

**Evaluation of Dutch support to  
capacity development**

**Evidence-based case studies**



# **Capacities for development**

**Joint Evaluation Partos**

Synthesis report

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## Evidence-based case studies



# Capacities for development

## Joint Evaluation Partos

Synthesis report

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Disclaimer: This report has been produced under the responsibility of Partos. The views expressed are those of the consultants and do not necessarily represent the view of Partos or IOB.

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- Annex I: Assessment of External Reference Group
- Annex II: *IOB General Terms of reference 'Evaluation of Dutch support to capacity development; Evidence based case studies on how to support organisational development effectively'*, The Hague, IOB, November 2008
- Annex III: Partos, *Terms of Reference, Joint Programme Evaluation Capacity Development. Participating organisations: Cordaid, Hivos, ICCO, Oxfam Novib*, Amsterdam, Partos, April 6, 2009
- Annex IV: Major outcomes of the Joint Learning Workshop
- Annex V: IOB (Piet de Lange), *Evaluation of collaborative associations*, The Hague, IOB, April 24, 2009
- Annex VI: Members of the External Reference Group
- Annex VII: Members of the Coordination Group

### A short story

'The case study was planned at a critical time in the agricultural season. It coincided with the Ethiopian crop harvest. This put pressure on the evaluation process as farmers found it difficult to concentrate and give quality time to the discussions. The situation was made more difficult by the untimely rain that damaged the mature crops in the field, especially the teff and the wheat. Moreover, the members of the farmers' organization who were expected to participate all day in two storytelling exercises had to cut the process short due to the death of close community members ...The farmers were not able to be fully attentive with their hearts and minds in the discussions.'<sup>1</sup>

### From the joint learning workshop

'Power was everywhere in the different groups, however it is not very explicit in the model. ... Based on the analysis done earlier in the day, the cross cutting issue was about power'.<sup>2</sup>

### A personal note

'Personally, I remember expressing in frustration to my co-facilitator that there was a major event I was remembering but the participants were not remembering it. He said, if they cannot remember it then it's not important to them and if it is important they will remember it and record it. After two minutes I saw them put it down. This is a key lesson that I learned'.<sup>3</sup>

### A thought

'If offered cash, many civil society organizations would probably prefer cash rather than capacity development'.<sup>4</sup>

**1)** Lebesech Tsega, *Capacity Development on Value Chain; Case study Ethiopia Learning Alliance*, Addis Ababa, Horn Consult, Final version April 2010, page 39.

**2)** Fred Mandi, *Report of the Joint Learning workshop, March 1–3, 2010*, Utrecht, Context.

**3)** Chiku Malunga, *Youths, women and children; Case study Youth Net and Counseling, draft version dated March 25, 2010*, Blantyre, CADECO.

**4)** Rick James, Vices and Virtues in Capacity Development by International NGO's, *IDS Bulletin*, (41) 3, 13–23, 2010 page 21.

This report was written by Fons van der Velden and Udan Fernando from Context, international cooperation in Utrecht, the Netherlands. It is the result of a collaborative evaluation process about how the capacity development of Non-Governmental Development Organizations takes place in different parts of the globe.

Staff members of Southern organizations, Dutch Development Partners, IOB/Netherlands Ministry of Foreign Affairs, and Context, international cooperation participated at various stages of the evaluation process.

This report is based on the following seven case studies.

No	Author, Organization/Place	Southern organization
1.	Hope Chigudu, Hope Africa/Harare	CAL – Pan-African
2	Chiku Malunga, CADECO/Blantyre	ECM – Malawi
3	Chiku Malunga, CADECO/Blantyre	YONECO – Malawi
4	Tom Olila, Strategic Connections/Nairobi	SOCSIS – Somalia
5	Anne-Marie Schreven, Euthpal/Thimphu	PST – Cambodia
6	Anne-Marie Schreven, Euthpal/Thimphu	PADEK – Cambodia
7	Lebesech Tsega, Horn Consult/Addis Ababa	Learning Alliance – Ethiopia

The views expressed in this report are those of the consultants and do not necessarily represent the official view of Partos, Cordaid, Hivos, ICCO, Oxfam Novib or members of the Partos External Reference Group.



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## Acknowledgement

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A common interest and commitment brought development practitioners from Africa, Asia and the Netherlands together in a one-year collaborative evaluation process to explore the ins and outs of capacity development (CD). The purpose of the evaluation was to generate knowledge and insights that would contribute to further policy development in this area. The research process was initiated by Partos, the national platform for Dutch civil society organizations in the international development cooperation sector, together with its member organizations Cordaid, Hivos, ICCO and Oxfam Novib. In the process, Partos decided to align its work with the study of the Netherlands Ministry of Foreign Affairs Policy and Operations Department (IOB).

It was decided that the study should be exploratory in nature, with a strong emphasis on learning and would give priority to 'views from within and below'. As part of the research, seven case studies were carried out by five national consultants in five different countries. At the beginning of the overall evaluation process and before the case studies were started, interactive workshops were organized. At the end of the process, the major lessons learned were identified in a Joint Learning Workshop. The present draft Synthesis Report was subsequently formulated by the team at Context, international cooperation.

On behalf of the study team, I wish to express my sincere thanks to the representatives of the various communities that participated in the evaluation; to the staff members of CAL, Ms Fikile Vilakazi and Ms Dawn Cavanagh; ECM, Ms Matilda Maluza and Ms Mary Ganiza; ELA, Mr Tarekegn Garomsa; PADEK, Mr Kep Kannaro; PST, Mr Soth Plai Ngarm and Mr Meas Nee; SOCSIS, Mr Abdullahi Haider and Mr Abdiwahab Ibrahim; and YONECO, Mr MacBain Mkandawire.

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Invaluable support and critical feedback were provided during literally every stage of the evaluation process by a number of people including the Partos evaluation manager, Ms Lisette Desain; members of the Dutch coordination group, Ms Hilda van 't Riet, Mr Herman Lauwerssen and Mr Mark Rietveld from Cordaid; Mr Karel Chambille and Ms Marjan van Es from Hivos; Ms Dieneke de Groot and Ms Hettie Walters from ICCO; and Mr Arjan Mulder from Oxfam Novib. The members of the Partos External Reference Group – Ms Geske Dijkstra, Mr Paul Engel, Mr Georg Frerks, Mr Niels Keijzer, Mr Piet de Lange and Ms Rekha Wazir – provided indispensable feedback to the draft Inception Report and to the first draft of the Synthesis Report. Moreover, Mr Piet de Lange from IOB participated in the briefing and joint learning workshop and provided, together with his colleagues Ms Rafaëla Feddes and Mr Eric Kamphuis, collegial assistance at various stages of the evaluation process.

The present report is based on the seven case study reports which were written respectively by Ms Hope Chigudu (CAL), Mr Chiku Malunga (ECM and YONECO), Mr Tom Olila (SOCSIS), Ms Anne-Marie Schreven (PADEK and PST), and Ms Lebesech Tsega (ELA). The collaboration with the five national consultants was professional, results-oriented, enjoyable and a source of inspiration.

Within Context, international cooperation, Ms Ester Prins provided research assistance during the first stage of the evaluation process; Annelieke Brackel performed the role of project assistant and was responsible for logistical and organizational issues, Udan Fernando took responsibility for the policy reconstruction and played an important role in the analysis of data and formulation of the Synthesis Report. Jan Brouwers and Pradeep Esteves gave valuable practical and moral support during the various stages of the evaluation process. Elise Reynolds (Id Est) provided language-editing support.

Genuine inter-organizational learning involves a high degree of trust and extensive sharing of information. And this is what actually happened, thanks to the background, experience, values and attitudes of all the participants in the present process. The value of the evaluation lies principally in the study process itself – as part of that social process, many important and in-depth conversations were held about the rather complex issue of capacity development. In the process all the participants, including the team at Context, probed deeply in their own working practices and have already started to apply the lessons they learned.

Notwithstanding this intensive collaboration, I, as the coordinator of the study, bear the final responsibility for any shortcomings in this report. Feedback is solicited at [fvdv@developmenttraining.org](mailto:fvdv@developmenttraining.org)

Fons van der Velden

Fons van der Velden.

*Context, international cooperation*  
Utrecht, October 19, 2010

## List of abbreviations

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CAL	Coalition of African Lesbians
CBO	community based organization
CD	Capacity Development
CFA	Co-financing agency
CHC	Catholic Health Commission
CSO	civil society organization
DDP	Dutch development partner
ECM	Episcopal Conference of Malawi
ELA	Ethiopian Learning Alliance
FFARM	Facilitating Farmers Access to Remunerative Markets
FMOs	farmers' marketing organizations
GTA	grounded theory approach
HBC	home-based care
INGO	international non-governmental organization
IOB	Policy and Operations Department of the Netherlands Ministry of Foreign Affairs
IIRR	International Institute for Rural Reconstruction
KIC	Knowledge Infrastructure with and between Counterparts
LBTI	lesbian bisexual transgender intersex
M&E	monitoring and evaluation
MFP	Mede Financiering Programma
MFS	Mede Financiering Stelsel
MOU	memorandum of understanding
NGO	non-governmental organization
NGDO	non-governmental development organization
OD	Organizational Development
ON	Oxfam Novib
PADEK	Partnership for Development in Kampuchea
PICDM	PADEK Integrated Community Development Model
PME	planning, monitoring and evaluation
PSO	Association Personnel Service Overseas
PST	Programme Support Team
SOCSIS	Strengthening of Civil Society Organization Involving Systems
SP	service providers
VCD	value chain development
YONECO	Youth Net and Counselling



# **Executive summary**

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## **1. Background of the evaluation**

In 2008, the Policy and Operations Department of the Netherlands Ministry of Foreign Affairs (IOB) initiated a series of seven evaluations: 'Evaluation of Dutch support to capacity development; evidence-based case studies'. The purpose of these evaluations is to respond to the need for knowledge and new insights. This knowledge and these insights are needed for the ongoing formulation of policy on the (CD) development of the Ministry, Dutch non-governmental development organizations (NGDOs), and their partner organizations in developing countries. The evaluation looks into how, and under what circumstances, capacity has developed and how support for it can be provided more effectively. Partos, the national platform for Dutch civil society organizations in the international development cooperation sector was invited by IOB to participate in this study. The overall coordination and implementation of the Partos study was carried out by Context, international cooperation, which is based in Utrecht, the Netherlands.

The emphasis in the evaluation is on exploring concrete capacity development processes in order to generate knowledge and insights that can contribute to ongoing capacity development policy. The study has a strong focus on learning and has been organized in such a manner that implications for future policy development can be derived from particular cases. Key to the methodology is an evidence-based evaluation approach which is and designed from the 'bottom' up. The key questions asked in the study are as follows:

1. What changes have taken place in the capacity of the Southern organization(s)?
2. What effects have these changes in the capacity of the Southern organizations had on the realization of their development objectives (their outputs and outcomes)?
3. How effective have Dutch development partner (DDP) interventions been in terms of strengthening the capacity of Southern partners?
4. What factors explain the level of effectiveness of DDP interventions?
5. What lessons can be learned?

## **2. Case studies**

Seven case studies were carried out, representing a range of CD interventions. In all cases, there was a strong and direct focus on strengthening the performance of one or more civil society organizations (CSOs). The size and scope of the interventions varied considerably from pan-African capacity development interventions to more localized interventions. In addition, the sectors in which the organizations operated were quite diverse. Some of the organizations were in the early stages of their evolution, while others were well established.

### **The main points that emerged from the case studies are as follows:**

- a. DDP support is extended to wide range of collaborative associations which vary very much from one another. The nature of the collaboration involving the different types of stakeholders and programmes determines the scope of the CD.
- b. There is a clear tendency to build on what already exists.
- c. A multiplicity of stakeholders is involved and therefore CD is emerging as a co-creation. This has implications for attribution and contribution.
- d. Capacity development strategies vary from context to context. Though a pattern can be observed, strategies cannot be generalized or be understood in a universal sense.

- e. The focus of CD interventions can vary from a formal/organizational to informal/institutional/network level.
- f. The types of change effected by a CD intervention can vary from developmental or transitional changes to a radical transformation. The type of change that occurs is determined by a variety of factors and by the level of ambition of the stakeholders involved.
- g. There are many different types of organizations, each with a different context, image and way of expressing its goals. This means that we should recognize that CD initiatives cannot be designed on stereotypical images and models of organizations.

### **3. Policy reconstruction**

Given their varied historical, religious, ideological and constituency roots, the DDPs have conceived their development paradigms in different ways and over different time periods; however, the recent development paradigms reflect a great deal of convergence and many similarities. We should bear in mind though that a common and explicit CD policy domain is still in the early stages of being realized. The DDPs have reached common ground on understanding capacity development as a ‘process’ involving structural change at local and international levels that addresses power imbalances. The underlying constraints that apply to development are understood by the DDPs to be structurally created, at both local and global levels. Poverty and injustice are understood as impediments to development and therefore need to be fought against and eradicated. In such an analysis, power imbalance is a common thread running through poverty and injustice. It is because of this that addressing power assumes a central place in the DDPs development agenda.

#### **The following general observations can be made regarding the DDPs’ policy:**

1. DDPs’ capacity development policies are embedded deeply in the overall policies of the respective organizations.
2. It is clear that the DDPs have made considerable efforts to ensure that formulating an explicit policy on CD policy is a specialized domain. This includes introducing budgetary schemes and planning, monitoring and evaluation (PME) systems that focus on capacity development.
3. DPPs’ policies on capacity development are significantly influenced by pressure from funding patterns in the Netherlands and Europe. Capacity development policies are a way of responding to the pressure to show results and to provide evidence of impact.
4. The DDP’s concept of capacity development is largely influenced by the ideas of European think-tanks and institutions and somewhat less informed by their own practice and the practice of Southern organizations.
5. There is more room to accommodate the voice of Southern organizations in the DDP formulations of CD policy. Right now, the Southern voice is not being listened to properly.
6. There is a tension between intrinsic CD and instrumentalist CD. The DDP perspective most closely resembles intrinsic CD, but the external pressures may compel them to use an instrumentalist approach from time to time.

#### **4. Lessons learned**

The principal lessons that can be learned from the case studies at the level of development practice can be summarized as follow.

##### *a. Levels of capacity development*

Capacity development is about people, movements, organizations and society at large; but it first and foremost concerns people. Individuals are the key, specifically their behaviour, confidence and trust. However, CD should be comprehensive, so it requires efforts at all levels. Leadership issues are crucial in the context of transitional and transformational change.

##### *b. Multiple actors and the diverse nature of capacity development interventions*

There is no one single dominant approach to CD. A variety of local and internationally positioned stakeholders, including the DDPs, are involved and therefore capacity development is emerging as a process of co-creation. The strategies and the intervention roles of the actors are influenced by the context of the organization, its core purpose, its stage of organizational evolution, the types of change being targeted, etc. The multiplicity of actors and the phenomenon of co-creation make CD initiatives indivisible. This entails having policy and planning, monitoring and evaluation (PME) tools that capture this indivisible nature.

##### *c. Endogenous versus exogenous: the gap between policy and practice*

Capacity development sometimes emerges as a result of external stimuli rather than as a result of internal learning loops. The value and importance of an external stimulus is important; an externally initiated, or exogenous, approach to CD may have a value in itself. In cases where systems and procedures are in place to enhance local ownership and commitment, a CD initiative that is being initiated and led internally is not necessarily the more desirable or feasible option. Partnership between Northern and Southern NGDOs regarding CD can bring about substantial benefits based on comparative advantages.

Processes that may have begun by being characterized as exogenous can develop towards the other end of the spectrum in terms of ownership, links to internal learning processes, etc. In this sense, the notion of CD as an exclusively endogenous process needs to be demystified. Moreover, the descriptions instrumentalist/intrinsic and endogenous/exogenous should be seen as two ends of a wide spectrum.

##### *d. Relationships: the importance of dialogue, interaction and involvement*

Capacity and capabilities emerge over time, partly as a result of interactions between learners within their own groups and partly as a result of lessons learned from observing the interactions of others. For those who are not fully or entirely part of a particular system or group (DDPs for example), it is a challenge to support the process in such a manner that ownership is fostered.

There are a number of factors which contribute to the success of this balancing act of long-standing institutional relationships based on trust:

- Mutual respect
- Empathy
- Thinking that's in tune with how the Southern organization operates
- A common vision of the desired nature of change
- Shared values and a common agenda

All these factors need to be embedded in joint practice. Long-term donor commitment combined with financial and technical support is a formula that has proved its value on many occasions. Setting joint agendas rather than allowing agendas to be imposed by just one of the organizations is particularly important to successful outcomes. At the same time, it has to be acknowledged that even in a context of common concern and mutual respect, the issue of power continues to play an important role, both implicitly and explicitly.

Capacity development is not a unilateral activity; the actors in a CD intervention are inseparable and connected; the capacity of any one partner affects that of the others. In this sense, the focus is never just on developing the capacity of the Southern partner organization that is 'out there'; but also on developing the DDP's own capacity.

Capacity development does not always need to be a process; an incident or an individual can be the spark that ignites change. The long-term, process-like character of CD is not therefore an aim in itself; a common vision of the required change and shared values are much more important elements.

e. *Outputs and outcomes of capacity development efforts*

The current concept of what is meant by capacity development, and the dynamic nature of CD policy formulation place an explicit emphasis on outputs and outcomes. However, the manifestations of outputs and outcomes in practice represent a high degree of complexity. The focus of CD interventions varies substantially from intrinsic CD to rather instrumentalist CD. It has become clear that the enhanced capabilities, whether they focus on the ability 'to do' or 'to be', do not remain static within organizations (in other words, capacity development is not seen an end in itself); rather they are being used to achieve development objectives (in other words, capacity development is seen as a means to an end). There is substantial evidence that this leads to relevant outcomes. In view of the long-term nature of the majority of CD interventions and the involvement of multiple actors in them, and the close interrelatedness between these actors, it is difficult to attribute results. In any case, in capacity development processes, there is a trend towards building on what is already there in terms of capacities and capabilities.

#### *f. The professionalism of the DDPs*

The features that characterize DDPs' professionalism in relation to CD strategies include:

- Consistency and continuity of support
- Flexibility
- Empathy with the Southern partner organization and a good reading of the context in which it is positioned
- Quality communication between the DDP and the Southern partner
- A good level of trust between the two parties

A steady volume of flexible funding coupled with long-term commitment appear to be the factors that contribute to a sustained and effective CD strategy.

#### *g. Gender issues*

While there is much emphasis on the importance of gender in CD policies and strategies, it often doesn't follow through into rigorous practice. It is often dealt with in an isolated manner or as an afterthought. Issues of gender should preferably be introduced both at strategic and at operational level, consciously and systematically right from the beginning of a CD process and should be mentioned explicitly in agreements. In order to achieve this, it is important to be aware of attitudes and to strengthen the leadership, organization and strategies of women and men working on gender issues both within women's groups and within mixed-sex organizations.

### **5. Future policies**

At the core of good capacity development is a stock of existing knowledge and local ownership, both of which are embedded in the context of 'where the change is going to take place' in the South.

Context is crucial throughout the entire course of a CD effort, particularly at the beginning and end of the process. At the beginning, it is crucial that the CD need is emerging from the context; at the end, it is the relevance of the outcomes to the context that matters – whether the CD outputs are relevant to the needs and demands of the ever-changing context.

Once the core of CD intervention is set by a partner organization in the South, the external actors, the DDPs, can start to collaborate with them. There could, of course, be instances where ownership and knowledge could be shared with the external agent or even owned by them in the initial stages. The extent of the collaboration and its intensity change and ownership becomes clearer as the relationship matures.

Capacity development cannot be understood as an isolated phenomenon. It is intrinsically linked with the idea of 'others'. Because of this, CD is indivisible in terms of actors, capabilities and processes. Each actor needs the others in order to change its own capacity. The capability of one cannot be developed without a corresponding change or taking place with the other. This requires a mutuality and reciprocity in CD. The process of CD does not take place only in the domain of the Southern partner organizations; it also takes place in the donor's domain. Summing up, the capacity of 'them' is also the capacity of 'us'. Hence the indivisibility of capacity development emerges as a major lesson. An important implication of this lesson is the blurring of the demarcation between endogenous and exogenous CD processes.



# **1. Introduction to the Partos joint evaluation on capacity development<sup>5</sup>**

## **1.1 Background of the evaluation**

In 2008, the Policy and Operations Department of the Netherlands Ministry of Foreign Affairs (IOB) initiated a series of seven evaluations: ‘Evaluation of Dutch support to capacity development; evidence-based case studies’. The purpose of these evaluations was to respond to the need for knowledge and new insights. This knowledge and these insights are needed for the ongoing formulation of policy on the CD of the Ministry, Dutch non-governmental development organizations (NGDOs), and their partner organizations in developing countries. The evaluations look into how, and under what circumstances, capacity has developed and how support for it can be provided more effectively.

Key to the methodology used in the evaluations is an open-systems approach that is evidence based and has been designed from the bottom up. The IOB terms of reference stress the importance of the Southern partners’ views of and experiences with CD.<sup>6</sup> An important methodological implication of the open-systems approach is that the framework and indicators of each separate evaluation must be put into context and related to the perspectives that the Dutch development partners (DDPs) and Southern partners have on capacity development.

### **Box I: Terminology and conceptual framework**

#### **a. Conceptual framework**

Within the conceptual framework of this study, as outlined in the terms of reference of both IOB and Partos, organizations and networks are regarded as open complex systems with permeable boundaries.<sup>7</sup>

IOB has taken the five core capabilities model (5CC model), which was developed by Baser and Morgan as the reporting framework for this study.<sup>8</sup> The five interrelated core capabilities provide a basis for the assessment of a particular situation at a given point in time.<sup>9</sup>

Capabilities refer to a broad range of collective skills found in organizations or systems. These can be both hard skills – such as policy analysis, technical analysis, and financial resource management – or soft skills – such as the ability to earn legitimacy, the skill to adapt and the aptitude to create meaning and identity. Capabilities can be understood as the building blocks of an organization’s or movement’s overall capacity to perform.<sup>10</sup>

**5)** Mr Karel Chambille and Ms Lisette Desain have provided valuable feedback on an earlier draft of this chapter.

**6)** IOB, *IOB Evaluation of Dutch support to Capacity Development* (not dated) (June 2009). See as well: IOB, IOB General Terms of Reference ‘Evaluation of Dutch support to capacity development; Evidence-based case studies on how to support organisational development effectively’, The Hague (IOB), dated November 2008, (Annex I).

**7)** Ref. P. de Lange, Evaluating capacity development support, *Capacity.org*, Issue 17, September 2009. Living human systems is another way of characterising those entities. In the case study report about CAL, Hope Chigudu writes ‘CAL is always in a state of fluidity, discontinuity and self-renewal’ (page 8). See also: A. de Geus, *The living company; growth, learning and longevity in business*, London (Nicholas Brealey), 1997; F. Capra, *The hidden connections: A science for sustainable living*. London: (HarperCollins), 2002.

**8)** H. Baser and P. Morgan, *Capacity, Change and Performance: Study Report*, Maastricht (ECDPM) 2008. Initially the 5C model was perceived as the general analytical model for the studies. During the research process the emphasis shifted to using the 5C model as a tool for reporting. In some of the case studies (especially ECM and YONECO) the 5C model has however basically been used as a tool for analysis.

