

# BUILDING YOUR ORGANISATIONAL CAPACITY

A guiding resource for organisations in the  
NSW child, youth, and family sector

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## Why build your organisational capacity

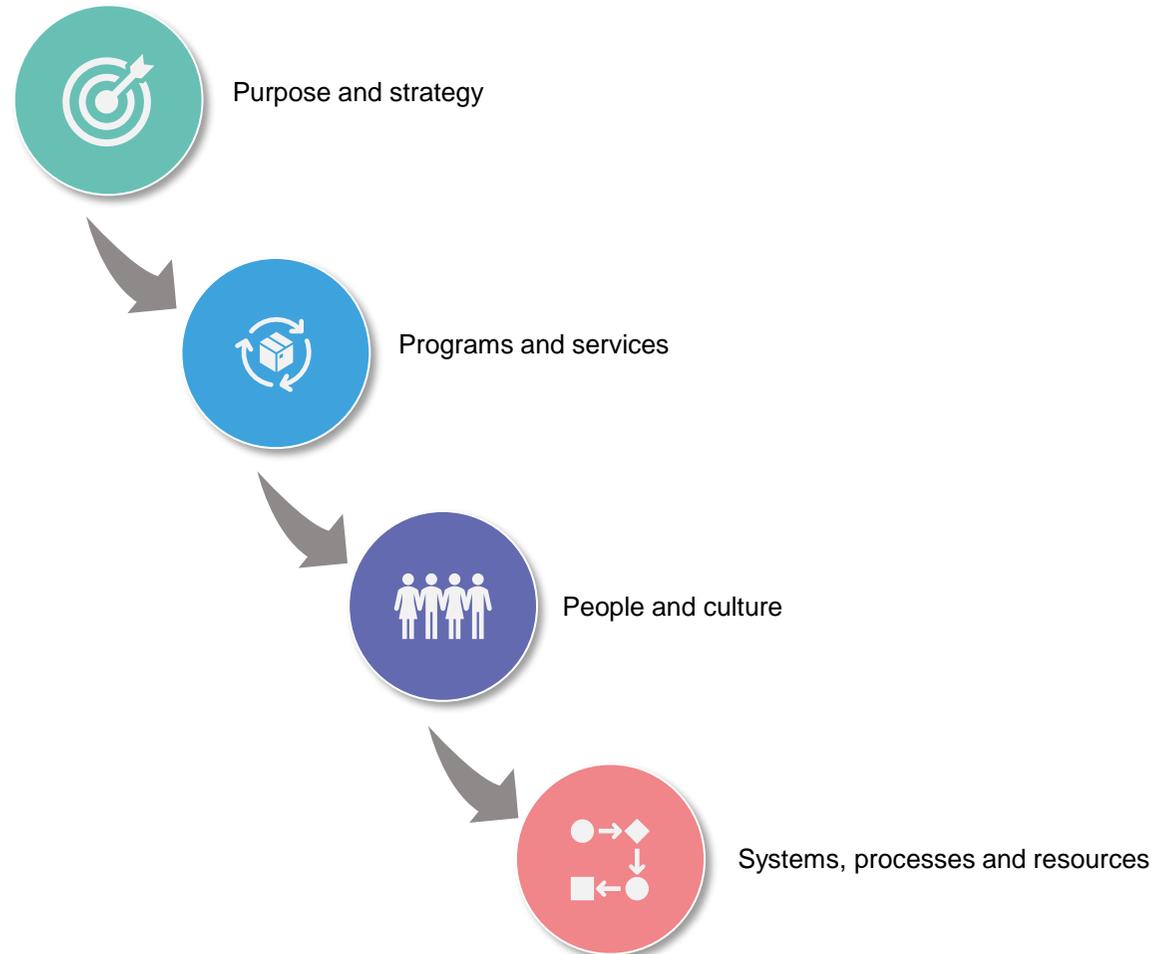
Child, youth and family services are an essential part of a complex system that works to make things better for children, families and young people in NSW. Primarily, these services focus their energy and resources on the programs, services and partnerships which directly benefit the communities they support.

