

DRAFT: Organizational Performance Index (OPI)

Background

This document is a companion to the Local Solutions (LS) M&E and Learning Working Document. One of the most challenging questions in LS is how to measure whether investment in organizational capacity development result not only in measurable and observable improvements in internal processes and systems but also have an impact on organizational performance and project outcomes. The LS M&E Working group reviewed many M&E models particularly the European Center for Development Policy Management's "Five Capabilities" or 5Cs, Pact's Organizational Performance Index, the World Bank's Capacity Development Result Chain and others.

Based on this review, the Working Group is proposing that USAID adopt Pact's Organizational Performance Index (OPI). The OPI appears to best fit USAID's LS programming environment, and the OPI complements USAID's Organizational Capacity Assessment (OCA) tool, which many missions are currently using. The OPI is also an "open source" document, meaning Pact is making it available to anyone who want to use it as long as the user maintains the integrity of the tool and cites Pact as the original author. A number of other implementers are using the tool including JSI.

USAID slightly adapted the OPI in order to incorporate USAID terminology and increase the emphasis on measuring program outcomes and cost efficiency as a result of capacity inputs. These adaptations were approved by Pact as it is critical to maintain the integrity of the tool as it has been validated and tested for reliability in more than 25 countries with approximately 500 local partners. The LS M&E Working group intends to field test the adapted OPI in a USAID context and, if needed, further adjust it based on the learning.

Please note that staff should **NOT** change the domains, subareas or evidence, or the language in any section of the OPI, as this will invalidate the tool. However the final page of the tool allows for the development of custom domains or subareas by staff.

As indicted, the OPI complements and builds upon the OCA tool used by many missions around the world. The OCA and OPI use similar methodology and processes and can be administered at the same time. The LS M&E Working Group is working on instructions for administering the OPI, which should be ready in early 2015.

Please send comments and feedback to:

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	Level 1	Level 2	Level 3	Level 4
EFFECTIVENESS: Ability of an organization to carry out high quality programs and continuously improve its program operations in accordance with its mission and goals.¹				
Results Effective organizations measure and analyze outcome level results to best serve beneficiaries	The organization is in the process of developing outcome level targets for all of its programs and services. ²	The organization has set clearly defined outcome level targets for all of its programs and services.	The organization has met over 50% of outcome level targets for its all of its programs and services.	The organization has met over 75% of outcome level targets for all of its programs and services.
	<i>Evidence:</i> <ul style="list-style-type: none"> Organization self-identifies as Level 1. 	<i>Evidence:</i> <ul style="list-style-type: none"> Completed organization's PMP (or equivalent) that includes clearly defined outcomes, targets, indicators and measurement tools. 	<i>Evidence:</i> <ul style="list-style-type: none"> Completed monitoring spreadsheet and/or database showing that 50% of outcome level targets have been met. Written procedures for ensuring data quality meet expectations of the mission's Program Office or the mission order on data quality, if one exists. 	<i>Evidence:</i> <ul style="list-style-type: none"> Completed monitoring spreadsheet and/or database showing that 75% of outcome level targets have been met. Completed Data Quality Assessment verifying the quality of the outcome data as per ADS 203 guidance.

¹ Pact is in the process of revising its handbook for implementation of the OPI, which will be shared with USAID staff as soon as available.

² The OPI measures OUTCOMES not outputs across the organization not just the activities funded by USAID.

