MI GROWTH

Michigan Grass Roots Organizations Workshops and Technical Help

The Governor's Office of Faith Based and Neighborhood Partnerships is welcoming applications from faith based and community serving nonprofit organizations to participate in the Michigan Grass Roots Organizational Workshops and Technical Help Project (MI GROWTH).

Overview:

Organizations across the state of Michigan demonstrate a very pressing need to improve their organizational and revenue development strategies to enable them to better offset the increase in costs and services to ensure that these organizations can meet community needs and stay in operation. In order to address these pressing needs in the community, the Michigan Capacity-building Recovery Program has implemented the project Michigan Grass Roots Organizational Workshops and Technical Help (MIGROWTH) to provide organizational services to faith-based, neighborhood and community serving non profit communities throughout the service area in Michigan.

The MI GROWTH project will serve the eight city area identified as the Cities of Promise; Detroit, Highland Park, Hamtramck, Pontiac, Benton Harbor, Saginaw, Flint, and Muskegon Heights. Participating organizations will receive capacity building resources through a series of trainings/ workshops. These capacity building trainings/workshops will be offered at no cost to eligible and participating organizations and implemented under the direction of and with consultation of the Governor's Office of Faith Based and Neighborhood Partnerships by Capacity Building Service Providers (CBSP) in each service area.

In addition to conducting capacity building workshops for nonprofit and faith based organizations at large, selected organizations will receive individual, specifically tailored one-on-one assistance to fit the needs of the organizations. Organizations attending at least one of the capacity building trainings are eligible to apply for one-on-one Technical Assistance (TA) free of charge. Each organization receiving technical assistance will benefit from direct one-on-one services that will be provided by one of the professional and experienced consultants at no cost to the organization.

Eligibility Requirements:

Faith based and/or community serving non-profit organizations (*501 c 3 status not required) with annual operating budgets of less than $500,000.00*

Organizations that provide services to the community including but not limited to:

Economic recovery
Job creation
Services for at risk youth
Promoting healthy fatherhood
Family preservation
Community Development

Organizations with operating budgets of less than $500K

Organizations that operate in or provide 50% or more of their services in one the Cities of Promise

Detroit
Hamtramck
Highland Park
Pontiac
Saginaw
Flint
Muskegon Heights
Benton Harbor

Interested organizations will complete and submit the required organizational assessment, Mackenzie Capacity Assessment Grid. This tool will identify readiness for participation as well as determine subsequent organizational development activities. No Preference will be given to faith based or secular organizations.

Participation in this project will require considerable introspection of your mission as well as thoughtful analysis of strategies currently being implemented. In order to effect successful change, the decision makers with in your existing structure will need to cooperate in this process.

Questions:

For more information please contact: Tenesha M. Grimmett Capacity Building Specialist
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MI GROWTH

Michigan Grass Roots Organizations Workshops and Technical Help

Complete the following organizational assessment and application.

Date of Application
Name of organization applying
Current Operating Budget
Fiscal Year Beginning and Ending
Number of Board Members
Number of Staff
Executive Director
Phone
Fax
Email
Organization Address
Board Chair
Phone
Email

APPENDIX: CAPACITY ASSESSMENT GRID

DESCRIPTION

- The McKinsey Capacity Assessment Grid is a tool designed to help nonprofit organizations assess their organizational capacity. The grid should be used in conjunction with the Capacity Framework, which explains the seven elements of organizational capacity and their components. The grid asks the reader to score the organization on each element of organizational capacity, by selecting the text that best describes the organization's current status or performance. The framework and the descriptions in the grid were developed based on our team's collective experience as well as the input of many nonprofit experts and practitioners.

- The grid may be used by nonprofit managers, staff, board members and external capacity builders and funders with the following objectives:

  - To identify those particular areas of capacity that are strongest and those that need improvement

  - To measure changes in an organization's capacity over time

  - To draw out different views within an organization regarding its capacity; different responses to the grid among staff, Board members and funders, for example, can be a valuable discussion-starter within an organization

- The grid is not a scientific tool, and should not be used as one. It is very difficult to quantify the dimensions of capacity, and the descriptive text under each score in the grid is not meant to be exact. The scores are meant to provide a general indication – a "temperature" taking, if you will – of an organization's capacity level, in order to identify potential areas for improvement. Furthermore, the results of the exercise should be interpreted in the context of the organizatins stage of development. For example, a score of “2” on organizational processes may be sufficient for a new organization, and this area may not merit immediate attention. In fact, many organizations may never get to level 4 on many elements.

- This tool is meant to be a starting point only. We encourage you to adapt the grid to meet your own organization's capacity assessment needs.

INSTRUCTIONS

GUIDELINES FOR SURVEY ADMINISTRATORS

Decide for which point(s) in time you want to assess the nonprofit's organizational capacity – e.g., today, beginning of last year, 3 years ago, etc. You may choose to assess the organization at two different points in time, in order to measure changes in capacity.

Select the people whom you want to assess the nonprofit (assessors); these can include nonprofit staff members, board members, or external parties. Ideally, assessors should have a good knowledge of the organization for all points in time chosen for the assessment.

For the human resources section, decide whom you wish to evaluate in the set of rows pertaining to "CEO/ED and/or senior management team." Options include 1) CEO/ED only; 2) CEO/ED and senior management team considered collectively; 3) CEO/ED on the one hand and senior management team on the other; or 4) individuals taken separately. If you choose option 3 or 4, you may need to copy the relevant section for each separate person or group of persons covered by the assessment.

GUIDELINES FOR THOSE FILLING OUT THE SURVEY (ASSESSORS)

For each row, determine the description most suitable for the point in time chosen and write the date (e.g., 6/99) in that box. If you are also conducting the assessment for a second point in time, repeat the procedure with the corresponding date (e.g., 6/01).

Mark the box that is closest to describing the situation at hand; descriptions will rarely be perfect. Interpret the text loosely when necessary and keep in mind that you are trying to score your organization on the continuum of "1" to "4." You may select the limit between two boxes if this seems most accurate.

If a row is not relevant to the organization assessed, designate the row "N/A"; if you simply have no knowledge, mark the row "N/K."

