Measuring Organizational Performance

Boise State OPWL
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December 2021
Agenda

1. Introduction to Pact
2. Why measure organizational performance?
3. Organizational Performance Index (OPI)
4. Validity & Reliability Studies
5. Case Study
6. Q&A
PACT's Shared Vision:
Thriving, Resilient Communities

We serve communities challenged by poverty and marginalization because...

We envision a world where everyone owns their future. To do this...

We build systemic solutions in partnership with local organizations, businesses and governments so that there are...

Thriving, resilient communities where those we serve are heard, capable and vibrant.

Our goal: Thriving, resilient communities where those we serve are...

heard
People are aware of and express their needs and rights in a receptive system

capable
People have skills and resources and apply them in an enabling environment

vibrant
People are healthy and economically prosperous
Capacity Development

**Defined:** a continuous process that fosters the abilities and agency of *individuals, organizations, systems and communities* to achieve their goals and contribute towards positive social change.

**Theory of Change:**
- **IF** local organizations, networks, and systems become stronger with better internal policies, skills, procedures and practices;
- **THEN** they will improve their external performance
- **LEADING TO** greater impact (on health, the environment, livelihoods) in their target communities.

**Outputs**
- Change in internal systems, skills, policies

**Outcomes**
- Improved external performance

**Impact**
- Improved health, environment, livelihoods in the communities served
The Organizational Performance Index (OPI): The Purpose

Capacity for what?

OUTPUTS
Change in internal systems, skills, policies

OUTCOMES
Improved external performance

IMPACT
Improved health, environment, livelihoods in the communities served
The OPI: Defining Performance

Motivation
- History
- Mission
- Culture
- Incentives
- Rewards

Performance
- Effectiveness
- Efficiency
- Relevance
- Sustainability

Environment
- Political
- Economic
- Technological
- Administrative
- Social / cultural
- Stakeholder

Capacity
- Structure
- Leadership
- Financial
- Technology
- Infrastructure
- Human resources
- Program / services
- Linkages
The OPI: Defining Performance

Effectiveness:
- Results
- Standards

Efficiency:
- Delivery
- Reach

Relevance:
- Target Population
- Learning

Sustainability:
- Resources
- Social Capital

Resiliency
Adaptability
Influence
The OPI: Effectiveness

EFFECTIVE ORGANIZATIONS

• are concerned with measuring and analyzing the longer-term (outcome level) **RESULTS** to be well positioned to serve their beneficiaries to the best possible way

• ensure the quality of their programs and services by complying with the accepted industry **STANDARDS**. When an organization is recognized as a leader by other stakeholders, it gets involved in efforts to improve these standards
The OPI: Efficiency

**EFFICIENT ORGANIZATIONS**

- have work plans and budgets in place and use these to reach and analyze the adequate and timely use of resources and the **DELIVERY** of services.
- use their resources in a manner that allows them to plan for and **REACH** target audiences according to the plan, eventually expanding the numbers and geographic areas.
The OPI: Relevance

RELEVANT ORGANIZATIONS

- engage their **TARGET POPULATION** at every step of the program to ensure that it addresses the actual needs and makes them an active participant in the solution.
- embrace **LEARNING** as the key driver for change from within
The OPI: Sustainability

SUSTAINABLE ORGANIZATIONS

• generate **RESOURCES** from multiple sources in a strategic manner
• understand and use the power of **SOCIAL CAPITAL**, or those relationships and connections in their communities that allow for running successful programs, to produce long-standing results
The OPI: Resilience

RESILIENT ORGANIZATIONS

• **ADAPT** to changes in the external environment while continuing to deliver quality programming.

• Alter the external environment in which they operate by exerting **INFLUENCE** through advocacy, lobbying, negotiation, and research.
## The OPI: The Tool

<table>
<thead>
<tr>
<th>Domain</th>
<th>Indicator</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Effective</td>
<td>The organization is in the process of developing outcome level targets for its programs &amp; services.</td>
<td>The organization has set clearly defined outcome level targets for its programs &amp; services.</td>
<td>The organization has met over 50% of outcome level targets for its programs &amp; services.</td>
<td>The organization has met over 75% of outcome level targets for its programs &amp; services.</td>
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<tr>
<td></td>
<td>Results</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Evidence</td>
<td>· Organization self-identifies as Level 1.</td>
<td>· Completed PMP and/or MERL Plan that includes clearly defined outcomes, targets, indicators and measurement tools.</td>
<td>· Completed monitoring spreadsheet and/or database showing that 50% of outcome level targets have been met.</td>
<td>· Completed monitoring spreadsheet and/or database showing that 75% of outcome level targets have been met.</td>
</tr>
<tr>
<td></td>
<td>Standards</td>
<td>The organization is building awareness of national and international standards and/or is in the process of developing internal standards that govern their programs &amp; services</td>
<td>The organization is taking clear steps towards achievement of national and international standards that govern their programs &amp; services</td>
<td>The organization has achieved national and international standards that govern their programs &amp; services</td>
<td>The organization consistently meets existing standards and is involved in setting new national and/or international standards that govern their programs &amp; services</td>
</tr>
<tr>
<td></td>
<td>Evidence</td>
<td>· Organization self-identifies as Level 1.</td>
<td>· Relevant technical standards that the organization is working towards, which are consonant with national and international standards.</td>
<td>· External evidence (evaluation, certification from a recognized body, etc.) that concludes the organization has met relevant standards.</td>
<td>· Multiple instances of external evidence (evaluation, certification from a recognized body, etc.) over a period of at least two years that conclude the organization has met and continues to meet relevant standards.</td>
</tr>
</tbody>
</table>
The OPI: Score

2016: 1.8
2017: 2.5
The OPI: Scores on the Capacity Solutions Platform (CSP)

Why CSP?
The CSP is a web-based solution for tracking, evaluating, measuring and reporting on your organization’s capacity development needs.

Access to Data
The CSP brings together a set of tools built specifically for organizations that want to have all of their data in a standard and easy-to-use interface.

Information Share
The beauty of the CSP: it gives a way for your donors, organizations and partners to see the information you want to share with them.
The OPI: Implementation

Prepare:
- 2 hours
- 4 individuals

Score:
- 10 sub-domains
- Facilitated discussion
- Evidence

Verify:
- Review scores
- Verify evidence
# The OPI: Reliability & Validity Studies

## Reliability
- OPI scores of 40 partners in 6 countries.
- Compared two Pact scorers with one self-assessed score.
- Hypothesis: Both Pact staff should assign the same OPI score & there should also be little variation between Pact and partner scores.
- Reliability of inter-rater reliability using Kappa of 0.4 or higher was sought in the research.

## Validity
- 14 experts from 13 different organizations.
- Assessed the validity of the tool via a structured questionnaire.
- Data was analyzed and afterwards verified in consortium with experts.
- Hypothesis: Experts would find each domain & sub-domain scales valid.
The OPI: Case Study- Data for Decision-Making

LINKAGES Indonesia

Context:
• Project for provision of HIV/AIDS services
• Strengthen 8 local organizations in Jakarta
• Limited resources/time to address all needs
• Used OPI results to create differentiated approach and target support activities
**The OPI: Case Study – Data for Decision-Making**

- Group 1 = High performing, mentors
- Group 2 = Lower performing, more intensive support
THANK YOU!
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