



# Indicator of institutional Sustainability for Non-profit Organisations

**A self-assessment tool**

2005

***“Indicator of Institutional Sustainability for Non-profit Organisations”,  
A self-assessment tool  
(Version 1.5 – 15.November 05)***

***Part I – Introducing the methodology***

***1- Introduction***

***The Peabiru Institute developed the “Indicator of Institutional Sustainability for Non-profit Organisations”, a self-assessment tool that helps organisations evaluate their capacity to mobilise resources.***

The Indicator of Institutional Sustainability – IIS is a set of 48 individual indicators, grouped in seven areas of management: strategic planning, human resources, finance, administration, intellectual property, resource mobilisation and institutional communication. Complementary individual indicators will be developed in the near future.

Each area of management has a different weight. The total of the 7 areas' weight must be maximum 100, as described below:

	<b><i>Area of management</i></b>	<b><i>Weight</i></b>
<b><i>1</i></b>	<b><i>Strategic planning indicator</i></b>	<b><i>10</i></b>
<b><i>2</i></b>	<b><i>Human resources management indicator</i></b>	<b><i>20</i></b>
<b><i>3</i></b>	<b><i>Finance management indicator</i></b>	<b><i>10</i></b>
<b><i>4</i></b>	<b><i>Administrative management indicator</i></b>	<b><i>7</i></b>
<b><i>5</i></b>	<b><i>Intellectual property management indicator</i></b>	<b><i>8</i></b>
<b><i>6</i></b>	<b><i>Resource mobilisation management</i></b>	<b><i>30</i></b>
<b><i>7</i></b>	<b><i>Institutional communication management</i></b>	<b><i>15</i></b>
	<b><i>Total</i></b>	<b><i>100</i></b>

**2. How to use the Indicator of Institutional Sustainability**

The IIS should be applied every semester allowing the organisation to have, in the long term, a view of different stages of development. We suggest to those organisations more familiar to the method to apply the IIS quarterly, especially in the beginning of the on going process of self-assessment.

When applied to assess all the 7 areas of management, the method generates a global or institutional indicator that reflects the organisation's strength on resource mobilization. Partially applied, which is also possible, it assesses the capacity of some specific areas (area indicator).

If the organisation has access to a computer, the data can be input directly on the attached Microsoft Excel spread sheet otherwise 2 graphic bars have to be manually prepared according to the instructions bellow.

- a) **Indicator of Institutional Sustainability – at a specific moment:** The graphic will help the organisation visualise the situation of each one of the 7 areas of management at a specific moment. To draw the graphic, consider the individual indicators in the horizontal bar and in the vertical bar place the punctuation, from zero to four. If possible, paint the results in different colours such as red when the punctuation is zero and blue when it is three or four, for example.
- b) **Indicator of Institutional Sustainability – a historical series:** the graphic will allow the organisation to analyse the evolution of the area indicators and also the global/institutional indicator along at least two different moments (two quarters, for example). To draw this graphic, consider time (trimesters, for example) in the horizontal bar. In the vertical bar place the punctuation, from zero to four. Use lines to link the different punctuation of the same area indicator and different colours for each line. This graphic will provide better visualization if up to six area indicators were drawn (the global and the five specific ones)

### 3- Who should be the person responsible to apply the Indicator of Institutional Sustainability

*Everybody in the organisation should be able to use the methodology. The global/institutional indicator should reflect (or be an average of) the analyses made by each member of the staff. Within large organizations, a group representing different areas should apply the methodology.*

*Applying the methodology is a learning process in itself. For example:*

- *If someone is not able to analyse a specific item, it might mean that the organisation needs to implement efforts to disseminate knowledge and promote a more participatory management.*
- *Discrepant results on the same item might be consequence of a lack of internal dialogue/communication.*

### 4- The “Beta Version” of the Indicator of Institutional Sustainability

*It's crucial for the improvement of this methodology the co-operation of its users. We would appreciate if you could send us your suggestions to improve the methodology in order to be useful for a larger number of non-profit organisations.*

### 5- The Indicator of Institutional Sustainability and the Internet

*This tool will soon be available on Instituto Peabiru's website, [www.peabiru.org.br](http://www.peabiru.org.br), where the organisations will be able to fill in the spreadsheet and obtain the results immediately.*

### 6- What does the Indicator of Institutional Sustainability contribute for?

The Indicator of Institutional Sustainability is useful for:

- a) A quick diagnostic on an organisation's strengths and weakness

- b) An evaluation of the organisation as a whole
- c) A comparison with other organisations which, for example, have similar mission or work with the same type of beneficiaries, etc (benchmarking)
- d) An assessment on how the organisation is perceived/known among specific groups such as group of donors, employees, volunteers, board members, partners, sponsors, etc.