A PDF file of the Capacity Assessment Grid can be obtained on Venture Philanthropy Partners' Web site, www.venturepp.org

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  - Human resources management – general staff recruiting, development, and retention
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VI. Organizational structure

- Board governance
- Organizational design
- Interfunctional coordination
- Individual job design

VII. Culture

- Performance as shared value
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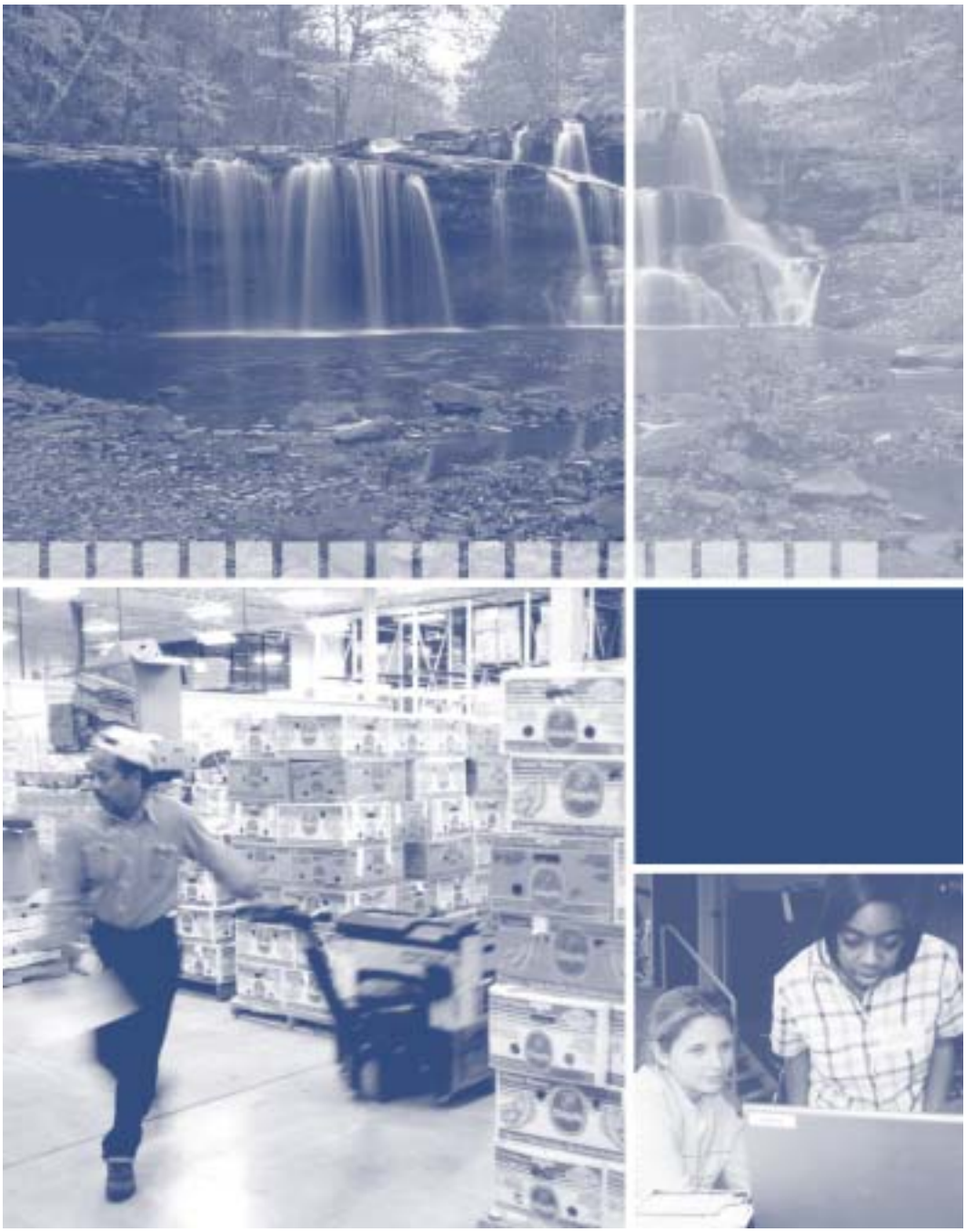

McKinsey Capacity Assessment Grid

I. ASPIRATIONS	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Mission	No written mission or limited expression of the organization's reason for existence; lacks clarity or specificity; either held by very few in organization or rarely referred to	Some expression of organization's reason for existence that reflects its values and purpose, but may lack clarity; held by only a few; lacks broad agreement or rarely referred to	Clear expression of organization's reason for existence which reflects its values and purpose; held by many within organization and often referred to	Clear expression of organization's reason for existence which describes an enduring reality that reflects its values and purpose; broadly held within organization and frequently referred to
Vision – clarity	Little shared understanding of what organization aspires to become or achieve beyond the stated mission	Somewhat clear or specific understanding of what organization aspires to become or achieve; lacks specificity or clarity; held by only a few; or "on the wall," but rarely used to direct actions or set priorities	Clear and specific understanding of what organization aspires to become or achieve; held by many within the organization and often used to direct actions and set priorities	Clear, specific, and compelling understanding of what organization aspires to become or achieve; broadly held within organization and consistently used to direct actions and set priorities
Vision – boldness	No clear vision articulated	Vision exists but falls short of reflecting an inspiring view of the future and of being demanding yet achievable	Vision is distinctive along only one of following two attributes: reflects an inspiring view of future; demanding yet achievable	Vision reflects an inspiring view of future and is demanding but achievable

Overarching goals	Vision (if it exists) not explicitly translated into small set of concrete goals, though there may be general (but inconsistent and imprecise) knowledge within organization of overarching goals and what it aims to achieve	Vision translated into a concrete set of goals; goals lack at least two of following four attributes: clarity, boldness, associated metrics, or time frame for measuring attainment; goals known by only a few, or only occasionally used to direct actions or set priorities	Vision translated into small set of concrete goals, but goals lack at most two of following four attributes: clarity, boldness, associated metrics, or time frame for measuring attainment; goals are known by many within organization and often used by them to direct actions and set priorities	Vision translated into clear, bold set of (up to three) goals that organization aims to achieve, specified by concrete to measure success for each criterion, and by well-defined time frames for attaining goals; goals are broadly known within organization and consistently used to direct actions and set priorities	

