Organisational Capacity Assessment Framework for NGOs

Contents

Introduction

Non-governmental organisations that invest in capacity development tend to be more impactful. They are more effective at serving their beneficiaries and the communities in which they intervene. They provide access to better quality services and contribute more positively towards social inclusion. Strong governance and management capacities also help to improve transparency and accountability, build trust and attract more funding.

Capacity development is best approached as a continuing, evidence-based process. It typically involves an understanding of the strengths, weaknesses and gaps of the organisation followed by the formulation and implementation of a tailored response.

The National Social Inclusion Foundation (NSIF) through its Strategic Goal 3 seeks to empower NGOs to improve the impact and efficiency of their actions on the ground. As a way of supporting the process of capacity development in the NGO sector, the Foundation, in collaboration with the University of Mauritius, has developed an Organisational Capacity Assessment (OCA) Framework for NGOs.

The NSIF OCA Framework is a tool for analysing existing organisational capacities against best practices. It identifies capacities that may need strengthening or even creating across 5 core capacity areas, namely Governance, Operational Leadership, Human Capital, Financial Control and Programme Management.

The NSIF OCA Framework

The NSIF Organisational Capacity Assessment Framework is made up of 3 main parts:

• Capacity dimensions

• Core indicators

• Checklists/Statements of best practices

Capacity Dimensions

The Framework defines 5 critical capacity dimensions identified from broad empirical evidence, review of international models of organisational capacity assessment and consultations with NGOs engaged in diverse fields of intervention. The 5 capacity dimensions are namely:

1. Governance
2. Operational Leadership
3. Human Capital
4. Financial Control
5. Programme Management

NSIF Organisational Capacity Assessment Framework

GOVERNANCE

Capacity to purposefully direct an organisation, ensuring ethical behaviour, legal compliance, effective oversight and stakeholder accountability

OPERATIONAL LEADERSHIP

Capacity to lead and manage an organisation, set goals and devise strategies and ensure its smooth operation

HUMAN CAPITAL

Capacity to ensure effective staffing, harness the necessary knowledge, skills and abilities and foster a conducive work environment

PROGRAMME MANAGEMENT

Capacity of an organisation to plan and implement impactful actions and to measure progress and performance of programmes and projects

5 Capacity Dimensions

FINANCIAL CONTROL

Capacity of an organisation to mobilise, allocate and ensure good stewardship of financial resources

Core Indicators

The capacity dimensions are sub-divided into 22 core indicators to be assessed. The definitions of each of the indicators are provided below.

GOVERNANCE

5 Indicators

Purpose	There is a **clear understanding of organisation's purpose**. Its vision, **mission and core objects are well defined and communicated** to stakeholders. They are shared by members and employees to set priorities and **guide decisions and actions**.
Culture	Organisation upholds a set of **values and norms of behaviour** enshrined in principles of **good governance**, ethics, non-discrimination, **transparency and accountability**.
Legal Compliance	Organisation is **legally registered** in the Republic of Mauritius and **complies with relevant laws**, regulations and statutory requirements.
Governance Structure	Organisation has a **formally established governing body**, composed of diverse members with **appropriate experience**. Clear **separation of roles** between governance and management functions exists. **Democratic principles** and well-defined **rules for decision making** adhered to.
Accountability	Organisation is **accountable, internally** to its members and employees**, and externally** to its funders, donors, partners, beneficiaries, communities and other stakeholders. It **communicates regularly on its actions**, impact and finances.

OPERATIONAL LEADERSHIP

4 Indicators

Management	Management demonstrates **basic leadership competences** and effectively translates organisation's purpose into day-to-day action. The responsibilities for key functions within the organisation are **not overly reliant on one person**. There are proper structures for **delegation of authority, leadership capacity building and succession planning**.
Strategy	Organisation formulates **clear strategic directions**. It sets short and long term objectives and determines its resource needs. **Activities are aligned to mission and strategic objectives**.