## *7. How to interpret the results*

*Aiming at contributing to the interpretation of the results, Instituto Peabiru will, in the near future, list the users' most frequent comments on IIS and provide examples of interpretations. The quotes bellow are examples of comments and possible interpretations:*

- a) Comment: "We were not able to answer some of the indicators". Possible interpretation: There are general or partial misunderstandings about the organisation.*
- b) Comment: "There are lots of answers "not appropriate"". Possible interpretation: The organisation is not dedicated to strengthen all the areas of management".*
- c) Comment: "The results are irregular, there are lots of punctuation 1 (one) and lots of 3 (three) and 4 (four)". Possible interpretation: The organisation implement unbalanced efforts to different areas of management."*

## **8. How to improve the ISS**

At the beginning, the ISS should be applied as it is presented now. When the organisation becomes more used to the methodology, some adjustments can be made such as reviewing weights of areas of management, adding new questions or modifying how they are phrased or even creating a new indicator specific to this particular organisation.

These changes, however, might unable the organisation to compare its performance with other organisation's (bench marketing) once only the use of the same indicators allows comparative analysis and studies on characteristics of specific sector, causes, geographic areas, type of work, etc.

When applying the ISS, the organisation can register comments and explanations on why specific answers were chosen. These comments will make part of the final diagnosis that might point them out like:

- Strengthens
- Weaknesses to be improved
- Suggestions for the strategic/operational plan

## *Part II – Introducing the indicators*

### *1. Strategic planning indicator – 10 points*

## 1.1. Mission

- a) There is not a mission statement. There is a simple description of the organisation's objectives. Most of the staff does not know what "mission" means.
- b) There is a mission statement, however it is rarely remembered or mentioned. There is a lack of understanding about what mission means or the mission is aged. The mission is only meaningful among a few staff (ancillary workers and senior managers)
- c) The mission statement expresses the reason why the organisation exists and is frequently mentioned. However not everybody in the organisation knows and practices the mission.
- d) The mission is fully understood by everybody in the organisation, it is updated and reflects the organization. It is a frequent reference. All the organization's staff and board members know the mission and participate of discussions to review and update it.
- e) Not appropriate

## 1.2- Vision

- a) *There is not a vision statement. Actually, the organization does not know what wants to achieve.*
- b) *There is a vision statement, however it is not clear enough. There is no alignment between the mission and the vision. The vision is only understood among senior staff.*
- c) *There is a clear vision statement and it is aligned with the mission. However the vision is not fully understood among the whole staff.*
- d) *The vision is precisely stated and is in aligned with the mission. Everybody within the organisation is committed both to the mission and vision. There is broad understanding about the importance of having a vision.*
- e) *Not appropriate*

## 1.3- Strategies

- a) *The strategies are not described. The organization has not defined its strategies.*
- b) *The strategies are described, however they are just a formality.*
- c) *The strategies are aligned to the mission and to the vision. However, the majority of the staff does not know them.*
- d) *The strategies are aligned to the mission and vision and the absolute majority of the staff knows them.*
- e) *Not appropriate*

## 1.4. Strategic planning

- a) There is not a strategic plan; if it exists it is dispersed in different documents and not formally described.

- b) The strategic plan was prepared “from the top to the bottom” by only one person or by a small group of staff and the plan does not reflect what the organisation actually does.
- c) The strategic plan was prepared by a representative group of staff and board members and partially reflects what the organisation does. However it is aged and demands updating.
- d) The strategic planning process was democratic and participative. It is frequently reviewed with ample participation of the staff and reflects what the organisation actually does.
- e) Not appropriate

## 1.5 – Beneficiary

- a) The organization does not know for whom it works or who the beneficiaries are. Comments like “we work for everybody in need”, “we work for those who ask for help” and “we work for the whole society” are very often.
- b) The organization has an idea about who the beneficiary is, however there is not a clear process to identify them.
- c) The organisation knows who the beneficiary is, however the beneficiary is superficially known. There is neither in depth information nor updating process on the beneficiary's profile.
- d) The organisation knows who the beneficiary is and implements a process to identify and update their demands.
- e) Not appropriate