McKinsey Capacity Assessment Grid

II. STRATEGY	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Overall strategy	Strategy is either nonexistent, unclear, or incoherent (largely set of scattered initiatives); strategy has no influence over day-to-day behavior	Strategy exists but is either not clearly linked to mission, vision, and overarching goals, or lacks coherence, or is not easily actionable; strategy is not broadly known and has limited influence over day-to-day behavior	Coherent strategy has been developed and is linked to mission and vision but is not fully ready to be acted upon; strategy is mostly known and day-to-day behavior is partly driven by it	Organization has clear, coherent medium- to long-term strategy that is both actionable and linked to overall mission, vision, and overarching goals; strategy is broadly known and consistently helps drive day-to-day behavior at all levels of organization
Goals / performance targets	Targets are non-existent or few; targets are vague, or confusing, or either too easy or impossible to achieve; not clearly linked to aspirations and strategy, and may change from year to year; targets largely unknown or ignored by staff	Realistic targets exist in some key areas, and are mostly aligned with aspirations and strategy; may lack aggressiveness, or be short-term, lack milestones, or mostly focused on "inputs" (things to do right), or often renegotiated; staff may or may not know and adopt targets	Quantified, aggressive targets in most areas; linked to aspirations and strategy; mainly focused on "outputs / outcomes" (results of doing things right) with some "inputs"; typically multiyear targets, though may lack milestones; targets are known and adopted by most staff who usually use them to broadly guide work	Limited set of quantified, genuinely demanding performance targets in all areas; targets are tightly linked to aspirations and strategy, output / outcome-focused (i.e., results of doing things right, as opposed to inputs, things to do right), have annual milestones, and are long-term nature; staff consistently adopts targets and works diligently achieve them
Program relevance and integration	Core programs and services vaguely defined and lack clear alignment with mission and goals; programs seem scattered and largely unrelated to each other	Most programs and services well defined and can be solidly linked with mission and goals; program offerings may be somewhat scattered and not fully integrated into clear strategy	Core programs and services well defined and aligned with mission and goals; program offerings fit together well as part of clear strategy	All programs and services well defined and fully aligned with mission and goals; program offering are clearly linked to one another and to overall strategy; synergies across programs are captured

Program growth and replication	No assessment of possibility of scaling up existing programs; limited ability to scale up or replicate existing programs	Limited assessment of possibility of scaling up existing programs and, even when judged appropriate, little or limited action taken; some ability either to scale up or replicate existing programs	Occasional assessment of possibility of scaling up existing programs and when judged appropriate, action occasionally taken; able to scale up or replicate existing programs	Frequent assessment of possibility of scaling up existing programs and when judged appropriate, action always taken; efficiently and effectively able to grow existing programs to meet needs of potential service recipients in local area or other geographies
New program development	No assessment of gaps in ability of current program to meet recipient needs; limited ability to create new programs; new programs created largely in response to funding availability	Limited assessment of gaps in ability of existing program to meet recipient needs, with little or limited action taken; some ability to modify existing programs and create new programs	Occasional assessment of gaps in ability of existing program to meet recipient needs, with some adjustments made; demonstrated ability to modify and fine-tune existing programs and create new programs	Continual assessment of gaps in ability of existing programs to meet recipient needs and adjustment always made; ability and tendency efficiently and effectively to create new, truly innovative programs to the needs of potential service recipients in local area or other geographies; continuous pipeline of new ideas

II. STRATEGY	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Funding model	Organization highly dependent on a few funders, largely of same type (e.g., government or foundations or private individuals)	Organization has access to multiple types of funding (e.g., government, foundations, corporations, private individuals) with only a few funders in each type, or has many funders within only one or two types of funders	Solid basis of funders in most types of funding source (e.g., government, foundations, corporations, private individuals); some activities to hedge against market instabilities (e.g., building of endowment); organization has developed some sustainable revenue-generating activity	Highly diversified funding across multiple source types; organization insulated from potential market instabilities (e.g., fully developed endowment) and/or has developed sustainable revenue-generating activities; other nonprofits try to imitate organization's fund-raising activities and strategies

McKinsey Capacity Assessment Grid

III. ORGANIZATIONAL SKILLS	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Performance management				
Performance measurement	Very limited measurement and tracking of performance; all or most evaluation based on anecdotal evidence; organization collects some data on program activities and outputs (e.g., number of children served) but has no social impact measurement (measurement of social outcomes, e.g., drop-out rate lowered)	Performance partially measured and progress partially tracked; organization regularly collects solid data on program activities and outputs (e.g., number of children served) but lacks data-driven, externally validated social impact measurement	Performance measured and progress tracked in multiple ways, several times a year, considering social, financial, and organizational impact of program and activities; multiplicity of performance indicators; social impact measured, but control group, longitudinal (i.e., long-term) or third-party nature of evaluation is missing	Well-developed comprehensive, integrated system (e.g., balanced scorecard) used for measuring organization's performance and progress on continual basis, including social, financial, and organizational impact of program and activities; small number of clear, measurable, and meaningful key performance indicators; social impact measured based on longitudinal studies with control groups, and performed or supervised by third-party experts
Performance analysis and program adjustments	Few external performance comparisons made; internal performance data rarely used to improve program and organization	Some efforts made to benchmark activities and outcomes against outside world; internal performance data used occasionally to improve organization	Effective internal and external benchmarking occurs but driven largely by top management and/or confined to selected areas; learnings distributed throughout organization, and often used to make adjustments and improvements	Comprehensive internal and external benchmarking part of the culture and used by staff in target-setting and daily operations; high awareness of how all activities rate against internal and external best-in-class benchmarks; systematic practice of making adjustments and improvements on basis of benchmarking