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Standards³ Effective organizations adopt and consistently implement accepted industry standards as well as lead the improvement of those standards over time.	<p>The organization is building awareness of national and int'l standards and/or is in the process of developing internal standards that govern their programs and services.</p>	<p>The organization is taking clear steps towards achievement of national and international standards that govern their programs and services.</p>	<p>The organization has achieved and consistently strives to implement national and international standards that govern their programs and services.</p>	<p>The organization consistently meets existing standards and is involved in setting new national and/or international standards that govern their programs and services.</p>
	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Organization self-identifies as Level 1.</i> 	<ul style="list-style-type: none"> ▪ <i>Relevant technical standards that the organization is working towards are consistent with national and international standards.</i> ▪ <i>Evidence of staff training, monitoring and/or procedures that indicate the organization is taking steps to implement standards.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>External evidence such as evaluation, certification from a recognized body, or other evidence that concludes the organization has met relevant standards.</i> ▪ <i>Evidence such as program meeting minutes, monitoring reports, etc. that the organization consistently strives to implement relevant standards.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Multiple instances of external evidence such as evaluations, certification from a recognized body, or other evidence over a period of at least two years that conclude the organization has met and continues to meet relevant standards.</i> ▪ <i>External evidence such as meeting minutes, reports, etc. that organization is involved in national or international efforts to set new standards.</i>

³ Standards include national and international guidelines such as PEPFAR's Guidance for Orphans and Vulnerable Children Programming, USAID's Youth Policy, USAID Gender Equality and Female Empowerment Policy, CDC's Guidelines for Infection Control, WHO's Guidelines for Drinking Water Quality, and others.

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EFFICIENCY: The ability of an organization to plan and budget for their interventions in a consistently successful and cost-efficient manner.				
<u>Delivery</u> Efficient organizations develop, utilize and update work plans, budgets, tracking systems related to program services delivery and analyze the cost-efficiency of services.	<p>The organization is developing a written operational or work plan that describes how programs and services will be delivered including: activities, budget, timeline and responsibilities.</p>	<p>The organization has a written operational or work plan that describes how programs and services will be delivered including: activities, budget, timeline and responsibilities; and the organization has successfully completed over 30% of the programs and services in its operational or work plan on time and on budget.</p>	<p>The organization has successfully completed over 60% of the programs and services in its operational or work plan on time and on budget and has reviewed the cost-efficiency of operations and program services.</p>	<p>The organization has successfully completed over 90% of the programs and services in its operational or work plan on time and on budget and regularly reviews the cost-efficiency of operations and program services.</p>
	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Organization self-identifies as Level 1.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Copy of organization's written operation or work plan.</i> ▪ <i>Activities described in work plan are clear and include a budget, timelines and are assigned to a responsible person or unit.</i> ▪ <i>Activities in work plan are both relevant and sufficient to deliver programs and services.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Copy of organization's quarterly report or similar including a review of the work plan that indicates that at least 60% of the programs and services are on time and on budget.</i> ▪ <i>Copy of organization's review of costs, staffing, and program costs.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Copy of organiz.'s quarterly report or similar document including review of the work plan that indicates at least 90% of programs & services are on time & on budget.</i> ▪ <i>Copy of organization's review of cost efficiency of program services (i.e. cost-benefit analysis, SROI, value for money or similar analysis.)⁴</i>

⁴ A review of the cost efficiency of program services is a new element to the OPI. Pact plans to test the validity of this element over time.

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		<ul style="list-style-type: none"> ▪ <i>Copy of organization's quarterly report or similar including a review of the work plan that indicates that at least 30% of the programs and services are on time and on budget.</i> 	<ul style="list-style-type: none"> ▪ <i>Evidence such as minutes or similar of an internal verification process in support of this data.</i> 	<ul style="list-style-type: none"> ▪ <i>Evidence such as minutes, reports or similar internal verification process in support of this data.</i>
Reach Efficient organizations use resources to reach target audiences according to clearly articulated plans and, over time, expand the number of beneficiaries and geographic areas	<p>The organization is in the process of identifying and delineating a target population for its program and services.</p>	<p>The organization has clearly identified and delineated a target population for its programs and services and is collecting output data to track service delivery to target population.</p>	<p>The organization has achieved at least 80% of its output level targets and is reaching its target population with its programs and services.</p>	<p>The organization has achieved at least 80% of its output level targets and has either scaled up the breadth of its service delivery to new geographic areas and populations and/or scaled up the depth of its service delivery to existing populations in alignment with the organization's current strategic plan.</p>
	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Organization self-identified as Level 1.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Completed PMP that clearly identifies target populations, output targets, and methods for data disaggregation across target populations.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Completed monitoring spreadsheet and/or database showing that output level targets have been met.</i> ▪ <i>Written procedures for ensuring data quality that meet expectations of USAID AOR, Program Office or related staff.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Operational or work plans that detail how the organization is scaling up breadth and/or depth of services.</i> ▪ <i>Completed monitoring spreadsheet and/or database showing that output level targets have been met.</i> ▪ <i>Written procedures for ensuring data quality that meet expectations of USAID AOR, Program Office or related staff.</i>