### 1.6. *Networking*

- a) *The organization recognise the importance of networking however it does not have an active participation in any network.*
- b) *The organisation participates in networks however it hasn't planned the activity (resources, evaluation and procedures are not established yet)*
- c) *The organisation participates in networks in a daily basis and networks' strategies do influence the organisation's strategic plan. However it is still necessary to align the organisation's strategic and operational plans with the networks' plans*
- d) *There is alignment between the organisation and networks' strategic plans. There is a synergy between both.*
- e) *Not appropriate*

### 1.7 Geographical area

- a) The organisation hasn't determined in which geographical area works.
- b) The organization has a notion of the geographical area where works, however frequently works beyond the area primarily determined.
- c) The organization has a precise notion of the geographical area however few people within the organisation knows it.

- d) The organisation and the whole staff have a precise notion of the geographical area.
- e) Not appropriate

## **2- Human resources management – 20 points**

### **2.1-The teamwork**

- a) The organisation's management is centralised in only one person (or in a very small group) and all the staff relies/depends on this person's decisions (or on this group's decision's). Roles and responsibilities are not formally defined and the activities to be implemented are not clear.
- b) A representative group that reflects the diversity, experience, skills and background of the staff manages the organisation. These management group delegates however the most important decisions are still taken by the Chief Executive. Most of the roles and responsibilities are not formally defined.
- c) A multidisciplinary team, integrating a broad range of skills, runs the organisation. Staff members are often invited to participate of the group. The organization implement inclusive and transparent routines to make decisions, even when the Chief Executive is absent. All roles and responsibilities are formally defined.
- d) A multidisciplinary team, integrating a broad range of skills, runs the organisation. All the participants are very active and participate of the decisions. The decision is made in a formal and transparent process. Roles, responsibilities and hierarchy are formal and transparent.
- e) Not appropriate

### **2.2 Recruitment and selection of staff**

- a) The Chief Executive is the only person responsible for recruitment/selection of staff. Normally the Chief Executive hires a relative in who he/she can trust. It is normal to have relatives working within the organisation either as board member or staff.
- b) The recruitment/selection process is responsibility of few members of staff. The process is not necessarily based on technical criteria but on recommendations and acquaintance. It is avoided to hire relatives as a staff or board member.
- c) The recruitment/selection process is a responsibility shared with a reasonable number of the staff. Job description and person specification are not clear and the process of decision is not transparent. Many times the new post is advertised in newspapers and/or Internet websites however the final choice is always someone who is a staff/board member's acquaintance. Definitely, it is not allowed to hire relatives.
- d) The recruitment/selection process is broadly discussed and participative. The organisation invests in this process. As the organisation realises that a new member brings positive

changes to the group, it tries to be prepared for these changes. All the workers (employees, providers and volunteers) are hired according to the local laws.

e) Not appropriate

### **2.3 Dismissal process**

- a) The dismissal process is not formal, fair or transparent. The local legislation is not applied to the process.
- b) The dismissal process occurs according to the local legislation however it is always traumatic and emotional when someone is dismissed.
- c) The dismissal process occurs according to the local legislation and it is a fair and transparent process.
- d) The organization implements a dismissal program that includes efforts to help former employees find a new post.
- e) Not appropriate

### **2.4 Board meetings**

- a) Board meetings haven't happen for years or months. There is not a routine for these meetings.
- b) Board meetings only happen to fulfil the law.
- c) Board meetings are useful opportunity to discuss the present activities and the future of the organization.
- d) Boards meetings are important to discuss strategic issues and work efficiently in teams/groups that are responsible for different themes.
- e) Not appropriate

### **2.5. Board of Directors**

- a) The board of directors exists only for legal reasons. Meetings occur rarely and depend on the Chief Executive's initiative.
- b) There are board of directors' meetings however there is not a clear agenda to be discussed. If there is an agenda, its discussion is rarely productive.
- c) The Chief Executive presents the agenda but sometimes does not include important subjects in it.
- d) The board of directors, in a participatory process, define the agenda. The agenda is discussed; decisions are made, implemented and monitored. There is person responsible to support the board of directors in their activities.
- e) Not appropriate



## 2.6. Financial board

- a) The financial board only exists for legal reasons. Meeting occur rarely and depend on the Chief Executive's initiative.
- b) The financial board meet to fulfil the law and always approve all the financial reports without further comments
- c) The financial board is very active and besides its formal/legal obligations, collaborates with budgeting and financial planning.
- d) The financial board has an important role within the organisation, collaborates as problem solver and with its strategic thinking and works independently of the board of directors.
- e) Not appropriate