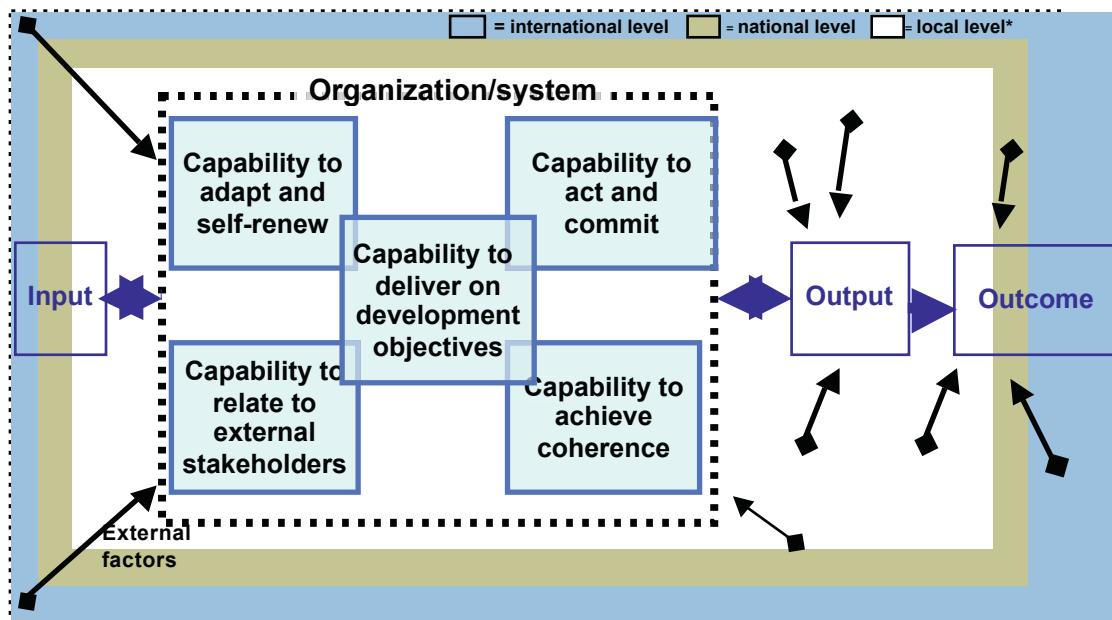
**9)** See IOB, General Terms of Reference, 2008.

**10)** See: Zinke 2006: 5

The five elements of capacity distinguished by Baser and Morgan are:

1. The capability to deliver on development objectives
2. The capability to act and commit
3. The capability to adapt and self-renew
4. The capability to relate to external stakeholders
5. The capability to achieve coherence

Diagram I: Organizations as open systems



### b. Concepts of the central terms used

In line with the IOB terms of reference for this study, the core concepts are defined as follows:

**Capacity** should be understood as 'the ability of people, organizations and society as a whole to manage their affairs successfully'.

**Capacity development** is therefore understood as the process whereby 'people, organizations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time'.

**Promotion of capacity development** refers to what outside partners – domestic or foreign – can do to support, facilitate or catalyze capacity development and related change processes.<sup>11</sup>

<sup>11)</sup> OECD/DAC. The Challenge of Capacity Development: Working towards Good Practice (2006).

## **1.2 Brief introduction to Partos<sup>12</sup>**

### **a. National platform**

Partos is the national platform for Dutch civil society organizations (CSOs) in the international development cooperation sector. The fields of work in which Partos members are involved include poverty alleviation, humanitarian intervention, human rights and sustainable development. Many Partos member organizations work directly or indirectly in developing countries, often in cooperation with partner organizations. Other members focus instead, or additionally, on the Netherlands. In these cases, the objectives include influencing policy, gaining and distributing information and knowledge, and consolidating a broad range of support in the Dutch public arena. Partos supports these organizations in reaching their goals by working to increase professionalism throughout the sector and helping it to position itself clearly in the public eye.<sup>13</sup>

### **b. House of Quality**

Since 1965, the Dutch government has provided financial support to co-financing agencies (CFAs), which provide assistance to less developed countries.<sup>14</sup> In 2001, the board of five Dutch co-financing organizations developed a joint House of Quality. In 2007, this House of Quality became part of Partos.

The House of Quality is a collective term for joint activities that focus on strengthening the quality of Partos members. It serves to build the learning capabilities of the participating organizations as well as the justification of the results they obtain.

The membership platform consists of a limited number of organizations involved in joint evaluations of the results of specific programmes. A reference group of external experts advises on the quality of the processes and the results of the joint programme evaluations.<sup>15</sup>

The Dutch CFAs, Cordaid, Hivos, ICCO and Oxfam Novib, are among Partos's bigger member organizations. These organizations have a long track record<sup>16</sup> on joint programme evaluations; and this record continues under the Partos umbrella.<sup>17</sup> The CD policies of Cordaid, Hivos, ICCO and Oxfam Novib are described in Chapter 3 of this document.

**12)** For a more elaborate introduction to Partos and some of its member organisations reference is made to Chapter 3.

**13)** See: [www.partos.nl](http://www.partos.nl) (visited on March 28, 2010).

**14)** L. Schulpen, *Hulp in ontwikkeling: bouwstenen voor de toekomst van internationale samenwerking*, Assen, the Netherlands (Van Gorcum), 2001, page 33.

**15)** The evaluation reports are open to the public and are reviewed by the Policy and Operations Evaluation Department, of the Ministry of Foreign Affairs.

**16)** See: [www.partos.nl](http://www.partos.nl) under 'Kwaliteit', 'Kwaliteitshuis', 'Rapporten Programma Evaluaties' (March 28, 2010).

**17)** The evaluation was initially called a Programme Evaluation; when the emphasis shifted to exploration and learning the ambition to implement a full-fledged programme evaluation was dropped, hence 'joint evaluation'. See Annex II 'Partos, Terms of Reference, Joint Programme Evaluation Capacity Development. Participating organisations: Cordaid, Hivos, ICCO, Oxfam Novib, Amsterdam (Partos), April 6, 2009 (draft 4). (Annex II). More information about the Capacity Development policy of these four agencies can be found in Chapter 3.

### **1.3 Reasons for and purpose of the evaluation<sup>18</sup>**

In 2008 IOB invited Partos to participate in the CD evaluations. IOB included the Partos CD evaluation as one of the seven studies which were mentioned in the introductory paragraph of this chapter. Partos agreed to include its evaluation with the other CD evaluations, on the understanding that the four CFAs involved could formulate their own terms of reference.

The terms of reference for the Partos joint evaluation 'Capacity development'<sup>19</sup> is in line with the overall conceptual framework of the general terms of reference, formulated by IOB.

### **1.4 Objectives, key issues and evaluation questions**

The emphasis of the evaluation is on the exploration of concrete CD processes in order to generate knowledge and insights that can contribute to further policy development in this area. The study has a strong focus on learning and has been organized in such a manner that implications for future policy development can be derived from particular cases. The evaluation has focused on the period 2004–2008.

In the light of the core purpose of this evaluation, a number of key questions were put together. In the inception report for this particular evaluation, the key questions were categorized into five major clusters concerning: (a) changes that have taken place, (b) the effects of those changes, (c) an analysis of the five core capabilities, (d) the role of the DDPs, (e) lessons learned.<sup>20</sup>

In view of the IOB terms of reference, the following questions will be addressed in the reports on the seven case studies:

- What changes have, in general taken place in the capacity of the Southern organizations?<sup>21</sup>
- What effects have these changes in the capacity of the Southern organizations had on the realization of their development objectives (output and outcome)?
- How effective have external (DDP) interventions been in terms of strengthening the capacity of Southern partners?
- What factors explain the level of effectiveness of external (DDP) interventions?
- What lessons can be learned?<sup>22</sup>

**18)** See for a more elaborate description of the evaluation framework: Context, international cooperation (Fons van der Velden), *Evaluation of Dutch support to capacity development; Evidence-based case studies; Joint Evaluation Partos; Capacity Development*, Final version, Dated August 28, 2009. (Separate Annex, further referred to as Inception Report.)

**19)** Partos, 2009. (See Annex II).

**20)** See: Context, international cooperation, 2009 (Inception report), page 31 – 32.

**21)** Within the context of this evaluation the word 'organisation' should be understood as an open system, see among others the General Terms of Reference for this evaluation (page 3) and Baser and Morgan, 2008.

**22)** See the IOB Terms of Reference page 14–15 (Annex I).

## **1.5    Methodology**

The way in which the evaluation has been conducted and the methodology that has been used can be summarized as follows. The present study consists of seven case studies on the CD programmes of Southern organizations that are partner organizations of the four CFAs that are involved in this study.<sup>23</sup> The case studies have been implemented in a collaborative research process in Cambodia, Ethiopia, Malawi, Somalia and at a pan-African level by five national consultants.<sup>24</sup>

The cases that were selected are not intended to be representative of the CD programmes of the various DDPs that took part in the study. It should therefore be noted that the evaluation is not a programme evaluation of capacity development programmes of the four Partos member organizations; that would require different terms of reference, methodologies, time-frames, etc.

### **a.    Conducting the evaluation: guiding principles**

**Exploratory nature:** The nature of the evaluation was, as indicated earlier, exploratory and descriptive and was geared towards organizational learning. An attempt was made to avoid an overly narrow intervention focus at the beginning of the evaluation process in general, and at the primary data collection stage in particular. During the initial stages of the actual case studies, the emphasis was therefore on ‘what has happened’ and ‘what has emerged’ from the capacity development interventions in the broader sense.<sup>25</sup> During later stages, a link was made with the major evaluation questions and the 5CC model.

**Collaborative evaluation:** The present evaluation was carried out as a collaborative, multi-stakeholder learning process<sup>26</sup> consisting of the DDPs, Southern partners, partners of Southern partners, Partos, IOB and the evaluation team. It was established on principles of joint learning and on the grounded theory approach (GTA). This is based on the fundamental assumption that lasting behavioural change is more likely to follow from a re-interpretation of past experience rather than from the acquisition of ‘fresh knowledge’, which may have been generated by outsiders.

**Grounded theory approach:** It is appropriate that the evaluation should be positioned within the tradition of the GTA<sup>28</sup> because the evaluation process started by ‘identifying and describing’ the case studies and moved on to ordering, or ‘categorizing’. The next step, theorizing, has not yet been taken.<sup>29</sup>

**23)** Reference is made to Annex IV, for the key sheets of the case studies.

**24)** For details about the selection of the case studies, reference is made to Chapter 2.

**25)** In order to pay sufficient attention to what has happened but may not have been planned, and may not have been agreed upon beforehand by parties involved ('seeking surprise').

**26)** Availability of quality time within the DDPs and Southern organisations has therefore been used as one of the criteria for the selection of cases. In this context it is important to mention that the case studies are preferably not an ‘add on’ but part of a regular M&E cycle within the respective organisations and that the methodology from the cases may contribute to a further enhancement of Participatory Planning Monitoring and Evaluation of involved stakeholders.

**27)** Reg Revans, The ABC of Action learning, In: M. Pedler (ed.) 1998 *The Mike Pedler library. Developing people and organisations*, London, Lemos and Crane.

**28)** The Grounded Theory Approach (GTA) is a method of research originally developed by Glaser and Strauss (*The discovery of grounded theory; Strategies for qualitative research*, New York, 1995). In their original statement of the method, Glaser and Strauss (1967) invited their readers to use the grounded theory strategies flexibly in their own way.

**29)** M. Q. Patton, 2002 *Qualitative Research & Evaluation Methods*, 3rd Edition, Thousand Oaks, CA, USA, Sage, page 490.

**Local development and calibration of indicators:** In line with the general terms of reference, the identification of indicators and operational criteria in the local context was (in most of the case studies) carried out in close consultation with the various stakeholders.<sup>30</sup>

### b. Conducting the case studies

A five-day multi-stakeholder briefing workshop was held on the background, purpose and methodology of the evaluation.<sup>31</sup> This was in order to facilitate a common understanding, acceptance and internalization of the conceptual and operational frameworks of the evaluation and to facilitate the emergence of ownership<sup>32</sup> from the beginning of the actual evaluation process. Representatives of the Southern organizations, national consultants, representatives of the DDPs, Partos, IOB and Context, international cooperation all participated in this workshop.

Subsequently, at the beginning of the primary data collection stage in each Southern organization, a multiple stakeholder, start-up workshop was organized for staff of the Southern organization, beneficiaries, national consultants and the team leader of the study. These workshops fulfilled a dual function: they allowed a sharing of the background, purpose and methodology of the study; and they marked the start of the primary data collection process.<sup>33</sup> At the beginning of the evaluation process in each of the case studies, indicators and operational criteria were calibrated in collaboration with local stakeholders.<sup>34</sup>

After the start-up workshops, the national consultants and their counterparts<sup>35</sup> started the primary data collection at the level of the Southern organizations. The GTA was followed in the sense that all the case studies started with gathering 'rich data' through story-telling exercises. These stories were well documented and respondents were actually involved in explaining their statements and actions during the story-telling exercises.

The evaluation did not, however, rely on a single method. Other data collection techniques used included: bilateral interviews, focus group discussions (FGDs), most significant change (MSC) exercises, participatory self-assessment workshops and questionnaires.<sup>36</sup>

In order to obtain coherence, synergy and a certain degree of uniformity between the various case studies, all the national consultants used retrospective timelines, learning histories (story telling) and an adapted version of the Power Cube.<sup>37</sup>

**30)** In some cases, indicators were developed locally, while in other cases calibration of the centrally developed indicators (IOB Terms of Reference and/or 5CC model) took place. The latter happened especially within Southern organisations that had limited experience with Participatory Planning Monitoring and Evaluation (PPME).

**31)** See: Context, international cooperation (Ester Prins), *Briefings workshop, Joint Evaluation Partos capacity Development, September 28–October 2, 2009, Nairobi Kenya*, Utrecht, the Netherlands, Context, November 10, 2009.

**32)** See Mr Dominique Hounkonnou's (member of the IOB External Reference Group) feedback to the inception reports (*Some general comments on the Inception reports*. IOB, September 2009) 'It is important to avoid the 'we versus they' syndrome and to take the line of a more collective we, which characterises joint learning exercises'.

**33)** Through a retrospective time line, analysis of the unit of analysis, development of indicators, etc. Reference may be made to the various reports of the start-up workshops by Fons van der Velden et al, *Some reflections about the start-up workshops in connection with the Partos IOB study Capacity development*, Utrecht, the Netherlands, Context, January 18, 2010.

**34)** The indicators used at case study level are in most of the cases a blend of IOB and local indicators.

**35)** Within every Southern organisation one of the staff members acted as the counterpart for the national consultant.

**36)** In Annex IV of the inception report an overview has been given of research methodologies which were used during the primary data collection process

**37)** With the exception of the CAL case study, where the participants refused to work with the Power Cube as not sufficient emphasis was being put on the concept of 'power from within'. Ref. the Reflection note about the start-up workshops, Van der Velden et al, 2010, page 4 – 5 and the case study report about CAL.

Furthermore, all the national consultants compared the outcome of the participatory research methods with information from third parties and from other sources. This triangulation has advanced the learning experience to a different level. It has, in a number of cases, added more layers of perspectives, explanations and nuance. The description attained a more comparative and analytical nature.

In most of the cases at the end of the primary data collection process, feedback (validation) workshops were organized with the Southern organizations. During this stage of the evaluation process, the national consultants and their counterparts in the Southern organizations linked their research findings to the 5CC model.

### c. Conducting the synthesis

The draft case study reports were reviewed by representatives of the DDPs, Partos, IOB and Context, international cooperation. National consultants provided feedback on at least two other case study reports (peer reviews).

At the end of the primary data collection, when the first drafts of the case study reports were ready, a joint learning workshop was organized.<sup>38</sup> Participating in this workshop were representatives of Southern organizations, DDPs, IOB, Partos, the national consultants, the team leaders and senior consultant of Context, international cooperation. During the workshop, participants made analytical sense of the primary data collected.<sup>39</sup> Statements were prioritized and clustered in order to define essential elements, and lessons that could be learned from the study were identified. This was all done in a participatory manner and a software programme<sup>40</sup> was used to provide insights into how the various topics fitted together.

To supplement the above methods and approaches, Context, international cooperation carried out a literature survey and interacted with the respective DDPs in order to reconstruct policies on CD and analyze the quality of the services provided by DDPs for Southern organizations. The literature survey included consulting policy and other related documentation maintained by DDPs. Two rounds of interviews were held with the key staff involved in DDP capacity development work to build on the knowledge gathered from the literature survey. Towards the end of the evaluation process, a workshop on policy reconstruction was held for DDP staff involved in capacity development.<sup>41</sup>

<sup>38)</sup> See Fred Mandi, *Report of the Joint Learning workshop*, March 1 – 3, 2010, Nairobi, Kenya/Utrecht, the Netherlands, Context.

<sup>39)</sup> See Kathy Charmaz, 2006 *Constructing Grounded Theory; A practical guide through qualitative analysis*. London, Sage.

<sup>40)</sup> Ariadne, see Annex V to the Inception Report for a description of the Ariadne, Concept Mapping software.

<sup>41)</sup> See: Context, international cooperation (Annelieke Brackel), *Joint evaluation Partos capacity Development; Workshop policy reconstruction*, March 25, 2010, Utrecht, the Netherlands, Context. During this workshop, one of the directors on INTRAC (Oxford) acted as a resource person.

## **1.6 Focus and limitations**

### **a. Focus of the study**

The conceptual framework of organizations as open systems forms the starting point of the study. Capacity development is positioned within the complex adaptive systems approach, as this facilitates the consideration of processes, relationships and behaviour, the perspective of emergence, and the notion of self-organization. The five core capabilities of organizations, which have been identified by Baser and Morgan, provide a focus for the findings of the evaluation. The present evaluation places CD within the multi-stakeholder setting of the aid chain. In the Partos terms of reference, the emphasis is on ‘the interaction between the non-linear self-organizing system and the planned external processes’<sup>42</sup> – which helps to focus on the interface between donors and recipients.

**42)** Partos, 2009: 10.

**43)** See Chapter 2 and the seven case study reports for further details.

The unit of analysis was organizations, smaller units of larger organizations, and informal networks in their institutional setting.<sup>43</sup>

### **b. Limitations of the evaluation**

The study process was characterized by a number of interesting dynamics:

- being exploratory and learning in nature, but at the same time, giving accountability sufficient emphasis;
- being evidence-based, but documenting the findings with the help of an existing framework;
- acknowledging that CD is a non-linear process, and at the same time working with a results chain;
- reviewing the entire aid-chain, but allowing sufficient focus for the role and function of DDPs.

The evaluation was initiated, and to a large degree designed, by IOB in collaboration with Partos and other aid agencies in the Netherlands. Southern partner input and national consultants’ contributions were basically absent from the design stage of the study.

The conceptual framework (the 5CC model) that was adopted for the evaluation was developed and published only relatively recently, and is not yet common practice for various organizations and alliances involved in the study.

Southern organizations and local consultants needed to familiarize themselves with the 5CC framework and with the approach of the study – including all the jargon that goes with them. This was done in briefing sessions, at start-up workshops and at the joint learning workshop, and led to substantial investments in the evaluation process. It should be mentioned that despite the interactive sessions, some representatives of Southern organizations experienced the study process as externally driven and declared the conceptual framework to be abstract, too theoretical and sometimes intimidating.<sup>44</sup>

Calibration of indicators was done in close collaboration with representatives of Southern organizations. The degree of calibration varied from case to case and was influenced by the quality of the relationship between the Southern organizations and their respective DDPs; the degree of experience parties had with participatory indicator development; and language issues (in some languages it was difficult to translate development terminology, particularly words such as ‘outcome’ and ‘impact’).

**44)** For details see Van der Velden, 2010 (Reflection about the start-up workshops), page 4 – 5.

Because of the exploratory nature of the evaluation, the grounded theory approach it used and the tools deployed in the research process, the emphasis was on qualitative data. This was a major limitation of the study.

The evaluation was designed as a collaborative learning process with frequent and intense interactions between partners involved in the process. This approach worked well in the interaction between Southern organizations, national consultants, the Partos evaluation manager, the Partos coordination group and IOB. The interaction with the external reference group was rather limited.

### c. Limitations at the level of the case studies

In the feedback to the inception report, IOB stated that 'gender needs to be explicitly addressed'.<sup>45</sup> In an addendum to the inception report, it was stated that the members of the evaluation team were aware that this needed to be done.<sup>46</sup> Both at the level of the case studies and the level of the synthesis report, an attempt was made to honour this commitment. However, the emphasis on gender-related issues varied significantly from case study to case study and in retrospect, this issue should have been dealt with more systematically and consciously. The limitations in this area related to the capacities of the members of the evaluation team and national consultants, and to the fact that the 5CC model does not have a systematic and conscious focus on gender issues.

**45)** IOB  
letter to  
Partos, dated  
October 19,  
1009.

**46)** Ref.  
Addendum to  
the Inception  
Report dated  
November 5,  
2009, page 2.

In some cases, there were problems in the area of semantics<sup>47</sup> and with the 'pre-designed' character of the study.<sup>48</sup> The lack of quality time at the level of Southern organizations along with limited experience with participatory learning-oriented methodologies was sometimes a serious issue. Some of the programmes were relatively new; PST's for example, which, although it produced a number of outputs, found it difficult to identify outcomes. The Power Cube, which was used to analyze power relationships in the aid chain,<sup>49</sup> was too difficult to use in many of the cases and had to be de-mystified and simplified.<sup>50</sup>

In the SOCSIS case study, the difficult security situation in the country made it too difficult to collect data about outcome at the level of beneficiaries (local consultants and local NGDOs).

Time constraints and security issues caused the degree of triangulation to vary from case study to case study.

In general, the evaluation was ambitious, complex and challenging in terms of its scope, the involvement of multiple stakeholders, the number and variety of cases and countries involved, and the time framework. The members of the evaluation team believed that despite the above-mentioned limitations, justice was done, by and large, to the terms of reference of the evaluation.

**47)** In some languages it is for instance difficult to find words which indicate the difference between 'output' and 'outcome'.

**48)** Reference was made to the fact that Southern organisations were not consulted with regard to the ToR of IOB and Partos and the tension between the 'bottom up approach', and following the principle of emergence and the pre-described use of the 5CC model for reporting.

**49)** See: John Gaventa, Finding the Spaces for Change: A Power Analysis, *IDS Bulletin* Volume 37 No. 6 November 2006 pp. 23–33.

**50)** See for example the case study reports concerning CAL, PST, PADEK and the Ethiopian Learning Alliance.

## **1.7 Organization**

As indicated earlier, the present study was initiated by Partos and four of its member organizations (Cordaid, Hivos, ICCO and Oxfam Novib). During the preparatory process, Partos decided to align with the IOB study on capacity development. This implied that Partos continued to be the commissioner of the study, but in functional terms, systematic and conscious alignment was established with the IOB study.<sup>51</sup> It goes without saying that despite this intensive collaboration, the team leader bears the final responsibility for the evaluation.

Within Context, international cooperation, a project team was formed for this assignment. Mr Fons van der Velden acted as team leader, working closely with Dr Udan Fernando. Ms Annelieke Brackel worked as a project assistant responsible for project management and Ms Ester Prins was the research assistant. Dr Jan Brouwers, team leader of the SNV IOB capacity development study, participated in the internal project team on an *ad hoc* basis.

This Context, international cooperation study team was supported by the Partos evaluation manager, Ms Lisette Desain, and a coordination group composed of representatives of the participating organizations.<sup>52</sup>

For the implementation of the case studies, criteria were formulated for the selection of national consultants , a long-list and short-list were prepared, and five consultants<sup>53</sup> were selected in consultation with the coordination group and the respective Southern partner organizations.<sup>54</sup>

For quality control purposes, Partos organized an external reference group, which reviewed the inception report and the first draft of the synthesis report.<sup>55</sup>

## **1.8 Conducting the evaluation**

An explanation of how the inquiry was conducted is outlined in section 1.5 of this report under *Methodology*.

Section 1.6, *Focus and limitations*, highlights the major deviations from the inception report.

**51)** This is reflected in the fact that the team leader of the study participated in the team leaders meeting of IOB, that the Inception Report was also studied by IOB and the IOB External Reference Group, that an IOB representative participated in the External Reference Group for this particular Partos study and the briefing and Joint Learning workshop. Moreover, during the entire evaluation process collegial consultation between IOB representatives and the team leader took place. Despite this intensive collaboration, it is the team leader who bears the final responsibility for the study.

**52)** Ref. Annex III: Members of the Coordination Group and External Reference Group.

**53)** See page 41–42 of the Inception Report.

**54)** See the overview in the next chapter.

**55)** For the composition of the External Reference Group reference is made to Annex III.

## **1.9 Report outline**

In view of the exploratory, evidence-based, and inductive nature of the study, the findings of the seven case studies are presented in Chapter 2. Chapter 3 deals with the constructions of the CD policies of the four co-financing agencies. An analysis and conclusions are outlined in Chapter 4. The annexes to the report contain process documents, additional information and empirical data.