Organisational Structure	Organisation has a **functional structure** to help achieve its purpose. Functions, **roles and responsibilities are well defined** and assigned. **Lines of communication and coordination are clear**.
Operations	Appropriate **operational and administrative processes and procedures** are in place and widely adhered to by staff. Organisation has **proper infrastructure and technology** to support its general operations and functions.

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4 Indicators

Staffing	Organisation maintains **adequate human resources with right qualifications, skills and experience** to support its operations and programmes/projects. **Job descriptions are clearly defined**. Fair and transparent processes in place for **competitive recruitment and selection** of staff are in place. Uses appropriate means for motivating and retaining staff.
HR Policies	Organisation gives **fair treatment to and protects rights of employees**. Clear and comprehensive **HR policies, internal rules, regulations and procedures** that govern work and conduct exist, are understood and followed by staff.
Learning	Organisation encourages staff to continue to learn and develop as a means of strengthening expertise and enhancing performance. It has an **overall approach to building human resource skills, knowledge and attitudes**.
Work Environment	Organisation **supports a work environment that leads to high morale and positive relationships**. Systematic and open internal communication ensures that decisions and information are shared in a transparent and timely manner. Initiative, teamwork and work-life balance are promoted at all levels. Duly recognises and shows appreciation of staff efforts.

🗁 FINANCIAL CONTROL

4 Indicators

Accounting System	Organisation has an **appropriate accounting system** with clear, documented policies, procedures and responsibilities to handle the management of financial resources. Accounting system is supported by **adequate IT infrastructure**.

Internal Control	Basic internal controls, including **periodic audits**, are established to ensure transactions are appropriately executed and recorded, there is segregation of duties and to maintain appropriate checks and balances.
Resource Mobilisation and Allocation	Organisation has a fundraising strategy and **adequate capacity to mobilise funds from diverse sources**. **Budgeting processes to effectively plan and track expenditures** are in place. Sufficient resources are allocated to meet programmatic and operational needs.
Financial Reporting	Organisation **systematically reports on its finances**. Financial reports and statements are accurate, complete and timely. These are widely disseminated to funders and stakeholders. Financial monitoring requirements of funders are complied with and **disclosure of relevant financial information are made in a transparent manner**. .

📖 PROGRAMME MANAGEMENT

5 Indicators

Relevance	Programmes and projects of the organisation **fit within its core purpose and structure** and are approved by its governing body. Organisation ensures its **actions are responsive to community and beneficiary needs** and are in line with **wider national priorities and SDGs**.
Planning	Organisation **adequately plans its activities**. **Measurable outcomes are defined**. The planning process of programmes and projects is inclusive and evidence-based.
Participation	Organisation adopts a **non-discriminatory approach to selection of beneficiaries** in its programmes and projects. Complete **records of beneficiaries** and the services they benefit from are available.
Monitoring, Evaluation & Learning (MEL)	MEL systems are in place to **systematically measure progress and performance**. Organisation uses MEL to make programmes and projects more impactful.
Partnerships	Organisation **engages in collaborative partnerships** with key stakeholders in civil society and the private and public sectors to further its actions.

Criteria for Assessment: Checklists/Statements of Best Practice

Organisational capacity is assessed by benchmarking existing capacities across the different indicators in the 5 capacity dimensions against desired levels of capacity as per specified criteria for assessment expressed in the form of checklists or statements of best practice.

GOVERNANCE				
Capacity to purposefully direct an organisation, ensuring ethical behaviour, legal compliance, effective oversight and stakeholder accountability				
Indicator		**Criteria for Assessment**	**Internal Assessment Score**	**External Assessment Score**
Purpose	1	Clarity of purpose. Vision/mission statements and core objects clearly defined		
	2	Purpose routinely communicated to internal and external stakeholders. Vision/mission statements/core objects posted openly and reflected in internal and external communication materials		
	3	Office bearers and staff are aware of vision/mission/core objects of organisation		
	4	Organisation works towards its purpose. Vision/mission statements/core objects used for setting priorities and guiding actions		
Culture	5	Organisation has a statement of values, incorporating principles of good governance, ethics, non-discrimination, transparency and accountability		
	6	Office bearers and staff conversant with and share organisational values		
	7	Codes of ethics/conduct exist for office bearers and staff based on organisational values and widely communicated and understood at all levels		
	8	Work and behaviour within organisation driven by underlying organisational values and code of ethics/conduct		
	9	Appropriate methods used for shaping common set of values, beliefs and organisational culture		
Legal Compliance	10	Organisation legally established and registered in the Republic of Mauritius		
	11	Organisation fully complies with statutory obligations of its regulatory body		