## 2.7. Advisory board

- a) The advisory board is only a formality and is rarely renewed including new members.
- b) The advisory board is rarely consulted and is relatively renewed. It could be much more useful to both the organisation's daily work and strategic decisions.
- c) The organization often promotes meetings with the advisory board; teams are organised according to specific themes. However, advisory board's recommendations rarely impact the strategic decisions of the organisation.
- d) The Advisory Board is very active, is constantly renewed and is very important for the organisation. A member of the advisory board is a position of prestige.
- e) Not appropriate

## 2.8 Partnerships

- a) There is not a formal procedure to select partners and establish partnerships.
- b) There is a formal procedure to establish partnerships. However there is not a routine to evaluate the relationship with partners and assess the impact of the relationship within the organisation.
- c) The organisation is aware of the importance of learning about their partners' expectations but there are not clear criteria to evaluate the relationship.
- d) There is a clear procedure to establish and evaluate partnerships. The organisation is committed to establish long term relationships with its partners.
- e) Not appropriate

Obs: Partners as other NGO's, providers, etc.

### 3- Financial management Indicator – 10 points

### *3.1-Control of expenses*

- a) The organization forecasts budget, however it is not able to monitor and control the expenses according to the budget.*
- b) There is an efficient and detailed control of the expenses, however the controls are not used as a tool to prepare following years' budgets.*
- c) Controls are efficient but financial planning has to be improved.*
- d) There is an efficient on-line control of expenses and it is possible to accurately forecast future budgets.*
- e) Not appropriate*

### *3.2. Cash flow management*

- a) Despite of an adequate system to input information on revenues and expenses the organisation is not able to plan a balanced cash flow.*
- b) The organisation is aware of the importance of having a positive balance between revenues and expenses however the controls are not implemented yet.*
- c) There is an excellent control of the cash flow which minimises possible risks. However the system can still be improved.*
- d) The cash flow control is very efficient and is able to preview all possible future risks.*
- e) Not appropriate*

### *3.3. Financial reports for donors*

- a) Financial reports are only prepared when the donor demands.*
- b) There is qualified staff (accountants, finance and programme staff) to prepare financial reports. However proper methodology and routine to prepare financial reports haven't been implemented.*
- c) Despite the methodology and routine to prepare financial reports are implemented; there is always a lack of time and staff to work on it.*
- d) There are routine and methodology to prepare financial reports, the organisation allocates adequate time and staff for this work and there are many qualified staff members to prepare financial reports.*
- e) Not appropriate*

### *3.4. Financial statements and balance sheets*

- a) Simple balance sheets and financial statements are made just to fulfil the law. Accounting and finance are not aligned. The statements are not disclosed and nobody, even the board members, knows how the finances are.*
- b) The records are made in a simple way. Accounting and finance are aligned. Staff and board members have a fairly good idea about finances.*

- c) Accounting and Finance areas are perfectly aligned. The board of directors receives updated information and participates on the financial management as well as the financial board.
- d) The organization has an efficient, transparent and secure financial and accounting system that can be assessed by all different areas. The system is used to prepare forecasts, budgeting and planning.
- e) Not appropriate

### 3.5. Auditing

- a) *The organization has a simple accounting system. Eventually the organisation hires an external auditing company for a short-term contract.*
- b) *The organisation hires an external auditing company to check the accounts.*
- c) *The external auditing company, beyond checking the accounts, carries out complementary activities that increase the organisation's financial transparency.*
- d) *The external auditing company also advises on planning the future. There is a harmony between the external auditing company and of the financial board.*
- e) *Not appropriate*

### 3.6. Reserves and Savings

- a) *The organisation recognises the importance of having policies to guarantee reserves and savings but the procedures haven't been implemented yet.*
- b) *There is a policy to guarantee reserves and savings however there is never a surplus or if there is, it is not allocated to the savings.*
- c) *There is a policy to guarantee reserves and savings however the amount already saved is not enough to guarantee security to the organisation.*
- d) *The organisation implemented the policies. The total saved is adequate to the organisation's financial sustainability. The board members are satisfied with the financial performance.*
- e) *Not appropriate*

### 3.7. Investment of the surplus fund

- a) *When there is a surplus, it is allocated to cover daily expenses.*
- b) *Normally surplus occur but there is not a formal procedure to allocate them: it can be used to cover daily expenses or for investment.*
- c) *There is a policy to allocate surplus: the majority is invested in institutional strengthening.*
- d) *The surplus is carefully forecasted and its allocation is planned in accordance with the board of directors and financial board recommendations. The organisation has/is planning to build an investment fund.*
- e) *- Not appropriate*

