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Organizational Capacity Assessment Report

Citizens Association of Textile, Leather and Shoe Workers – Loud Textile Worker, Štip, North Macedonia

This report resulted from a discussion with the following representatives of the Loud Textile Worker (hereinafter referred to as ALTW) on 28 January 2020:

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In addition to noting the areas where you excel as an organization, the report also identifies some areas where perhaps your organization can become stronger. It can inform your organization's personalized Capacity Development Plan and Advocacy Strategy for the future.

Organizational Strengths

1. Undertake Organizational Review and Self-Assessment

ALTW periodically undertakes self-evaluations to discuss activities and share their personal assessments in areas of concern. These can include the Advisory Board, stakeholders, and staff in a more formal assessment process, towards improving the organization. Such evaluations can inform annual planning and adjustments to existing plans.

2. Governance, Leadership and Decision-Making

The Statute of ALTW is developed, upheld, periodically reviewed and improved upon in order to best serve the organization. ALTW has clearly divided the roles of the governing body, management and staff, including their functions and frequency of meetings. Staff, volunteers and members contribute to decision-making. All have clear understanding of their roles.

3. Strategic Analysis and Planning

ALTW's vision and mission are articulated and written and all planning, budgeting, decision-making, and organizational activities are in line with the vision and mission.

A thorough 3 years' strategy is developed through internal/external analysis and written in such a way that all can understand the background, strategies and action plan. This plan is updated annually and circulated to the entire organization. Stakeholders participate in formulating the plan. All members of the organization formally meet to initiate plans and are able to solicit full support and implementation within the organization.

There is an annual planning process to set program goals and budgets and create a written action plan.

4. Human Resource Management

ALTW has a positive, friendly approach in the workplace and decisions are made by consensus. Practices are generally perceived to be fair and diversity and equality are encouraged. The organizational culture is highly team oriented. The friendly atmosphere, appreciation for good

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work and flexibility provide motivation. Regular communication enables early identification and resolution of any potential for overlap or conflict.

ALTW staff members have clear job descriptions that are regularly updated based on the needs of the organization. Roles and responsibilities are clearly understood by all. ALTW adheres to labor laws and has a written policy manual that is distributed to staff members. Policies are aligned with international standards and best practices for recruitment, performance review, compensation, promotion, diversity and equality.

Clear guidelines and procedures for expenditures exist and all necessary and approved expenditures are reimbursed in full on a timely basis. Cash advances are available for anticipated expenses. ALTW has one permanent, paid staff member, but does not have a sufficient number of staff members to carry out activities towards its strategic plan.

Consider establishing salary scale and developing a specific training and development plan for all staff members based on their roles and needs. Such plans can be used as a motivational strategy, can develop the capacities of your staff and the organization and can help in future strategic planning.

5. Financial Planning and Management

Cash controls are in place to limit access and provide dual-oversight over petty cash, deposits, expenditures, bank accounts, and reconciliation of bank balances and payroll totals. ALTW's transactions are supported by written documentation and signed approvals. Cash advances are reconciled to actual receipts. Cash flow is predictable and manageable.

ALTW's procedures and policies to track income and expenditure are clear, written and followed. Organizational budget and cash flow are approved by management.

Project budgets are reasonably estimated to cover project and overhead costs, including direct costs and sometimes indirect costs (depending on donor's rules). Budgets are reviewed individually and in terms of overall impact each month. Predicted surpluses or deficits are understood and adjustments are periodically made. Variances by budget category are donor approved in advance of project termination. A combined organizational income and expense budget is estimated.

ALTW uses cash-based accounting and allocates expenses to each funder based on an estimated, fair assignment of actual expenditures that occurred. ALTW uses Excel for financial reports. Consider finding the opportunity for buying the specific software for payments or outsource accounting. This can be less time-consuming and error-prone.

External audits are performed. No material exceptions have been noted and only minimal non-material exceptions have been noted on audit reports.

Opportunities for Strengthening your organization

1. Facilities, Equipment and Technology

ALTW has an office with basic furniture and equipment (including IT equipment) and has an urgent need for more furniture and equipment. Consider looking more for possibilities for equipment, technology, space donation or space for use over a long period of time. Data access and knowledge management are reserved for a few key staff. Consider raising your capacities on data management systems, sharing them with all staff members and updating them routinely.

2. Project Design, Management, Monitoring and Evaluation

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Leaders discuss the current situation and beneficiaries' needs, basing project designs on discussions, findings from previous experience, expertise and on assessments. This includes gender analysis.

Goals and objectives are clearly defined and relevant. Some indicators are defined, but these can be specified further. There is some collection of information, but it can be difficult to analyze or tie to performance indicators. Results are disseminated to donors, leadership and key staff and members, but not more broadly.

You can build on this strength by designing a monitoring and evaluation system with clear quantitative and qualitative information on performance in relation to project and overall organizational strategic objectives.

3. Fundraising and Financial Sustainability

ALTW has no debt and has created some unrestricted surplus. You have secured funding for next 6-11 months and have prospects for funding about 50% of budget needs for an additional year. Funding is limited to three sources but ALTW is familiar with a few others (international and local). Relationships are maintained, but can also be improved. Towards long-term financial sustainability, consider creating a fundraising plan based on your strategic plan.

By involving more volunteers in your work, you can expand the human resources that you have available, as well as empower more people to join your causes. Perhaps you can consider developing a program for recruiting, training, and involving volunteers regularly in your work.

4. Service Provision

ALTW can consider offering some services to several constituents, checking the ability of beneficiaries to pay for them. Perhaps you can be more informed about the needs and priorities of your constituents and communities, so that you can approach them with appropriate services. You also can consider opportunities with central and local government institutions for providing some services and cooperating in the future. Perhaps you can also identify services that you can provide to the business community (creative events or similar). By providing services in demand, you may be able to generate additional revenue for your organization's other activities.

5. Public Image

ALTW produces some written materials and invites local press to special meetings or events. Given your connection with the media, the public nature of your work, and your experience, in the new political context perhaps you can work more to promote your organization. You are also well placed to contribute to improving overall public perceptions of CSOs.

Consider developing a clear public relations plan, which includes producing written materials, inviting local press to special meetings or events, and participating in other promotional events.

Also, strongly consider publishing annual reports containing program and financial data and analysis every year. These reports can be broadly distributed to all stakeholders and made available to the public, including online.

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