	12	Organisation is aware of and respects relevant laws/regulations applicable to the sector in which it intervenes		
Governance Structure	13	Organisation has a formally established governing body		
	14	Office bearers elected at AGMs according to democratic principles. AGMs held each year and conducted in a way that enables participation of all members. Minutes of proceedings of AGM available.		
	15	There is a written charter/constitution setting out the roles, responsibilities and powers of the governing body. Charter/constitution communicated and understood by office bearers.		
	16	Governing body: • sets out the overall direction of the organisation consistent with its purpose • provides adequate management and financial oversight • assesses overall organisational performance regularly • ensures the necessary means and conditions for the organisation to carry out its mission • examines and adequately responds to the internal and external risks affecting the organisation		
	17	Governing body has appropriate number of committees to assist in carrying out its responsibilities		
	18	Office bearers have the necessary skills, knowledge and experience to govern the organisation		
	19	Office bearers are active, engaged and routinely present at meetings. They provide regular inputs and are involved in policy formulation, resource mobilisation, approving budgets and financial statements, advocacy and promotion of the organisation and its achievements		
	20	Role of governing body is clearly distinct from management. Chairperson and other office bearers do not hold or get involved in management functions and operations.		
	21	Chairperson and other office bearers are not remunerated		
	22	Composition of governing body is diverse and balanced in terms of gender and cultural backgrounds		
	23	Rotation policy and succession plan exist for chairperson, committee members and office bearers		

	24	The governing body and its committees meet on a regular basis. Calendar of meetings scheduled.		
	25	Appropriate regulations for holding and conduct of meetings are set and adhered to. Attendance to meetings and minutes of proceedings are recorded and safeguarded.		
	26	Key decisions taken on basis of constructive discussion, adequate information and documentation and clear set of criteria and procedures		
	27	Organisation explicitly provides for disclosure of conflict of interest of office bearers and staff		
	28	Induction provided to new officer bearers		
	29	Training/capacity building programmes available to office bearers		
Accountability	**30**	Key stakeholders of the organisation are clearly identified		
	31	Annual report, including report of activities, audited accounts and details of governance structure, produced and disseminated widely across key stakeholders		
	32	Organisation conforms to funding partners' reporting requirements		
	33	Mechanisms in place for receiving feedback/recommendations from stakeholders and to respond to their expectations and interests		
	34	External communications strategy/plan to promote positive image of organisation		
	35	Actions and achievements of the organisation regularly communicated though: • Publications – brochures, newsletters, reports and other documentations • Media – local press, radio and TV • Digital – website, social media • Events – meetings, ceremonies, workshops/seminars/conferences		
Mean Score for Governance				

⚙ OPERATIONAL LEADERSHIP

Capacity to lead and manage an organisation, set goals and devise strategies and ensure its smooth operation

