnson.

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Long-term Benefits

These immediate benefits are important, but what happens after the consultant leaves? For these organizations, the organizational assessment process lived on. For one thing, it took months and even longer to absorb and implement some of the actions – such as developing strategic, marketing, and advocacy plans. Many report a greater sense of engagement and energy from Board members and staff, along with lasting changes in communications, decision-making, and other procedures that surfaced during the assessment process.

Carol Mushett Johnson of GPAN says the organizational assessment process left her organization “better, stronger, more contemporary – and better able to meet challenges. It was a fresh, detailed look at what we were doing and how we were doing it, so that we could capitalize on our strengths and leverage these into more and better services.” Christi Kay of Health MPowers adds, “We learned so much and grew so much; the process made our progress so much faster.”

Looking back on what has changed in his organization as a result of the organizational assessment process reminds Donato Clarke, NAESM’s development director, of remodeling a house. “You have to gut it out,” he says. “It won’t be pretty; some may even leave in the process. But after the renovation, you’ll have a structure that’s more beautiful, more immaculate, and even more valuable than it was before. Just like a house, a little investment can create a huge return.”

Setting Up For Success

Even though these organizations now feel that they benefited greatly from the organizational assessment process, that result didn’t occur magically or easily. The process required a commitment of time and energy from staff, management, and Board members alike, as well as a willingness to examine

everything about the organization as openly and honestly as possible. Christi Kay of Health MPowers explains, “You need to have a good, open dialogue, even if it’s uncomfortable, in order to move forward.” If staff or Board members are hiding weaknesses, the process will be less likely to succeed.

A successful assessment process is more likely if the Executive Director and Board Chair explicitly support the process and everyone in the organization understands the assessment’s objectives, scope, and schedule. (As noted above, the most intensive part of the assessment involving the Center’s consultants usually takes about 3 months.) In some cases, the Board and organization’s management team may support the process, but the timing may be off – for example, if the organization is in the midst of a crisis or another major project will absorb staff time and attention. In these situations, it may make sense to wait for a more opportune moment – but not too long. Donato Clarke of NAESM says his only regret about the process is that he wished his organization had started earlier.

Another ingredient of success is a commitment beyond the initial assessment process – specifically, to implementing the recommendations that the assessment process yields. We recommend that Board and/or staff members are assigned specific responsibility for each action item and that as much as possible should be accomplished with the organization’s internal resources (as opposed to hiring outside expertise). In addition, we recommend that the action plan and report be used to gauge the organization’s progress at regular intervals. This helps keep the issues identified through the assessment process front and center and helps everyone in the organization participate in implementing the recommendations.

The Foundation funds and supports these organizational assessments because it wants Georgia nonprofits like yours to succeed. When nonprofits throughout the state strengthen their infrastructure and capacity, our investments go farther and last longer; our progress reflects yours.

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How to Apply—Next Steps

Please feel free to contact Healthcare Georgia Foundation’s Director of Grants Management for more information on the Foundation’s organizational assessment program and its application procedures, or to talk with a representative of one of the nonprofits that has gone through the process.

404.653.0990
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We look forward to hearing from you and to working together to advance the health of all Georgians.



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50 Hurt Plaza, Suite 1100
Atlanta, GA 30303
p. 404.653.0990
f. 404.577.8386
healthcaregeorgia.org