The report should, ideally, be read in conjunction with the seven case study reports.



## **2. Summary of seven case studies**

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### **2.1 Introduction to the case studies**

During the preparatory stage of the evaluation process it was decided that the evaluation would be 'above all a learning evaluation' and that it would be 'exploratory and descriptive' in nature. A list of criteria was defined for the selection of the cases.<sup>56</sup>

In view of this approach, the field study cases were not selected based on criteria of representativeness, but according to the richness of the lessons expected to be derived from the experience of studying them. Within the context of the study, this means that the cases that were selected were those where capacity development (CD) appears to have taken place.

On the basis of the above-mentioned criteria, each of the four DDPs suggested four cases; the final selection was made by the study's team leader. As well as the criteria listed in the inception report, organizational and logistical issues and financial considerations also played a role. In total, seven Southern organizations were selected for the in-depth case studies.

The seven case studies represent quite a range of CD interventions. In all cases, there is a strong and direct focus on strengthening the performance of one or more civil society organizations (CSOs). The geographical span varies considerably from pan-African to more localized interventions, and the sectors in which the organizations operate are quite diverse. Some of the organizations or initiatives are in the early stages of their development (for example, CAL, ELA and PST), while ECM, PADEK and YONECO are quite well established.

The CD policies of the four Partos member organizations are quite diverse and have changed considerably over the past decade. Because of this, the case studies focus on the five-year period between 2004 and 2008.

**56)** The criteria include among other factors: the potential to contribute to further policy development in the area of capacity development; 'some kind of change' should have taken place and there should be something to be learned; a preference is given to multi-stakeholder situations; in view of the interactive, learning approach of the evaluation, there should be sufficient capacity within the DDP and the Southern organisation to assist in the research; the cases chosen should be well documented. (See: Inception Report, page 38)

Table I: Overview of the Southern organizations involved in the case studies <sup>57</sup>

No	Name Country	DDP	Type of collaborative association <sup>58</sup>	National consultant
1.	Coalition of African Lesbians (CAL) Pan-African	Hivos	Dialogue and knowledge-sharing with organizations from one other sector (governments and supranational organizations). (Category V)	Ms Hope Chigudu, Hope Africa, Harare, Zimbabwe.
2.	Episcopal Conference of Malawi (ECM) – Catholic Health Commission (CHC)	Cordaid	Programme integration with organizations from another sector (government) (Category VI)	Dr Chiku Malunga, Cadeco, Blantyre, Malawi.
3.	Ethiopia Learning Alliance (ELA) Ethiopia	Cordaid/ICCO	Programme alignment with organizations from one sector (private sector) (Category V)	Ms Lebesech Tsega, Horn Consult, Addis Ababa, Ethiopia.
4.	Partnership for Development in Kampuchea (PADEK) Cambodia	Oxfam Novib	Programme alignment with organizations from one other sector (government) (Category V)	Ms Anne-Marie Schreven, Euthpal, Thimphu, Bhutan.
5.	Programme Support Team (PST) Cambodia	ICCO	Knowledge-sharing between individuals from one sector (CSOs) <sup>59</sup> (Category I)	Ms Anne-Marie Schreven, Euthpal, Thimphu, Bhutan.
6.	Strengthening Somali Civil Society (SOCSIS) Somalia	Oxfam Novib	Knowledge-sharing between organizations from one sector (CSOs) (Category I)	Mr Tom Olila, Strategic Connections, Nairobi, Kenya.
7.	Youth Net and Counselling (YONECO) Malawi	Hivos	Dialogue and knowledge sharing among organizations from all three sectors. (Category VII)	Dr Chiku Malunga, Cadeco, Blantyre, Malawi.

After the briefing workshop in Nairobi, the national consultants and the study's team leader started preparations for the primary data collection. In November-December 2009, separate start-up workshops were organized with representatives and stakeholders from all the Southern organizations involved in the case studies.<sup>60</sup> Subsequently, primary data collection took place between November 2009 and February 2010. All the national consultants submitted the first drafts of reports in February 2010. These draft reports were used as the primary input for the joint learning workshop. Draft final versions of the case study reports were submitted before the end of March 2010. These fully fledged case study reports and the outcome of the joint learning workshop form the major input for the analysis and conclusions. (See Chapter 4.)

**57)** Reference is made to Annex IV, for the key sheets of the case studies.

**58)** Ref.: P. de Lange, *Evaluation of collaborative associations*, The Hague, IOB, April 24, 2009. This document is included in the Annexes (as Annex VI).

**59)** Actually PST can be categorized as a collaborative strategic cooperation.

**60)** Ref. Van der Velden et al. 2010 for a general overview of these workshops.

This chapter, which should be read in combination with the seven case study reports, provides a brief summary of all the case studies. In view of the major research questions of the evaluation, special emphasis will be given to the following points:

1. Introducing the organization
2. Identifying the changes that have taken place in the capacity of the Southern organization
3. Describing the effects that these changes in the capacity of the organization had on its outputs and on the realization of its development objectives
4. Exploring how effective DDP interventions were in terms of strengthening the capacity of the organization.
5. Listing the factors that explain the level of effectiveness of DDP interventions
6. Outlining the lessons that can be learned? <sup>61</sup>

The summaries have been prepared by the team leader of the evaluation and are based on inputs provided by the national consultants. Every attempt was made to respect the diversity of the case study reports in terms of emphasis, semantics, tone of voice, individual character in terms of observations and findings, etc; while at the same time attempting to foster coherence at the level of this synthesis report.

## **2.2 Case study I: Coalition of African Lesbians<sup>62</sup>**

### **a. Introduction to the Coalition of African Lesbians**

The Coalition of African Lesbians (CAL) is a pan-African organization. CAL was founded in 2003, with a 'determination to build a strong lesbian feminist coalition in Africa'. CAL developed its conceptual and ideological framework at its first seminar, held in Namibia in August 2004. It consciously referred to itself as a 'radical feminist' coalition, knowing that the act of naming is political. The conceptual framework is comprehensive, robust, passionate, compelling and political. It is on the pillars of this conceptual framework that CAL has confidently and clearly built its theory of change, vision, strategy and organizational structure.

CAL believes that development starts with 'self' and that the personal *is* political: 'Targeting the system and institutions of power and privilege, including the state, traditional and religious systems and private corporations is critical, as is work that mobilizes and builds movements led by marginalized people like ourselves with the solidarity of those individuals and organizations which believe in our right to be. This means that we engage in movement building within our own geographical sphere and across the north-south divide as well as through south-south solidarity; strategic targeting of systems and institutions through lobbying, advocacy, direct action and activism and strategic litigation; developing a research base to support our claims and demands and working to develop and communicate and articulate these messages through an ever-expanding base of activists and advocates. In doing this work, we recognize the risk faced by those on the front line of the change process and so work to ensure the best possible protection and prevention of violation of our rights and obligations to defend our own and the rights of others. The constraints faced by defenders include political, legal, economic, social and psychological aspects'.

<sup>61</sup>) See the IOB terms of reference page 14–15 (Annex I).

<sup>62</sup>) This summary is based on the following case study report: *Hope Chigudu 2010. Coalition of African Lesbians; Capacity Development Process Evaluation, draft final report dated March 25, 2010*, Harare, Hope Africa.

In these objectives, CAL speaks about:

- Building consciousness, building solidarity and building joint agendas
- Advocacy, litigation and activism
- Advocacy through media and communications
- Action research and communication
- Defending sexual rights

The following has been formulated as a succinct outcome statement: 'A determination to build a strong lesbian feminist coalition in Africa through which the members of CAL will organize themselves and large constituencies to demolish the discrimination "mountain"'.

CAL is aware that it cannot, on its own, build a strong lesbian feminist coalition in Africa. It needs a complex mass of collaboration to reinforce collective power, to be energized by the exchange of ideas and knowledge – hence, one of its objectives is to collaborate and build solidarity 'with those individuals and organizations which believe in our right to be'.

CAL's co-creators are the members, the board and the secretariat; and these co-creators are also the beneficiaries. CAL is like a patchwork quilt composed of different colours of collaborators. The list of the collaborators includes donor organizations, women's rights and feminist organizations, sexual and reproductive rights organizations, medical officers, lawyers, academics and activists. They are diverse and they come from countries scattered all over Africa. They also have different degrees of organizational experience and varying levels of exposure to feminism and activism. This has implications in terms of CD issues.

Initially, CAL was a coalition for lesbians, but it has opened the door wider to include bisexuals, transgendered women and individuals with intersex conditions (LBTI). The members, board and staff of CAL have worked hard to amplify LBTI's voices, visibility, and collective organizational power in an effort to pressurize governments and various institutions to recognize LBTI rights as human rights. Membership organizations from some countries have been bolstering their own members' leadership, expanding national engagement and building strategic organizational capacities so that they can push for the transformation of norms, institutions, policies and decision-making processes – both publically and privately.

### **b. Changes that have affected CAL's capacity**

CAL has had different organizational capacity needs at various stages of its evolution. When it was founded, its highly active creators developed a conceptual framework and strategy. These were followed by the development of the organizational form, which in turn was given content and energy through individual capacities. During its early stages, CAL was funded by Hivos. At this stage, social entrepreneurship was an important capacity.

As the coalition grew, governance and administration were formalized. Financial bases broadened and programme visibility increased. Delivering and social marketing were key capacities.

**Capability to deliver on development objectives** – CAL has now been in existence for seven years, which makes it still young in organizational growth terms. It has acquired many capabilities but the founder's energy is waning. The increase in publicity and outreach has caused work overloads for staff and for the board. The weight of expectation and the burden of tasks that need to be done have become too big to be handled by such a small organization. Its capacity to deliver has become overstretched, jeopardizing its credibility.

What it gained in societal capital is bound to be lost by its inability to realize some of its objectives.

Between 2004 and 2006, CAL focused on the capacity development of its members. Much as the members must have benefited from the training, and much as there is evidence that some of the training was put to good use, follow-up was poor and in some countries non-existent.

CAL members have pointed out that some areas require attention: feminist counselling, HIV support, peer support, medical and psychological support, livelihoods, etc. The available resources and capabilities currently present in CAL do not seem adequate to address them.

**Capability to relate to external stakeholders** – CAL is the only LBTI coalition on the African continent. It is required to be at the discussion table in various spaces. Some of the spaces are autonomous, others are invited, and a few are just ‘tokens’; for example, CAL is invited to some UN meetings.

CAL has acquired the capacity to challenge strategic physical spaces of power even when they are closed structures – some of the African Union meetings, for example. CAL’s experience of opening locked doors shows that it has acquired capacities in ingenuity, creativity and perseverance. It has the capacity to just go somewhere and organize, and to articulate an issue compellingly. However, a great deal of their work is still reactive.

Relationships seem to be well managed when CAL members meet at regional level. However, at national level, members have not learned that sisterhood does not follow automatically, even among lesbians. They have not engaged in a dialogue on how identities are built and what it means for each member to be in a group. There is a lot of talk about empowerment but not about how individual empowerment relates to the empowerment of others.

In most African countries, the political/social/cultural climate *vis-à-vis* LBTI is hostile and is, on the whole, worsening. This climate affects legislation the implementation of regulations and other factors at the institutional level; but it also has implications at the individual level, including violence, rape and even death. It requires more capacity, both human and financial, to address this hostility.

Related to the above, there is an increasing preparedness among a growing number of funders to support and back LBTI human rights work. If CAL had more human resources, better input from board members, or if it had hired temporary expertise, it would have been able to raise the financial resources to reach a reasonable number of the members.

**Capability to act and commit** – CAL is a movement-building coalition. To date it has benefited more from contributing to and participating in other movements’ activities, making its voice heard, and building solidarity rather than from building the LBTI movement. CAL’s capacity to strengthen its members’ collective organizing power at regional and national levels is still limited partly because its organizational and strategic programmatic capacities are still fairly low.

Even if LBTI are marginalized, they wield some degree of power through having the guts to carry out what are regarded as transgressive activities. However, some of the members break the rules without having the capacity to politicize the transgression – and this does not advance their cause.

Every stage of development requires different governance expertise and skills. CAL is at a stage where it requires a board that's able to help with fundraising and provide strategic direction. It also needs a board chair who has more time for the organization. This does not seem to be the case at present.

**Capability to adapt and self-renew** – Many countries, organizations and individuals in the African continent regard CAL as an organization that challenges existing power structures and patterns. CAL has built a constituency that questions the established social order and has acquired the capacity to destabilize the 'see-saw' of power relations by defying the entrenched anti-gay attitudes often encountered at state level – but without having to actually capture state power themselves. The shifting of the contours of power has resulted in violence against LBTI with some activists being killed, raped and tortured. This has forced the members to hone their survival capacities but this is not enough, they need the capacity to heal or at least to remain whole. And this capacity is not always achievable.

**Capability to achieve coherence** – CAL is primarily an activist organization. Its work is often unstructured, erratic, whimsical, and ebbs and flows in response to old and new challenges. Holding it all together is mainly the function of the CAL board and secretariat – the function of which has been formalized and strengthened over the years, but still falls short of the challenges faced by the coalition and the many functions and tasks to be performed.

Important external factors that facilitated the above-mentioned changes in capabilities are the need to deal with hostilities in the environment, a willingness from donors to support CAL, and the various forms of support which have been provided by Hivos. Internal factors that facilitated changes in capabilities centre around CAL's overall world view – which includes a clear conceptual framework; strong values, guiding principles and approach; the CAL theory of change; the commitment of individuals and member organizations, and their ability to deal with issues such as fear and violence.

CAL's approach to CD and the provision of 'a decent funding base' have also effected changes in the organization's capabilities. Its activist nature sometimes tilts the emphasis towards 'doing', instead of reflecting, learning and adapting. This has sometimes worked against the organizational and institutional arrangements that need to be in place in order to fulfil the organization's mission.

**c. How the developed capacities have affected results  
(outputs and outcomes)**

During the primary data collection stage of the study, CAL activists repeatedly stated that ‘we want it to be noted that because of the political nature of CAL’s work and its unpredictability, output is the result of multiple factors, some of which will never be known...’.

Despite this disclaimer it is obvious that results have been realized for all of CAL’s objectives as a result of the CD processes. Important findings show that:

- CAL’s capacity to lobby has been advanced;
- Stigma and discrimination have been reduced among human rights organizations, NGDOs and some religious organizations;
- CAL’s voice and visibility have been enhanced through research, media and literature, and through participation in local and international forums;
- An improved ability within the organization to understand and use African radical feminist analysis has provided a diverse picture with much more understanding among leaders, but not necessarily among the members;
- Building a strong and sustainable lesbian coalition supporting the development of national organizations in every country in Africa still has a long way to go;
- CAL’s support has been provided to national-level organizations.

A more optimal result could have been achieved if there had been more staff in the CAL secretariat.

**d. Effectiveness of Hivos interventions**

Hivos is CAL’s main institutional donor. It has supported CAL since its inception and has accompanied the organization on its creation and development journey. Hivos funding has supported CAL in the development of its conceptual framework – which has as its underlying principle the view that all other capacities depend on the way CAL positions itself in the world. Hivos funding has also contributed to the strengthening of CAL’s accountability by supporting the general assembly’s efforts to establish governance and develop systems so that roles and functions are clearly defined, lines of communication and accountability are untangled, and decision-making procedures are clarified. Hivos has also supported the CAL Leadership Institute. This support has resulted in collective and individual empowerment, political education, and the acquisition of other skills linked to strategizing. Hivos has supported knowledge creation by supporting the publication of a book on the ‘Lived Realities of African Lesbians’.

Hivos funding has also made it possible for CAL to attend international and regional strategic meetings such as those organized by the Association of Women’s Rights In Development. In doing this, Hivos contributed to CAL’s capability to acquire knowledge, exposure and support. Hivos has put CAL in touch with other funders such as Astraea and has also connected CAL with other lesbian groups. It has supported CAL in acquiring material resources such as equipment, office space, etc. It is important to mention that Hivos has also provided proactive moral and political support for the organization. Hivos and CAL have always had an open dialogue about strategy, ambition and reflection on each other’s work.

In general terms, Hivos has played a key role in the growth and maintenance of CAL as a network organization.

#### e. Factors that explain the effectiveness of Hivos interventions

While discussing the criteria for the effectiveness of DDP support between Hivos and CAL, it was found that the quality of the relationship is the most important factor in the quality of support, and that this is a two-way process which depends on the effort made by both sides.<sup>63</sup>

Other criteria for the quality of Hivos' support include: empathy with the realities of its partner's situation; punctual responses to reports and proposals; prompt and reliable funding; flexibility in funding and spending; and a demonstrated determination to stick with its partner in rough times.

The relationship between Hivos and CAL has always gone beyond signing a cheque. It has been about connections, networking, friendship, collegiality and conversational reflection and usually in ways that are sensitive to the context. Hivos has had experience in supporting LBTI in other parts of the world and has shared useful information with CAL.

When CAL was in its pioneering stage, Hivos understood what it was trying to do and supported it accordingly. When Hivos supported the first strategic plan and the Leadership Institute, it was taking a risk because CAL did not have a secretariat then.

In 2008, CAL held its general assembly, Leadership Institute and strategic planning forum in Maputo. More than 80 people were invited, but there were no proper financial systems in place because there was not enough money to pay for them. It was chaotic with some of the members almost rioting. While after the assembly Hivos demanded accountability, it continued to stand by CAL and offered to pay for a consultant of CAL's choosing to help with the financial and other systems it needed. Today CAL has these systems and is transparent and accountable.

Hivos has contributed to the strengthening of CAL's capacity. It is also possible that Hivos' own capacity has been strengthened by CAL's courage, audacity and assertiveness. It has certainly been strengthened by seeing CAL's fighting spirit and resilience.

**63)** Criteria for the quality of the relationship include: communication; trust; feelings of connection; promptness in responding; predictability; quality of support, Hivos vs. quality of demand, CAL; difficult to keep track of CAL's results because of its fluidity.

## f. Lessons learned

The following lessons can be learned from the CAL case study:

- Quality relationships are a two-way process; they may have ups and downs over time, hence the importance of face-to-face communication.
- It might be important to include a risk management clause every time a contract between a Southern organization and a DDP is signed.
- High-risk organizations such as CAL should place more emphasis on counselling and trauma healing. Taking care of activists is vital; they are the greatest assets that CAL has.
- At both the individual and organizational level, CD requires a stimulus, something that creates an awareness of the need for change. It requires an ambience within which critical thinking can be brought to bear on the individual and the organizational and societal environment, leading to the development of what should be a strategy for action. Hivos should be comfortable providing the stimulus (which may be interpreted as some form of exogenous capacity development), while CAL provides an encouraging environment.
- People can be facilitated, but if they are to acquire capacity, their own engagement in the process is crucial. We can learn from the CAL case study that capacity development is first and foremost about people, either as individuals or as groups. Change requires people's acceptance that there is something to be achieved and somewhere to be reached, hence, through greater capacity and understanding, they recognize that the new capacity connects in some way with their own environment and with the capacity that they already have.
- Capacity development of the LBTI sector is a huge challenge, but it's necessary and has to be developed slowly but surely. Any monies and funding should be aimed at ensuring that local capacity is being developed, built and scaled up.
- 'Helicopter in and out' efforts by Southern and international organizations is not sufficiently effective for the LBTI people on the African continent. They may gather important information or data, but they do not develop the capacity of LBTI peoples to organize and look after themselves. Processes for developing national-level organizations need to be in place.

In conclusion, it sometimes appears that human rights activism is extremely organized and structured. This is the kind of high-profile work that's familiar to the public through the likes of Amnesty International. But more often than not, human rights work is unstructured and fluid, ebbing and flowing in response to new and old challenges. Ticking boxes does not work well with organizations that are relatively unstructured. In the words of the director of CAL: 'We need to have a clear, honest dialogue with the DDP to the effect that results-based frameworks don't work. That we should reverse this trend and that will help us to develop the right tools together.'

## **2.3 Case study II: Episcopal Conference of Malawi<sup>64</sup>**

### **a. Introduction to the Episcopal Conference of Malawi**

In conjunction with the Catholic Health Commission (CHC), the Episcopal Conference of Malawi (ECM) works in the field of HIV/Aids in seven dioceses of the Catholic Church in Malawi. It is engaged in prevention, care and support interventions based on the principles developed under the umbrella of an ECM home-based care (HBC) project that was started in 1992. The ECM CHC commission aims to improve access to anti-retroviral treatment and support infected individuals through functional and effective community structures such as community-based organizations (CBOs), support groups and child-development centres. The ultimate aim is to contribute to a reduction in HIV/Aids-related mortalities.

ECM CHC is made up of a number of players. These include: staff, community volunteers, the secretariat, donors, the Malawi Ministry of Health, district assemblies, health centres and the bishops. These players play different roles in bringing about the ECM CHC's outputs and outcomes. It is important to mention that ECM CHC does not have a 'lead agency' or 'driver'; the various dioceses operate independently and autonomously.

### **b. Changes that have affected ECM CHC's capacity**

The changes in the capabilities can be summarized as follows.

**Capability to act and commit** – On a positive note, ECM CHC has demonstrated its capacity to transfer responsibility. For example, the commission stopped providing the home-based care itself and shifted its emphasis to helping the communities themselves to do this work. This enhanced ownership and commitment. Those holding leadership positions at national and diocesan levels are people of integrity who are accepted and respected by staff.

The dioceses have their own individual strategic plans; but they have yet to align these with the newly formed national strategic plan. There are no conscious mobilizations plans for either human resources or financial resources. There are issues surrounding the national office's role and authority in providing direction and leadership.

**Capability to deliver on development objectives** – The commission manages to raise about half its annual budgetary requirements from internal sources. Its infrastructure is generally adequate. Staffing may be adequate at the diocesan level, but the national office has some key gaps in personnel. The stability of the available human resources is not guaranteed in the competitive market that ECM CHC is working in. The dioceses have demonstrated their ability to balance the scope of their work with the actual capacity of their organization by deciding to reduce the geographical spread across which they operate. At the same time, they are continuing to build internal organizational capacity by recruiting more staff at all levels and developing policies, systems, procedures and strategic plans. ECM CHC has access to a wide range of knowledge sources, mostly provided and facilitated by Cordaid.

**64)** This summary is based on the following case study report: *Chiku Malunga, Home Based Care Program; Case study ECM – Catholic Health Commission*, draft version dated March 25, 2010, Blantyre, Malawi, CADECO.

**Capability to relate to external stakeholders** – ECM CHC maintains strategic relationships with stakeholders both inside and outside Malawi. Most of the stakeholders interviewed expressed satisfaction with their relationship with the commission and the added value that they bring to those relationships. The communities they are working with expressed a good deal of trust and confidence in the work of the commission. ECM CHC played a key pioneering role in the organization of HBC work in Malawi, and the government there used the ECM CHC model as a basis when developing its own model. But there are issues of clarity of roles and legitimacy regarding the Malawi Interfaith Aids Alliance and Christian Hospitals Association of Malawi.

**Capability to adapt and self-renew** – Over the years, ECM CHC has taken a reflective stance on its work. It has demonstrated this capacity by, among other things, changing its approaches to ensure more relevance. For example, it has shifted from a pure handout approach to a more empowering approach that involves sharing responsibilities between the communities and ECM CHC. The commission has also expanded the scope of its work to go beyond HIV/Aids patients to include the elderly and disabled. ECM CHC conducts regular assessments and technical review meetings where they discuss and scan their operating environment. As a result, they have made changes in their work to ensure more relevance. Currently, two members of staff are pursuing master's degree courses. However, the need to strengthen learning for individuals, teams and organizations still remains, as does a need to establish links between these different levels of learning.

**Capability to achieve coherence** – ECM CHC has a clear mandate and a well-defined set of operating principles. As part of the national strategic planning process, there was an attempt to ensure coherence between ambition, vision, strategy and operations. More work needs to be done here to ensure that ECM CHC remains committed to achieving coherence, balancing stability, and instigating change.