Indicator		Criteria for Assessment	Internal Assessment Score	External Assessment Score
Management	1	Clear goals and targets that fit the purpose of the organisation are set and communicated at every level within organisation		
	2	Work at the organisation is effectively planned, supervised and monitored to ensure quality service delivery		
	3	Management provides regular feedback to staff		
	4	Organisation demonstrates ability to obtain adequate resources to meet established goals, targets and timelines		
	5	Management is available and open to ideas. Focuses on dialogue as a means of building trust and relationships		
	6	Participatory and transparent processes used for problem solving and decision taking. Decisions are communicated and explained to staff		
	7	Organisation encourages continuous improvement and innovation and pro-actively adapts to change		
	8	Organisational management is not over-reliant on a single person but shared among team members		
	9	Management adequately delegates responsibility and authority and empowers staff by giving them necessary autonomy, information and resources they need to carry out their duties		
	10	Organisation supports leadership capacity building		
	11	Organisation develops future leaders in key areas and positions through succession planning and knowledge transfer		
Strategy	12	Organisation undertakes periodic strategic planning. Strategic plan is reviewed on a regular basis		
	13	Strategic planning process involves internal and external stakeholders		
	14	Achievable and measurable short, medium and long term objectives and outcomes determined		
	15	Implementation plans and budgets available to carry out identified strategies		
	16	Annual action/operational plan and activities undertaken by organisation guided by overall strategic plan		

Organisational Structure	17	Organisation has a functional and documented organisational structure		
	18	Functions/departments, roles and responsibilities, lines of communication and coordination are clearly defined		
	19	Organisation takes steps to ensure accountability/responsibility for actions, performance and decisions at all levels within organisation		
Operations	20	Organisation follows clear policies and procedures in its day-to-day operations. It has a written Standard Operating Procedures manual.		
	21	Staff trained and adhere to operational rules, regulations, policies and procedures		
	22	Organisation has a system in place to assure quality of its operations		
	23	Adequate administrative support available to implement policies and procedures and assist in the day to day running of organisation		
	24	Organisation has efficient office administration systems to ensure smooth operation of basic office functions		
	25	Organisation has a functional records management system that enables information, data and documentation to be captured, stored, managed and used through different mediums (i.e. paper-based and electronic) in a reliable, secure and systematic manner		
	26	Dedicated staff manage the records system. Staff generally oriented on how to access records.		
	27	Adequate system in place to manage and keep confidential personal information and data. Organisation registered as Data Controller with the Data Protection Office and complies with requirements of Data Protection Act.		
	28	Organisation invests in adequate technology to support its operations. It has a satisfactory level of digitalisation: essential IT equipment and systems in place and staff are generally IT literate.		
	29	Organisation has adequate infrastructure/facilities to implement its actions. Infrastructure/facilities are regularly maintained.		
	30	Organisation has appropriate means for mobility. If vehicle(s) owned, use is properly controlled.		
Mean Score for Operational Leadership				

👥 HUMAN CAPITAL

Capacity to achieve effective staffing, harness knowledge, skills and abilities and foster a conducive work environment within the organisation

Indicator		Criteria for Assessment	Internal Assessment Score	External Assessment Score
Staffing	1	Organisation has proper staffing plan to provide for short, medium and long term human resource needs and succession planning		
	2	Current staffing in line with organisational structure and effectively meets strategic, operational and programmatic needs		
	3	Organisation has adequate staffing level. Key positions within organisation filled		
	4	Organisation adopts lean approach to management and administrative staffing. Management and admin staff cost kept at efficient level (not exceeding 15 percent for small projects and 30 percent for ongoing programmes)		
	5	Staff have right qualifications, expertise/skills and experience for positions they hold		
	6	Written job descriptions/schemes of duties available for all positions. Staff members understand their roles within the organisation		
	7	Appropriate systems for competitive selection and recruitment of staff at all levels, including advertised job vacancies, defined criteria for selection and recruitment, job interviews, expert interview panel, reviewing of CVs and checking of references		
	8	Stable staffing level with low turnover. Organisation able to retain high quality staff and talents		
	9	External resource persons available to complement in-house technical expertise		
HR Policies	10	Written workplace policies, procedures and rules covering, inter alia, remuneration, conditions of work, hours of work, leaves, discipline and dismissal		
	11	Staff conduct guided by HR manual including a Code of Ethics		
	12	Written contracts exist between organisation and all staff/resource persons		
	13	Organisation fully compliant with labour laws		
	14	Updated staff register available, including list of all staff employed, their designations and remuneration levels. Personal file exists for each employee. Staff information kept confidential and secured		
	15	Remuneration determined in objective, fair and transparent manner and appropriately authorised. Principle of internal equity, i.e. equal pay for work of equal value, adhered to		
	16	Organisation has documented salary structure/scales		