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RELEVANCE: The ability of an organization to respond to the actual needs of its beneficiaries, to stay alert to any changes that influence this ability, and to alter its course of action and adjust its programming based on learning.				
<u>Target Population</u> Relevant organizations engage their stakeholders at every step of a project to ensure activities address actual needs including active involvement in the design and implementation of solutions.	The organization is considering engaging in participatory planning and decision-making processes that involve their target population and other stakeholders.	The organization engages in participatory planning and decision-making processes that involve their target population and other stakeholders.	The results of participatory planning and decision-making process have been used to inform the design and implementation of programs and services.	The results of participatory planning and decision making processes are consistently used to inform the design and implementation of programs and services. Members of the target population are engaged in the delivery of programs and services.
	<i>Evidence:</i> <ul style="list-style-type: none"> Organization self-identifies as Level 1. 	<i>Evidence:</i> <ul style="list-style-type: none"> Minutes or reports from participatory planning meetings. Attendance lists showing involvement of representatives from the target population and all major stakeholder groups. Budgets include funds for community participatory meetings. 	<i>Evidence:</i> <ul style="list-style-type: none"> An example of a work plan that incorporates the conclusions from participatory planning meetings. 	<i>Evidence:</i> <ul style="list-style-type: none"> Examples of at least three work plans from the last two years that incorporate the conclusions from participatory planning meetings. Organizational reports that detail the engagement of members of the target population in delivering programs and services.

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Learning Relevant organizations embrace and consistently implement learning as a key driver for change from within	<p>The organization is developing processes for analyzing the successes and challenges arising from their programs and services.</p>	<p>The organization has a process for analyzing the successes and challenges arising from their program and services.</p>	<p>The organization has institutionalized a process for analyzing the successes and challenges arising from their programs and services and consistently makes changes as a result of these analyses.</p>	<p>The organization uses its analyses to influence change in the programs and services of other at the national and/or international level through presentations, training and/or publications.</p>
	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> Organization self-identifies as Level 1. 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> Written documentation of a procedure for analyzing the successes and challenges arising from programs and services. Minutes from meetings or similar proof that the procedure has been followed on at least one occasion. 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> Minutes from meetings or similar proof that the organizational procedure for analyzing successes and challenges has been followed on at least three occasions within the last two years. Plans, strategic or operational, that include new ways of performing products or services that were identified in the minutes of analysis meetings. 	<p><i>Evidence</i></p> <ul style="list-style-type: none"> Evidence of at least three separate efforts within the last two years to influence others through sharing the results of programmatic analyses. Examples could include workshops, publications, presentations, etc. Contents of materials must correspond/link to findings from programs.