**c. How the developed capacities have affected results  
(outputs and outcomes)**

As a result of CD interventions and support, a number of positive results can be seen at ECM CHC's organizational level. From these results, we can see that:

- The quality and analytical level of the narrative and financial reports have improved greatly. Before 2007, it was generally agreed that these reports used to be of poor quality; they were not submitted on a regular basis and did not concentrate on the results the organization was producing. They concentrated more on inputs and activities.
- There is visible improvement in such things as performance-based monitoring and evaluation, policy development, and policy influencing. The critique and analysis of the issues the commission is dealing with has reached a higher level.
- There has been improved joint learning and reflection between all the dioceses, especially those that were involved in the joint CD initiative.
- There is more clarity on the roles and responsibilities of the national office and the diocesan offices.

There is good subjective evidence that ECM CHC's stated outputs have generally been improving over the years, though numbers were not available to give approximate figures. The community members expressed that in the past it was very rare for people to go for testing, and after testing to declare their zero-status. Because of the work done on raising awareness, protecting against stigma and providing incentives for infected individuals, more and more people are going for testing. The respondent from the health department confirmed that their numbers are showing a steady increase of people coming for testing.

The number of people accessing HBC services is also increasing. Since anti-retroviral drugs became available in 2007, more and more infected people have been able to access treatment.

The number of orphans and vulnerable children receiving assistance has also been growing. Part of the explanation for this has been the support received from the Social Welfare office.

In all the communities where ECM CHC is working, there are functional structures at a grassroots level, including village Aids committees, support groups and CBOs, including community-based child development centres. There has been a significant increase in the number of people accessing anti-retroviral treatment.

In terms of outcomes, most of the respondents indicated that the number of bedridden patients has significantly dropped and that HIV/Aids-related deaths have also dropped significantly. It is also reported that communities' capacity to act on and manage CHC activities has increased significantly.

#### **d. Effectiveness of Cordaid interventions**

Cordaid supported ECM CHC in a number of different ways:

- Financial support;
- Non-financial support in terms of linking the organization to local capacity development providers;
- Supporting participation in networks;
- Harmonizing with other donor agencies;
- Providing expatriate technical support including long-term (three-year) backstopping and regular monitoring visits.

Through this financial and non-financial support – and in the absence of strong local leadership – Cordaid had a major role in influencing and contributing to ECM CHC's capacity development.

Cordaid had two principal roles: a motivating one and a facilitating one. As part of their motivational role, they challenged both ECM CHC and the dioceses through policy dialogue and critical questions regarding their organizational capacity, functioning and roles. They also monitored the commission's work including its discussions on policy, content and technical issues such as performance-based monitoring and evaluation. In addition, Cordaid encouraged health secretaries and their staff to liaise with other national and local stakeholders and to take on leadership roles. Cordaid invited health secretaries to participate in international linking/learning/lobbying events such as international conferences and grassroots academies. It provided ECM CHC with specific studies, professional documents, and updates and encouraged them to participate in web-based learning groups such as the HBC Room on the Cordaid website.

In terms of facilitation, Cordaid provided funds for studies, training, workshops, and participation in local and international events. Cordaid engaged Dutch consultants to provide technical and organizational backstopping support through organizational restructuring and linking and through learning workshops. In addition, the organization provided funds for organizational assessments, strategic planning, financial capacity development and other interventions.

#### **e. Factors that explain the effectiveness of Cordaid interventions**

Cordaid is regarded as being more committed to supporting the commission than any of its other donors in terms of the amount of money it provides, the budget items it supports, and the timeliness of this support. Of all the donors Cordaid is also the most committed in terms of technical support.

When the interventions provided by Cordaid are compared with the capacities of ECM CHC, we can conclude that the capacities that have been developed may not always be related directly to the CD initiatives or processes. The capacities that we have identified – an ability to balance the scope of its work with its organizational capacity, an ability to change approaches to ensure more relevance, an ability to link and collaborate with other stakeholders, an ability to transfer responsibility and capacity; and ability to respond to changing contexts – did not always arise directly out of CD interventions. At the same time, CD interventions did not always result in intended capacity changes. For example, the pay-for-performance monitoring and evaluation (M&E) system did not result in sustained improvements how results were reported.

#### **f. Lessons learned**

Four main lessons can be learned from this case study:

- Leadership and leadership commitment are crucial to effective CD initiatives. The general weakness of the boards in providing leadership to the diocesan health offices constrained the effectiveness of the CD interventions.
- In CD initiatives, there is a need for proper closure of the CD process in order to ensure the smooth transition and consolidation of the acquired skills. The closure with the one expatriate advisor on technical support was somewhat abrupt as a result of postponed staff appointments. This had a negative effect on the continuity of activities. And because there was no proper handover of notes, ECM CHC's organizational memory suffered.
- Monitoring and evaluation are among the most important strategic practices in any organization, but they are also among the most neglected practices. A good deal of investment was made in providing backstopping support and in developing and implementing a pay-for-performance M&E system, which emerged as a result of the involvement of an expatriate staff at ECM CHC. Its implementation greatly improved the standard of reporting, but the temporary reduction in funding for it negatively affected its implementation. However, the performance-based funding approach of Cordaid, for which proper M&E is crucial, continued throughout 2010.
- It is important to involve the leadership of the host organization in the recruitment of experts in order to ensure contextual relevance and to reinforce the ownership and sustainability of any results obtained. An expert that was recruited with the full involvement of the organization performed better than another expert, who was not as fully involved.

<sup>65)</sup> This summary is based on Lebesech Tsega, Capacity Development on Value Chain; Case study Ethiopia Learning Alliance, Addis Ababa (Horn Consult), April 2010.

<sup>66)</sup> A cluster is a 'geographic concentration of FMOs, SPs and DDPs closely working together along a value chain.'

## 2.4 Case study III: Ethiopian Learning Alliance<sup>65</sup>

### a. Introduction to the Ethiopian Learning Alliance

The Ethiopian Learning Alliance (ELA) is a relatively new collaborative association started in March 2007. It was the first activity of the Agri-ProFocus partnership in Ethiopia and was jointly initiated by the DDPs (Cordaid, ICCO, Agriterra, SNV-Ethiopia, KIT and APF-support office), the Ethiopia office of the International Institute for Rural Reconstruction (IIRR), and the private limited company, Facilitating Farmers' Access to Remunerative Markets (FFARM). These organizations joined together to focus on Ethiopian farmers' value chains through a continuous process of training and action with the farmers' marketing organizations (FMOs) and NGDO service providers. Through learning together in learning 'clusters', the initiators signed a memorandum of understanding (MOU) and the other cluster<sup>66</sup> members formally confirmed their commitment to join in. The ELA operates as a flexible arrangement of the Agri-ProFocus partnership.

In terms of a unit of analysis: the ELA has three levels: the farmers' marketing organizations (the chain actors), local NGOs (the chain facilitators) and the DDPs (who coach, monitor and coordinate communication between coalition members). The ELA encompasses the collective efforts of these members. The alliance's results chain has been made operational through five workshops integrated with assignments on value chain development (VCD) – this has been useful for the purpose of combining learning and action.

The workshops took place over the 33-month period between April 2007 and December 2009. They expect to bring about results in terms of knowledge and skills in value-chain processes. In time, it is hoped that participants will be strong value chain actors.

According to the ELA, the intended outcome is that at least ten clusters

- Will create partnerships with value chain actors such as traders, processors, manufacturers and agricultural businesses;
- Will be capable of producing for the market; and
- Will know how to acquire knowledge services and inputs from financial institutions, regulatory agencies etc.

Because the ELA is in its initial phase, analysis on its capacities is limited to the 33-month period.

### b. Changes that have affected ELA's capacity

The changes in capabilities which have occurred can be summarized as follows.

**Capability to act and commit** – There are convincing indicators that the alliance has the capability to act and commit. The commitment of the clusters was transpired by the shared vision stated in the MOU and the proposal as well as the confirmed commitment of the clusters in writing. An informal and functional organizational structure was set up with a coordination team based in Ethiopia and a support coalition based in the Netherlands – each with its own defined roles and responsibilities. Moreover, a set of learning agendas was developed into an operational plan for the alliance. Though the issue of leadership was not dealt with explicitly, it was articulated in the way in which tasks were divided up and delegated. We can see from the way this was done that the DDPs had the most say on issues such as resources.

**Capability to deliver on development objectives** – A clear working strategy was made available and explained to all members. The collaborative system did not regard local organizations as mere training targets; rather it saw them as active participants in ‘learning by doing’. The farmers’ marketing organizations and the service providers indicated that it is evident that the system was participatory and effective.

Basic resources such as funding and staff time were used properly, and other inputs, such as external expertise, were also used as necessary. Though there is no ‘ELA-specific’ workplace, alliance members readily agreed to use their own facilities.

**Capability to relate to external stakeholders** – The ELA forged close relationships with external stakeholders focused on VCD. These included:

- The Ethiopian Commodity Exchange (ECX)
- The International Livestock Research Institute (ILRI)
- The Business Development Service (BDS)
- Other service providers such as research organizations and banks

Even though these relationships were not based on long-term arrangements, the ELA was acknowledged as a credible network. Moreover, members from diverse backgrounds, speaking different languages, with varying levels of education, and representing different interests and sectors, demonstrated that they were able to work in harmony. Service providers had positive relationships with the respective farmers’ marketing organizations.

**Capability to adapt and self-renew** – When implementing ‘learning by doing’, adjustments were made based on the needs of farmers’ marketing organizations and service providers. This demonstrates the alliance’s *capability to adapt and self-renew*. The ELA recognized the need for translations and decided to circulate the minutes of its meetings in local languages. A wiki was made available for stakeholders who had access to the internet. In general, many adjustments were made to the ELA as it emerged and evolved – which indicates the *capability to adapt and self-renew*.

**Capability to achieve coherence** – The alliance’s CD interventions were implemented in logically sequenced phases that ensured that the various learning stages were consistently leading to its articulated objectives. This indicates that the ELA’s plan of activities was consistent with its vision and guiding principles. The business plan contest, which concluded while this evaluation was taking place, grew out of the workshops and assignments – this points to an underlying consistency between the various stages of its activities.

However, the ELA did not incorporate gender awareness into its thinking and practice. This is inconsistent with the alliance’s overall vision of empowering farmer producers and agricultural businesses – in which women are playing increasingly critical roles as entrepreneurs, facilitators and leaders.

The service providers and the farmers’ marketing organizations said that participatory planning and coaching, the availability of good trainers and access to adequate funding contributed to the alliance’s enhanced capacity. These are indicators of its *capability to act and commit*. The farmers’ marketing organizations acknowledged that their involvement in the ELA hinged on the respectful and trusting way the cluster members related to each other and on the alliance’s capacity to relate appropriately, both internally and externally. These capacities together with the coaching and monitoring process were essential to the delivery of ELA’s development objectives.

The Ethiopian government has put a favourable economic policy in place to stimulate market-oriented development programmes. This has come about despite implementation problems caused by the weak capacity of government institutions and by governance constraints. There are also institutional arrangements entrusted with providing CD support for farmers' organizations and cooperatives. However, the NGO law restricts organizations and networks such as the ELA from being involved in any form of lobbying and advocacy. This would appear to include influencing the policies of farmers' marketing organizations.

Different bilateral and international organizations are becoming increasingly interested in strengthening farmers' entrepreneurial capacities. To do this, they have moved away from implementing development activities and towards developing capacity itself.

The private sector in Ethiopia is also becoming increasing involved in the agricultural sector. Paradoxically, while it is assumed that the private sector is contributing to economic growth and job creation, the farmers' marketing organizations see it as a threat to agri-business development because of the land-grabbing practices of agricultural investors. They also maintain that the private sector is largely responsible for environmental contamination.

**c. How the developed capacities have affected results  
(outputs and outcomes)**

Two significant challenges for CD in the value chain process are to put across a positive view of market actors, and to explain to farmers why VCD is necessary. Farmers think that private-sector members and traders are often exploitative and manipulative. This causes them to offer their produce to on-the-spot markets, for an immediate and low cash price that is disadvantageous to them.

It used to be very difficult for farmers to forge systematic connections with traders and other market players. But during the start-up workshop and the data collection stage, the farmers' marketing organizations explained that this negative mind-set was changing.

The NGOs (chain facilitators) and government staff also focused on enabling producers to intensify production, without giving adequate forethought to market dynamics. The service provider personnel that were contacted indicated that this attitude had changed and that they now saw VCD as a multi-actor process. They went on to say that they believed that focussing only on producers and production would not expand opportunities for growth-oriented agricultural development.

In spite of this, it was not always easy to overcome (unlearn) some aspects that shaped the negative mind-set – and which were inconsistent with VCD. Service providers indicated that farmers and producers expected interventions that were immediately rewarding, which can never be the case in a learning process of this type. Having, arguably, too many partners and actors all scattered in different locations meant that much time and energy were invested in bringing the representatives together.

Service providers are reputable organizations in the agricultural area because of their positive relationships with the various communities they work with; including the farmers' organizations and government offices. This has been expressed as a significant factor contributing positively to further development of capacities and capabilities.

Other important outcomes are that VCD knowledge and skills have been gained by the farmers' marketing organizations and that the clusters are starting to focus on market-oriented production. Such developments mean that farmers can bargain more effectively from this new position of strength.

The most important outcome of the ELA is probably that the farmers' organizations are able to get better prices for their products. They set prices based on production-cost calculations and market information. Executive leaders indicated that they were now able to calculate the cost of a unit of production and gather information on prevailing market situations.<sup>67</sup> According to them, these are essential for making informed price settings and negotiating fair prices. The result is that they can now get 'virtuous values' for their products – a major ELA objective. They also indicated that they were not being deceived or exploited any more by intermediaries or deceitful traders.

As a consequence of these developments, capital growth is achieved and more diverse income sources are made available. Farmers' marketing organizations have initiated other businesses such as livestock and dairy production and seed to research centres that could increase their sources of income. Farmers said that the VCD knowledge and skills that they gained by being part of the clusters have helped their capital to grow and doubled, or even tripled, annual turnover. Evidence shows that the savings culture and practices of the members of the farmers' marketing organizations has improved; most members have traditional savings plans, *equub*, into which they make regular payments.

The study stresses the necessity of keeping up the momentum gained by the developed capacity if the farmers' marketing organizations are to become more entrepreneurial. Further strengthening and consolidation of the capacity of the clusters is needed in order for the lessons learned to be sustainable in the long term.

The current links between farmer producers and key market players are loose. This is because of the tendency of farmers' organizations to be attracted by temporary and small-price increments. Maintaining partnerships has a cost in terms of time, financial outlay and relational capacity – but the rewards come in the future. Therefore, farmers' marketing organizations partnerships along with the private sector and other market players may need to be strengthened and made more systematic.

Strategies on how to address gender issues are critical. Current and future CD interventions need to provide an adequate and systematic gender focus.

**67)** Market information is collected from the vicinities and major cities like Addis Ababa and disseminated to members (but not yet systematized and built into the system of FOs); responsibility has been assigned to one of the Executive committee members. In some of the FOs there is market information committee, purchase committee etc

#### **d. Effectiveness of Cordaid/ICCO interventions**

##### ***Obtaining required resources – finance and adequate HR***

The DDPs mobilized sufficient financial resources for the intended CD activities. The required staff time was secured from the different members and experienced local and international experts and trainers were involved. Consultants were hired to provide technical support on issues such as financial management.

##### ***Systematic identification and analysis of the capacity problems of Ethiopian farmer producers***

The CD interventions of the alliance are based on identified needs and analyses of the capacity problems of Ethiopian farmer producers. The findings were shared with service providers and farmers' marketing organizations and consensus was reached. The developed capacities of the service providers and farmers' marketing organizations are consistent with the alliance's original objectives. So we can conclude that the CD intervention of the DDPs was relevant.

##### ***Trust-based relationships and confidence in the alliance***

The high level of confidence that service providers and farmers' marketing organizations have in the alliance is significant and allowed the interventions to be implemented. The farmers expressed their satisfaction with the way they related to service providers and the coordination team during the training and coaching.

##### ***Relevance and adequacy of the strategy on capacity development***

It is clear that the strategy provided adequate responses to farmers' needs and demands. The intervention tried to address some of the key challenges facing the farmers' marketing organizations. However, their challenges were multi-faceted (they are affected at times by policy and regulatory issues) and this type of intervention is not the only response to such problems.

##### ***Effectiveness***

The planned activities were implemented effectively in spite of the varied levels of commitment from stakeholders. The CD intervention was very intensive in terms of finance and staff involvement, even though the instability of service provider representatives was a challenge. It was possible to complete assignments and other responsibilities as expected.

##### ***Sustainability of the outcomes (changes)***

The ELA did not have a clear and explicit exit strategy. It is difficult to give any opinion on the sustainability of the intervention because the ELA has completed only its first phase and it is unrealistic to expect sustainability at this stage. It can be said that the farmers' marketing organizations have not yet achieved a solid organizational and institutional strength that can maintain or consolidate the current capacity. The farmers' marketing organizations have an expectation of more external support (more training, finance, institutional issues, etc.).

<sup>68</sup>) A wiki is a website that allows the easy creation and editing of any number of interlinked web pages via a web browser using a simplified mark-up language or a text editor.

##### ***Monitoring process and mechanisms***

The coordination team provided coaching sessions for most of the clusters on two or more occasions during the 33-month period. A monitoring checklist was also designed and introduced. The executive leaders of farmers' marketing organizations said that they found the visits and advice relevant. The lessons learned and the minutes of both the coordination team's and the support coalition's meetings were documented on the wiki<sup>68</sup>. In some cases, the minutes were translated into the local language and shared.

The participating NGOs and the farmers indicated that DDPs had been instrumental in introducing international experiences and lessons learned on VCD concepts and practices. They perceived the learning methodology as significant for the desired integration of the learning into their thinking and practice. The experience of ELA intervention has indicated that an externally initiated CD process can stimulate local organizations to adopt innovations.

**e. Factors that explain the effectiveness of Cordaid/ICCO interventions**

One of the reasons that the interventions were successful was the commitment of the clusters to take part in the collective learning process secured by the DDPs as part of the MOU. The DDPs were able to make their interventions and resources work towards fair economic development that strengthened the position of Ethiopian farmer producers.

The DDPs introduced an innovative learning process; a strategy of 'learning-by-doing'. All three levels of organizations (The farmers' marketing organizations, the NGOs and the DDPs) cooperated on this. According to the service providers, the learning-by-doing approach was innovative and effective for two reasons:

- First, from a methodological point of view, it introduced a framework that stimulated participation.
- Second, with the farmers' marketing organizations as lead actors, it increased the sense of ownership felt by the farmers' organizations and the farmers themselves.

In terms of replicating the success elsewhere, the framework and lessons learned from it have the potential to spread to farmers outside the clusters.

The learning process and methodology provide room for South-South learning and sharing. And as we can see from the way the alliance operated, they also allow for the possibility of North-South learning. In this case study, DDPs are funding and supporting the CD intervention, but they are also active facilitators.

## **f. Lessons learned**

The lessons that can be learned from this case study are summarized as follows.

- The CD intervention was adopted by the farmers' marketing organizations and service providers in order to facilitate the integration of training and action. Organizing training that was integrated with specially designed assignments and coaching support showed that the farmers and facilitating NGOs could translate learning into practice.
- Though CD within the ELA began as an externally driven process, the relationships within the ELA were not simply subcontracting arrangements or project-oriented interventions. The recipients of the CD support were regarded as key actors in the various stages of the process and assumed clear and concrete responsibilities. In other words, they were not mere recipients of the support, but active players in the overall planning and implementation process. The participatory nature of the intervention stimulated the sense of ownership of the process and outcome of the CD intervention from the outset.
- In CD interventions, assuming ownership is crucial for bringing about lasting effects on the way farmers think and practice farming. The power dynamics of North-South relationships need to be recognized as an aspect of the relational processes. However, in the case of the ELA, the institutional relationships (though short-term arrangements), were based on mutual needs and concerns. And agendas were set jointly rather than being imposed by one of the organizations. This was an important factor and a valuable lesson on how important it was that the outcomes of CD intervention were owned and nurtured by the farmers' marketing organizations and service providers.
- Partnerships between Northern and Southern NGDOs can bring benefits based on the advantages of each. Because they are close to the communities they work with, Southern NGDOs can combine their strengths and act as a link between the communities and Northern organizations such as DDPs. They also have the advantage of having local knowledge and of having a presence within their communities. The ELA's experience has shown that the combination of the strengths of the different players (farmers' marketing organizations, service providers and DDPs) and the exchange of resources and ideas between the North and the South has better prospects and offers potential for a mutual learning synergy.
- The approach – although innovative from methodological point of view and in terms of being able to replicate it elsewhere – covered a large area both geographically and in its organizational scope. This did not leave room for piloting and testing. Also, working as part of an alliance takes a lot more energy to get tasks up and running. The ELA's experience showed the need for starting small, taking the time to understand what works well and what challenges can arise.

## **2.5 Case study IV: Partnership for Development in Kampuchea<sup>69</sup>**

### **a. Introduction to PADEK**

Partnership for Development in Kampuchea (PADEK) is a well-established and well-known Cambodian NGDO. It works with local communities to improve their livelihoods and to organize them for integrated rural development, specifically aiming at establishing CSOs at a local level. The rationale for the existence of PADEK lies in a fragile civil society in Cambodia and the vast poverty in the country. PADEK's outcome statement reads as follows: 'To empower disadvantaged people to improve their quality of life in a sustainable way through building and strengthening civil society organizations'. Over the years, PADEK has developed its own approach to community development, the PADEK Integrated Community Development Model (PICDM), to deal with basic needs such as health and education, livelihoods and community mobilization.

Established in 1986, PADEK was an early starter in community development in Cambodia. It emerged from a consortium of five international donor agencies in which Novib was the leading party. Initially, PADEK was registered in Hong Kong but in early 2002, it re-registered as an International NGDO with the Cambodian Ministry of Foreign Affairs and International Cooperation. In early 2008 it became a Cambodian NGO with the Ministry of Interior and made its transition to Cambodian leadership towards the end of 2008.

In terms of unit of analysis it should be noted that PADEK maintains close relationships with various donors (Oxfam Novib [ON] is defined as a 'long-term committed donor to PADEK'); national and international partner institutions (such as national and international NGDOs), and various Ministries of the Cambodian government. These relationships are mutually beneficial and while PADEK receives capacity inputs from all of them, it also offers capacity inputs back to its partners, be they government ministries, NGDOs or donors.

The notion of CD is mainly understood in terms of training and exposure, supported through external interventions.

### **b. Changes that have affected PADEK's capacity**

In the mid-1980s, community development in Cambodia started with relief and rehabilitation work. When NGDOs were allowed to take up longer-term development work in civil society, PADEK started working with government departments at district and provincial levels. Since the early 1990s, NGDOs have been allowed to work directly with communities. PADEK gradually adopted its community development approach and gained valuable experience in the management of integrated rural development. A summary of the interrelated capacity changes that took place within PADEK as a result of the various capacity development processes is presented in relation to the capability categories of the 5CC model.

**Capability to act and commit** – PADEK has been facilitating development work in Cambodia for over two decades and has provided services across seven provinces. It is recognized as a key player that works at the grassroots level of civil society development, while playing a complementary role in influencing policy dialogue at national level. It is well networked with the Cambodian government, with NGOs and donors.

<sup>69)</sup> This summary is based on: Anne-Marie Schreven, *Capacities for Community Development; Case study Partnership for Development in Kampuchea (PADEK)*, Thimphu, Bhutan. Euthpal. (Draft, final version March 25, 2010).

**Capability to adapt and self-renew** – As has happened to many Cambodian NGDOs, PADEK has gone through a localization process whereby expatriate directors were replaced by a Cambodian leadership. While this transition was taking place, the organization had a so-called ‘outside Cambodian’ director for many years. At times, there was some uncertainty as a result of the localization and leadership transition; and this resulted in a rather high staff turnover.

