

ORGANIZATIONAL ASSESSMENT

Possible Components

Organizational Audits can address any or all of the three major components of a nonprofit organization:

- ✦ **Governance** — Addressing the major policies that provide credibility, direction and resources to the organization, especially those pertaining to long-range planning, resource development, financial oversight and community outreach. This is usually the responsibility of the board of directors, its committees and advisors.
- ✦ **Management** — Addressing the policies and procedures that connect the mission of the organization to its activity, especially those pertaining to financial management, program development and evaluation, organizational structure and personnel management. This is usually the responsibility of the CEO and senior level managers.
- ✦ **Program Delivery** — Addressing the specific delivery of programs to achieve progress in the direction of the mission, especially those pertaining to achieving individual program objectives. This is usually the responsibility of program or line staff.

Organizational audits usually evaluate achievement toward specific goals and objectives at each level. Organizations will develop specific benchmarks that they want to achieve at the governance, management and program level. An organizational audit will determine whether the organization has reached those benchmarks, and if not, why not.

Incumbent to the use of evaluation is the planning process which must establish the benchmarks to be evaluated. Those benchmarks can be either **internal** (specific goals established in the strategic plan) or **external** (generally recognized standards of accounting). Without some kind of goal, objective or benchmark, an organization has no comparison by which to evaluate success.

Possible tools used in conducting an organizational audit include:

- Questionnaires
- Interviews with stakeholders
- Review of documents
- Pre-test/Post Test
- Interviews with clients
- Observation
- Discussions
- Focus Groups

Organizational audits can evaluate two very different kinds of information:

Outcome — Did we cause something to happen? (*measure outcome*)

Process — Did we implement an action? (*measure of output*)