Planning				
Monitoring of landscape	Minimal knowledge and understanding of other players and alternative models in program area	Basic knowledge of players and alternative models in program area but limited ability to adapt behavior based on acquired understanding	Solid knowledge of players and alternative models in program area; good ability to adapt behavior based on acquired understanding, but only occasionally carried out	Extensive knowledge of players and alternative models in program area; refined ability and systematic tendency to adapt behavior based on understanding
Strategic planning	Limited ability and tendency to develop strategic plan, either internally or via external assistance; if strategic plan exists, it is not used	Some ability and tendency to develop high-level strategic plan either internally or via external assistance; strategic plan roughly directs management decisions	Ability and tendency to develop and refine concrete, realistic strategic plan; some internal expertise in strategic planning or access to relevant external assistance; strategic planning carried out on a near-regular basis; strategic plan used to guide management decisions	Ability to develop and refine concrete, realistic and detailed strategic plan; critical mass of internal expertise in strategic planning, or efficient use of external, sustainable, highly qualified resources; strategic planning exercise carried out regularly; strategic plan used extensively to guide management decisions
Financial planning/ budgeting	No or very limited financial planning; general budget developed; only one budget for entire central organization; performance against budget loosely or not monitored	Limited financial plans, ad hoc update; budget utilized as operational tool; used to guide/assess financial activities; some attempt to isolate divisional (program or geographical) budgets within central budget; performance-to-budget monitored periodically	Solid financial plans, regularly updated; budget integrated into operations; reflects organizational needs; solid efforts made to isolate divisional (program or geographical) budgets within central budget; performance-to-budget monitored regularly	Very solid financial plans, continuously updated; budget integrated into full operations; as strategic tool, it develops from process that incorpo-rates and reflects organiza-tional needs and objectives; well-understood divisional (program or geographical) budgets within overall central budget; performance-to-budget closely and regularly monitored

McKinsey Capacity Assessment Grid

III. ORGANIZATIONAL SKILLS	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Planning				
Operational planning	Organization runs operations purely on day-to-day basis with no short- or longer-term planning activities; no experience in operational planning	Some ability and tendency to develop high-level operational plan either internally or via external assistance; operational plan loosely or not linked to strategic planning activities and used roughly to guide operations	Ability and tendency to develop and refine concrete, realistic operational plan; some internal expertise in operational planning or access to relevant external assistance; operational planning carried out on a near-regular basis; operational plan linked to strategic planning activities and used to guide operations	Organization develops and refines concrete, realistic, and detailed operational plan; has critical mass of internal expertise in operational planning, or efficiently uses external, sustainable, highly qualified resources; operational planning exercise carried out regularly; operational plan tightly linked to strategic planning activities and systematically used to direct operations
Human resources planning	Organization uncovers and/ or addresses HR needs only when too large to ignore; lack of HR planning activities and expertise (either internal or accessible external); no experience in HR planning	Some ability and tendency to develop high-level HR plan either internally or via external assistance; HR plan loosely or not linked to strategic planning activities and roughly guides HR activities	Ability and tendency to develop and refine concrete, realistic HR plan; some internal expertise in HR planning or access to relevant external assistance; HR planning carried out on near-regular basis; HR plan linked to strategic planning activities and used to guide HR activities	Organization is able to develop and refine concrete, realistic, and detailed HR plan; has critical mass of internal expertise in HR planning (via trained, dedicated HR manager), or efficiently uses external, sustainable, highly qualified resources; HR planning exercise carried out regularly; HR plan tightly linked to strategic planning activities and systematically used to direct HR activities

Fund-raising and revenue generation				
Fund-raising	Generally weak fund-raising skills and lack of expertise (either internal or access to external expertise)	Main fund-raising needs covered by some combination of internal skills and expertise, and access to some external fund-raising expertise	Regular fund-raising needs adequately covered by well developed internal fund-raising skills, occasional access to some external fund-raising expertise	Highly developed internal fund-raising skills and expertise in all funding source types to cover all regular needs; access to external expertise for additional extraordinary needs
Revenue generation	No internal revenue-generation activities; concepts such as cause-related marketing, fee-for-services and retailing are neither explored nor pursued	Some internal revenue-generation activities, however financial net contribution is marginal; revenue-generation activities distract from programmatic work and often tie up senior management team	Some proven internal revenue-generation activities and skills; these activities provide substantial additional funds for program delivery, but partially distract from programmatic work and require significant senior management attention	Significant internal revenue-generation; experienced and skilled in areas such as cause-related marketing, fee-for-services and retailing; revenue-generating activities support, but don't distract from focus on creating social impact
External relationship building and management				
Partnerships and alliances development and nurturing	Limited use of partnerships and alliances with public sector, nonprofit, or for-profit entities	Early stages of building relation-ships and collaborating with other for-profit, nonprofit, or public sector entities	Effectively built and leveraged some key relationships with few types of relevant parties (for-profit, public, and nonprofit sector entities); some relations may be precarious or not fully "win-win"	Built, leveraged, and maintained strong, high-impact, relationships with variety of relevant parties (local, state, and federal government entities as well as for-profit, other nonprofit, and community agencies); relationships deeply anchored in stable, long-term, mutually beneficial collaboration

III. ORGANIZATIONAL SKILLS	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Local community presence and involvement	Organization's presence either not recognized or generally not regarded as positive; few members of local community (e.g., academics, other nonprofit leaders) constructively involved in the organization	Organization's presence somewhat recognized, and generally regarded as positive within the community; some members of larger community constructively engaged with organization	Organization reasonably well-known within community, and perceived as open and responsive to community needs; members of larger community (including a few prominent ones) constructively involved in organization	Organization widely known within larger community, and perceived as actively engaged with and extremely responsive to it; many members of the larger community (including many prominent members) actively and constructively involved in organization (e.g., board, fund-raising)
Other organizational skills				
Public relations and marketing	Organization makes no or limited use of PR/marketing; general lack of PR/marketing skills and expertise (either internal or accessible external or expertise	Organization takes oppor-tunities to engage in PR/marketing as they arise; some PR/marketing skills and experience within staff or via external assistance	Organization considers PR/marketing to be useful, and actively seeks opportunities to engage in these activities; critical mass of internal expertise and experience in PR/marketing or access to relevant external assistance	Organization fully aware of power of PR/marketing activities, and continually and actively engages in them; broad pool of nonprofit PR/marketing expertise and experience within organization or efficient use made of external, sustainable, highly qualified resources
Influencing of policy-making	Organization does not have ability or is unaware of possibilities for influencing policy-making; never called in on substantive policy-discussions	Organization is aware of its possibilities in influencing policy-making; some readiness and skill to participate in policy-discussion, but rarely invited to substantive policy discussions	Organization is fully aware of its possibilities in influencing policy-making and is one of several organizations active in policy-discussions on state or national level	Organization pro-actively and reactively influences policy-making, in a highly effective manner, on state and national levels; always ready for and often called on to participate in substantive policy discussion and at times initiates discussions