Human resources restructuring in the mid-1990s caused some unrest, but in general, with continuous and needs-based technical and financial support of ON, PADEK has been able to develop its activities and strengthen its organizational capacities. It moved from its pioneering phase into a more formalized set-up with capacitated staff and clearly defined systems and procedures in place. This has facilitated effective programme planning, implementation and monitoring, including results orientation with outputs and outcome indicators.

**Capability to deliver on development objectives** – capacity development is at the core of PADEK’s work and the PICDM approach covers multiple sectors and levels. It develops the capacities of rural communities to improve their basic needs (mainly health and education) and livelihoods. It enhances and strengthens grassroots CSOs, which leads to more cohesive communities and empowered community leaders. It also helps to change and develop the mindsets and habits of the people. Supported by ON, it has mainstreamed gender, HIV/Aids and disaster management in its programmes and recently it began to explore the mainstreaming of climate change as well.

**Capability to relate to external stakeholders** – PADEK is recognized by various levels of the Royal Government of Cambodia. It is connected to a wide array of international donors; forms links with other CSOs in Cambodia, and has strong ties with partner communities.

**Capability to achieve coherence** – The PICDM approach has been in place since 1998 but is continuously being adapted to the changing environment. Coherence at organizational level is safeguarded by the organization’s leadership, namely the board and the management team. Solid and logical connections exist between its strategic principles and operational issues.

### **External factors that influenced PADEK's capacity development**

The changes in PADEK's capacities are the result of a process that was put in place in 1996 and which is influenced by the following internal and external factors.

- **Government policy cooperation:** In the 1990s, the Cambodian Government opened up and permitted NGDOs to work at grassroots level in the country. This offered PADEK the opportunity to design, implement and further develop its integrated approach to community empowerment. The collaboration with government agencies enhanced PADEK's legitimacy to bring about change at grassroots level, while continuing to inform policy dialogue at the national level. Collaboration with government allows PADEK to act at the interface between government and civil society.
- **Gain more potential donors:** The influx of donors and international development agencies into Cambodia offered opportunities for PADEK to diversify its resource base. PADEK has a somewhat privileged position in Cambodian civil society as a result of its history and strategic positioning.
- **Land/human rights issues:** Poverty in rural areas persists and the agricultural sector is stagnant because landholdings remain very small. Land-poor farmers need to acquire more land through some sort of redistribution process. A sub-decree on social land concession was adopted in 2001, but the procedures this entails are often too complicated for local authorities to follow. Such situations create a demand for PADEK to develop its capacities in order to make appropriate interventions.
- **Space for PADEK and other NGOs:** The position of NGOs in Cambodia is an issue of concern. Sometimes the legitimacy of enabling the voice of poor and affected communities to be heard is called into question by the government. The joint statement of NGOs has been mentioned already and the current status of the law is not clear.

### **Internal factors that influenced PADEK's capacity development**

- **Change in leadership:** The phasing out of expatriate directors was not planned well. A succession of expat directors had led the organization during its first ten years. The contribution of the first Cambodian director was to firmly embed PADEK's work in formal planning and monitoring systems and structures which allowed the organization to address its expansion more effectively. The recruitment of a Cambodian director, in line with the localization process in 2000, allowed insiders to apply for the position. PADEK staff feels that the localization process was positive and successful.
- **Learning and experimenting on PICDM strategy:** A major positive internal factor, which is relevant to CD, is the learning and experimentation inherent in developing PADEK's strategy.
- **Staff turnover:** Attempts to recruit a deputy director without transparent processes and clear aims resulted in some staff leaving the organization between 1998 and 2002. High staff turnover was most likely due to (1) a less favourable working environment, (2) uncertainty as a result of repositioning and leadership transition, and (3) competition for staff from international NGOs and other agencies.

**c. How the developed capacities have affected results  
(outputs and outcomes)**

For PADEK, capacity development is seen primarily as a means to achieving its goal of rural community development. The foreseen and unforeseen outcomes of its CD process at the community level are impressive and the PICDM approach has shown significant results including:

- Higher incomes
- Viable livelihoods
- Educated children
- Better housing
- A cleaner environment
- Increasing mobility
- Improved awareness of health and hygiene
- More adult literacy
- Less domestic violence
- The confidence to interact with the local authorities
- More women participating and taking up leadership positions

The organization has achieved remarkable results regarding the participation of women from all walks of life. In the long term though, it is unfortunately not possible to establish a clear results chain. The PICDM approach forms the backbone of all CD activities. It provides a sound basis for PADEK's community development programme and leads to the empowerment of disadvantaged people to improve their quality of life in a sustainable manner through building and strengthening CSOs. The model has been reviewed and refined many times over the years in response to PADEK's experiences working in the communities. Staff members have been trained to cope with and learn from their experiences and changes in the field.

Evidence from the field visits indicates that people are very aware of the changes that took place in their communities as a result of PADEK's interventions. To sustain these interventions, CBOs have taken over much of the work previously carried out by PADEK. These collaborate with local authority structures to design and implement development plans and resolve conflicts. Experience shows that establishing Cambodian CBOs is a long-term process, during which local leadership capacities are being built so that they can eventually function on their own to bring about sustainable development. For PADEK, the *capability to deliver on development objectives* is considered the most important and strongest capability.

**d. Effectiveness of Oxfam Novib interventions**

In terms of inputs, Oxfam Novib (ON) provided a secure and continuous base with organizational core funding that covered 60% of PADEK's annual budget. Moreover, PADEK received regular and appropriate technical support, directly and indirectly, to further develop its community development approach and execute its programme activities. ON was also supportive in establishing strong project management structures and systems and necessary programme and organizational support. Annual and strategic evaluation and planning cycles are firmly embedded in PADEK's operations and were always carried out in close collaboration and consultation with ON. The relationship with ON was perceived as equal, fully supportive and non-imposing. PADEK leadership and staff felt that they were in the 'driver's seat'.

Due to the close connection with ON, capacity development in PADEK was mainly perceived as inputs from external resources and was defined in terms of training and exposure supported through external interventions. It required some effort for PADEK staff to realize that capacities were being developed first and foremost through the experience gained from their day-to-day work. This, when reflected on, is the major source of learning and capacity development.

The intrinsic CD that took place could be acknowledged more and this would allow more scope for learning from experience or learning from within. It would add a less technical dimension to CD, which in PADEK's development and its work in the rural communities is the logical next step. Its achievements in the field demand more complex capacities. PADEK will have to strengthen its CD by focusing on self-awareness, self-development and more complex interpersonal power dynamics and mediation skills.

#### e. Factors that explain the effectiveness of Oxfam Novib interventions

The role of ON as a considerate, supportive and long-term committed donor was effective. Its role was to guide and question but not to impose, thus allowing PADEK to find its own strength. NO continues to create a beneficial and safe environment for PADEK to develop and grow, allowing it to find its space and stand on its own feet. ON's secure and continuous support, in combination with adequate technical support, provided a sound basis for its development processes and relationships and for its future perspectives.

Because PADEK and ON have been partners for a long time, an organic process of internal and external CD has grown between them – and what was offered by ON was easily integrated into PADEK's systems and structures. The fierce competition for donor funding, which is prevalent in Cambodia, has not been a big issue for PADEK to date, and does not appear likely to be so in the near future. Secure financial and non-financial support has given PADEK a comfortable space in which to build its own capacity and take a leading role in rural community development.

ON encourages PADEK to look for other funding sources which, because it's being done from a rather comfortable and secure position, provides ample space for negotiations on a shared vision and values – and hence provides a solid basis for good relationships with future donors. Because the organization has positioned itself over the years as a reliable partner, it might be able to secure its funding base. Its main challenges are to deal effectively with external demands and pressures from government and donors, not become the victim of its own success, and to follow its own direction at its own pace of growth and development.

## f. Lessons learned

A number of lessons can be learned from this particular case study:

- In order for rural community development to be sustainable, it requires time to develop the capacities of the people in the communities.
- Long-term donor commitment, combined with financial and technical support, is a formula that has proved its value in allowing PADEK to become a renowned key player in rural community development and a respected member of civil society in Cambodia. It has allowed the organization to play its part in sharing and exchanging its knowledge and participating in forums and events for influencing policy.
- ON is well positioned to assist PADEK in moving from the basics of community development to the more advanced and complex phases of development in which inequality, imbalances and injustice can be addressed. It could promote CD as a long-term process in combination with shorter-term results provided by external resources. More sustainable, longer-term results that are driven by the experiences of the organization effectively address the complexities of its development efforts. In that sense, ON has been able to tilt the balance from a somewhat exogenous CD process to a more endogenous approach.

Though PADEK feels it is very much in the driver's seat in its relationship with ON, dependency and cultural dimensions play their part as well. It is important for both parties to be aware that the support offered by ON can hardly be refused and that proposed visits tend to be accommodated, even at a cost. The PADEK staff is well trained in accommodating and balancing visits and requests simultaneously because saying no or negotiating availability has to be understood within the indirect Cambodian cultural context and donor-recipient relationship. For both parties to consciously deal and work with that aspect of their relationship, it would be helpful if the relationship were more interdependent.

## 2.6 Case study V: Programme Support Team<sup>70</sup>

### a. Introduction to the Programme Support Team

<sup>70)</sup> This summary is based on:  
Anne-Marie Schreven,  
*Letting the frogs out of the well; Exploring community-driven change in Cambodia; Case study of the Programme Support Team (PST), (Draft final version March 25, 2010). Thimphu, Bhutan. Euthpal.*

The Programme Support Team (PST) is a small, loosely allied group of Cambodian professionals who are well connected with community leaders and networks, NGDOs, lobby groups and policy initiatives. They represent their specific community sectors, helping them to organize, formulate policies and build peace. They also offer legal aid and advice on human rights and advocacy.

The PST is acutely aware of Cambodia's post-conflict problems as well as its political and socio-economic setting. It also recognizes that civil society there is still very much in the early stages of its development. In this context, the PST positions itself at the forefront of civil society in Cambodia. The four PST members share a common development goal of fostering community-driven change and strategic stakeholder cooperation to strengthen the voice of people in the communities and community networks. They believe it is for the people to decide and take charge of their own development agenda and to organize themselves to deal with the opportunities and challenges they face.

At the beginning of the collaboration between the PST and ICCO, some outputs were formulated relating to how genuine cooperation could be facilitated between a number of specific groups. They also considered how best to achieve strategic cooperation at operational level, devised realistic capacity development recommendations for the various groups, and discussed how learning could be built into the CD process.

The four PST members have known each other as personal and/or professional peers for a long time and consider their team to be a 'non-formal and natural alliance'. They are well connected and well respected leaders both in their own fields and beyond. They each have considerable *savoir faire* and a wealth of experience that gives them a good insight into the communities they work among. They are non-controversial, knowledgeable people who are well positioned and have the capacity to support positive social change.

The group has found its current shape as the Programme Support Team thanks to ICCO's support, which has enabled their collaboration to be more regular and more focused. The PST can best be characterized as a web of relationships; it is not an organization but a loose structure with fluid boundaries and a flexible setup that allows it to remain informal, ad hoc and based on needs and issues. It is multi-stakeholder in nature, although all the members come from one sector. It can perhaps best be described as a multi-layered community of practice.

ICCO started engaging actively with the four PST members because it saw them as civic leaders with whom it could usefully discuss a development approach based on community-driven change or local ownership and who understood the relevance of strategic stakeholder cooperation. PST has adopted the concept of Civic Driven Change as its approach because it helps members to deal with issues beyond their sectors.

### **b. Changes that have affected PST's capacity**

Capacity development in this particular case study deals with a number of areas including:

- Human rights and civic movement issues
- Conflict transformation and active non-violence
- Community leadership and joint action
- Issue-based collaboration and advocacy
- Action research for claiming rights and policy interventions

These are civil society issues that cut across the specific sectors the PST represents. The group advocates strategic collaboration beyond its sectors to unleash energy and power in people to take charge of their own development and make sure that their voice is being heard.

Given the nature of the organizational arrangement and the work of the PST, it is difficult to organize the capacities to follow directly from the categories of the 5CC model.

According to the four PST members, capacity development is the regular exercise of collective reflection and self-reflection on one's own and others' beliefs and behaviours and the finding of ways to unlearn what has brought about wrong perceptions and judgments. It addresses informal and formal social structures and recognizes local knowledge and abilities, tradition and culture. It is also aware of how the learning process that arises from these can transform into local capacity for action – which can eventually be independent of external support.

Capacity development goes beyond acquiring knowledge and skills and deals with changes to one's own attitudes and behaviour in order to help others to change and bring about societal change. In contrast to the views of SOCSIS, the PST members define capabilities primarily in terms of 'soft' capacities and capabilities, which are often intangible. For the PST members, CD expresses an aspiration for social justice and for emancipatory development.

**Capability to adapt and self-renew** – Against this background, the capability to bring about change at personal and organizational level, or to adapt and self-renew, is at the core of the PST's policy. It is their strategic choice for strengthening community-driven change and can best be described as cultivating local capacity or capability to challenge, change and transform situations and relationships in favour of the needs and interests of communities.

**Capability to act and commit** and the **capability to deliver development objectives** – The PST responds to short-term needs while keeping long-term objectives in mind. They aim to achieve just and balanced relations, including gender relations; joint action and local capacity for action; local ownership; interdependency; and self-awareness for transformational change. Rather than having a well-defined strategy, programme and agenda, PST members work flexibly with issues that emerge and need to be addressed in civil society. ICCO supports this step-by-step approach.

The PST initiative is one of ICCO's key strategies for strengthening the role of civil society in Cambodia. ICCO recognized the county's post-conflict problems, its political and socio-economic setting and emerging civil society. In this context, it decided to encourage and facilitate the growth of cross-sector links between popular-based social movements to maintain and increase democracy, to protect and advance respect for human rights and the rule of law, and to support non-violent conflict transformation on all levels. These capacities relate to both the *capability to act and commit* and the *capability to deliver on development objectives*.

**Capability to relate to external stakeholders** – For PST members 'natural coalition and cooperation serve as a starting point' and it has adopted these as the backbone of its strategy. Members promote and facilitate strategic cooperation between groups to strengthen effective teams of change agents. The results of this can be seen in changes in the capabilities of the communities the PST works with.

**Capability to achieve coherence** – The capability to achieve coherence is given profound attention by PST members because their aim is to move beyond specific sectors and find common civic voices for community-driven change through coalitions and networks. Community networks have become stronger and more active. They have also become more effective in their actions and more proactive in reaching out to other networks; PST has been instrumental in achieving this.

### **c. How the developed capacities affected results (outputs and outcomes)**

We can see a picture emerging of the PST as a CD experiment where the focus is on building relationships of mutual respect and trust and facilitating civic movements in a way that is specifically needed in post-conflict situations. Rather than seeing CD as the instrumental strengthening of capacities for development results, the PST initiative regards capacity development as being driven by people and communities: every person, every family and every community has its own development agenda. These agendas are based on existing opportunities and threats and public and private actors provide them with the chance to develop themselves. The PST's emphasis is on enhancing resilience and nurturing the development of individuals and organizations that are capable of sovereign focus and of acting decisively to influence their society and bring about change.<sup>71</sup> It is true that this approach takes an unpredictable and chaotic course rather than a linear interventionist, results-chain route.

At the same time, it must be acknowledged that visible changes in awareness, attitudes and practice do bring about community-driven change. In the case of the PST, indirect evidence suggests there have been influences on outcomes in the areas of land disputes, illegal deforestation, land abuse, and religious discrimination. There are also suggestions of progress in youth leadership development and a shift in the way women are regarded in society. As far as the women themselves are concerned, there has been a noticeable change in general attitude and behaviour, resulting in an increase in their participation in decision making and conflict resolution. Outcomes are also reported in shifting power equations – in terms of 'power over'.

### **d. Effectiveness of ICCO interventions**

From the empirical data that have been obtained, it is clear that ICCO plays a supportive role in coaching and encouraging PST members, while allowing them the space to develop their own course. The members are comfortable with one another and trust each other. They are genuinely committed to community-driven development that goes beyond their own specific views. The PST's collective capacity is determined by the intensity and quality of the interactions between its individual members. Space is allowed for experimentation and for making progress towards new ways of thinking and doing; but there is also an acceptance that there will always be a tendency to rely on the comfort of old patterns of behaviour and that very human way of learning – making mistakes. But at bottom, PST members are determined to overcome the limitations of their own views and to embrace the views of others. Theirs is a process of experimentation, piloting and learning that takes place in the margins of civil society, and which needs to take its own time and find its own path. Such a path can not be forced, it can only be nurtured.

### **e. Factors that explain the effectiveness of ICCO interventions**

ICCO reasons that peace, justice and democracy will flourish in a sustainable way only when local communities and people are empowered and encouraged to advocate their own needs and rights. Ownership by local communities and their support organizations is a core requirement and can be achieved only when those organizations cooperate, make use of each other's energy and strengths and share resources. This approach implies that local actors take a lead role, both in programme focus and in implementation.

<sup>71</sup> See A. Kaplan, *The development of capacity*, 1999 (available at [www.ngls.org](http://www.ngls.org)).

When using a programmatic approach, ICCO identified 'predetermined solutions to developmental problems' as being one of the major obstacles to capacity development. Sometimes these predetermined solutions are donor programmes that are based on their own analysis and political agenda; sometimes they are NGDO programmes based on their own analysis and personal/organizational interest; and sometimes they are the predetermined agendas of formal community networks and CBOs.

ICCO does not present a predetermined programme or agenda for civil society in Cambodia, it merely deploys a common vision and values as the foundation for ownership and development. ICCO is convinced that the traditional approach of intervention-objectives-strategies-output-outcomes has been proved to be ineffective because of the intrinsically complex character of CD processes. Output and outcome can, at best, be defined as operational models of strategic stakeholder cooperation based on their existing resources. Capacity development in the PST case is process-oriented, issue-oriented and constituency-oriented. It initiates, facilitates and accelerates all within the complexity of a loose and informal institutional setup in which many factors and actors work together and influence each other. It makes the question 'who contributes to what' less relevant.

## **f. Lessons learned**

- The PST initiative is an innovative example of CD that builds successfully on existing capacities in post-conflict Cambodia. It sketches flexible and loose boundaries that do not take over but adapt to reality. The four PST members are key stakeholders in this initiative and each in his own way is committed to bringing about transformational change. The way they complement each other is one of the strengths of this initiative.
- ICCO has shown courage in moving beyond the existing frames of CD, exploring new ways of thinking and doing, and participating in a non-linear, often chaotic process of change. It has accepted that there is no predetermined agenda but recognizes that there is a clear development goal: people driving their own development agendas and actively engaging on that issue. ICCO identified existing connections and relationships in relevant sectors that could drive positive social change. This initiative is highly valued by PST members and other key stakeholders.
- The PST is an experiment that is worth pursuing as it offers an alternative approach to development – one in which the people involved rather than the donors are driving the development agenda. The quality of stakeholder relationships is as important for bringing about change as are issues and agendas. Putting relationship dynamics to the fore reveals a perspective that has not yet been fully explored. For example, it demands a long-term perspective, as respect and trust take time to grow. It demands a level of self-awareness and openness from all parties involved, including donors and capacity providers. This is a capacity that can be learned and strengthened. The PST experiment indicates an area of CD that has been underestimated and largely ignored and implies a shift in focus towards more equal relationships between Southern and Northern organizations and networks.
- In exploring new ways of thinking and doing, the challenge for ICCO lies in maintaining a fine balance between supporting and facilitating – a balance between respecting endogenous development and taking over. In balancing the 'old' way with an alternative approach to development, ICCO has to deal with the many pushes and pulls from donors, competitors, partners and communities. This makes the experiment exciting but also challenging. From experience it can be learned that development can not be forced by external actors. Bearing in mind that transformational change takes place in the margins of society, it might well be a strategic choice to resist mainstream development patterns and allow piloting and nurturing to take place and the initiative to grow.
- Interventions do disturb, there is no doubt about that. What matters is whether the disturbance helps the community-driven change process to find its own shape rather than imposing a pre-determined shape. The question is how donors and NGOs learn to allow people to define their development issues rather than driving the development agenda themselves.

## **2.7 Case study VI: Strengthening Somali Civil Society<sup>72</sup>**

### **a. Introduction to SOCSIS**

This case study concerns the Strengthening of Somali Civil Society Involving Systems<sup>73</sup> (SOCSIS). This is a capacity-strengthening programme implemented in Somaliland with the support of Oxfam Novib.<sup>74</sup> SOCSIS, unlike other case studies in the evaluation, is not an independent organization (Southern partner) with its own legal status; rather it is an Oxfam Novib programme. The vision of the SOCSIS programme is to develop the capacity of civil society in a sustainable way through the training of local Somali consultants. These would, in turn, be expected to offer training to local CSOs.

For the purpose of the case study, a decision was made to consider the Southern partner to be the local Somaliland NGDOs and resource persons that have benefited from the SOCSIS programme. In light of the above definition of the Southern partner, the 'unit of analysis' was deemed to be the local NDGOs and resource persons that were trained under the SOCSIS programme.

### **b. Changes that have affected SOCSIS's capacity**

Two SOCSIS models were developed; one targeted the trainee consultants and the other targeted local NGDOs. The first model involved selecting a number of local trainee consultants for intensive training on CD, management skills and training skills. For the local NGDOs, SOCSIS focused on a number of aspects of organizational development with respect to governance, finance, accountability, service delivery, leadership, advocacy, lobbying and fundraising, and project-cycle management. A total of 120 local NGDOs received training and from them, 120 trainee consultants graduated as capable consultants.

A summary of some of the changes in the capacity levels of the local NGDOs and trained resource persons are given below. All changes are described in relation to the 5CC model.

**Capability to act and commit** – All NGDOs strengthened under SOCSIS have developed three-year strategic plans. However, given the constraints of time and logistics along with security concerns, the study could not establish the extent to which these plans have been put into operation. We should also take into consideration that most trained NGDOs have extended their local financial resources to include remittances from the Somali diaspora, income generated by themselves, and local contributions. However, the sustainability of the NGDO sector in Somalia remains a challenge as most organizations depend on external support for most or all of their activities and many still have little fundraising capacity.

As a result of SOCSIS support, some 50% of these organizations have now developed systems that ensure that responsibilities and decision making can be delegated local organizations. Governance has been strengthened in the majority of the organizations, but in many CSOs, power and control are still in the hands of a few (usually the founders), which, of course, limits transparency.

**72)** This summary is based on: Tom Olila, *Case study Strengthening of Civil Society Organisation Involving Systems*, Nairobi, Kenya. (Strategic Connections) draft final version March 25, 2010.

**73)** Initially called, Strengthening of Civil Society in Somalia.

**74)** Somalia is divided into three major regions: South Central Somalia and the two self declared 'states' of Puntland and Somaliland. The name Somaliland is often used to refer to all the three regions, and that is the meaning that applies in the context of this report.

**Capability to deliver on development objectives** – Over time, SOCSIS strengthened the capacities of NGDOs so that they would be able to increase the level of community involvement at various stages of development projects. All the organizations involved have, over time, acquired most of the basic principles of organizational infrastructure – although this has not always been to a great enough degree to meet their needs. The general unwillingness of donors to contribute to such investments is often cited as the cause of shortcomings in this area. Resource persons and NGDOs interviewed for this report acknowledged overall improvements in project effectiveness. This was attributed in part to better planning and project design and to the presence of more knowledgeable and experienced staff.

However, a number of NGDOs remain donor driven; they prioritize their needs according to what they can get funding for rather than according to the findings of needs assessments. Still, very few NGDOs are capable of outlining and monitoring the expected results of projects, especially in terms of their effects. As well as knowledge gaps and inadequate monitoring and evaluation, organizations are still beset by the challenges of the security situation and logistical and administrative issues. While there is some contact with networks and umbrella organizations, Somaliland CSOs generally don't work outside the local level, nor do they aggregate their interests at national level. There is also a lack of focus among the majority of CSOs, whose organizational capacities' usually cannot cope with their geographical spread.<sup>75</sup>

**Capability to relate to external stakeholders** – A number of networks and umbrella organizations were created to fundraise for members, promote regional and sectoral networking and information sharing, facilitate coordination, lobby, and share knowledge. This has led to the media being used more frequently and more effectively for awareness raising, advocacy and various human rights campaigns. Local NGDOs indicate that they now have much more regular contact with donors and other stakeholders.