While direct service provision is important, child, youth and family services need to ensure their operations continue to enable them to fulfill their purpose and grow their impact. Investing in organisation capacity can help child, youth and family services ensure their operations remain fit-for-purpose.

## How to use this resource

In general, there are four elements to building organisational capacity. Each element builds on the previous to ensure all aspects of your organisation are aligned toward delivering on your purpose and vision.

This resource helps organisations assess where they need to strengthen their organisational capacity and prioritise the activities which can provide the most value. Each section has a series of reflection questions to help organisations prioritise areas of need, and some suggested strengthening activities.



# PURPOSE AND STRATEGY

Investing in your organisational purpose and strategy helps to strengthen the foundations of your organisation by providing clarity on why your organisation exists, how you create impact, and what you want to achieve. A strong purpose and strategy is grounded in a deep understanding of the role you play within your community, the factors which influence your ability to create a positive impact, and an awareness of the opportunities and risks which exist for your organisation. Beyond this, a clear purpose and strategy work to boost your organisational capacity when everyone (management, staff, partners, funders, and community) has a common understanding and knows their contribution to fulfilling your purpose.

## Questions to assess your organisational purpose and strategy



### Organisational purpose

Can we succinctly describe why our organisation exists, how we make positive impact, and how we enhance our surrounding community and service landscape?



### Impact model

Do we have a clear model for how we create positive impact for the communities we support?



### Organisational strategy

Do we have a vision for our organisation in the medium term (3-5 years), and a clear plan for what we need to do to achieve that vision?



### External environment

Are we aware of how our external environment (i.e. policy, funding, community needs, other organisations etc) influences our organisation and ability to fulfill our purpose?



### Current state

Do we understand our strengths and weaknesses, and how they influence our organisation and ability to fulfill our purpose?



### Governance

Do we have sufficient accountability for the delivery of our purpose and our sustained viability?

## Activities to strengthen your purpose and strategy

**Undertake a stakeholder listening exercise** to deepen your understanding of the needs of your clients, community, funders, and partners, and their perspectives of the value you provide.

**Design or codify your impact model** or theory of change to articulate how your organisation fulfills its purpose by responding to the needs of the people you support.

**Conduct a market analysis** to understand the factors in the external environment which influence your impact model, and highlight any opportunities or risks for its delivery, sustainability or scalability.

**Conduct a current state assessment** to understand how internal factors enable or create barriers to the delivery, sustainability or scalability of your impact model.

**Undertake a strategic planning process** to establish a medium-term vision, create alignment around organisational goals, and prioritise strategic activities to respond to identified risks and opportunities.

# PROGRAMS AND SERVICES

Investing in your programs and services helps to ensure that ‘what’ your organisation does aligns with your impact model. Well-designed programs and services reflect best practice, meet the needs of your surrounding community and service landscape, contribute to delivering on your purpose and strategy, and can be delivered or scaled sustainably. As your programs and services take the majority of your organisation’s focus, ensuring they are designed and implemented effectively helps to increase your organisation’s capacity to create a positive impact.

## Questions to assess your programs and services



### Client-centred

How well do our programs and services accommodate the experiences of the people we support?



### Evidence-informed practice

How well do our programs and services reflect best practice to address the needs of the people we support?



### Collaborative design

Are our clients actively involved in the design, development, and improvement of our programs and services?



### Service comprehensiveness

To what extent does our current mix of programs and services deliver our impact model?



### Service distinctness

To what extent do our programs and services perform a necessary role in our local service delivery landscape?



### Service performance

To what extent do our programs and services achieve positive outcomes for the people we support?



### Continual improvement

How easily can we review the efficacy of our programs and services to learn and improve?

## Activities to strengthen your programs and services

**Map your client’s journey and experience** to understand their needs and how they engage with the service system.

**Undertake a best practice or evidence review** to compile and collate the current evidence of what works to engage, support, and achieve positive outcomes with the people you support.

**Facilitate a co-design process** to engage your clients in the design, development, and improvement of programs and services which influence their lives.

**Review the range of programs and services** which you provide to ensure they align with your impact model and strategy, and identify any gaps in your service delivery.