Management of legal and liability matters	Organization does not anticipate legal issues, but finds help and addresses issues individually when they arise; property insurance includes liability component	Legal support resources identified, readily available, and employed on “as needed” basis; major liability exposures managed and insured (including property liability and workers compensation)	Legal support regularly available and consulted in planning; routine legal risk management and occasional review of insurance	Well-developed, effective, and efficient internal legal infrastructure for day-to-day legal work; additional access to general and specialized external expertise to cover peaks and extraordinary cases; continuous legal risk management and regular adjustment of insurance
Organizational processes use and development	Limited set of processes (e.g., decision making, planning, reviews) for ensuring effective functioning of the organization; use of processes is variable, or processes are seen as ad hoc requirements (“paperwork exercises”); no monitoring or assessment of processes	Basic set of processes in core areas for ensuring efficient functioning of organization; processes known, used, and truly accepted by only portion of staff; limited monitoring and assessment of processes, with few improvements made in consequence	Solid, well-designed set of processes in place in core areas to ensure smooth, effective functioning of organization; processes known and accepted by many, often used and contribute to increased impact; occasional monitoring and assessment of processes, with some improvements made	Robust, lean, and well-designed set of processes (e.g., decision making, planning, reviews) in place in all areas to ensure effective and efficient functioning of organization; processes are widely known, used and accepted, and are key to ensuring full impact of organization; continual monitoring and assessment of processes, and systematic improvement made

McKinsey Capacity Assessment Grid

IV. HUMAN RESOURCES	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Staffing levels	Many positions within and peripheral to organization (e.g., staff, volunteers, board, senior management) are unfilled, inadequately filled, or experience high turnover and/or poor attendance	Most critical positions within and peripheral to organization (e.g., staff, volunteers, board, senior management) are staffed (no vacancies), and/or experience limited turnover or attendance problems	Positions within and peripheral to organization (e.g., staff, volunteers, board, senior management) are almost all staffed (no vacancies); few turnover or attendance problems	Positions within and peripheral to organization (e.g., staff, volunteers, board, senior management) are all fully staffed (no vacancies); no turnover or attendance problems
Board – composition and commitment	Membership with limited diversity of fields of practice and expertise; drawn from a narrow spectrum of constituencies (from among nonprofit, academia, corporate, government, etc.); little or no relevant experience; low commitment to organization's success, vision and mission; meetings infrequent and/or poor attendance	Some diversity in fields of practice; membership represents a few different constituencies (from among nonprofit, academia, corporate, government, etc.); moderate commitment to organization's success, vision and mission; regular, purposeful meetings are well-planned and attendance is good overall	Good diversity in fields of practice and expertise; membership represents most constituencies (nonprofit, academia, corporate, government, etc.); good commitment to organization's success, vision and mission, and behavior to suit; regular, purposeful meetings are well-planned and attendance is consistently good, occasional subcommittee meetings	Membership with broad variety of fields of practice and expertise, and drawn from the full spectrum of constituencies (nonprofit, academia, corporate, government, etc.); includes functional and program content-related expertise, as well as high-profile names; high willingness and proven track record of investing in learning about the organization and addressing its issues; outstanding commitment to the organization's success, mission and vision; meet in person regularly, good attendance, frequent meetings of focused subcommittees

Board – involvement and support	Provide little direction, support, and accountability to leadership; board not fully informed about 'material' and other major organizational matters; largely "feel-good" support	Provide occasional direction, support and accountability to leadership; informed about all 'material' matters in a timely manner and responses/decisions actively solicited	Provide direction, support and accountability to programmatic leadership; fully informed of all major matters, input and responses actively sought and valued; full participant in major decisions	Provide strong direction, support, and accountability to programmatic leadership and engaged as a strategic resource; communication between board and leadership reflects mutual respect, appreciation for roles and responsibilities, shared commitment and valuing of collective wisdom
CEO/executive director and/or senior management team				
Passion and vision	Low energy level and commitment; little continued attention to organizational vision	Good energy level; visible commitment to organization and its vision	Inspiringly energetic; shows constant, visible commitment to organization and its vision; excites others around vision	Contagiously energetic and highly committed; lives the organization's vision; compellingly articulates path to achieving vision that enables others to see where they are going

McKinsey Capacity Assessment Grid

IV. HUMAN RESOURCES	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
CEO / executive director and / or senior management team				
Impact orientation	Focused purely on social impact; financials viewed as an unfortunate constraint; fails to deliver impact consistently; delays decision making; reluctant to change status quo; mandates rather than leads change	Focused on social impact with some appreciation for cost-effectiveness when possible; constantly delivers satisfactory impact given resources; promptly addresses issues; understands implications and impact of change on people	Sees financial soundness as essential part of organizational impact, together with social impact; focuses on ways to better use existing resources to deliver highest impact possible; has a sense of urgency in addressing issues and rapidly moves from decision to action; develops and implements actions to overcome resistance to change	Guides organization to succeed simultaneously in dual mission of social impact and optimal financial efficiency; constantly seeks and finds new opportunities to improve impact; anticipates possible problems; has sense of urgency about upcoming challenges; communicates compelling need for change that creates drive; aligns entire organization to support change effort
People and organizational leadership / effectiveness	Has difficulty building trust and rapport with others; micromanages projects; shares little of own experiences as developmental / coaching tool	Is responsive to opportunities from others to work together; expresses confidence in others' ability to be successful; shares own experience and expertise	Actively and easily builds rapport and trust with others; effectively encourages others to succeed; gives others freedom to work their own way; gives people freedom to try out ideas and grow	Constantly establishing successful, win-win relationships with others, both within and outside the organization; delivers consistent, positive and reinforcing messages to motivate people; able to let others make decisions and take charge; finds or creates special opportunities to promote people's development