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SUSTAINABILITY: The ability of an organization to ensure its services are supported by a diverse base of local and international resources that may include funding, people, trust, & other types of support				
<u>Resources</u> Sustainable organizations generate resources from multiple and diverse sources in a strategic manner	<p>The organization is developing a resource mobilization plan that clearly identifies both the resources needed for program and services and potential providers/sources for these resources.</p>	<p>The organization has a resource mobilization plan that clearly identifies both the resources needed for programs and services and potential providers/sources for these resources.</p>	<p>The organization has succeeded in leveraging at least 20% of resources needed for the current operating year from a source or sources other than USAID or other primary donor.</p>	<p>The organization has succeeded in leveraging resources to support programs and services from at least two donors, foundations, corporation, individuals or other funders in addition to USAID or other primary donor. With a goal of diversifying income streams, no single source of funding represents more than 40% of the organization's total resource base for the current operating year.</p>
	<p><i>Evidence:</i> <i>Organization self-identifies as Level 1.</i></p>	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Resource mobilization plan that identifies resources needed.</i> ▪ <i>Resource mobilization plan maps to needs identified in organizational budget and strategic plan.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Proof of receipt of resources from non-USAID or other primary donor sources (resources may be financial, human, in-kind).</i> ▪ <i>Resources received from non-USAID or other primary donor sources must represent at least 10% of total organizational budget.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Proof of receipt of resources from at least two from non-USAID or other primary donor sources.</i> ▪ <i>Resources received from each non-USAID or other primary donor sources must represent at least 10% of total organizational budget.</i> ▪ <i>Budget shows that no single source provides more than 40% of the organization's resources.</i>

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<p><u>Social Capital</u></p> <p>Sustainable organizations understand and use the power of social capital, which is those relationship and connection in their communities that allow for the running of programs that are successful and produce long-term results</p>	<p>The organization is learning about the value of networking, and considering potential partnerships.</p>	<p>The organization participates in recognized local networks that are relevant to its programs and services. The organization leverages its participation in networks and is able to demonstrate partnership and engagement with at least one other civil society organization.</p>	<p>The organization participates in recognized national networks that are relevant to its programs and services. The organization leverages its participation in networks and is able to demonstrate partnership and engagement with other civil society organizations and relevant government entities.</p>	<p>The organization is identified as a leader in recognized national networks that are relevant to its programs and services. The organization leverages its participation in networks and is able to demonstrate partnership and engagement with other civil society organizations, relevant government entities and private institutions.</p>
	<p><i>Evidence:</i> <i>Organization self-identifies as Level 1.</i></p>	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Membership list from local network whose theme is relevant to the mission of the organization.</i> ▪ <i>Minutes or other documents from local network that clearly identify the organization as an active participant within the network.</i> ▪ <i>Guiding document (MOU, Letter of Commitment, joint project documents, etc.) that demonstrate the existence of a partnership with at least one other CSO.</i> ▪ <i>Positive reference from CSO partner.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Membership list from national network whose theme is relevant to the mission of the organization.</i> ▪ <i>Minutes or other documents from the national network that clearly identify the organizations an active participant within the network.</i> ▪ <i>Guiding documents (MOU, Letter of Commitment, joint project documents, etc.) that demonstrate the existence of a partnership with at least one CSO and government agency.</i> 	<p><i>Evidence:</i></p> <ul style="list-style-type: none"> ▪ <i>Minutes or other document from the national network that clearly identify the organization as playing a leading role within the network.</i> ▪ <i>Guiding documents (MOU, Letter of Commitment, joint project documents, etc.) that demonstrate the existence of a partnership with at least one CSO, one government agency and one private sector entity.</i> ▪ <i>Positive references from CSO, government and private sector partners.</i>

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Customized Domain: ⁵				
<u>Customized Subarea</u>				
	<i>Evidence: Organization self-identifies as Level 1.</i>	<i>Evidence:</i> ▪	<i>Evidence:</i> ▪	<i>Evidence:</i> ▪
<u>Customized Subarea</u>				
	<i>Evidence: Organization self-identifies as Level 1.</i>	<i>Evidence:</i> ▪	<i>Evidence:</i> ▪	<i>Evidence:</i> ▪

⁵ This section is optional. Missions are free to decide whether or not to develop a customized domain, subareas and evidence sources to fit their country context and development objectives.