## 4. Administrative management – 7 points

#### 4.1 – Trademark (name, logo and brand)

- a) The organization has a trademark which is not registered. There are not plans to register, protect and strengthen the trademark.
- b) The organization registered the trademark but doesn't have plans to protect and strengthen it.
- c) The organisation has plans to protect and strengthen the trademark however the plan hasn't been implemented yet.
- d) The organisation has implemented a plan to protect and strengthen the trademark which is rigorously observed.
- e) Not appropriate

#### 4.2- Formal partnerships

- a) The organisation works with a diverse range of partners, however the partnerships are in its majority, informal agreements.
- b) The organization has formal contracts with partners however, procedures and routines to monitor contracts have been established yet.
- c) The organisation has formal contracts with partners and routines to monitor the partnership have been implemented, however the system is not working efficiently.
- d) The organisation has formal contracts with partners; routines to monitor partnerships have been implemented and are working efficiently.
- e) Not appropriate

#### 4.3- Assets management

- a) There is a simple control of the assets and their depreciations.
- b) There is a rigorous control of the assets; the pieces of furniture and equipment are carefully recorded. Accounting area controls the depreciation. However assets management demands more attention from the senior management team.
- c) There is an assets management monitored by the senior management team however there is not enough resources to invest in assets.
- d) The management of the assets is exemplary; the organisation always opts by pieces of furniture, equipment and software which lasts longer instead of the cheaper options.
- e) - Not appropriate

#### 4.4– Buying

- a) There is a list of suppliers who deliver a satisfactory service to the organisation, but there are not procedures relative to the suppliers.
- b) The organization has procedures that haven't been assimilated by the whole staff yet.
- c) The organisation has procedures relative to the suppliers however they are not adapted to a non-profit organisation. The procedures are the same used in for-profit companies.
- d) The procedures are transparent and are fully adapted for a non-profit organisation. Fundraising and buying activities work aligned.
- e) Not appropriate

## **5. Intellectual property management Indicator – 8 points**

### **5.1. 1. Database**

- a) The organisation has a database but it is neither organised nor updated. Each staff/area has its own database. The database is not integrated.
- b) The organisation has an integrated database that is not updated. There is not a proper system to classify different contacts. The database is not useful for fundraising.
- c) The organisation has an integrated database and although it is fairly updated and has a classification system it doesn't work for fundraising purposes.
- d) The organisation has a clear policy for the database which is observed by all the staff. Fundraising is directly benefited by followed in the everyday life.
- e) Not appropriate

### **5.2. Record of activities**

- a) Board meetings are recorded according to the local laws but all other meetings and decisions are scattered in documents, e-mails, letters, memorandums, etc. Previous routines were abandoned and files and documents are not organised.
- b) The organisation records meetings and decisions however these documents are not organised and centralised.
- c) The organisation has a good system to record and keep documents but it is still necessary to sensitise, train and involve the whole staff in this activity.
- d) The organisation has a system to record and keep documents and all staff is actively involved and mobilised
- e) Not appropriate

### **5.3. Collate and storage system**

- a) The organisation is aware of the importance of collecting and storing information and different systems have been already used but failed. The information is not integrated.

- b) There is a practical and simple system which has to be improved to attend the organisation's needs. This system is not adequate to fundraising.
- c) The organization has a good system but its use is restricted to a small number of people.
- d) The organization has a good system, shared with everybody and used as a daily tool.
- e) Not appropriate

#### 5.4. Information/data management

- a) The organization stores information but the information is not integrated and organised, it is scattered. When it is necessary, a huge effort to collect information is implemented.
- b) The organization stores information and is aware of the importance to collate the information but the organisation still has to develop and implement a system to make easier for staff and public to access the information.
- c) The information is collate and organised, there are procedures to store, cut down and share the information. However, the access to the information is still difficult and time consuming.
- d) The information is collate and organised, there are procedures to store, cut down and share the information. The access to the information is easy and the whole staff, including fundraisers, are familiar to the systems.
- e) Not appropriate

Obs: Information such as: methodologies of work, social technologies, statistics, reports on projects, etc