	17	Reward systems, e.g. salary increase and promotion exercise, based on clearly defined and performance-related criteria		
	18	Regular meeting with supervisor for orientation and feedback on work		
	19	Annual staff performance appraisals conducted by supervisor. Performance appraisals used in view of salary increase, contract extension and promotion		
	20	Appropriate financial provision made for pensions and /or gratuities for retiring employees		
Learning	21	Organisation has a documented human capital development approach/strategy		
	22	Identification of training needs carried out periodically		
	23	Annual training plan and budget available		
	24	Organisation invests in regular training/capacity building of staff to enhance technical expertise and improve soft skills		
	25	Coaching, mentoring and counselling provided, especially to younger staff and volunteers		
	26	Proper induction given to new staff and volunteers		
	27	Organisation gives incentives to encourage staff to continue to learn, develop and take initiatives		
	28	Organisation demonstrates systematic sharing of knowledge, technical expertise and best practices among staff. Peer to peer learning is encouraged.		
Work Environment	29	Mechanisms, whether monetary or non-monetary, in place to motivate staff and show appreciation for their efforts		
	30	Organisation has appropriate channels to deal with problems, grievances, disciplinary issues and conflicts at the workplace		
	31	Regular internal communication to promote flow of information within organisation and gather feedback from staff. Staff meetings are held on a regular basis		
	32	Workplace diversity promoted. Organisation composed of balanced workforce. Staff and volunteers are from diverse backgrounds, gender, culture, skills, knowledge and experience		
	33	Appropriate measures and support to ensure the mental and physical health, safety and welfare of staff, including dealing with stress and promotion of healthy work-life balance		
	34	Regular teambuilding activities organised		
	35	Teamwork and collaboration encouraged		
	36	Existing work environment leads to high morale and positive relationships		
Mean Score for Human Capital				

📁 FINANCIAL CONTROL

Capacity of an organisation to mobilise, allocate and ensure good stewardship of financial resources

Indicator		Criteria for Assessment	Internal Assessment Score	External Assessment Score
Accounting System				
General	1	Financial policies and procedures are clearly defined, documented and adhered to		
	2	Financial responsibilities are clearly defined		
	3	Accounting system is computerised		
	4	Financial files are kept neatly and organised		
	5	Adequate security arrangements in place with regards to custody and access to cash, accounting records, receipt books and financial documents		
Records	6	Organisation has proper bookkeeping system to record and keep track of all financial transactions		
	7	Cash books for all cash, including petty cash, and bank transactions are available		
	8	Record is kept of all money received and receipts issued to donors		
	9	All financial transactions, including petty cash, recorded promptly. Transaction documents date stamped and tracked to ensure they are recorded on a timely basis		
	10	All supporting documents, e.g. quotations, purchase orders, invoices, receipts, correspondence, proof of delivery, are properly filed and readily available		
	11	Books of accounts and bank statements readily available		
	12	Ability to follow a complete transaction from start to finish through accounting records		
Payments	13	All procurement, expenses and payments are properly authorised		
	14	Payments made mostly by cheques, direct debit, standing orders (i.e. cash payments minimised)		
	15	All procurement, expenses and payments supported by relevant documents, e.g. quotations, purchase orders, proof of delivery, invoices, vouchers, receipts		
	16	Procurement of goods and services mostly made through competitive process		
	17	Organisation has at least two cheque/bank signatories		
	18	Designated persons are responsible for preparing and making payments		
	19	Payments by cash made from a cash float and not from incoming cash		