Personal and interpersonal effectiveness	Fails to show respect for others consistently, may be openly judgmental or critical; has difficulty influencing without using power, limited charisma or influence; limited curiosity about new ideas and experiences	Earns respect of others, takes time to build relationships; has presence, is able to influence and build support using limited communication style; accepts learning and personal development opportunities that arise	Is respected and sought out by others for advice and counsel; has strong presence and charisma; uses multiple approaches to get buy-in, appreciates the impact of his/her words or actions; seeks new learning and personal development opportunities	Is viewed as outstanding "people person"; uses diversity of communication styles, including exceptional charisma, to inspire others and achieve impact; continually self-aware, actively works to better oneself; outstanding track record of learning and personal development
Analytical and strategic thinking	Is uncomfortable with complexity and ambiguity and does whatever possible to reduce or avoid it; relies mainly on intuition rather than strategic analysis	Is able to cope with some complexity and ambiguity; able to analyze strategies but does not yet generate strategies	Quickly assimilates complex information and able to distill it to core issues; welcomes ambiguity and is comfortable dealing with the unknown; develops robust strategies	Has keen and exceptional ability to synthesize complexity; makes informed decisions in ambiguous, uncertain situations; develops strategic alternatives and identifies associated rewards, risks, and actions to lower risks
Financial judgment	Has difficulty considering financial implications of decisions	Draws appropriate conclusions after studying all the facts; understands basic financial concepts and drives for financial impact of major decisions	Has sound financial judgment; consistently considers financial implications of decisions	Has exceptional financial judgment; has keen, almost intuitive sense for financial implications of decisions

McKinsey Capacity Assessment Grid

IV. HUMAN RESOURCES	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
CEO/executive director and/or senior management team				
Experience and standing	Limited experience in nonprofit management and few relevant capabilities from other field(s); little evidence of social entrepreneur-like qualities; limited recognition in the nonprofit community	Some relevant experience in nonprofit management; some relevant capabilities from other field(s); emerging social entrepreneur-like qualities; some local recognition in the nonprofit community	Significant experience in nonprofit management; many relevant capabilities from other field(s); significant evidence of social entrepreneur-like qualities; some national recognition as a leader/shaper in particular sector	Highly experienced in nonprofit management; many distinctive capabilities from other field(s) (e.g., for-profit, academia); exceptional evidence of social entrepreneur-like qualities; possesses a comprehensive and deep understanding of the sector; recognized nationally as a leader/shaper in particular sector
Management team and staff – dependence on CEO/executive director	Very strong dependence on CEO/executive director; organization would cease to exist without his/her presence	High dependence on CEO/ executive director; organization would continue to exist without his/her presence, but likely in a very different form	Limited dependence on CEO/executive director; organization would continue in similar way without his/her presence but areas such as fund-raising or operations would likely suffer significantly during transition period; no member of management team could potentially take on CEO/ED role	Reliance but not dependence on CEO/ executive director; smooth transition to new leader could be expected; fund-raising and operations likely to continue without major problems; senior management team can fill in during transition time; several members of management team could potentially take on CEO/ED role

Senior management team	Team has no or very limited experience in nonprofit or for-profit management; team represents few constituencies (nonprofit, academia, corporate, government, etc.) and has no or very limited capabilities and track record from other fields; limited track record of learning and personal development; mostly energetic and committed	Team has some experience in nonprofit or for-profit management; team represents some constituencies (nonprofit, academia, corporate, government, etc.); some relevant capabilities and track record from other fields; good track record of learning and personal development; energetic and committed	Team has significant experience in nonprofit or for-profit management; team represents most constituencies (nonprofit, academia, corporate, government, etc.); significant relevant capabilities and track record from other fields; good track record of learning and personal development; highly energetic and committed	Team highly experienced in nonprofit or for-profit management; drawn from full spectrum of constituencies (nonprofit, academia, corporate, government, etc.); outstanding capabilities and track record from other fields; outstanding track record of learning and personal development; contagiously energetic and committed
Staff	Staff drawn from a narrow range of backgrounds and experiences; interest and abilities limited to present job; little ability to solve problems as they arise	Some variety of staff back-grounds and experiences; good capabilities, including some ability to solve problems as they arise; many interested in work beyond their current jobs and in the success of the organization's mission	Staff drawn from diverse back-grounds and experiences, and bring a broad range of skills; most are highly capable and committed to mission and strategy; eager to learn and develop, and assume increased responsibility	Staff drawn from extraordinarily diverse backgrounds and experiences, and bring broad range of skills; most staff are highly capable in multiple roles, committed both to mission/ strategy and continuous learning; most are eager and able to take on special projects and collaborate across divisional lines; staff are frequent source of ideas and momentum for improvement and innovation

McKinsey Capacity Assessment Grid

IV. HUMAN RESOURCES	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Volunteers	Limited abilities; may be unreliable or have low commitment; volunteers are poorly managed	Good abilities; mostly reliable, loyal, and committed to organization's success; volunteers managed but without standards and little accountability	Very capable set of individuals, bring required skills to organization; reliable, loyal and highly committed to organization's success and to "making things happen"; work easily with most staff, but do not generally play core roles without substantial staff supervision; volunteers are managed and contribute to the overall success of the organization	Extremely capable set of individuals, bring complementary skills to organization; reliable, loyal, highly committed to organization's success and to "making things happen"; often go beyond call of duty; able to work in a way that serves organization well, including ability to work easily with wide range of staff and play core roles without special supervision; volunteers managed very well and significantly contribute to overall success of organization

McKinsey Capacity Assessment Grid

IV. SYSTEMS AND INFRA-STRUCTURE	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Systems				
Planning systems	Planning happens on an ad hoc bases only and is not supported by systematically collected data	Planning done regularly and uses some systematically collected data	Regular planning complemented by ad hoc planning when needed; some data collected and used systematically to support planning effort and improve it	Regular planning complemented by ad hoc planning when needed; clear, formal systems for data collection in all relevant areas; data used systematically to support planning effort and improve it
Decision making framework	Decisions made largely on an ad hoc basis by one person and/or whomever is accessible; highly informal	Appropriate decision makers known; decision making process fairly well established and process is generally followed, but often breaks down and becomes informal	Clear, largely formal lines/ systems for decision making but decisions are not always appropriately implemented or followed; dissemination of decisions generally good but could be improved	Clear, formal lines/ systems for decision making that involve as broad participation as practical and appropriate along with dissemination/ interpretation of decision
Financial operations management	Gifts and grants deposited and acknowledged, bills paid, supporting documentation collected/retained	Financial activities transparent, clearly and consistently recorded and documented, include appropriate checks and balances, and tracked to approve budget	Formal internal controls governing all financial operations; fully tracked, supported and reported, annually audited fund flows well managed; attention is paid to cash flow management	Robust systems and controls in place governing all financial operations and their integration with budgeting, decision making, and organizational objectives/strategic goals; cash flow actively managed

