

Operational Capacity Diagnostic

The Operational Capacity Diagnostic (OCD) helps to diagnose the extent to which an organisation has a functional and appropriate operating model.

WHY

One of the most commonly reported challenges amongst non-profit organisations is 'too many issues, too little capacity'. The goal of using the tool is to capture a snapshot in time of the current situation for your organisation and to be able to build organisational capacity over time.

The key benefits of conducting an Operational Capacity Diagnostic include:

- Generates a list of clearly described operational weak spots and strengths
- Helps the organisation to rank capacity challenges according to priority and extent
- Provides a best practice benchmark for the most important aspects of organisational operations
- Facilitates the development of a plan for growing operational capacity

WHAT

The Operational Capacity Diagnostic considers eight dimensions of operational performance:

1. Programs and activities
2. Leadership
3. Team
4. Board
5. Networks and marketing
6. Funding and business model
7. Performance management
8. Systems and infrastructure

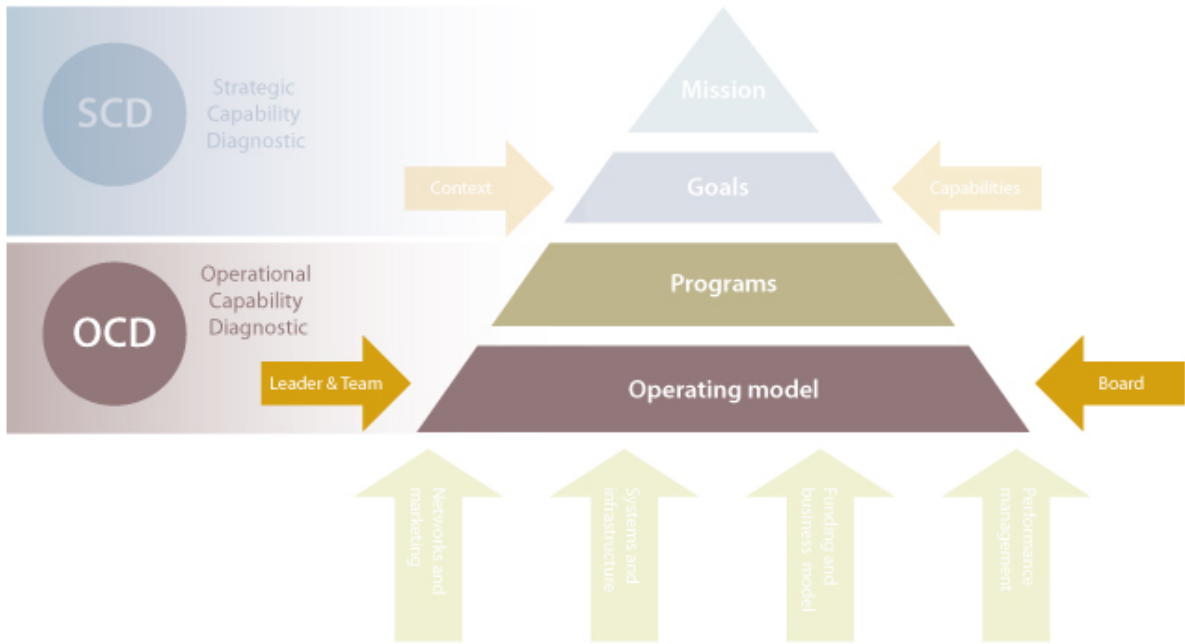
The Operational Capacity Diagnostic asks you to rank your organisation across these eight dimensions. For example, in order to establish the relative strength of your organisation in regards to its Board, you rank yourself on:

- I. Board composition and commitment
- II. Board involvement and support
- III. Governance

Each of the eight dimensions is broken down a number of criteria and you are asked to give your organisation a score between 1 and 3, where:

- 1 = A clear need for increased capacity
- 2 = A moderate level of capacity in place
- 3 = A high level of capacity in place

The goal is to build capacity so you achieve a score of '3' for each dimension. As the organisation moves, grows and responds to internal and external pressures and opportunities, these scores will inevitably change. Knowing that your capacity has increased or decreased makes it easier for you to manage these fluctuations.



At the end of the ranking process the tool generates a scorecard listing

- Scores for each criteria (e.g. Board composition and commitment)
- Average score against each dimension as a whole (e.g. Board)
- Priority areas for the organisation
- Any noted strengths or weaknesses as captured in the comments section

These outputs are recorded on an Operational Capacity Table and Operational Capacity Chart.

Operational Capacity Table

Organisational background <input type="checkbox"/>	Programs and activities <input type="checkbox"/>	Leadership <input type="checkbox"/>
Team <input type="checkbox"/>	Board <input type="checkbox"/>	Networks and marketing <input type="checkbox"/>
Funding <input type="checkbox"/>	Performance measurement <input type="checkbox"/>	Systems and infrastructure <input type="checkbox"/>
Summary of key support needs		

Operational Capacity Chart



WHEN

The Operational Capacity Diagnostic is a great conversation starter. A good deal of the value of using the tool comes from the conversations, questions and decisions that are generated when you apply it to your organisation.

Talking about the results within your broader team and other stakeholders helps to bring everyone onto the same page about your operational challenges and priorities. This can be particularly useful to do before committing to new funding arrangements or projects.

We recommend using the Operational Capacity Diagnostic every six to 12 months. It can be used alone or together with the Strategic Capacity Diagnostic. As a pair the tools complement each other and provide insights into different aspects of the organisation.

NEXT STEPS

If you would like to experiment with using Operational Capacity Diagnostic and applying it to your own organisation, go to www.socialventures.com.au/Organisational_Tools and look up the relevant Taste Test.

SVA offers additional practical and tailored support to help organisations implement these approaches and tackle specific issues. For more information contact the Professional Services team on 02 8004 6722 or email tools@socialventures.com.au.