

## April 5, 2018 ESC US Peer Sharing Call Notes

The topic is “Organizational Assessment – A tool you can use”.

Our calls have consistently provided great sharing of our affiliates’ best practices, presenting what each of us is doing in a particular area of interest. The April 5 format was a little different, in that one of our affiliates, 501 Commons, offered to share a tool, the Five Elements of Self-Assessment, that they have developed and have been successfully using to more effectively assess their clients. Jan Burrell presented and fielding our questions.

Prior to the call, the following was shared:

Here's a brief from Nancy Long about the tool and the opportunity for ESC affiliates to use it free of charge!

Nancy Long explained the Five Elements Self-Assessment tool "helps inform the organization and us as consultants about the current state of the organization. This helps ensure that we are working on the most important issues and addressing factors that can put an organization at risk. Use of the assessment is entirely free and we can provide a customized link to ESC consultants so that they get the results to share with the organization. Alternatively the organization can simply get the assessment free on our website. Having your clients use the assessment is a good marketing tool – it can prompt organizations to request additional services to address problems of which they were not aware."

All are welcome to download the assessment and take it in preparation for forming questions during the call here:

<https://www.501commons.org/assess/five-elements-of-a-healthy-nonprofit-self-assessment>

Notes from call:

In brief, this call, while different in format, was a very successful exchange of information on a resource valuable to working with our clients – an organizational assessment tool. 15 persons were on the line, representing 10 affiliates.\* Individual questions centered on how to access and use the tool. Based on questions, there is interested in tapping into the 501 Commons assessment tool. ***We thank Jan for a very interesting and productive call and the follow-up information below!***

Attendees on the call included:

Attendee		Affiliate
David	Palmquist	Albany
Kathy	Leone	Broward
Burt	Hering	Houston
David	Factor	LA
Vicky	Foxworth	LA
Janet	McIntyre	LA
Michael	Towers	New York
Doyle	Eiler	Okla City
Franci	Hart	Okla City

Paul	Moore	Okla City
Susan	Loucks	Pittsburg
Jan	Burrell	Seattle
Darlyne	Koretos	Cinti
Craig	Kowalski	Cinti
Carol	Hodnett	Treasure Coast

\* = Note: there may have been others joining call after roll call.

Post meeting information:

In addition to presentation and fielding questions, Jan Burrell of 501 Commons provided the following key points after the call for following up to learn more.

**501 Commons Five Elements Self- Assessment and Pathways**

**Five Elements**

In 2011, 501 Commons developed a framework for thinking about how to build capacity

Call it the Five Elements Model

It gives organizations a simple model for all of the aspects of organizational capacity that are important to mission accomplishment and sustainability.

It also highlights aspects of capacity that often receive little attention or investment like organizational culture or technology!

The five elements are:

1. Governance and Boards, which includes:
  - a. Board Effectiveness as well as
  - b. Board and Executive Relations
2. Fundraising & Financial Management – pretty self-evident
3. Communications & Relationships, which includes
  - a. Marketing
  - b. Advocacy
  - c. & Volunteer Engagement as part of that
4. Planning and Program Effectiveness, Technology & Administration
5. Management & Culture
  - a. Which includes change management and human resources

We organize our service offerings into each of the five categories.

**Assessment Development**

In 2016 we worked with a variety of consultants and staff leads to develop an assessment to measure an organization’s health pertaining to each of the five elements.

There are other tools out there (SVP/McKinsey), but we wanted something where we could access the data as it helps us to understand our clients better.

We also want to encourage organizations to not just fill it out as individuals, but to discuss their unique perspectives and then it out based on agreed upon scores.

You'll find an overview of this on our website with links to the Assessment

### **Assessment Itself**

Again, organized into five different elements

About 10-12 what we call standards per element

We intend for it to be both educational and aspirational as organizations can learn about what they should be doing as they take it – each level describes behaviors of organizations at level 1, 2, 3 and so forth

### **How to Use it**

Again, it's perfectly fine if one person from the organization takes it – especially if there really is only one person that is involved in their internal operations

But we really want to encourage organizations to take it as a team. It's a great opportunity for raising awareness and getting on the same page about what's going on and how they might minimize risk to the organization

In this case we would encourage teams to download a PDF of the Assessment, take it individually and then meet to discuss their scores and come to consensus on their results.

We have also helped organizations through those consensus building conversations by providing consultants to facilitate those conversations, and then help synthesis the results – I'll tell you about that offering in a little bit.

### **Reports**

Once teams have filled out the online assessment, they get a report summarizing their results so they can see an average of their ratings per element and sub-element.

They also receive a link to some boiler plate recommendations that we have developed with links to various resources that we've vetted to walk organizations through how to move from one level to the next for every standard in the assessment.

If organizations are taking advantage of Pathways, which is the opportunity to have consultants help their team come to consensus on how they are doing, the consultants will use those reports to help the agencies prioritize opportunities and provide more personalized recommendations on how to move the needle in a positive way for 3 of their chosen priorities.

### **Value of the Assessment**

The assessment itself has proven to be invaluable to organizations

I've heard several say that they wished that they had taken something like this long ago

As it answers the question – I don't know what I don't know

Helps make sure that organizations are being mindful of the big picture and are better able to manage risk

It also helps us better serve our clients as we have a fuller picture of the equation when they come to us – for example, we know they aren't well positioned to fundraise if you don't have a strategic plan or the board isn't fully realizing their responsibilities

I'd say this has been a great marketing tool as we can then promote services that we know organizations are in need of.

### **Long Term**

When enough data is collected, organizations will be able to benchmark against all nonprofits or their peer group

We also hope to offer a rating system at some point where we can go in and audit an organizations health and demonstrate to funders that they have organizational capacity.

Some donors look to GuideStar for this information, and it's helpful, but it's primarily a measure of fundraising capacity not overall capacity

A lot of donors make donation decisions using a low overhead percentage as their metric for a good organization. These essentially means they are biasing toward organizations that have low capacity. This results in perverse incentives that are causing the sector to be less effective

(In actuality, they are biasing toward organizations that are better at concealing overhead.)

We want to change that bias and create a system for measuring operational health

It's also a great tool for assessing our OWN impact on organizations as so often we aren't able to see the immediate benefits of our impact of our work, but if organizations take the assessment at the beginning and then a year or two down the road, we have more of a story to tell.

### **What does this mean for you?**

You are welcome to use the assessment and the tools we've developed to support it either by directing folks to our website or licensing with us for rights to use it on your own websites. We do have a copy write on it so would ask you to recognize our role in it when publishing it. The licensing fee is a grand total of \$1 per year.

We can also create a unique link for you to post on your website so that you are able to receive a copy of the report once agencies have submitted their results. For that, we would need to bill you for costs we would incur for customizing Salesforce, but then it would be done.

If you get a large number of local users, for a fee we can provide you with all the data from your community. Producing a research report or using the data for thought leadership communications can raise your profile.

We're also happy to share the materials we've developed for Pathways so that you can offer that service to your clients as well.

Contact [jan@501commons.org](mailto:jan@501commons.org) for more information.

## Revisions

We welcome your feedback on:

- The standards
- The levels
- The recommendations

We're trying not to change the assessment too much so that it can serve as a benchmark as organizations take it now and then a year or two down the road.

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Here is a link to a national assessment tool. Perhaps you can share with the minutes

[https://www.nationalservice.gov/sites/default/files/resource/CNCS\\_Organization\\_Assessment\\_Tool\\_Final\\_082517\\_508\\_0.pdf](https://www.nationalservice.gov/sites/default/files/resource/CNCS_Organization_Assessment_Tool_Final_082517_508_0.pdf)

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