**Review or design the theory of change, program logic, and/or operating model** underpinning each of your services to ensure it reflects best practice, meets client needs, and can be delivered and/or scaled sustainably.

**Build evaluation frameworks**, and evaluate your programs to understand and demonstrate their need, appropriateness, reach, effectiveness, efficiency, and opportunities for improvement.

# PEOPLE AND CULTURE

Investing in your people and culture helps to ensure you have the right mix of skills, experience, and attitudes to effectively deliver your purpose and strategy. The 'right' people for your organisation are those who are aligned with your purpose and values, and have the capabilities to deliver your impact model and strategy. Particularly in the human services sector, your people and culture are essential for creating positive impact, strengthening their alignment to your purpose and strategy helps to build your organisational capacity.

## Questions to assess your people and culture



### Alignment

How well do our staff, partners, and community understand their contribution to delivering on our purpose, impact model and goals?



### Culture

Do our staff consistently demonstrate the behaviours we expect to deliver our purpose and strategy?



### Competence

Do our staff have the skills and expertise we need to deliver our impact model, strategy, and services?



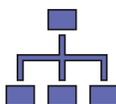
### Leadership capability

Are our leaders and managers able to create an inclusive and productive work environment?



### Employee benefit

Do we offer staff a clear and compelling reason to join and continue working for us?



### Organisational structure

Does our operating model allow us to effectively deliver our strategy and services?

## Activities to strengthen your people and culture

**Conduct a culture analysis** (such as a survey or focus groups) to understand how managers, staff, partners, funders, and clients perceive your organisational culture and how well it aligns with your purpose and strategy.

**Review your organisational structure** to ensure it enables effective and efficient organisation of key services and functions, delegations of authority, allocation of workload, and can adapt to your future needs.

**Create an employee value proposition** to clearly articulate the value and benefits staff can expect when working for you.

**Design a competency and performance framework** to establish clear knowledge, skill, and behaviour expectations which support the delivery of your purpose, strategy and employee value proposition.

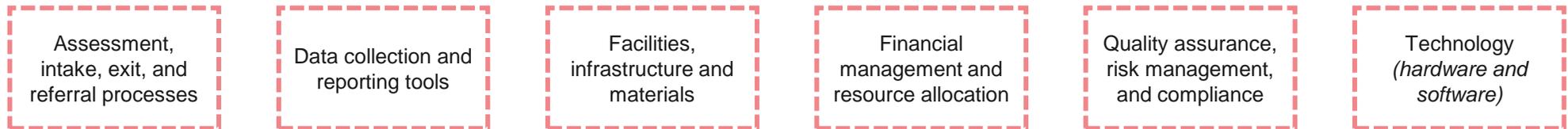
**Review your onboarding and development frameworks** to ensure staff are aligned to your purpose and strategy, have a consistent employee experience, and have access to relevant professional development opportunities.

**Engage a leadership and management coach** to build your management staff's leadership capability.

# SYSTEMS, PROCESSES AND RESOURCES

Investing in your systems, processes and resources helps to ensure your organisation is operating as efficiently as possible. Efficient systems, processes, and resource management allows your organisation to effectively deliver on your purpose and strategy, maximise the impact of your programs and services, and provide a productive environment for your staff.

## Systems, processes and resources to consider



## Questions to assess your systems, processes and resources



### Suitability

How well do our systems, processes and resources align with the needs of our impact model, strategy, and service model(s)?



### Sufficiency

Are our systems, processes and resources sufficient to deliver our impact model, strategy, and services to an acceptable standard?



### Effectiveness

Are our systems, processes and resources allocated and managed effectively?



### Adaptability

How adaptable are our systems, processes and resources to operational growth or changes in our external environment?

## Activities to strengthen your systems, processes and resources

**Review the capability/proficiency of a current system, process or resource** to assess if it is fit-for-purpose to deliver your impact model, strategy, or service model as intended and to an acceptable standard.

**Benchmark current systems, processes and resourcing levels** against best practice or industry standards to identify opportunities to unlock any latent capacity.

**Conduct a sensitivity analysis** to identify any risks from changes to operating scale or environment.