#### 5.5. Sharing knowledge/information

- a) The organisation shares information and knowledge when is required however doesn't believe that sharing information is important. Normally the information is centralised in just one person and if this person leaves the organisation all the information is lost.
- b) The organisation believes that it is important to share information but only partially otherwise "competitors" would have access to key knowledge/information. There is a system to store knowledge/information that still need to be improved.
- c) The organisation believes that it is important to share information/knowledge and still needs to define and implement policies for that purposes.
- d) The organisation believes that sharing information/knowledge is part of its mission and has clear and transparent policies for this. The organisation invests and implement efforts and resources to this purposes.
- e) Not appropriate

### 6. Resource mobilization indicator – 30 points

#### *6.1. Code of conduct in fundraising (Ethics)*

- a) *The organisation has a simple code of conduct in fundraising. Fundraisers don't receive commission and are hired in the same conditions as the other employees. The organisation hasn't established a set of criteria on which type of donors they can receive donations from.*
- b) *There is a simple code of conduct in fundraising and a set of criteria on type of donors however they are not monitored or evaluated. A restricted group make informal decisions about the code of conduct and criteria.*
- c) *There are a code of conduct in fundraising and set of criteria of type of donors. The organization discusses this code only internally. Donors and partners know the code and criteria which are part of all the contracts.*
- d) *There is clear and precise code of conduct in fundraising and set of criteria on type of donors. There is a team dedicated to discuss, define, monitor and annually review both. The board of directors participate on this team. There is a plan to disseminate them externally. Donors and partners know the code and criteria which are part of all the contracts.*
- e) *Not appropriate*

## 6.2. Fundraising Planning

- a) There is a set of activities which is not a plan yet. These activities are mentioned in records of board meetings, documents and proposals.
- b) There is a basic fundraising plan which is not monitored or evaluated; the rate between the investment in fundraising and the total of resources raised is not taken in consideration.
- c) There is a consistent fundraising plan and the organisation is aware of the importance to achieve the goals. The process to monitor and evaluate the plan has to be improved.
- d) There is a detailed fundraising plan which is reviewed at least quarterly. It is possible to verify analyse if goals and results have been achieved and the plan is constantly improved.
- e) Not appropriate

## 6.3. Diversified sources of funds

- a) The majority (more than 40%) of the income is concentrated in few donors. The organisation is vulnerable because depends on few donors and is aware of the importance to change this scenario. However the organisation hasn't planned the strategies to diversify sources of funds yet.
- b) There are at least three different donors. If one of these donors interrupts the contribution the organisation still can maintain the activities. There are plans to diversify the sources of revenue.
- c) The sources of revenue are diversified but it is still necessary to improve the number of donors. There are solid plans to diversify the sources of revenue. The team is been trained to seek for new sources of revenues.
- d) There is a wide range of donors and the sources are diversified between corporate donors, government, events and individuals. Besides the donations, there are interests. The wide diversity helps to keep the budget and cash flow balanced.
- e) Not appropriate

#### 6.4. *The fundraising team*

- a) *Fundraising is one of the Chief Executive's attributions (or senior managers'). The organisation always needs to organise a task force to prepare applications for grants. Normally people work during the weekends and evenings to meet the set deadline. There is not a budget for fundraising.*
- b) *There is at least one professional responsible for fundraising working full time. There is a budget for fundraising. Because the organisation hasn't prepared the fundraising plan yet, it is still difficult to meet all the deadlines.*
- c) *There is an area and a dedicated team to fundraising, however overtime and working during the weekends are very often. There is a detailed fundraising plan but the Chief Executive and senior managers constantly interfere in the area.*
- d) *There is a fundraising area, the fundraising team is qualified, the roles and responsibilities are clear and the organisations invests in the training and capacity building of the team. The fundraising plan is detailed and constantly monitored.*
- e) *Not appropriate*

#### 6.5. *The board of directors' participation in fundraising*

- a) *The board of directors only has general comments about fundraising and doesn't get directly involved in the activity.*
- b) *The board of directors discusses fundraising but doesn't fundraise.*
- c) *The board of directors participates on fundraising actively and creatively.*
- d) *The board of directors is committed with fundraising. The members establish objectives and goals for themselves and collaborate with the fundraising team to achieve their goals.*
- e) *Not appropriate*