**Capability to adapt and self-renew** – Many NGDOs now have regular meetings where there are clear minutes and action agendas. This was not the case in the past, so there is a measurable capacity change here. Regular meetings are also held with other CSOs, primarily for networking and information sharing. A number of NGDOs are also now able to undertake external evaluations; and most undertake regular organizational assessments and annual staff appraisals. They use the outcomes of these to plan improvements for the future. In addition, most carry out detailed context analysis during strategic planning sessions. CSOs in Somalia have done very well with regard to adapting to changing contexts.

**Capability to achieve coherence** – All organizations strengthened by SOCSIS developed or revised their organizational identities to give clearer statements of their visions, missions, and values. Clear internal controls were established in many instances including separating management and board roles and clearly defining the functions of finance departments. Unambiguous and documented official structures were established and enforced in a number of local NGDOs. These included documented organizational charts supported by staff job descriptions.

<sup>75</sup>) The nature of this study prevented us from ascertaining the extent to which the various NGOs have implemented their programmes because we could not make visits to specific CSOs or talk to the communities.

Most NGDOs and trained consultants attributed the changes in the five core capabilities largely to the SOCSIS process. However, a critical review shows that in a number of cases, SOCSIS included in their evaluations knowledge and reinforced operations that the trained local NGDOs and resource persons were already carrying out – and we should, of course, bear in mind that no capacity vacuum existed prior to the SOCSIS programme. It should also be noted that a number of experienced staff joined these organizations at various stages. This alone made a considerable contribution to their capacity, especially when accompanied by intermittent CD support from other donors and international NGDOs. For the purposes of this report, it was therefore not possible to definitively attribute changes in capacity solely to SOSCIS.

#### **External factors that affected capacity development:**

- **Security:** The security situation was a major external factor whose effects cut across all the NGDOs and resource persons supported by SOCSIS. Insecurity, together with frequent natural disasters such as droughts and floods, made it difficult for the organizations to operate. It also made them more inclined to focus on assisting the communities rather than on their own CD.
- **Education:** The lack of formal education in Somalia has had a major effect on the availability of personnel and their qualifications. Few educational institutions provide development-specific training courses. In addition, the brain drain deprives the NGDOs of trained staff. This is compounded by the fact that often international NGDOs, donors and UN agencies use the local development organizations to source experienced personnel.
- **Funding circumstances:** The limited availability of financial resources along with stiff – and sometimes unfair – competition for donor funding mean that many CSOs have fewer resources to invest in their own development, and less flexibility as to how they achieve it.
- **Technology:** Improvements in telecommunications technology in Somaliland brought about by a vibrant private sector (despite the conflicts) make it easier to keep in touch with the outside world.
- **Regulations:** The absence of legal, statutory, and self-regulatory mechanisms mean that a number of ill-conceived NGOs get away with various malpractices. And the absence of entry and exit barriers in the CSO sector mean that organizations are in a constant state of change that impedes the development of organizational accountability, growth and development. Certain socio-cultural factors, including belief systems and value bases also influence certain aspects of CD, such as gender equality.

### **Internal factors that affected capacity development:**

- **Personal drive:** Internally, the key factors that influenced the CD of the NGDOs and resource persons included the eagerness of these organizations and individuals to learn and to focus on their goals.
- **Resilience:** In Somaliland, where rapid change, instability and fragility are common, the resilience of the organizational staff and their ability to deal with shock and disruption played a very important role in sustaining CD processes.
- Desire to learn: It appears that the SOCSIS process brought about increased motivation, higher levels of awareness and understanding, and a desire to learn.
- **Commitment:** Capacities were enhanced further by increased feelings of ownership, commitment, and motivation among staff. These developed over time as a result of internal organizational and management changes.
- **Relationship management:** SOCSIS assisted the organizations to review and design formal structures and systems for defining official patterns of relationships, authority, information flow and coordination.
- **Leadership:** The leadership capacities of organizations were particularly enhanced. This seems to have contributed to the higher levels of confidence and optimism that raised several of the NGDOs to a higher capacity level and brought about better results.
- **Linking:** A feeling of ownership among several of the organizations motivated them to commit to and become members of various networks and umbrella organizations.

### **c. How the developed capacities have affected results (outputs and outcomes)**

As a result of the above-mentioned changes in the organizations' and resource persons' capacities, certain outcomes were realized regarding the quality of outputs. Because of the security situation, logistical restrictions and time constraints, the evaluation focused on realized outcomes at the levels of the NGDOs and the resource persons. These outcomes showed that over 50% of trained NGDOs demonstrated improved accountability that resulted in the timely receipt of funding, and increased levels of direct funding from donors. This can be attributed to enhanced feelings of trust and confidence. Most trained NGDOs showed that they had expanded the scope of their programmes, had entered into closer collaboration with key stakeholders, and had improved their sense of ownership as a result of the greater involvement of communities. The growth of these NGDOs provided more job opportunities – thus reducing the brain drain and encouraging people to return to Somaliland.

The degree of delegation and involvement of personnel in important operational tasks and decisions within the organizations meant that management had more time to spend on strategic tasks and planning. Some organizations even managed to attract and retain relatively well-qualified staff members. This was as a result of their ability to offer improved working terms and conditions, which encouraged staff productivity and learning.

Training in project management meant that local NGDOs were better able to design, plan, implement and monitor their projects. Regular monitoring and reporting enabled the NGDOs to detect challenges in time and to take appropriate action to prevent resources from being wasted.

As a result of improving relations with donors, a number of NGOs now have their financial instalments released by donors in a timely manner that facilitates continuity and stability and ensures that projects are completed in time. Improving relations with those in authority also usually means that activities are less likely to be disrupted by the civil authorities. Also, community involvement and collaboration with other stakeholders enable effective links and coordination between actors.

Frequent internal discussions and analysis among NGDO staff enabled most of the organizations to keep abreast of key developments in their field. This helped most of the organizations to adapt better to Somalia's ever-changing context and to respond in a more focused way to emergencies and humanitarian crises. Organizations are now also conducting frequent organizational assessments and annual staff appraisals, the outcomes of which are used for organizational and staff capacity development.

The existence of and adherence to organizational policies and procedures, and the adoption of the requisite organizational structures facilitated clear role divisions and reporting structures. They also made communication more efficient and made tasks easier to accomplish. A number of NGDOs strengthened their existing boards. In most NGOs, personnel stay longer as a result of better pay and conditions.

The pools of trained resource persons have continued to provide organizational development support for CSOs, both individually and through consultancy firms they have established. Other trained resource persons set up NGDOs that are currently active in the area. Active participation by trained elders in conflict resolution has contributed to positive results in Somaliland and Puntland, where a government and a local administration are in place. Such elders are often invited by international and regional bodies to reconciliation talks between the various warring factions.

On the issue of gender, there is now greater representation of women at various levels echelons of the NGDOs. There are also several women's organizations promoting women's rights.<sup>76</sup>

**76)** While there is an increasing willingness to talk about gender issues, the quality of life of most women in Somaliland remains very poor. They have minimal access to resources and virtually no decision-making power.

#### **d. Effectiveness of Oxfam Novib interventions**

A number of consultative forums were held at the start of the SOCSIS programme. These provided important platforms for the local NDGOs to reflect on themselves and on the way they operated. In a way, this made them feel part of the process – thus contributing to their sense of ownership. This new level of awareness, depth of understanding and need for learning also facilitated further commitment and engagement to improve organizational performance. It encouraged staff to adopt newly learned ways of thinking and to turn these into capabilities for action and performance.

As a result of SOCSIS support, a number of values were strengthened. This reinforced the resilience of the NGDOs and seemed to encourage new attitudes, new roles and relationships, and alternative forms of organizational behaviour. The SOCSIS process showed that it is possible to develop and use local consultants irrespective of the context and that there are almost always 'local solutions to local problems'. Supporting local consultants can play a key role in sustaining the developed capacity of NGDOs – however, the consultants need to be effectively engaged for this to take place.

SOCSIS provided excellent exposure to certain best practices in organizational and programme management. This stimulated change within the individuals and organizations. The training and use of local Somali consultants reinforced belief in the ability of Somalis to solve Somali problems.

However, SOCSIS appears to have been rather 'generic' in the way that it applied the same content across the board to all the trained NGOs and resource persons. This did not fully exploit the opportunity to deal with issues specific to individual NGDOs or resource persons. It also ignored issues related to the stages of development of an organization.

Although the process was intended to be consultative, Oxfam Novib increasingly found itself taking the driver's seat. The outcomes of the capacity assessments tended to focus more on challenges and did not bring out strengths that could have played a role in ongoing development. There is no evidence that conscious efforts were made to encourage double learning loops among trained NGDOs.

The active phase of SOCSIS seemed to stop abruptly after nine months and there were no mechanisms in place to monitor changes in capacity over time. This made it especially hard to know the extent to which the trained NGDOs are applying the new knowledge and improvements to attain their objectives. SOCSIS was based on Deborah Eade's definition of capacity as the process of enhancing an organization's 'ability to be, ability to do and ability to relate'. This definition was never adjusted to reflect more recent and more comprehensive models such as the 5CC model.

In conclusion, although there is definitely room for further improvement, Oxfam Novib through the SOCSIS programme can be seen to have played an important role in stimulating endogenous capacity development.

#### e. Factors that explain the effectiveness of Oxfam Novib interventions

A number of points emerge as contributing factors to SOCSIS's level of success:

- It was based on clear CSO mapping and capacity assessments
- It had a clear and rigorous selection for participants
- It specifically addressed the Somali context
- It intertwined theoretical training with practical work
- It had regular ongoing discussion and analysis to improve follow-up phases
- It made grants available for the application of learning
- It used knowledgeable consultants with lots of experience in CD.

Generally speaking, the organizations and resource personnel dealt well with the issues of governance, leadership, accountability and project management. However, they were relatively weak on gender issues, information management and programme development. SOCSIS graduates felt that the orientation of the training trajectory was very limited. They also felt that time allocated to them was too tight, and that the language of the manuals was too technical and focused too much on what changes were needed – but not on how to bring them about. Additionally, the methodology was felt to be inflexible as a result of back donor constraints; training manuals were not up to date; and small grants that were meant to facilitate experimentation were very restricted. Concerns have also been raised that the qualifications of trainee consultants at the time of their engagement were not up to a standard that would effectively add value to the NGOs.

## **f. Lessons learned**

A number of lessons can be learned from the SOCSIS process.

- It makes sense sometimes for donors, international NGDOs and other international development actors to kick-start capacity development processes – even though these may be perceived as externally driving events. Care should be taken to ensure that the local CSOs embrace and eventually take ownership of such processes to ensure their sustainability.
- Some capacity did exist prior to SOCSIS interventions. This underlines that it is always vital to carry out a thorough analysis of existing capacities and to build on them. It is also clear that capacity emerges over time, partly as a result of interactions between learners and other entities and partly through observing the interactions of others.
- Selecting the teams of consultants and facilitators for CD processes is also critical to the success of programmes. The facilitators need to understand the context, have a good grasp of specific subject areas and have experience in knowledge transfer. They also need to appreciate and recognize existing knowledge, relate well to the trainees and believe in the trainees' abilities to develop.
- Enhancing the knowledge and skills of an individual does not necessarily always have an effect on an organization's overall capacity that is immediate linear, and causal. Collective capabilities are essential, as is building systems that will ensure knowledge transfer and reinforce sustainability. The choice of who represents CSOs in such training is vital.
- Despite its image as a failed or fragile state, it was possible to carry out professional CD for a wide variety of Somali CSOs and resource persons. People are often ready, willing and able to respond to training and adapt to new ways of working, despite the context they operate in. However, in such fluid contexts, there is a need for a reasonable degree of flexibility – striking a balance between planned and emerging approaches to CD intervention.
- For CD efforts to be relevant and sustainable, there is a need to adopt participatory approaches that recognize the right of the local NGDOs to be part of the decisions that are aimed at their own development. These organizations must embrace and welcome any such support in order to assure success.
- Donors, NGDOs and other capacity development providers and facilitators need to be extremely conscious of the cultural dynamics at play as well as the power that comes with them (the power of funds, knowledge, etc.). They need to take these into account when facilitating CD processes. This will also influence the authenticity with which partners accept externally stimulated CD interventions.

## **2.8 YONECO<sup>77</sup>**

### **a. Introduction to YONECO**

The organization Youth Net and Counselling (YONECO) was formed in September 1997. It was set up as an NGDO to address the social injustice, human rights, child delinquency and reproductive health issues affecting young people, women and children in Malawi. YONECO's work is aimed at mitigating the impact of HIV and Aids through promoting changes of behaviour (including the reduction of gender-related violence), treatment, and improved livelihoods for infected and affected young people, women and children.

YONECO as an open organizational system includes a number of key players who contribute to its inputs, outputs, outcomes and impact. Among these key players are: volunteers, staff and the board of the organization, communities, donors, the public sector (government ministries and departments), the private sector, training institutions, the media, and other NGOs.

### **b. Changes that have affected YONECO's capacity**

YONECO's key capacity changes can be seen in its ability to achieve rapid growth within a relatively short time and its ability to manage this fast organizational evolution successfully. The other changes that have been identified are presented below in relation to the categories of the 5CC model.

**Capability to act and commit** – YONECO was able to develop strategic plans from time to time that guided the organizational decision-making processes. It has a financial and human resources sustainability plan to support the implementation of its strategic plan. Leadership, as practiced by the board and the director, is generally inspiring and its integrity is well established. While the director still remains a dominant figure in YONECO's identity, efforts are being made to delegate and to promote shared leadership throughout the organization. There are ongoing efforts to build a stronger management team – allowing the director to concentrate on governance issues.

**Capability to deliver on development objectives** – YONECO is one of the most successful local NGDOs in Malawi in terms of the sufficiency of its financial and material resources. It has built its own office centre and has the resources to rent office space for its field offices. YONECO has access to various sources of knowledge including the internet, libraries and experts in the fields of HIV/Aids. The organization has ample skills and competences for the fields in which it is working. It has adequate levels of personnel who are generally qualified and experienced enough for their positions.

YONECO is currently supporting a number of staff, including the director, to augment their academic qualifications. These efforts are consciously linked to the work the organization does and the individuals involved. So in attending their courses, staff and the director are simultaneously improving the organization's capacity to deliver.

<sup>77)</sup> This summary is based on the following case study report: Chiku Malunga, *Youths, women and children; Case study Youth Net and Counseling*, draft version dated March 25, 2010, Blantyre (CADECO), 2010.

In addition, capacity enhancement is taking place at higher level within the organization: as well as investing in staff, YONECO has invested in developing its board and governance function. The board has undergone a number of training sessions and is demonstrating a greater capacity to govern the organization. On a number of occasions, the board has sent back agenda items suggested by management because they felt the issues suggested were management and not governance issues. The board is ‘financially literate’ and is able to scrutinize financial reports.

**Capability to relate to external stakeholders** – YONECO chairs several national and continental networks, which enhances its local and international visibility. In addition, it has hosted a number of international conferences. The director and a few other leaders are sought-after speakers for conferences and workshops. All the stakeholders interviewed expressed satisfaction with their relationship with YONECO and the added value that it brings to those relationships. YONECO maintains strategic relationships within Malawi and beyond. Through these relationships, YONECO has managed to create synergies that have helped it to access opportunities and achieve more than it could on its own. Through working with the police and the courts, for example, it has managed to help more women affected by gender-related violence. Using its local and international networks, it has managed to create funding opportunities that would not otherwise have been available to it.

**Capability to adapt and self-renew** – YONECO has made some critical and courageous changes, including changes in the way monitoring and evaluation are carried out. It is currently planning a restructure of the organization. YONECO encourages individual, team and organizational learning. As already mentioned, a number of staff members are attending master’s degree courses and reflection and learning sessions are held on a quarterly and annual basis. YONECO has demonstrated resilience and agility in surviving crises, including the attempted internal coup in the organization and the loss of key staff at a critical time for them.

The choice to move from focusing only on young people to including women and children was an effort and an indication of YONECO’s goal to remain relevant to the needs and expectations of those it serves. The organization’s strategic planning processes have also helped it to periodically reassess the tasks it has to perform in a strategic manner and make appropriate shifts to enable continuous self-renewal.

**Capability to achieve coherence** – YONECO has a strategic plan that is well set out and has clearly defined operating principles. A key challenge for YONECO has been to achieve a balance between ambition and vision – the number of donors providing resources poses a danger that YONECO could become overburdened. So far, YONECO has demonstrated consistency in establishing what it stands for and coherence in how it has organized itself as an organization. Increasing recognition and funding opportunities have not made it lose sight of its identity and purpose.

#### **Internal factors that influenced capacity:**

- YONECO is proactive in its CD initiatives. The organization carries out regular self-assessments, even without donors commissioning such assessments. A case in point is the first assessment YONECO performed in 1999. This created a benchmark for all their subsequent CD work. YONECO identified its capacity gaps and actively sought support to address them by looking for donors and opportunities. The board conducts regular visits to project areas to see what can be learned to improve practice in the future.
- YONECO regularly calls for experts to speak to staff and the board to ensure the continuing relevance of their work.

#### **External factors that influenced capacity:**

- Government has the power of legitimacy because they were put into power by the people. YONECO is mandated to operate within government policies and programmes. It has managed to work amicably with all government establishments, treading a careful line between supporting the powers that be, and challenging them.
- Donors appear to have a lot of power because of their financial resources. In YONECO's experience, however, donors have generally used this power positively and made partner relationships possible. On a number of occasions, YONECO terminated relationships with donors whom they considered to be using their money or their power negatively.
- Access to knowledge resources has also helped YONECO to develop its capacity. It has reliable internet access and relationships with universities – the University of Malawi, the University of York (UK), Rotterdam University in the Netherlands, and the University of KwaZulu-Natal in South Africa. These relationships enable YONECO to access much of the information that it needs. Staff also takes part in the research work that these universities carry out. YONECO periodically calls experts from different fields to speak to staff and the board so that the organization is always abreast of new developments. An individual's expertise and potential contribution in their field of expertise is a principal consideration when selecting board members.
- Other key external factors include: support from donors to finance CD initiatives within the organization; and local and international networking resulting in enhanced exposure, new links, and media interaction (YONECO has a media strategy for its work). Donor withdrawals at critical times have forced YONECO to think more strategically about resource mobilization – it now has a financial sustainability plan.

#### **c. How the developed capacities affected results (outputs and outcomes)**

There is convincing evidence to show that YONECO's improved capacity has brought about improved results. The following outputs were observed in areas in which YONECO was working:

- The number of people being tested for HIV increased;
- Access to anti-retroviral treatments improved;
- The reporting of incidents of gender-related violence by individual women and schools increased;
- The number of cases reported by school-children who were affected by gender-related violence rose from 249 in 2008 to 863 in 2009.

The following outcomes occurred in areas where YONECO is working:

- There was an increase in the number of teen mothers going to school;
- Most girls continued their education – in other words, the school dropout rate for girls decreased;
- Visible behavioural changes started to cause changes for the better in the lives of young people, especially on matters of sex and sexuality;
- There was a significant increase in the awareness of gender-related violence – and a corresponding reduction in its incidence;
- Households where one or more people are infected with HIV/Aids were more food secure.

#### **d. Effectiveness of Hivos interventions**

Between 2002 and 2009, Hivos has made approximately one million euros available to YONECO. In addition to these financial contributions, it provided technical support by commissioning a major evaluation in 2005 to support strategic planning processes, training in results-based management and governance training for the board. It also evaluated YONECO's HIV/Aids workplace policy, carried out a financial inspection, supported the implementation of the Strategic ICT Application in the Africa Region (STAR) programme and carried out regular monitoring and evaluation visits.<sup>78</sup>

The core funding from Hivos provided stability for the organization, which greatly contributed to attracting, and keeping, staff. The Hivos evaluation led to the strategic planning exercise, which resulted in a more focused direction for YONECO, a clearer identity and improved governance structures. It also led to greater clarity on roles and responsibilities within the organization and between the organization and the communities it works with. The training on results-based management brought about an understanding of the distinction between reporting results and reporting activities.

HIV/Aids workplace policy led to better general awareness among staff, the provision of food supplements for staff members living with the virus, and an HIV/Aids programme targeted at the children of staff members. Through the STAR programme, many young people started to access information and support through the helpline, which has now been expanded into a national programme administered by YONECO. Building on the support from Hivos, YONECO identified other donors for the programme and has expanded from two to nine youth centres.

#### **e. Factors that explain the effectiveness of Hivos interventions**

Hivos brought institutional support and commitment to YONECO – not only by providing financial resources but also in its targeted technical support which aimed to enhance the capacity of the organization. Hivos also provided many links and networking support. YONECO observed that the relationship between itself and Hivos is 'a real partnership' in which genuine negotiations and discussions occurred. It also appreciated that the amount of funding given was satisfactory for its needs. The only concern voiced by YONECO was in relation to the occasional delays in the disbursement of funds; here they felt Hivos could have done better.

**78)** STAR is a Hivos initiated project for East and Southern Africa, based in Nairobi, for ICT capacity building for organisations working in HIV/Aids and organisations working in Microfinance.

The success of the YONECO capacity development process can largely be explained by the fact that it was mainly an endogenous process – which was initiated, led, owned and managed by YONECO itself with timely, focused and high-quality support from Hivos. Moreover, the CD initiatives initiated by YONECO and proposed by Hivos were quite complementary.

**f. Lessons learned**

- The key to YONECO's success was rooted in the fact that its organizational CD was an endogenous process combined with timely, adequate and focussed support from outside parties. We can learn from this that endogenous CD needs to be compatible with exogenously initiated activities.
- Capacity development takes time. YONECO's CD story is generally a positive one, but it has taken the organization over twelve years of continuous effort to reach where it is today. And it cannot afford to be complacent because CD also means being adaptable in a constantly changing environment.
- Documenting results effectively remains a key challenge for many organizations, YONECO included. It is clear that YONECO has made tremendous strides in its work and achievements, but these have not been documented effectively. Improving documentation, especially at the level of outcomes and impact is a critical challenge for YONECO.
- Strategic planning, strategic management and strategic leadership are essential capacities that YONECO must develop. Its primary success factor has been its conscious effort to undergo strategic planning processes regularly and at critical stages.

## 2.9 Case studies: analysis and conclusions

As indicated at the beginning of this chapter, the cases under review have not been selected on the basis of how representative they are. Rather they have been chosen for their potential as sources of learning. Table II presents a condensed overview of the various types of collaborative organization and CD activity.

Table II: Overview of type of capacity development that occurred in the seven case studies

No	Case study	Type of collaborative association	Position of CD on the endogenous – exogenous scale	Type of CD provided	Role of the DDP
1.	Coalition of African Lesbians (CAL) Pan-African	Dialogue and knowledge sharing with organizations from another sector (public) (Cat. V)	Endogenous: CD here is primarily seen as a deep personal process; 'development starts with self' but Hivos has also provided important strategic support from outside.	Personal CD and intrinsic CD	Low intervention roles of the DDP – basically making CD possible through core funding.
2	Episcopal Conference of Malawi (ECM) – Catholic Health Commission (CHC)	Programme integration with organizations from another sector (government) (Cat. VI)	Exogenous CD combined with facilitating endogenous CD (Cordaid)	Instrumental CD	Cordaid, and related Dutch consultants, have had high-level and moderate-level intervention roles varying from providing hands-on expertise, and technical advice to becoming modeller, coach and partner.
3	Ethiopia Learning Alliance (ELA) Ethiopia	Programme alignment with organizations from all three sectors (Cat. VIII)	Bias towards exogenous: CD here began with and was led by external parties including DDPs; transition towards endogenous side of the scale	Emphasis on instrumental CD developing into intrinsic CD (Organizational and institutional development)	High-level intervention roles for DDPs (beyond funding and supporting CD interventions) including hands-on expertise and acting as modeller, partner and coach
4	Partnership for Development in Kampuchea (PADEK) Cambodia	Programme alignment with organizations from another sector (public) (Cat. V)	Endogenous: the notion of CD here is mainly understood in terms of training and exposure, supported through external interventions	Emphasis on instrumental CD	High-level to moderate-level intervention by DDP (in teacher, and counsellor roles)
5	Programme Support Team (PST) Cambodia	Knowledge sharing between organizations in one sector (civil society) (Cat. I)	Endogenous with a focus on the individual, organizational and institutional levels	Intrinsic CD	Low-level to moderate-level intervention by ICCO – with strong bias towards facilitation, being a reflective observer and providing advice
6	Strengthening Somali Civil Society (SOCSS) Somalia	Knowledge sharing between organizations in one sector (civil society) (Cat. I)	Started as an exogenous process and developed into an endogenous process	Instrumental CD	High-level intervention (in modeller, coach and partner roles)
7	Youth Net and Counselling (YONECO) Malawi	Dialogue and knowledge sharing between organizations from all the three sectors (Cat. VII)	Endogenous: YONECO has a tradition of CD from within. This is being supported by Hivos through multiple interventions that do not affect the ownership of YONECO.	Bias towards instrumental CD – emphasizing programme and project implementation	Low-level to moderate-level intervention, with an emphasis on facilitation, some hands-on expertise and teaching.