Human resources management – management recruiting, development, and retention	Standard career paths in place without considering managerial development; no or very limited training, coaching, and feedback; no regular performance appraisals; no systems/processes to identify new managerial talent	Some tailoring of development plans for brightest stars; personal annual reviews incorporate development plan for each manager; limited willingness to ensure high-quality job occupancy; some formal recruiting networks are in place	Recruitment, development, and retention of key managers is priority and high on CEO/executive director's agenda; some tailoring in development plans for brightest stars; relevant training, job rotation, coaching/feedback, and consistent performance appraisal are institutionalized; genuine concern for high-quality job occupancy; well connected to potential sources of new talent	Well-planned process to recruit, develop, and retain key managers; CEO/executive director takes active interest in managerial development; individually tailored development plans for brightest stars; relevant and regular internal and external training, job rotation, coaching/feedback, and consistent performance appraisal are institutionalized; proven willingness to ensure high-quality job occupancy; well-connected to potential sources of new talent
Human resources management – general staff recruiting, development, and retention	Standard career paths in place without considering staff development; limited training, coaching and feedback; no regular performance appraisals; no systems/processes to identify new talent	No active development tools/ programs; feedback and coaching occur sporadically; performance evaluated occasionally; limited willingness to ensure high-quality job occupancy; sporadic initiatives to identify new talent	Limited use of active develop-ment tools/programs; frequent formal and informal coaching and feedback; performance regularly evaluated and discussed; genuine concern for high-quality job occupancy; regular concerted initiatives to identify new talent	Management actively interested in general staff development; well-thought-out and targeted development plans for key employees/positions; frequent, relevant training, job rotation, coaching/ feedback, and consistent performance appraisal institutionalized; proven willingness to ensure high-quality job occupancy; continuous, proactive initiatives to identify new talent

McKinsey Capacity Assessment Grid

IV. SYSTEMS AND INFRA-STRUCTURE	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Systems				
Human resources management – incentives	No incentive system to speak of; or incentive system that is ineffective and/or generates bad will	Some basic elements of incentive system in place; may include one of following: competitive salary (possibly partly performance-based), attractive career development options, or opportunities for leadership and entrepreneurship; some evidence of motivational effect on staff performance	Many elements of incentive system in place; includes a few of following: competitive salary (partly performance-based), attractive career development options, opportunities for leadership and entrepreneurship; obvious effect in motivating staff to overdeliver	Well-designed, clear, and well-accepted incentive system; includes competitive salary (partly performance-based), attractive career development options, opportunities for leadership and entrepreneurship; system effective in motivating staff to overdeliver in their job
Knowledge management	No formal systems to capture and document internal knowledge	Systems exist in a few areas but either not user-friendly or not comprehensive enough to have an impact; systems known by only a few people, or only occasionally used	Well-designed, user-friendly systems in some areas; not fully comprehensive; systems are known by many people within the organization and often used	Well-designed, user-friendly, comprehensive systems to capture, document, and disseminate knowledge internally in all relevant areas; all staff is aware of systems, knowledgeable in their use, and make frequent use of them

Infrastructure				
Physical infrastructure – buildings and office space	Inadequate physical infrastructure, resulting in loss of effectiveness and efficiency (e.g., unfavorable locations for clients and employees, insufficient workspace for individuals, no space for teamwork)	Physical infrastructure can be made to work well enough to suit organization's most important and immediate needs; a number of improvements could greatly help increase effectiveness and efficiency (e.g., no good office space for teamwork, no possibility of holding confidential discussions, employees share desks)	Fully adequate physical infrastructure for the current needs of the organization; infrastructure does not impede effectiveness and efficiency (e.g., favorable locations for clients and employees, sufficient individual and team office space, possibility for confidential discussions)	Physical infrastructure well-tailored to organization's current and anticipated future needs; well-designed and thought out to enhance organization's efficiency and effectiveness (e.g., especially favorable locations for clients and employees, plentiful team office space encourages teamwork, layout increases critical interactions among staff)
Technological infrastructure – telephone/fax	Status, lack of sophistication, or limited number of telephone and fax facilities are an impediment to day-to-day effectiveness and efficiency	Adequate basic telephone and fax facilities accessible to most staff; may be moderately reliable or user-friendly, or may lack certain features that would increase effectiveness and efficiency (e.g., individual voice-mail), or may not be easily accessible to some staff (e.g. front-line deliverers)	Solid basic telephone and fax facilities accessible to entire staff (in office and at front line); cater to day-to-day communication needs with essentially no problems; includes additional features contributing to increased effectiveness and efficiency (e.g., individual, remotely accessible voice-mail)	Sophisticated and reliable telephone and fax facilities accessible by all staff (in office and at frontline), includes around-the-clock, individual voice mail; supplemented by additional facilities (e.g., pagers, cell phones) for selected staff; effective and essential in increasing staff effectiveness and efficiency

McKinsey Capacity Assessment Grid

IV. SYSTEMS AND INFRA-STRUCTURE	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Infrastructure				
Technological infrastructure – computers, applications, network, and e-mail	Limited/no use of computers or other technology in day-to-day activity; and/or little or no usage by staff of existing IT infrastructure	Well-equipped at central level; incomplete/limited infrastructure at locations aside from central offices; equipment sharing may be common; satisfactory use of IT infrastructure by staff	Solid hardware and software infrastructure accessible by central and local staff; no or limited sharing of equipment is necessary; limited accessibility for frontline program deliverers; high usage level of IT infrastructure by staff; contributes to increased efficiency	State-of-the-art, fully networked computing hardware with comprehensive range of up-to-date software applications; all staff has individual computer access and e-mail; accessible by frontline program deliverers as well as entire staff; used regularly by staff; effective and essential in increasing staff efficiency
Technological infrastructure – Web site	Organization has no individual Web site	Basic Web site containing general information, but little information on current developments; site maintenance is a burden and performed only occasionally	Comprehensive Web site containing basic information on organization as well as up-to-date latest developments; most information is organization-specific; easy to maintain and regularly maintained	Sophisticated, comprehensive and interactive Web site, regularly maintained and kept up to date on latest area and organization developments; praised for its user-friendliness and depth of information; includes links to related organizations and useful resources on topic addressed by organization

