

# PRODUCER GROUP BUSINESS PRACTICES ASSESSMENT TOOL

## I. BACKGROUND

Below is an example of an assessment survey tool<sup>1</sup> that a market facilitator can use to determine the level of capacity of a producer group or community-based organisation.

<b>1. Name / title of organisation</b>		
<b>2. Type of organisation</b>		
Agricultural Firm		
Savings and Loans Association		
Producer Organisation		
Local Marketing Association		
Apex Marketing Association		
Women's Association		
Youth Association		
Other (specify)		
<b>3. Location details of organisation</b>		
Community/Village:		
Chiefdom:		
District:		
<b>4. Date of the organisation's establishment</b>		
<b>5. How many staff does the organisation have?</b>		
Full-time staff:		
Part-time staff:		
Volunteers:		
<b>6. Size of the organisation's target population</b>		
<b>7. Name of project staff member conducting the assessment</b>		
<b>8. Organisation partner</b>		
<b>Partner 1</b>	<b>Partner 2</b>	<b>Partner 3</b>
<b>9. Date of assessment</b>		
<b>10. Name and position of persons participating in the assessment</b>		

<sup>1</sup> Adapted from CRS, RII-CIAT. 2007. Preparing Producers to Engage with Markets: 5 Key Skills.

Name	Title	Organisation
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## 2. LEADERSHIP, GOVERNANCE, AND STRATEGY

How does the organisation select leaders, make decisions, and resolve conflicts?  
(Circle ONE relevant box for each question.)

Question		Capacity score			
		0	1	2	3
<b>1. Constitution</b>	Do you have a written constitution accepted and approved by all the members of the organisation?	No constitution	Some rules/principles written down	Written constitution exists but wasn't widely approved	Written constitution approved by representatives of the community and organisation
<b>2. Governing committee / board</b>	Do you have a committee/ board that meets and makes decisions that guide your organisation's development?	No committee, no meetings	Committee established, but it never meets	Occasional meetings, but rarely agree on any decisions	Regular meetings with useful guidance and decisions made for the organisation
<b>3. Mission and values</b>	Do you have a mission and set of values that are clearly understood, agreed and approved by all the members of the organisation? If so, how are they used?	No clear mission/values	Can describe the mission/values of the organisation, but they have never been agreed or written down	Mission and/or values written down long ago, but few people were consulted or understand them now	Mission and values were agreed by all stakeholders, and are regularly used to guide decisions about projects and activities

Score	1	2	3	Total
<b>Section</b>				
Explanation/Comments				

### 3. FINANCES

How does the organisation plan and manage its finances and budget?  
(Circle ONE relevant box for each question)

Question		Capacity score			
		0	1	2	3
<b>1. Finances</b>	<i>Does your organisation keep written accounting of income and expenses that can be presented on demand?</i>	No accounts kept	Records kept of money received and spent, but difficult to know how much money is held at any one time	Accounts kept up-to-date and balances and statements are prepared at the end of the year	Balances and statements prepared quarterly. At year end, presented to external stakeholders for review and possible approval
<b>2. Bank account</b>	<i>Does your organisation have a bank account to hold its funds?</i>	No bank account, all funds managed in cash	Someone's personal account used for any funds	Bank account registered in org's name, which requires authorised check signatories	Manual record of all payments (cashbook) is kept and compared with all bank statements
<b>3. Financial control</b>	<i>Who is responsible for approving expenditure and issuing cash?</i>	One person	Two people	Two people with oversight from another person	Two or more people with oversight from several people
<b>4. Budget and cash flow planning</b>	<i>Does your organisation prepare, monitor, and review a budget?</i>	Budgets are prepared for every funding proposal but not used for anything else	Budgets are set to decide how much to spend on all project and organisation costs to ensure there is money for future plans	Budgets are presented annually for approval to a board or representative group of members	Every six months budgets are compared to money already spent and planned cash flows
<b>5. Reporting requirement</b>	<i>Do you provide accurate financial reports on time to donors?</i>	No experience of having to submit donor reports	Reports are submitted but always late and with incomplete information	Some reports get submitted on time but are often incomplete or get queried by the donor	Reports always submitted on time and always meet all donor requirements
<b>6. Profit</b>	<i>What increase in profit have you had over the last year?</i>	None	Up to 10%	10-20%	More than 20%

Score	1	2	3	4	5	6	Total
<b>Section</b>							
Explanation/Comments							

## 4. ORGANISATIONAL STRUCTURE

How do you organise for your work?  
(Circle ONE relevant box for each question.)