### a. General observations on the cases

**Collaborative associations** – Most DDPs provide support for collaborative associations. Table II shows that in most of the case studies, there is huge diversity with committed members representing all three sectors – civil, society, the corporate sector and the public sector. However, in terms of collaboration, the level of integration between them is moderate to low.

- In the PST and SOCSIS cases, there was no knowledge sharing with organizations from civil society.
- In the YONECO case, knowledge sharing occurred with organizations from all the three sectors.
- In the CAL and PADEK cases, programme alignment occurred exclusively with civil society organizations.
- In the ECM (health sector) case, programme integration took place only with government.

The type of CD provided and the role of the DDPs also show quite a diverse picture. These issues will be analyzed further below.

**Building on what is already there** – At the outset, it is important to note that in all the case studies, the CD activities and programmes built on capacities and capabilities that were already there – either in a dormant state or active and visible.

**Multiple actors** – The first step in primary data collection for Southern organizations was an exercise in identifying co-creators in the process of transforming inputs into outputs and outcomes.<sup>79</sup> This was very interesting and revealing in all seven cases. Organizations were not always aware that so many actors are involved in the delivery of CD outputs and outcomes. Some of the Southern organizations involved in the study (for example, CAL, ELA and PST) were primarily ‘webs of relationships rather than formally structured entities.’<sup>80</sup> These could literally be labelled open systems<sup>81</sup> as they have no clear-cut organizational boundaries. An important notion that emerges from this analysis is that in almost all the cases, capacities were not enhanced by one actor; but by the involvement of multiple stakeholders.<sup>82</sup>

**79)** In addition: it was also interesting to observe how organisations, and different stakeholders within the open systems, positioned themselves. In the ELA case study, the members of the coordination team positioned themselves at the centre of the unit of analysis, while in the workshop with multiple stakeholders, the coordination team was not mentioned (ref. report of the start-up workshop), which is understandable as ‘the focus of the farmers during the various discussions was only on their own organisations. This is because of their limited understanding of the ELA’. (See the ELA case study report.)

**80)** See the PST case study report.

**81)** Ref.: P. de Lange, *Evaluation of collaborative associations*, The Hague (IOB), April 24, 2009.

**82)** In this context it should be mentioned that in the evaluation process stakeholders were sometimes positioned differently by different (groups) of participants and that some stakeholders and/or co-creators were positioned at different places in the diagram: parties do often perform multiple roles such as co-creator and beneficiary at the same time.

**Capacity development strategies** – The CD strategies of the seven case studies vary substantially in character and orientation. This is related to the core purpose of each organization and its theory of change. CAL and the PST define CD basically as a personal issue that deals with changing personal attitudes and behaviour in order to bring about societal change. The majority of the CD programmes that were evaluated (ECM, ELA, PADEK, SOCSIS and YONECO) can be categorized as instrumental CD or functional CD – the ability or power to *do something*<sup>83</sup>. Intrinsic or robust CD is not related only to the capacity to perform, but also to the ‘ability or power within’ – the ability to *be* or to *exist*. This is linked to an entity’s ‘inner need for survival.’<sup>84</sup> In the terminology of the 5CC model, this is the *capability to adapt and self-renew*.

For CAL, CD is essentially a personal and political issue that addresses physical, spiritual, intellectual, sexual and emotional needs. It is about empowerment, knowledge and skills, networking and partnerships’.<sup>85</sup> In CAL’s view, CD is not something done in addition to the real work, but in fact is the real work. The PST is another system that is characterized by a highly personal and intrinsic approach to CD. In almost all the other cases, a more instrumental CD approach is followed (ECM, ELA, PADEK, SOCSIS and YONECO).<sup>86</sup>

**Focus** – In terms of the focus of the various CD interventions, there is also a good deal of diversity. In the ECM, ELA, PADEK, SOCSIS and YONECO programmes, the emphasis is formal, tangible and has visible organizational characteristics (systems). For the PST members, CD ‘addresses informal and formal social structures and recognizes local knowledge, tradition and culture – and learns from it’. This is a flexible approach that works with issues that emerge and need to be addressed in the civil society context.<sup>87</sup> This is also true of CAL.

From the case studies, it is clear that the four Partos member organizations support a range of different routes to CD. There is no single approach; strategies vary. Issues are not black and white: in the case of PADEK, for example, the emphasis appears to be on an instrumental CD approach but intrinsic CD also takes place in a somewhat more informal, less visible manner.<sup>88</sup>

At an operational level, some follow more normative approaches, such as the organizational assessment and organizational architecture approaches (Oxfam Novib with regard to SOCSIS and PADEK). Others follow a learning approach (ICCO in collaboration with PST, Cordaid’s backstopping trajectory *vis-à-vis* ECM, and Cordaid, and ICCO in relation to ELA).<sup>89</sup>

**Types of change** – When analyzing change in capabilities, it is also important to define what type of change is being targeted. Anderson and Ackerman Anderson have summarized the literature about this subject in three broad archetypes of organizational change.

**83)** In the terminology of the 5CC model, *the capability to deliver on development objectives*.

**84)** B. Lipson and M. Hunt, 2008 *Capacity building framework; a value-based programming guide*, Oxford, UK, (INTRAC), page 10–11. Kaplan (CDRA) speaks in this context about ‘Capacity is the ability of an organization to function as a resilient, strategic and autonomous entity’. (A. Kaplan, *The development of capacity*, New York (Development Dossier by the United Nations Non-Governmental Liaison Service) page 1999. See also: R. James and J. Hailey, *Capacity building for NGOs; Making it work*, Oxford, UK, (INTRAC), 2007, page 15 – 17, who work with the dichotomy Capacity Development as a means and as an end in itself.

**85)** See the CAL case study report.

**86)** For instance, ECM’s involvement in health work through the Catholic Health Commission ‘does not seek to change structure and power arrangements in society’, while CAL’s theory of change is set in a political framework that considers questions of social justice, democracy and exclusion.

**87)** See the PST case study report.

**88)** See the PADEK case study report.

**89)** IC Consult, *OD Approaches*, June 2002. In the case of PST it is stated ‘rather than a well defined strategy, programme and agenda, the PST members are flexibly working with issues that emerge and need to be addressed in the civil society context and ICCO supports this ‘step-by-step’ approach’ (See the PST case study report.)

Developmental change means, basically, the improvement of an existing situation and is normally within the realm of what is already known or practised. The key focus is to strengthen or correct what already exists in an organization, thus ensuring improved performance, continuity and greater satisfaction (the ECM, PADEK, SOCSIS and YONECO cases are examples of this).

Transitional change is more complex. It is the required response to more significant shifts in environmental forces or marketplace requirements for success. Rather than simply improving what already exists, transitional change replaces the current state of affairs with something entirely different (the ELA is an example of this). In transformational change, human and cultural issues are normally the principle drivers. Transformational change is the radical shift from one state of being to another; such a change is so significant that it requires a shift of culture, behaviour and mindset to be implemented successfully and sustained over time. '... in other words, transformation demands a shift in human awareness that completely alters the way the organization and its people see the world, their customers, their work and themselves.'<sup>90</sup> This type of change can be seen in the ELA, the PST and CAL cases studies.

**Images of organizations** – The case study reports show that theories of change vary greatly from one Southern organization to the next. But we can also see that the DDP's theories of change and their images of organizations vary substantially in the cases under review. In the SOCSIS case study, organizations are viewed, more or less according to the traditional Frederick Taylor manner, as machines that can be fixed mechanically from outside instead of living organisms that have their own intrinsically determined evolution.<sup>91</sup>

However, in the PST and CAL case studies, organizations are primarily seen as living organisms and the emphasis is much more on tacit (unspoken, invisible, unofficial) communication and openness to the outside world; which indicates the *capability to relate to external stakeholders*. This allows for chaos and tension and a strong sense of community and collective identity around a set of common values and common learning.<sup>92</sup> The PST can be seen as a number of communities of practice, which are characterised by the mutual engagement of its members, a common activity and, over time, a shared repertoire of routines, tacit rules of conduct and knowledge.

These different images engender different CD strategies. The 'machine' image paves the way for external CD strategies with a great deal of emphasis on the formal characteristics of an organization. Here, change is something that can be engineered from outside an organization as per Taylor's principles of 'scientific management'.<sup>93</sup> (ECM, ELA, PADEK, SOCSIS and YONECO reflect this type of approach.) The 'living organism' image engenders CD approaches that strive to capture the dynamic and complex context in which an organisation is embedded and is constantly changing and evolving. The capabilities that need to be developed go beyond the 'formal' components – they address the tacit and complex aspects of an organization. This is the case with CAL and the PST.

<sup>90</sup>) Anderson and Ackerman Anderson, 2001: 39.

<sup>91</sup>) The metaphor is borrowed from Peter Senge.

<sup>92</sup>) 'For the PST stakeholders, capacity development addresses informal and formal social structures and recognizes local knowledge, tradition and culture' (PST case study).

<sup>93</sup>) H. Braverman, *Labour and monopoly capital, the degradation of work in the twentieth century*, New York, Monthly Review Press, 1974, page 85.

**b. What changes have taken place in the capacity of the Southern organizations?**

**Capabilities** – In all the case study reports, the 5CC model was used as a descriptive tool. The reports show that the 5CC model has value in focusing on, and describing, areas of organizational functioning that are critical to the development of capabilities in complex open organizational systems – such as the cases under review.

There is substantial evidence that in the case studies positive changes took place with regard to the five core capabilities as a result of the contributions of the respective DDPs. In most of the cases, capabilities were enhanced in all five core areas. There is, however, a difference in emphasis which may, among other factors, be related to the stage of organizational evolution an organization is at.

In CAL, the *capability to act and commit* was nurtured during the initial years. In some of the other organizations, the ELA, PADEK and YONECO for example, this capability developed well over the years. But the evaluation showed that in other organizations, ECM for example, this capability had to be rejuvenated. The PST case is somewhat different; it *commits* itself to the change process, but the organization and actors with whom the PST cooperates both commit and act upon changes. The PST acts only towards the other actors involved.

There is substantial evidence that in the majority of the cases studied (ECM, ELA, PADEK and YONECO), the *capability to deliver on development objectives* improved considerably as a result of both instrumental and intrinsic approaches to CD. Contrary to organizations that followed a more instrumental approach to capacity development, the PST and CAL concentrated primarily on 'soft' capacities and capabilities.

The *capability to relate external stakeholders* was focused on and strengthened in the majority of the cases. This was particularly so in the multi-stakeholder network organizations such as 1.) CAL, the ELA and the PST; 2.) those involved in knowledge sharing and alignment, such as PADEK; and 3.) organizations focused on integration with other actors, such as ECM. The extent of forward and backward links varied considerably and was related to the nature of the organizations. Organizations such as PADEK, the PST and YONECO fostered close relationships with communities. For CAL, relationships were primarily personal, and for ECM they were primarily institutional.

The *capability to adapt and self-renew* was enhanced in almost all the cases and may have been driven by external factors. The majority of the cases including CAL ('hostile environment') and SOCSIS (donors in general), ECM (DDP), ELA (DDP), a combination of internal and external forces (e.g. YONECO) and/or has emerged from mainly within (e.g. PST). For those who define CD primarily as a personal issue (CAL, PST) this issue is being strengthened at personal (capacity) level.

The *capability to achieve coherence* was least developed in the organizations that can be described as a web of relationships: for example, CAL and the PST. It was strongest in organizations which are in the consolidation stage of their development – PADEK and YONECO.

**Gender** – In a number of cases, there was notoriously little thought given to gender issues. For instance in the ELA, gender dimensions came up as an afterthought. The gender dimension was often treated in isolation from everything else that was taking place in the organizations and alliances. There were some exceptions though: in Cordaid's backstopping trajectory *vis-à-vis* ECM, gender was included from the beginning. This kind of comprehensive treatment of the gender dimension of CD from the very beginning of the CD process is lacking in many cases.

**Conclusion** – Thanks to the (often long-term and committed) support of DDPs, the capabilities of staff members were enhanced in all five areas of the 5CC model. For some organizations, including PADEK and SOCSIS, there remained the challenge of focusing more consciously and systematically on intrinsic CD. This would have allowed them to be more aware of the soft, informal and tacit dimensions of partner organizations.

**External factors** – In the majority of the cases, the CD process was substantially influenced by external factors and actors. Donor policies and opportunities provided by external parties (mainly DDPs) emerged as the most important external factors. The external input was sometimes provided in different forms and DDPs performed different functions in the CD process.<sup>94</sup> Other important external factors affecting CD and organizational change in general came from the overall political situation in the country and specific government policies. (See, for instance, the government policy in Ethiopia with regard to the liberalization of the economy.)

**Internal factors** – Important internal factors that affected CD included the leadership of the organization; the theory of change with regard to capacity development; the formal or informal existence of learning loops (the desire to learn); the perceived need for the change process; the issue of ownership; and the relationship with other networks and organizations.

<sup>94)</sup> See the next paragraph about roles performed by DDPs.

**c. What effects have changes in the capacity of Southern organizations had on the realization of their development objectives?**

**Case-study-specific overview** – The following observations apply to the specific cases:

- With regard to CAL, it is obvious that there has been a positive shift in all of its objectives as a result of the CD processes.
- In the case of the ELA, the most important outcome was a change in the mindset of farmers (other outcomes are not so clear for the time being).
- With regard to ECM, the organization was strengthened in various areas; outputs increased and improved; anecdotal evidence indicated that the achievement of outcomes was improved substantially as a result of the CD process.
- With regard to the PST, the emphasis has been on enhancing resilient, strategic and autonomous entities of people and organizations that are capable of sovereign focus and direction to changing circumstances and of acting decisively to impact on, and change (enhancement of civic agency). This may be considered as a major achievement.
- Empirical evidence in the case study indicated that the long-standing CD support of Oxfam Novib and similar agencies correlated with PADEKs ambition to strengthen local civil society organizations.
- As a result of the security situation in the country, the outcomes of the SOCSIS programme were difficult to assess, but the programme definitely led to enhanced capacities of local consultants and more robust local NGDOs.
- There is substantial evidence that as a result of the strengthening of various capabilities with YONECO, the outputs and outcomes of the organization increased and improved.

**Attribution and contribution** – In the case study reports, overviews were given of the outputs that emerged. The demarcation of outcomes varies from case to case because outcomes are, in most of the cases, a result of the involvement of multiple actors combined with a range of visible and invisible factors. In some cases, the PST for example, it is difficult to identify outcomes because the organizations started their CD work only relatively recently.

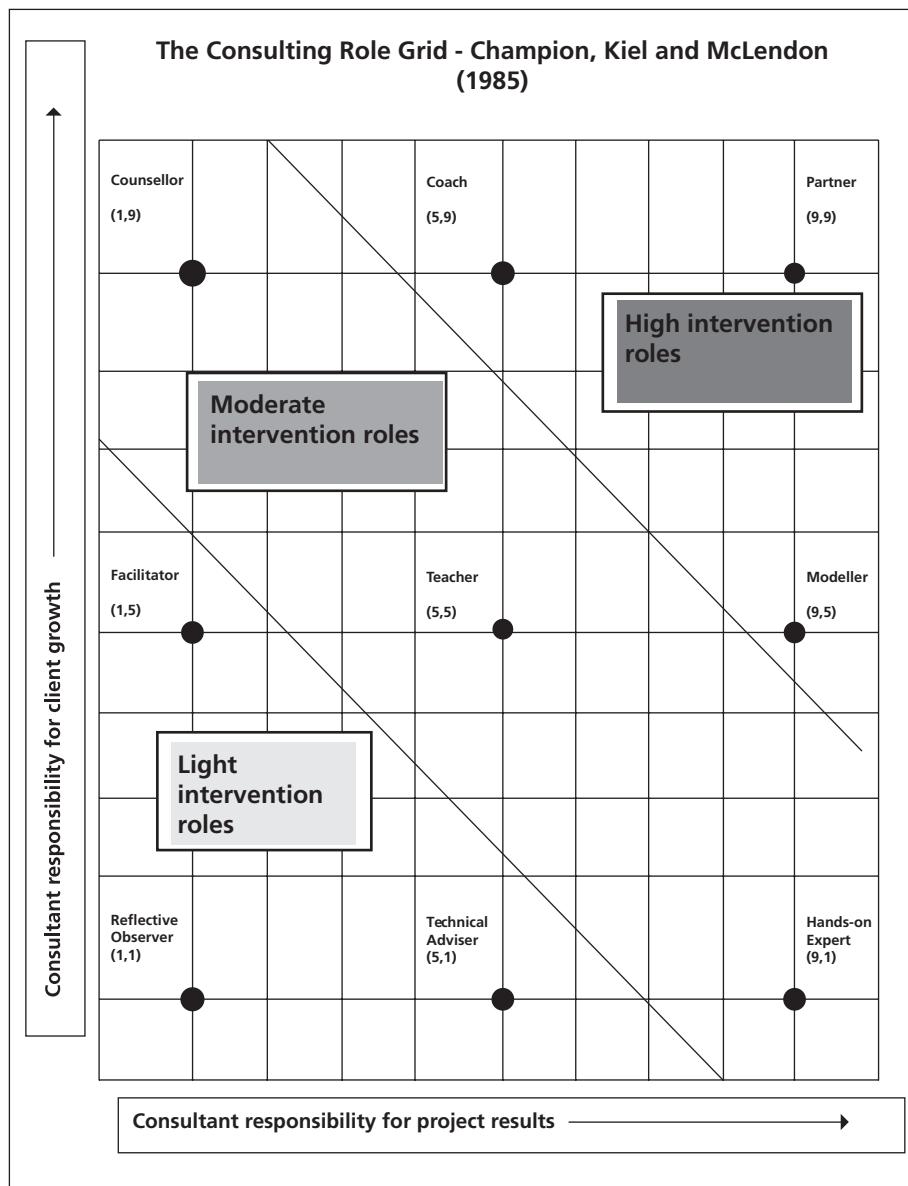
**Overall observation** – In general terms, there is substantial evidence that the outputs and outcomes of the Southern partner organizations were improved considerably as a result of the various CD programmes and interventions. It is also apparent that the organizations became more robust civil society organizations in their respective areas of work and within their own countries.

**d. How effective have external DDP interventions been in terms of strengthening the capacity of Southern organizations?**

**Roles performed by DDPs** – Different kinds of CD strategies involve different roles for the various actors including the Southern organization, the donor (the DDP), and the external CD provider. Champion, Kiel and McLendon have developed a role grid (see Box I below) and identified nine potential consulting roles, which may be selected for CD services. These roles involve different degrees of external intervention.<sup>95</sup>

<sup>95</sup>) D. Champion, D. Kiel & J. McLendon, The consulting role grid, in R. Lynton, and U. Pareek, *Facilitating development: readings for trainers, consultants and policy makers*, by Sage Publications 1992, p. 124-130.

Box II: The role grid



Within this grid, low-, moderate- and high-level intervention roles can be distinguished. Opting for the role of counsellor, as seen in the top left-hand corner, means that the CD is internally-driven or endogenous (which involves a high degree of initiative and ownership) from the Southern partner organization. At the opposite end of the scale, selecting the role of hands-on expert (in the bottom right-hand corner) means that the CD role is highly externally driven or exogenous. This involves, at least initially, a relatively low-level of initiative and ownership from the Southern partner organization.

DDPs can have multiple roles: they can stimulate and facilitate through both financial and non-financial support – a good example of this is Cordaid's relationship with ECM. From the case studies it is clear that DDPs have had high-level or moderate-level intervention roles in a number of cases – for example, ECM, the ELA, PADEK and SOCSIS. Only in the cases of CAL and the PST has the direct intervention of the DDP been at a low level. The various DDPs have all indirectly played an important and prominent part in enabling the CD processes and providing funds.

The choice of roles can change over time with the evolution of the organization and the change of its context. For instance, a CD role can initially have an exogenous nature –the hands-on experts, as we saw in the cases of ECM, the ELA and PADEK. But gradually and over time, the roles can change into partner and counsellor roles. This is a progression from high-level intervention to moderate-level intervention and eventually to low-level intervention. In instances of high-level intervention by outside parties, the sustainability of the CD process may become an issue – see the ELA, for an example. Under such circumstances, it is important to transfer tasks, roles and responsibilities to local actors, with backstopping and proper disengagement strategies by DDPs in case the need arises.

**Endogenous – exogenous capacity development** – The formalized CD strategies of the DDPs are greatly influenced by the values and principles which they hold on capacity development. This has been dealt with in more detail in Chapter 3 under policy reconstruction. The CD principles used by the DDPs make very explicit reference to the nature of CD being endogenous; meaning that capacity should emerge from within. The corresponding strategies and inputs of the DDPs are therefore largely anchored in the principle of CD as an endogenous and non-linear process. Therefore, the role of the DDPs and the specific forms of support they provide is fashioned by the above.

In terms of the role grid, it is preferable that the role of a DDP is defined as a low-level or moderate-level intervention role. This restricts the possibility of the DDP intervening or implementing *without* the active engagement of the Southern organization. The form of support decided on by a DDPs, is determined by the demands and needs of their Southern partners. This prevents DDPs coming up with predetermined, one-size-fits-all CD solutions, or even pre-set best practices. This is not recommended as such solutions and practices could work well in one context but not in another.

The following principles are used by DDPs when implementing CD. A prominent CD practice is to provide core funding (also known as institutional, long-term or flexible funding) to Southern partner organizations. The thinking behind this is that the form and content of CD are expected to emerge from within – and this can not be predetermined. Such an emergence takes time; and a great deal of patience and flexibility are needed. Key examples of where this can be seen in action are Oxfam Novib's and Cordaid's long-standing relationships with PADEK and ECM. In both cases, initial attempts were made to administer heavy doses of external advice and expertise – and in some cases, externally designed systems and solutions. These proved to be either ineffective altogether or ineffective in the long term, and always unsustainable. (See PADEK, for an example of this.) So Novib and Cordaid allowed time and granted resource investment on a long-term basis. This provided a great deal of flexibility and independence for their Southern partner organizations to come up with home-grown solutions for CD. The case studies show the fruition of these efforts.

However, DDPs foster capacity development in a complex, often volatile, environment; and this does not always allow them to adhere to ideal CD principles regarding endogenous CD. Stricter funding conditions, pressure from back donors, competition for funding, and pressure to prove their worth may compel DDPs to compromise on these ideals to some extent. A case in point is CAL; not at all a typical NGDO functioning in a ‘project world’. CAL’s main donor, Hivos, has – as any other DDP would have had – certain difficulties accommodating flexibility, high risks and surprises. The corresponding pressure from DDPs, which is a trickling down of the pressure that they receive from their back donors, certainly does not simply cause a shift from endogenous to exogenous strategy for CD. The present case studies do not offer evidence for such a conclusion. However, such pressures do not facilitate flexible funding with a greater degree of independence to let CD emerge gradually and organically.