#### 6.6. *The advisory board's participation in fundraising*

- a) *The advisory board is only a formal institution. The members are basically notorious individuals who add value to the organisation but don't fundraise.*
- b) *Although part of the advisory board participates actively of the organisations activities, there is a small participation of its members fundraising.*
- c) *The organisation demands from the board members a commitment with fundraising and with the organisation's long-term sustainability. However it is still necessary to improve the procedures to explore their potential and motivation.*
- d) *One of the criteria to choose the board member is their capacity to contribute to the organisation's long-term sustainability. There are clear policies for the board members actions. The organisation promotes the integration between the board members and stimulates their work with the fundraising team.*
- e) *Not appropriate*

#### 6.7. *Participation of the whole organization in fundraising*



- a) *There is not an involvement of the staff in fundraising. The majority of the staff believes that fundraising is a responsibility of the Chief Executive or the senior managers'. The staff doesn't have information on what fundraising is.*
- b) *There is little involvement of the staff in fundraising. The staff believes that they can collaborate in fundraising however there is not procedures and routines for that.*
- c) *There is reasonable involvement of the staff in fundraising. There are tasks that are shared between everybody and it is clear who is the person in charge. However, talents and opportunities are wasted.*
- d) *Fundraising is part of everybody's responsibilities. The whole staff participates on fundraising planning, implementation and evaluation. The information flows among the whole staff and strengthens the organisation.*
- e) *Not appropriate*

#### 6.8. *Local resources mobilisation*

- a) *The organization is aware of the neighbourhood's potential to contribute with volunteer work, in kind donations and financial donations. However the organisation doesn't implement any effort to mobilise this potential.*
- b) *The organisation investigated the neighbourhood's potential but hasn't decided how to optimise this potential.*
- c) *The organization knows in depth the potential for local partnerships and has already plan how to approach local potential donors/partners. However the plan has to be improved to bring benefits to the organisation.*
- d) *The organization constantly checks the local potential for resources/donations/partnerships and there is a clear ongoing plan to mobilise local funds.*
- e) *Not appropriate*

#### 6.9. *Mobilisation of non-financial resources (volunteer work, in kind donations pro bono partnerships)*

- a) *The organisation has already mobilised non-financial resources but there is not a specific plan for this purpose.*
- b) *The organisation seeks regularly for non-financial resources, however it is not an organised and planned activity and it is not considered a strategic activity.*
- c) *The organisation has a clear plan to mobilise non-financial resources however it is still necessary to integrate buying and fundraising areas to optimise opportunities.*
- d) *The organisation has a clear plan to mobilise non-financial resources, the main strategies and policies are disseminated within the organisation and buying and fundraising areas are fully integrated.*
- e) *Not appropriate*

#### *6.10. Partnerships with corporate sector*

- a) Although the organisation intends to partner with the corporate sector, partnerships have been rarely tried and very few opportunities occurred.*
- b) There is a clear policy to approach the corporate sector and few partnerships have already happened. It is still necessary to establish criteria for partnerships, benefits to the donors. The organisation hasn't decided yet with which type of companies they will partner.*
- c) There are clear policy and guidelines for partnerships with the corporate sector and the benefits are established, however the fundraising team doesn't participate on this process which is centralised.*
- d) The organisation has clear policy and plan to partner with the corporate sector and the fundraising team is fully prepared to negotiate and maintain partnerships.*
- e) Not appropriate*

#### *6.11. Innovative fundraising strategies*

- a) The organisation is aware of the importance of trying new fundraising strategies but doesn't implement them very often.*
- b) The organisation tries new strategies and fundraising tools and invest resources to identify and test them however there is not a process to evaluate performances and identify the most adequate strategies for the organisation.*
- c) The organisation plans and invests in testing new strategies/tools and the evaluation system is efficient however the organisation doesn't invest and incorporates new strategies in the marketing mix.*
- d) The organization has an aggressive plan to identify new strategies and incorporate them to the marketing mix; the board of directors participates actively and all tests are deeply evaluated.*
- e) Not appropriate*

### *7. Institutional communication Indicator – 10 points*

#### *7.1. Branding*

- a) The organization has a trademark and tries to divulgate it but there is neither a communication plan nor professional support for this activity.*
- b) The organisation has a basic guideline on how to use its brand. However the organisation has difficulties in guarantee if the brand is been applied according to the guidelines because there is not a person responsible for monitoring it.*
- c) The manual on how to use the brand is used by the whole staff and the brand is normally applied according to the guideline. However the organisation hasn't realised that the brand is aged and should be updated according to the strategic plan, mission and vision.*

- d) *The brand and the strategic plan are integrated and aligned. All the staff recognises the importance of the right use of the brand and always give feed backs to the area responsible for the brand management.*
- e) *Not appropriate*

