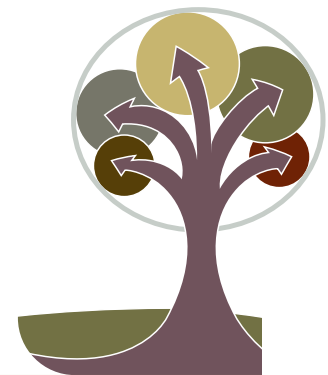


ENHANCING PERFORMANCE



IN THIS SECTION:

This section looks at the four capacity areas that enable an association to meet its goals and objectives and to move toward long term sustainability.

WHAT IS ORGANISATIONAL PERFORMANCE?

Organisational performance relates to a health professional association's ability to be successful in reaching its intended results, that is, progressing toward its goals and objectives and fulfilling its mission. Overall, it is the manifestation of the association's enhanced capacity in the core organisational dimensions of culture, operational capacity, external relations and functions. An association who performs well in all of these is usually one with a strong performance.

In the OCIF, organisational performance is addressed through the following capacity areas:

- An association's **effectiveness** (i.e. its ability to meet its objectives and thus reach the intended or expected results at organisational and programme/project level);
- An association's **efficiency** (i.e. its ability to maximise or make the best use of its resources to obtain the intended results);
- An association's **relevance** to its members and external stakeholders as well as to the health realities of its country;
- An association's **financial position**.

Further, organisational performance is intrinsically concerned with the establishment and systematic use of organisational processes and systems that permit the association to set goals and objectives and to monitor progress toward achieving the intended results.

RECOMMENDED PRACTICES

A health professional association concerned with its organisational performance:

- Develops and implements an operational plan, which follows the development of its strategic plan and includes a monitoring and evaluation strategy to measure progress (*see Tools 3.16 and 3.17*).
- Establishes a financial management system, which will permit the association to manage its financial resources effectively and efficiently and will enable it to remain accountable to its members and external stakeholders, including funders.
- Strives to implement an annual comprehensive budget and monitoring process as the cornerstone of the association's financial management system (*see Tools 3.18, 3.19 and 3.20*).
- Strives to incorporate and apply programme/project management practices, including monitoring and evaluation, into the organisation.
- Strives to ensure that the programmes/projects and services offered by the association meet the needs of members and external stakeholders and, further, are relevant to the country's specific situation.
- Remains concerned of its financial position by developing a strategy to ensure its long term viability.

ACTIONS TO MOVE FORWARD

- Include in your strategic planning process a means by which to confirm the association's relevance with internal and external stakeholders (e.g. a Strength–Weakness–Opportunity–Threat (SWOT) exercise).
- Integrate into your strategic plan a priority related to working toward enhancing your association's long term sustainability (*see Tool 4.1*).
- Develop a financial sustainability plan or integrate into your strategic plan a financial component.
- Establish a Finance Committee to support the Board/Executive Committee with its financial management responsibilities (*see Tool 3.1*).
- Establish a Fundraising Committee (*see Tool 3.2*).

► **FOCUS: Working toward greater financial sustainability**

Building long-term financial sustainability is a major concern for many health professional associations seeking to expand their leadership and reach in support of improved reproductive, maternal and newborn health. The revenues traditionally generated from membership, scientific activities and occasional projects are no longer sufficient for many associations to cover their expenses, meet their financial obligations, strive to achieve their objectives and thus fulfil their mission.

Financial sustainability can be defined as the ability of an association to generate consistent revenues that are sufficient to cover its expenses, to meet its financial obligations as they become

due over time and to strive for financial independence while meeting its programming objectives and fulfilling its mission.¹ It is a process, not an end, and is intrinsically linked to its organisational capacity by the fact that the strategies and actions implemented to build organisational capacity contribute over time toward moving the association to fulfil its mission and ensuring its financial sustainability.

Key organisational elements contributing to enhanced financial sustainability include:

- A realistic strategic plan that is implemented as well as monitored and evaluated;
- Efficient and effective administrative management systems and practices related to finances, human resources and programme/project management;
- Strong technical capacities permitting the delivery of quality services and programmes/projects;
- Strong relationships with internal and external stakeholders (e.g. Ministry of Health, development partners, UN agencies) which contributes to the association's ability to remain responsive to the needs of the communities they serve.²

Further, Mango, a UK organisation dedicated to supporting the financial management efforts of developmental and humanitarian NGOs and their partners, promote the following actions that are also key to financial sustainability:³

- A diversified funding base (*see Tool 4.2*);
- Availability of unrestricted funds;
- Availability of financial reserves;
- Strong stakeholder relationships, including donors.

ACCOMPANYING TOOLS

4.1 – Example: A strategic plan for long term sustainability (AOGU)

4.2 – Tool: Diversifying our fundraising options – Think outside the box

OTHER USEFUL RESOURCES

Abt Associates, Inc. Fundamentals of NGO financial sustainability. Washington: U.S. Agency for International Development; 2000. Available: http://www.pathfind.org/site/DocServer/Fundamentals_of_NGO_Financial_Sustainability.pdf?docID=12001.

Bruty B. Fundraising from trusts, foundations and companies: how to guide. London: Bond; 2010. Available: http://www.bond.org.uk/data/files/trusts_foundations_and_companies_how_to_guide.pdf.

Financial sustainability. In: Mango's guide to financial management for NGOs. Version 6.11. Oxford (UK): Mango; 2010. Available: <http://www.mango.org.uk/Guide/FinancialSustainability>.

James A. Fundraising from institutions: how to guide. London: Bond; 2011. Available: http://www.bond.org.uk/data/files/Fundraising_from_institutions_How_To_guide_June_2011.pdf.

Shapiro J. Developing a financing strategy. Johannesburg: CIVICUS; 2003. Available: <https://www.civicus.org/view/media/Developing%20a%20Financing%20Strategy.pdf>.

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2. Abt Associates, Inc. Fundamentals of NGO financial sustainability. Washington: U.S. Agency for International Development; 2000. Available: http://www.pathfind.org/site/DocServer/Fundamentals_of_NGO_Financial_Sustainability.pdf?docID=12001.
3. The secrets of financial sustainability. In: Mango's guide to financial management for NGOs [Top tips 4]. Version 6.11. Oxford (UK): Mango; 2010. Available: <http://www.mango.org.uk/Guide/TT4FinSust>.