	20	Purchase of petrol properly controlled: use of vehicles limited to purposes of organisation, vehicle logbook available, purchase of fuel by authorised persons and from authorised suppliers, record of fuel purchase and control of fuel consumption		
Payroll	**21**	Organisation keeps adequate records of payroll		
	23	Signed/electronic attendance register/timesheets available		
	24	Payslips/payment vouchers issued to all staff/resource persons		
	25	Statutory employer contributions accurately calculated and remitted on a timely basis to MRA		
Internal Control	**26**	Transactions are approved by persons having the authority to do so as per established policies and procedures		
	27	Qualified finance staff employed		
	28	Adequate segregation of duties in place. The person responsible for cash receipts does not prepare cheques, sign cheques or reconcile the bank accounts, and does not have access to accounting records other than cash receipts		
	29	Monthly bank reconciliations prepared		
	30	Cash flow prepared and reviewed regularly to ensure sufficient funds available to meet immediate expenses/financial obligations		
	31	Annual physical inventory of stocks and fixed asset items. Up to date asset register maintained		
	32	Organisation has internal auditor or audit committee. Internal audit reports issued and followed up		
	33	Policy/procedure in place to handle financial irregularities/malpractice/fraud/theft		
Resource Mobilisation and Allocation				
Resource Mobilisation	**34**	Diversified sources of funds available and are disclosed in transparent manner		
	35	Organisation engaged in income generating activities as a means of limiting its dependence on donors		
	36	Organisation has a clearly defined fundraising strategy		
	37	Adequate fundraising resources provided: budget, staff, tools and materials		
	38	Organisation engages in fundraising activities/events		
Budgeting	**39**	Annual budget of revenue and expenditures prepared and approved		
	40	Organisation undertakes adequate recruitment and procurement planning		

Indicator		Criteria for Assessment	Internal Assessment Score	External Assessment Score
	41	Organisation performs regular budget monitoring. Actual operating results matched with approved budgets and variances explained and addressed		
Financial Reporting	42	Financial information and reports provided regularly to governing body and funders		
	43	Financial statements prepared and filed with regulatory body on a timely basis		
	44	Independent/external professional audit of the annual accounts		
Mean Score for Financial Control				

📖 PROGRAMME MANAGEMENT

Capacity of an organisation to plan and implement impactful actions and to measure progress and performance of programmes and projects

Indicator		Criteria for Assessment	Internal Assessment Score	External Assessment Score
Relevance	1	All programmes and projects of the organisation are in line with its core purpose and overall strategy		
	2	All programmes and projects of the organisation are approved by its governing body		
	3	Programmes and projects of the organisation fit within its existing size, structure, resources and facilities		
	4	Programmes and projects of the organisation are responsive to priority needs and are consistent with national policy objectives and Sustainable Development Goals (SDGs)		
	5	Organisation conducts beneficiary/community needs assessments to assure relevance of programmes and projects to beneficiaries		
	6	Organisation demonstrates adequate track record and key knowledge and competence in the sector(s) relevant to its programmes and projects		
	7	Organisation is aware of the national policy and regulatory environment and keeps informed of latest developments, approaches, practices in its sector(s)		
Planning	8	Organisation has defined results/logical frameworks for its programmes and projects with measurable indicators representing different levels of results (input, output, outcome, impact)		
	9	Programme and project activities have clear implementation plans with established targets and timelines as well as appropriate budgets		

	10	Organisation demonstrates ability to adopt evidence-based approaches through the use of information, data and knowledge in programme and project design and planning		
	11	The design and planning process of programmes and projects is inclusive. Key internal and external stakeholders, including beneficiary groups and communities, are involved		
Participation	12	Organisation ensures equal opportunities for participation in its programmes and projects and has an objective, non-discriminatory mechanism for targeting and selecting beneficiaries		
	13	Organisation keeps appropriate record of all beneficiaries of its programmes and projects		
	14	Organisation routinely refers beneficiaries to appropriate services of other organisations/institutions where required and follows up referrals to ensure if they were effective		
MEL	15	Appropriate plans, systems, tools and resources are in place for monitoring, evaluation and learning		
	16	Regular and timely monitoring of programmes and projects are undertaken		
	17	Organisation uses indicators to track and measure progress and performance of programmes and projects against established goals, targets, timelines and budgets		
	18	Evaluation studies to gauge the impact of its programmes and projects are conducted periodically		
	19	Organisation routinely gathers feedback from beneficiaries on quality of programmes and projects		
	20	Organisation has systematic processes to capture lessons learned from programmes and projects and analyse findings generated through monitoring and evaluation		
	21	Organisation actively uses monitoring, evaluation and learning mechanisms to improve the effectiveness of its programmes and projects		
	22	Organisation produces quality reports on a timely basis which are shared with all key internal and external stakeholders regularly		
	24	Organisation documents its success stories and uses diverse communications strategies to disseminate information on its programme and project successes to stakeholders and the public at large		