#### *7.2 - Internal communication*

- a) *The internal communication is informal and occasional. The use of posters and newsletters is not often and the information is always aged.*
- b) *There is a basic routine using established internal media to disseminate information however, the staff is not interested in read them. Normally the internal communication attends to the interests of the senior managers and doesn't express the institutional opinions but the writer's personal opinion.*
- c) *The organisation has a policy for internal communication which was broadly discussed, in a participatory way. There is an interest in improving the participation of the staff using more efficient media however there is not enough investment in the activity.*
- d) *After a participatory process, the organisation established a clear policy for internal communication, the routine is already implemented and all the staff participates of the internal communication.*
- e) *Not appropriate*

#### *7.3 Communication with donors*

- a) *Donors occasionally receive information on the organisation's activities via bulletins, e-mails and others documents.*
- b) *There is a basic/simple communication plan with the donors however the organisation doesn't know how the donors evaluate the organisation's work or the mechanisms used by the organisation to contact them*
- c) *The organisation has a detailed communication plan to report activities to the donors. There is a channel donors can use to send comments, opinions, criticisms, etc. However, donors don't participate actively and the communication is unilateral most of the times.*
- d) *Donors participate actively on developing and implementing the communication plan. Donors are organised in committees and some of them are volunteers in the area. Their participation guarantees their integration with the organisation.*
- e) *Not appropriate*

#### *7.4. Communication with beneficiaries*

- a) *The organisation tries to maintain some groups of beneficiaries updated but it is not an organised activity.*
- b) *The organisation has a basic/simple communication plan with the beneficiaries. The plan is precariously and informally implemented. The organisation barely knows the beneficiaries' opinions.*
- c) *The organisation has clear communication plan which is efficiently implemented and known by the whole staff. However there is a little participation of the beneficiaries on*

*the development and implementation of this plan. The beneficiaries do not disseminate the information the organisation sends.*

- d) *The organisation has a communication plan which is efficiently implemented; there are communication channels between the organisation and the beneficiaries, and the staff is in constant contact with the beneficiaries. The beneficiaries participate on the development and implementation of the communication plan.*

#### 7.5. Communication with the local community

- a) The local community has partial and occasional information about the organization; there is not a formal contact between both.
- b) The organisation has a clear, transparent and respectful communication plan with the local community. However the plan is not efficiently implemented.
- c) The organisation has a communication plan with the local community and there are channels for dialog between both however the local community doesn't participate.
- d) There is an interaction between the local community and the organisation; exchanges happen often and both staff and members of the community are fully integrate.
- e) Not appropriate

#### 7.6. Management of Complaints

- a) The organization is slow in reply to complaints; the routine often fails in giving feed backs to the complainer. There is not a person responsible for this activity.
- b) There is a basic procedure to receive and reply complaints. However the organisation hasn't defined precise treatment to the different types of complaints. Opportunities to raise funds are lost.
- c) The organisation has a clear and transparent procedure to manage complaints, many members of staff are trained to deal with different situations and there is a system to evaluate and improve the procedures.
- d) Not appropriate

To finalize input the answer on the Excel spread sheet.

#### Part III – Other indicators

*Complementary indicators for specific areas such education, health, environment and social welfare will be available soon. The organisation might be able to elaborate indicators to complement the IIS.*

*We provide bellow some of the new indicators recently elaborated by Peabiru:*

*A1. Participation of Volunteers*

- a) The organization doesn't have volunteers or the organisation does have volunteers but doesn't established a formal relationship with them, doesn't know how many they are, what they do and doesn't evaluate their contribution.*
- b) The organization has a formal relationship with volunteers, however the organisation doesn't have plan, monitoring and evaluation procedures.*
- c) The organization has a detailed program for volunteers and evaluates constantly their performance. Volunteer work is seriously planned, implemented and evaluated. The whole staff participates in this process.*
- d) Not appropriate*

*Obs: It is not a negative point not having volunteer work at the organisation. Volunteer work might not be adequate to the type of organisation and the services it provides.*

*A2. Commercial activity (income generation)*

- a) The commercial activity is not profitable and it is not considered a source of funds.*
- b) The commercial activity generates income for the organisation however the commercial area is not aligned to the mission and is not efficiently planned.*
- c) There is a business plan for the commercial activity. This plan is implemented and monitored.*
- d) The commercial area generates important proportion of the organisation's income. The organisation could be sustained only with the funds generated by commercial area. The area is well organised, planned and monitored.*
- e) Not appropriate*