Question		Capacity score			
		0	1	2	3
<b>1. Constitution</b>	<i>Does your organisation involve a number of salaried staff and volunteers who have different areas of responsibility?</i>	Fewer than five volunteers run the entire organisation	Five to 15 volunteers with different roles, some lead/manage the organisation	One full-time staff person is paid a salary and organises all the other volunteers	One to two full-time staff are paid salaries, and volunteers all have different, fixed areas of responsibility
<b>2. Staff and volunteer development</b>	<i>How do you ensure that staff and volunteers support and motivate each other and have sufficient skills?</i>	No meetings or trainings. Low skill levels, as volunteers only do basic work	Few meetings. Volunteers sent for training only occasionally	Occasional meetings to share lessons and support each other. Training is provided informally and externally	Regular meetings (monthly), training and team-building activities to keep staff and volunteers motivated
<b>3. Office and equipment</b>	<i>Does the organisation have its own office, meeting space and equipment for handling administration and writing reports? What equipment does the organisation have?</i>	No office, no equipment	Occasional access to another office and equipment	Office & equipment (computer plus printer) shared with another organisation or individual	Own office and equipment (computer plus printer)

Score	1	2	3	Total
<b>Section</b>				
Explanation/Comments				

## 5. PLANNING, PROJECT DESIGN, AND MANAGEMENT

How do you develop, manage, and evaluate your projects?  
(Circle ONE relevant box for each question.)

Question		Capacity score			
		0	1	2	3
<b>1. Strategic planning</b>	<i>Does the organisation have a long-term strategic plan developed with participation of all or most staff/ stakeholders?</i>	No strategic plan	Document that describes briefly what the long-term goals and objectives are and how they will be achieved	Strategic plan (2-5 years) that was developed by a consultant or by a few senior staff members	Strategic plan (2-5 years) that was developed in a participatory manner, involving most staff and stakeholders
<b>2. Action plans</b>	<i>Does the organisation plan implementation of its activities, involving all people concerned?</i>	Organisation mainly responds to immediate needs, with little planning	Occasional short-term planning, e.g., major events or monthly activities	All ongoing activities are normally planned in advance with all staff and volunteers	Annual work plans are developed and agreed upon with community members, volunteers, staff, board
<b>3. Project and proposal development</b>	<i>Are you satisfied with the quality of the projects you develop? Does the organisation deliver on the contracts it has with other value chain actors?</i>	Organisation responds to immediate needs, with no project framework, funded proposals, or contracts	Funding has been received for one successful proposal mainly developed by an outsider. No contracts	Funding has been received for at least one proposal in the last three years, developed within the organisation. At least one contract in the past year with other value chain actors	Funding received for at least two proposals developed internally in the last three years, each with needs assessments, activity plans, and budgets. At least two contracts in the past year with other value chain actors
<b>4. Monitoring and evaluation</b>	<i>Does your organisation have a functioning M&amp;E system?</i>	No, organisation does not do M&E for any of its activities	Organisation mainly responds to immediate donor requests for M&E data, ad hoc, with little planning	Organisation has an M&E system, is collecting data on an ongoing basis, and is reporting to donors	M&E system is documented (i.e., plan is available) and data inform management decisions and provide feedback to the community/ other stakeholders

Score	1	2	3	4	Total
<b>Section</b>					
Explanation/Comments					

## 6. NETWORKING AND ADVOCACY

What relationship does your organisation have with other local, national, and international players in your area, and how do you work together to influence others?

(Circle ONE relevant box for each question.)

Question	Capacity score			
	0	1	2	3
<b>1. Advocacy</b> <i>Do you carry out advocacy activities to influence those in power to change conditions or policies that influence your work?</i>	Haven't thought about local policies or conditions. Little or no targeted advocacy work done in the past	Have only mobilised general public for support or awareness raising, but nothing targeted at key people or institutions in power	Have developed targeted activities toward certain groups or policies but have lacked evidence, community voice, or strength of numbers	Have done convincing evidence- or consultation-based advocacy, mobilising allies and using many different communication methods
<b>2. Broader context and potential partnerships</b> <i>Does your organisation work with local government, private, or community organisations?</i>	Work in isolation. No knowledge of local policies, strategies, or work of others	Some knowledge of local government policies and of other local organisations who are mainly seen as competitors	Understand national and local policy and strategies of other organisations working in this area. Have personal contact with a few other relevant people/ organisations	Have effective partnerships working together, sharing resources, or referring clients to local government, private, or community organisations

Score	1	2	Total
Section			
Explanation/Comments			

## 7. TECHNICAL CAPACITY

What experience does the organisation already have in their area of work?