Partnerships	25	Organisation has established partnerships with other non-government organisations for the purpose of implementing its programmes and projects		
	26	Organisation receives support for its programmes and projects from the private sector		
	27	Organisation works collaboratively with government agencies relevant to its programmes and projects		
	28	Organisation has linkages with academia		
	29	Organisation is an active member of networks/coalitions with organisations sharing similar interests in the sector(s) it works		
Mean Score for Programme Management				

Rating Scheme

Ratings can be useful to quantify the gap between the organisation's existing capacities and the desired capacity levels in order to determine the right capacity development responses needed. The capacity level of organisations can be rated by assigning quantitative scores to the different criteria for assessment across the 22 indicators in the 5 different dimensions.

Current practices and systems can be assessed internally by the organisation and/or by external parties relative to the set of checklists/statements of best practices. Scores, ranging from 0 (lowest) to 5 (highest) as explained below, assigned to each criterion when averaged over the number of criteria applicable in each dimension will give a mean score for the dimension.

Score	Interpretation
0 - 1	No or minimum evidence of relevant practices/systems. No or very low capacity. Urgent attention required.
2	Few simple practices/systems exist. Low capacity. Major improvements needed.
3	Evidence of some basic practices/systems in place but lacking in critical areas. Average capacity. Further improvements necessary.
4	Adequate practices/systems in core areas but may not be fully developed and/or widespread. Quite high capacity. Moderate improvements to be considered.
5	Good to excellent practices/systems that are fully developed and widespread across all areas. High/very high capacity with only minor/no improvements.

Computation of Mean Score for each Dimension

$$\text{Mean Score for Dimension (MSD)} = \frac{\text{Total Score}}{\text{Number of Criteria Assessed}}$$

Stages of NGO Capacity

An overall organisational capacity rating can also be computed to measure the general level of organisational competence and stage of development in respect of governance, organisational leadership, human capital, financial control and programme management. This is obtained by totalling and averaging the mean scores of the 5 dimensions.

Computation of Overall Rating

$$\text{Overall Rating} = \frac{\text{MSD}_1 + \text{MSD}_2 + \text{MSD}_3 + \text{MSD}_4 + \text{MSD}_5}{5}$$

Using the overall rating, 4 stages of NGO capacity can be defined as follows.

Stage	Overall Rating	Interpretation
Nascent	0 - 2	Early stage of development with little or no proper systems in place
Emerging	>2 - 3	Capacities being acquired. Basic systems in place and functioning
Expanding	>3 - 4	Systems quite developed and structured
Mature	>4 - 5	Strong, fully developed organisational systems

Conclusion

The NSIF OCA Framework is primarily intended to be a self-assessment tool for NGOs willing to measure their organisational strengths and weaknesses and identify capacity gaps. Organisations may either choose to make an overall and thorough assessment or focus on specific priority capacity areas for a rapid assessment.

The Framework should motivate NGOs to act upon their shortcomings and improve performance. It may also be useful for funders, seeking to assess capacities of NGOs considered for funding support as part of a due diligence process.

The OCA Framework could be used by the NSIF in the future for formal quantitative organisational capacity assessment ratings of NGOs aimed at measuring the quality of organisational practices and systems, encouraging continuous improvement and progress towards professionalisation of the NGO sector and for enabling a classification of NGOs.

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