Technological infrastructure – databases and management reporting systems	No systems for tracking clients, staff volunteers, program outcomes and financial information	Electronic databases and management reporting systems exist only in few areas; systems perform only basic features, are awkward to use or are used only occasionally by staff	Electronic database and management reporting systems exist in most areas for tracking clients, staff, volunteers, program outcomes and financial information; commonly used and help increase information sharing and efficiency	Sophisticated, comprehensive electronic database and management reporting systems exist for tracking clients, staff, volunteers, program outcomes and financial information; widely used and essential in increasing information sharing and efficiency

VI. ORGANIZATIONAL STRUCTURE	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Board governance	Board does not scrutinize budgets or audits, does not set performance targets and hold CEO/ED accountable or does not operate according to formal procedures; executive, treasury, and board functions unclear	Roles of legal board, advisory board and management are clear; board functions according to by-laws, reviews budgets, and occasionally sets organizational direction and targets, but does not regularly review CEO/ED performance, monitor potential conflicts of interest, scrutinize auditors, or review IRS and state filings	Roles of legal board, advisory board, and managers are clear and function well; board reviews budgets, audits, IRS and state filings; size of board set for maximum effectiveness with rigorous nomination process; board co-defines performance targets and actively encourages CEO/ED to meet targets; annual review of CEO's performance, but board not prepared to hire or fire CEO	Legal board, advisory board and managers work well together from clear roles; board fully understands and fulfills fiduciary duties; size of board set for maximum effectiveness with rigorous nomination process; board actively defines performance targets and holds CEO/ED fully accountable; board empowered and prepared to hire or fire CEO/ED if necessary; board periodically evaluated
Organizational design	Organizational entities (e.g., headquarters, regional and local offices) are not "designed," and roles, responsibilities of entities are neither formalized nor clear; absence of organization chart	Some organizational entities are clearly defined, others are not; most roles and responsibilities of organizational entities are formalized but may not reflect organizational realities; organization chart is incomplete and may be outdated	Organizational entities are clearly defined; all roles and responsibilities of organizational entities are formalized but do not necessarily reflect organizational realities; organization chart is complete but may be outdated	Roles and responsibilities of all organizational entities (e.g., headquarters, regional and local entities) are formalized, clear and complement each other; organization chart is complete and reflects current reality

Interfunctional coordination	Different programs and organizational units function in silos; little or dysfunctional coordination between them	Interactions between different programs and organizational units are generally good, though coordination issues do exist; some pooling of resources	All programs and units function together effectively with sharing of information and resources; few coordination issues	Constant and seamless integration between different programs and organizational units with few coordination issues; relationships are dictated by organizational needs (rather than hierarchy or politics)
Individual job design	Lack of positions created to address a number of key roles (e.g. CFO, HR, learning and measurement); unclear roles and responsibilities with many overlaps; job descriptions do not exist	Positions exist for most key roles, with a few still missing; most key positions are well-defined and have job descriptions; some unclear accountabilities or overlap in roles and responsibilities; job descriptions tend to be static	All key roles have associated positions; most individuals have well-defined roles with clear activities and reporting relationships and minimal overlaps; job descriptions are continuously being redefined to allow for organizational development and individuals' growth within their jobs	All roles have associated dedicated positions; all individuals have clearly defined core roles which must be achieved and an area of discretion where they can show initiative and try to make a difference; core roles are defined in terms of end-products and services rather than activities; individuals have the ability to define their own activities and are empowered to continuously reexamine their jobs

VII. CULTURE	1 Clear need for increased capacity	2 Basic level of capacity in place	3 Moderate level of capacity in place	4 High level of capacity in place
Performance as shared value	Employees are hired, rewarded and promoted for executing a set of tasks/duties or for no clear reason, rather than for their impact; decisions are mostly made on "gut feeling"	Performance contribution is occasionally used and may be one of many criteria for hiring, rewarding and promoting employees; performance data is used to make decisions	Employee contribution to social, financial and organizational impact is typically considered as a preeminent criterion in making hiring, rewards and promotion decisions; important decisions about the organization are embedded in comprehensive performance thinking	All employees are systematically hired, rewarded and promoted for their collective contribution to social, financial and organizational impact; day-to-day processes and decision making are embedded in comprehensive performance thinking; performance is constantly referred to
Other shared beliefs and values	No common set of basic beliefs and values exists within the organization	Common set of basic beliefs exists in some groups within the organization, but is not shared broadly; values may be only partially aligned with organizational purpose or only rarely harnessed to produce impact	Common set of basic beliefs held by many people within the organization; helps provide members a sense of identity; beliefs are aligned with organizational purpose and occasionally harnessed to produce impact	Common set of basic beliefs and values (e.g., social, religious) exists and is widely shared within the organization; provides members sense of identity and clear direction for behavior; beliefs embodied by leader but nevertheless timeless and stable across leadership changes; beliefs clearly support overall purpose of the organization and are consistently harnessed to produce impact

Shared references and practices	No major common set of practices and references exists within the organization (such as traditions, rituals, unwritten rules, stories, heroes or role models, symbols, language, dress)	Common set of references and practices exists in some groups within the organization, but are not shared broadly; may be only partially aligned with organizational purpose or only rarely harnessed to produce impact	Common set of references and practices exists, and are adopted by many people within the organization; references and practices are aligned with organizational purpose and occasionally harnessed to drive towards impact	Common set of references and practices exist within the organization, which may include: traditions, rituals, unwritten rules, stories, heroes or role models, symbols, language, dress; are truly shared and adopted by all members of the organization; actively designed and used to clearly support overall purpose of the organization and to drive performance

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