One can also detect a certain expediency and a sense of urgency on the part of DDPs to exploit external opportunities such as the availability of back donor resources and the need to develop capacity out there. An example is SOCSIS, which is an efficient operation implemented in very trying and dangerous circumstances; and it should be lauded. However, one can question the strong emphasis on the external inputs both at design and operational levels.

There is another dimension in the relationship between DDPs and Southern partners that tends to be overlooked. Though these relationships are often supportive, dependency and cultural dimensions are often ignored. Offers of funding from donors are often taken as directives. It is also often the case that saying ‘no’ and negotiating on timing and availability are avoided because they are culturally unacceptable. Southern organizations become experts in accommodating DDPs’ and other donors’ needs and balancing many requests and visits simultaneously.<sup>96</sup> On the other hand, it can feel uncomfortable when Southern partners start to question DDP decisions, as the PST did in the course of this evaluation.

The above examples and analysis suggest that the DDPs’ ideals and policies have clear limitations as a result of complex and volatile funding and the political context in which they are embedded. The external pressures impede and constrain the DDPs’ own capability to practise CD in an endogenous manner.

At the empirical level of the case studies, we can see (Table II) that in about half the cases, CD has emerged as an endogenous effort. But at the same time, CD has emerged quite often on account of interaction with donors, including the DDPs, and far less as a result of internal learning loops. However, the categories instrumental–intrinsic and endogenous–exogenous should be seen as two ends of a wide spectrum. Positions on these scales are not black and white – there is a wide band of greys in between.<sup>97</sup>

<sup>96</sup>) For an example, see the case study report about PADEK.

<sup>97</sup>) Baser and Morgan argue: ‘Few endogenous efforts at capacity development anywhere in the world are completely autonomous and self-contained. Most are influenced to some degree by external ideas and pressures’ (Baser and Morgan, 2008:9). External impulses do not necessarily have to come from donors but can also emerge from communities and sister organizations.

An important observation is that some case studies explicitly mention the importance of an external stimulus.<sup>98</sup> Under such circumstances it is crucial to find a proper balance between an exogenously initiated process and enhancing and fostering local ownership (see PADEK, for example). Another reflection with regard to the endogenous– exogenous divide is that in almost all the case study reports that have initially been characterized as exogenous (for example ECM, the ELA, PADEK and SOCSIS), progression towards the other end of the spectrum takes place in terms of ownership, linking to internal learning processes, etc.<sup>99</sup> This is one of the major successes of the SOCSIS programme.

In terms of roles, we can conclude that collaboration on capacity development between NGDOs from the North and South can bring benefits based on their comparative advantages.

***Factors that influence effectiveness of DDPs*** – A key issue that featured in the case studies how relationships are a key factor in explaining the effectiveness of CD strategies. The relationship dimension gives way to two implications concerning CD. The first is that the foundation, nature and dynamics of relationships between partners have a direct impact on CD. There is a relational or process dimension to CD that is crucial and goes well beyond technical and financial inputs. As evidence of DDPs' professionalism, factors such as empathy, understanding, thinking along with partners, and constructive criticism are often emphasized in the case studies. This was particularly noticeable in the cases of the PST and CAL.

The DDPs have a role that goes beyond being a provider of financial and technical inputs. Contributions that were appreciated by the PST and CAL were trust and patience, which allowed capacity to grow organically at its own pace.<sup>100</sup> In other words, the tacit dimensions of the relationship formed an important part of the professionalism of the DDPs according to Southern partner organizations. Often, these considerations do not get reflected as inputs in a results chain but prove to be crucial for Southern partner organizations.

Within this context it should be noted that the engagement of individuals within open systems is crucial; people need to become engaged in the process in their own way. This leads to their acceptance that there is something to be achieved and somewhere to be reached as a result of greater capacity and understanding. It also helps them to recognize that the new capacity connects in some way with their own environment and the capacity that they already have. At the same time, it should be acknowledged that enhancing the knowledge and skills of an individual does not always necessarily have an immediate, linear, causal effect on an organization's overall capacity – collective capabilities are essential. Building systems that will ensure such knowledge transfer (institutionalization) is extremely important for the success and sustainability of CD processes.

**98)** For instance in the CAL case study it is reported that 'capacity development requires a stimulus, something which creates an awareness of the need for change' and that donors have a role to play. In the Somalia case studies it is made clear 'That at times it makes sense, depending on the situation, for the donors, INGOs and other international development actors to proactively catalyze CD processes even though these may in the case be perceived as externally driven. Besides, not all donor motivated processes are in themselves bad, e.g. were it not for donor demand, many southern CSOs may not have actively embraced concepts such as gender'.

**99)** With regard to the ELA, it is stated that the participatory nature of the intervention has evidently stimulated the sense of ownership of the process and outcome of the capacity development intervention from the outset. With regard to Somalia it is reported that 'Care has however to be taken to ensure that the local CSOs embrace and eventually take ownership of such processes to ensure sustenance'. In the report about CAL it is stated that 'People can be facilitated but to acquire the capacity requires their own engagement in the process, their acceptance that there is something to be achieved and somewhere to go, through greater capacity and understanding, their recognition that the new capacity connects in some ways with their own environment and the capacity that they already have'.

**100)** Or in the case of Oxfam Novib 'to help us to restore the strength we have' which in a post conflict setting is a most remarkable contribution (PADEK case study).

Related to the above factor is the mutuality and interdependency of CD between the two parties. This means that CD is not one-way traffic. It is not a unilateral activity; the capacity of one partner affects the other, and vice versa. In this sense, the focus is not just on developing the capacity of the Southern partner organization that is 'out there', but also on developing the DDP's own capacity. The trend of having a CD strategy of internal learning, capacitating, linking, and learning on the part of the DDPs is proving to be a step in the right direction. However, such strategies and corresponding inputs/outputs complicate the results chain, which not only flows from DDPs to Southern organizations, but also within DDPs. This is also stresses the fact that the CD process is not linear.

Relevance, timing and responsiveness are the keys to an effective CD strategy. This involves timely responses to changes and demands that are triggered by the context in which the Southern partner organizations operate. The responsiveness of the Southern partner organizations depends on their *capability to adapt and self-renew*. Developing such capabilities should be supplemented by the DDPs' flexibility and the continuity of financial and other forms of support.

ELA is an example of such responsiveness from Cordaid and ICCO who responded to significant changes that were taking place in the domain of markets and enterprises in Ethiopia. Oxfam Novib's decision to promote PADEK at a time when the Cambodian society opened up a space for civil society in the post-conflict era of country's history is another case in point. The responsiveness and timing of Oxfam Novib in creating the *capability to act and commit* in a context that was newly accommodating civil society actors, has proved how effective such a strategy is when one sees the rootedness of PADEK in Cambodian civil society and its ongoing expansion.

The DDPs' professionalism in relation to CD strategies includes factors such as consistency and continuity of support (for example, the cases of ECM, PADEK and YONECO highlight the importance of long-term commitment). Professionalism also includes flexibility, empathy with the Southern partner organization and an adequate reading of the context in which it is positioned. It is also defined by sound communication between the DDPs and their Southern partners and a good level of trust between them. Flexible funding coupled with long periods of commitment appear to be factors that contribute to a sustained and effective CD strategy.<sup>101</sup>

**Power** – CD is first and foremost about relationships and how they are managed.

Relationships of respect and trust are a prerequisite for CD. And this is where the power dimension comes in: the notion of 'power over'; the participatory notion of 'power with'; and the trust, respect and letting go associated with 'power to'. It is the ability to engage in a collaborative effort, to acknowledge the two-way character and the ability 'to give and take'. Power differentials appear to be an important dimension of CD processes. These are relationship issues between DDPs and NGOs.<sup>102</sup>

Power 'within' is again about ownership, intrinsic and otherwise, and in that sense flows through all relationships and other forms of power dynamics.

<sup>101</sup> For a detailed account of effectiveness of DDP interventions, discussed in the Joint Learning Workshop in March 2010, see Mandi 2010, 15-18.

<sup>102</sup> During the FGD it was observed that 'Evidence is found in most cases. Example: the DDP could make a suggestion with the best of intentions which, however, may not be relevant to the Southern partners, but because of the cultural differences and power differentials, the Southern partner takes the suggestion as a command'. (Mandi, 2010: 26.)

## **2.10 Conclusions**

The purpose of this chapter was to present the summaries of the seven comprehensive case studies and to make a preliminary analysis across all of them as a basis for contrasting with policy reconstruction (in Chapter 3), and with the final analysis and conclusions (in Chapter 4).

The following is a short summary of the main points that emerged from the analysis of the case studies (elaborated in section 2.9):

- a. DDP support is extended to diverse organizations, alliances and collaborative associations which vary from one case to the other. The nature of the collaborative association involving different levels of stakeholders and programme integration determines the scope of the capacity development.
- b. There is a clear trend towards building on what already exists.
- c. A multiplicity of stakeholders is involved and therefore capacity development is emerging as a co-creation. This has implications for attribution and contribution.
- d. Capacity development strategies vary from one context to the next. Though a pattern can be observed, strategies can not be generalized or be understood in a universal sense.
- e. The focal points of CD can vary from a formal, organizational level to an informal, institutional network level.
- f. The type of change resulting from a CD initiative can vary from a transitional change to a radical transformational change. The type of change that occurs is determined by a variety of factors and by the level of ambition of the stakeholders involved.
- g. Organizations manifested in various forms and guises as a result of the specific contexts in which they are rooted. This means that CD initiatives should not be based on stereotypical images and models of organizations.

### **3 Policy Reconstruction<sup>103</sup>**

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#### **3.1 Introductions**

The purpose of this chapter is to come to an understanding of the DDPs' policies on and practice of CD. Why, how, where and when does a DDP take responsibility to support the CD of its partner organizations? The chapter opens with an analysis of DDPs' understanding of development, followed by an analysis of their understanding of how CD should be put into operation. The chapter concludes by embedding the CD policies of DDPs in the broader policy context of the Netherlands and beyond. It also discusses a number of issues concerning CD policy and its practice. The insights gleaned from this chapter and the evidence generated from the case studies in Chapter 2 are discussed and contrasted in Chapter 4.

#### **3.2 Overall DDP policy**

Given their various historical, religious, ideological and constituency roots, the DDPs have conceived their development paradigms in different ways over time. Yet the recent development paradigms of the DDPs show a great deal of convergence and similarity. The common ground is the DDPs' understanding of development as a process that involves structural change at local and international levels – change that addresses power imbalances. The underlying constraints that apply to development are understood to be created 'structurally', both at local and global levels. Poverty and injustice are understood as impediments to development and therefore need to be fought against and eradicated. Power imbalance appear as a common thread that runs through poverty and injustice. Hence addressing power assumes a central place in the development agenda of the DDPs.

The values and principles that drive them and characterize their commitment to development include social justice (Cordaid), a just world (Oxfam Novib) equality (Hivos), and dignity and prosperity (ICCO). Oxfam Novib and ICCO stress the importance of rights as a founding principle. The overall direction of development, as conceived by DDPs, is towards a fairer distribution of natural resources, equitable markets, knowledge, political power and prosperity.

The mission of the DDPs covers a variety of grounds such as to 'empower the marginalized people to strengthen their grip on their lives'<sup>104</sup> (Cordaid); to 'contribute to sustainable development that addresses the causes of poverty'<sup>105</sup> (Hivos); to 'promote a rights-based approach that supports people on their own and supports collective empowerment through local organizations'<sup>106</sup> (Oxfam Novib); and to 'work towards a world in which people live in dignity and prosperity – a world where poverty and injustice are no longer present'<sup>107</sup> (ICCO). All four DDPs place explicit emphasis on civil society as a key player in any change process.<sup>108</sup> The change that is envisioned is realized through the active engagement of civil society. Therefore, one of the explicit roles and strategies of the DDPs is to strengthen civil society in the countries they support.

<sup>103</sup>) Comments and suggestions made by Prof. Dr. Paul Hoebink and Ms Hettie Walters on this chapter are acknowledged.

<sup>104</sup>) Cordaid 2006, 8

<sup>105</sup>) Hivos 2006, 6

<sup>106</sup>) Oxfam Novib 2006a, 12

<sup>107</sup>) Retrieved from [www.icco.nl](http://www.icco.nl) dated June 17, 2009

<sup>108</sup>) However, there are differences between the four DDPs in relation to type and level of civil society actors they partner with. For instance, Hivos and Cordaid show a tendency to work more with grassroots and social movement kind of civil society actors than do ICCO or Oxfam Novib. This has consequences for CD policies.

### **3.3 DDPs' intervention theory on capacity development**

#### **a. Capacity and capacity development**

The notion of capacity development as an explicit policy domain among DDPs is still emerging or has emerged only very recently.<sup>109</sup> Each DDP has its own reasons for this. The usual explanation is that the DDPs consider CD to be an integral, intrinsic, inherent and organic part of their overall development policy. In some cases, CD is understood as civil society strengthening – this is the view of Oxfam Novib. Hivos' content-related orientation on thematic programmes and partner policy covers CD. Cordaid's partnership and cooperation policy includes CD.

In general, DDPs show a slight hesitation to differentiate CD from their overall development policy. The idea behind this thinking is that such a differentiation would reduce CD to a mere technical/technocratic (instrumentalist) subject – which would dilute the emphasis on the political and power-related aspects of development. However, particularly the last three years, the DDPs have shifted from this position and gradually consider CD as a separate policy domain; and they have moved to act proactively on policy formulation regarding CD.

There are a variety of reasons for this. Cordaid asserts that change is driven by its own practice and realization rather than by external pressure. The external pressure that made CD emerge as a separate policy domain is also triggered by the general critique and the debate and discourse on development cooperation, the effectiveness of aid, and results and evidence. The last two rounds of MFP/MFS<sup>110</sup> have made the DDPs align themselves, to a great extent, with the parameters set by the Netherlands Ministry of Foreign Affairs.<sup>111</sup> The engagement of learning trajectories on CD, such as those espoused by PSO, has influenced the DDPs to further systematize their thinking on CD and work towards a coherent policy. The DDPs' interactions with European institutes and think-tanks – for instance, the OECD and ECDPM, have sharpened the conceptual understanding of CD and the imperative to translate such an understanding to a comprehensive policy framework.

When the various DDPs address the question of CD, they all focus on different levels and dimensions of capacity. For Cordaid, CD is 'a human endogenous process of change that involves positive shifts in identity, relationship and power in which the focus and emphasis is on individuals or communities'. <sup>112</sup>

For ICCO, the main emphasis is on organizations and groups of organizations that make up civil society. So, ICCO understands CD as 'capacities to be developed for organizations to become effective actors in the process towards social justice, poverty eradication, democracy, peace and inclusive participatory development; in short it is about empowerment to become relevant actors in civil society'. <sup>113</sup>

**109)** Oxfam Novib has prepared an outline for a policy paper to be elaborated and adopted (Oxfam-Novib (2009). Similarly a draft (Hivos 2009) made by Hivos is to be finalised soon. ICCO's policy considerations on capacity development are reflected in a paper written by a key staff person in charge of CD (ICCO 2009, ICCO 2010). Cordaid's capacity development considerations are reflected in the latest strategic plan (2007-2010) and Policy Document on Partner Cooperation (2007). However, it should be noted that ICCO and Cordaid, due to their historical roots (particularly linked with the missionary work of the Church) have had longstanding experience in Technical Assistance, one of the early forms of CD. Both organisations possess a great of experience and learning with regards to Technical Assistance.

**110)** Medefinancieringsprogramma (Co-Financing Programme) which is now called the Medefinancieringsstelsel (Co-Financing System) is Dutch government's subsidy scheme for non state agencies engaged in development cooperation.

**111)** For details see; P. Hoebink, P (ed.) 2009 *The Netherlands Yearbook on International Cooperation*, Assen, the Netherlands, Van Gorcum.

**112)** Cordaid, 2007:11.

**113)** ICCO, 2009: 4.

Hivos' understanding of CD as a 'process developing from within and driven by individuals, organizations and (systems within) societies; these processes and their outcomes are influenced by power dynamics within the system and its context'.<sup>114</sup> The emphasis here covers individual, organizational and societal/institutional levels.

One common thread that runs through these various understandings is that CD is a process; a means to achieve a particular goal. Another common thread is the emphasis on power. For the DDPs, CD inevitably entails addressing power. CD is understood as a process which is taking place 'within', or in an endogenous manner, whether it concerns an individual, organization or society. Hence, the emphasis is on the internal as opposed to the external.

Though it is not clearly or explicitly reflected in the DDPs' policy documents, a certain typology of CD can be discerned in the way CD is practised by DDP staff and at discussion forums.<sup>115</sup> These typologies are often presented as dichotomies. Some prominent example of such dichotomies are: 'intrinsic versus instrumental', 'embedded versus instrumental', and 'political versus technocratic'. The following matrix<sup>116</sup> strives to organize the above typologies to deepen the understanding between instrumental CD and intrinsic CD.<sup>117</sup>

*Table III: A typology of capacity development*

Type	Content	Methodology
Instrumental	<ul style="list-style-type: none"> <li>- Enhancing implementation capacity</li> <li>- Often focusing on project implementation</li> <li>- Often focusing on the organizational capacities to implement</li> <li>- Often influenced by external agents</li> </ul>	<ul style="list-style-type: none"> <li>- Training in managerial skills, financial management, planning, monitoring and evaluation techniques; often connected with the Logical Framework Approach.</li> <li>- OD exercises</li> <li>- Human resources development on the above methods.</li> <li>- The focus of learning here is at single-loop level.</li> </ul>
Intrinsic	<ul style="list-style-type: none"> <li>- Focusing on the overall reasons for the existence of an organization and its performance within its context</li> <li>- Focusing on the overall programme implementation in a way that's flexible enough to detect issues as they emerge and address them with improvisation and creativity.</li> <li>- Often internally influenced; the need emerges from within as the basis for external agents to support.</li> <li>- Often difficult to differentiate in terms of CD 'inputs' or 'interventions'.</li> </ul>	<ul style="list-style-type: none"> <li>- Strategy development with a broad perspective, i.e. responding to changes in context in line with the vision and purpose of the organization</li> <li>- Often uses informal and tacit knowledge as its basis as opposed to generic/standard training</li> <li>- The focus of learning is at double-loop and treble-loop levels.</li> </ul>

The term 'technocratic' CD, as expressed by the DDP staff, would fall broadly into the category of 'instrumental' CD; while the terms 'embedded' and 'organic' CD would come closer to the idea of 'intrinsic' CD. The 'political' CD would, again, fall into the 'intrinsic' category but 'political' entails a wider scope in terms of the emphasis on empowerment and the political positioning of the organization. In other words, 'intrinsic' CD does not automatically entail 'political' CD. Training in political analysis with an explicit emphasis on power issues are an important part of a 'political' CD'

**114)** Hivos, 2009: 1.  
**115)** Particularly, such terms were used by DDP staff as well as their partners during many events in the evaluation process such as Joint Learning Workshop (March 2010), Policy Reconstruction Workshop (March 2010), various meetings of the Coordination Group and interview with DDP staff.

**116)** The suggestion to use Prof. Dr. Paul Hoebink's matrix is acknowledged with thanks.

**117)** The terms 'embedded', 'organic' need further clarification. Therefore such terms are not used in the table. The dichotomy of 'technocratic' versus 'political' is elaborated after the table.

## b. External support for capacity development

Seeing CD as endogenous gives direction to DDPs in terms of who should lead the CD process. Such an understanding automatically carves out the DDPs' own role. Cordaid understands CD as a 'grassroots organic process initiated by (its) partners and nurtured by Cordaid'.<sup>118</sup> Similarly, Hivos understands its role as 'a supporter of the CD of specific actors and/or systems for specific purposes'.<sup>119</sup> The general trend is for the DDP to be a supporter, facilitator and catalyst. However, the DDPs do not rule out the role of implementer, directly or indirectly, in certain circumstances which demand external engagement and input at least for a limited period. The principle of capacity as an endogenous process is valued even on such occasions of external engagement.

It should also be mentioned that the co-creation of knowledge with partner organizations and the design of the means to do this together through information and communications technology (ICT) add a new and innovative dimension to supporting CD which blurs external and internal boundaries. (See, for example, Oxfam Novib's KIC portal, ICCO's ComPart learning blog, and Hivos' knowledge programme.)

## c. Capacity development: Values and guiding principles

The values and guiding principles for capacity development derive from the DDPs' understanding of the nature and dynamics of CD as well their notions of development and change:

**Capacity from within:** The notion of CD emerging from within is a key value as well as a guiding principle. This is based on an understanding of CD as an endogenous process. Such an understanding sets limits for the DDPs to formulate their own roles in a CD support process. The roles of supporter and facilitator appear as guiding principles for DDPs. Under certain circumstances, the roles of catalyst and implementer come into play. But the latter is understood to be temporary. The implication here for practising CD is to start with the existing capacity and build on what is available in terms of knowledge, expertise and skills. This does not imply that one should build upon an existing societal practice which is oppressive and unjust. This emphasizes the need to take a critical stance on existing practices and knowledge.

**Context matters:** Understanding the conditions, nature and specificity of the contexts in which CD takes place is another important guiding principle. Such an understanding prevents DDPs from attempting to apply a one-size-fits-all model of CD. This is a note of caution to external interventionists who often try to replicate best practices in contexts that are different.

**Power is central:** One of the main axioms of CD is that it deals with power – power imbalances and changing power dynamics. This means that political consequences will result from any change process. Such an understanding of CD also poses a challenge for DDPs to recognize and mitigate power differentials between them and their partner organizations. The issue of power also relates to the recognition and acceptance of the ownership of a CD process – which lies with partner organizations in the South.

<sup>118</sup>) Cordaid, 2007: 5.

<sup>119</sup>) Hivos, 2009: 2.

So we can see that the CD process needs to be driven by the partner organizations, not by the DDPs. The demand for CD should be felt, identified and prioritized by the partner organizations. However, this does not rule out a role for the DDP. The DDP can be collaboratively engaged in a capacity identification process so that its perspective and analysis can be fed into the process – while being careful not to *drive* the process with the power that it has over the decision.

**Non-linearity and complexity:** The process and dynamics involved in CD are understood to be non-linear and complex. Therefore, the simple cause and effect theory can not be used when formulating strategies for CD; because the inputs will not be translated in a simple way into outputs resulting in outcomes and impacts. This requires sustained patience, flexibility, and long-term investments of time and money on the part of the DDPs.

#### **d. Envisioned outcomes and impact of DDP-supported CD initiatives**

The envisaged outcomes and impacts of the capacity development work supported by DDPs are derived from the overall development goals (explained in section 3.1) in which a clear emphasis is given to civil society as a key player in change processes. Such a viewpoint, alongside the strategic choice of which particular type of CD should be used (elaborated in section 3.3 a), envisage that a robust and engaged civil society will be one of the outcomes of a CD effort. It will also be visualized that this strong civil society will be able to make its own impact on the change desired by both the DDPs and their partner organizations. The outcome is also manifested in effective and efficient individual organizations in the South that are key building blocks of a robust civil society.

#### **e. The DDPs' annual budget and the share spent on CD**

A comparison of the resources allocated for CD across the various DDPs is difficult. Each DDP has its own logic behind its financial figures. Also, a fundamental constraint arises out of the difficulty of differentiating capacity development from other types of support because, in many cases, CD is in-built under other types of support. In that sense, the real spending for CD is not reflected accurately in financial figures.

Cordaid's registration programme gives an indication of what percentage of each project's budget is attributable to CD. For example, projects by I/C Consult (the joint advisory unit of Cordaid and ICCO), are considered to be 100% CD; whereas the CD elements of other projects usually vary from 10% to 50%. The system does not show how CD is interpreted by the staff members who have provided the data, but in general it can be stated that it refers to CD of – and by – the partner organizations; that is, both the capacity building of the organization itself and what it do with regard to civil society building within their own target groups.

At the time of writing this report, information about the amount spent on capacity development between 2007 and 2008 is not available. Based on the figures available from 2001 to 2006, the average budget for CD is estimated at €55 million per year – which is approximately 30% of Cordaid's overall budget.<sup>120</sup>

**120)** Source: email from Hilda van 't Riet, dated July 6. 2009.

Hivos' project administration shows whether a project contains CD activities; but it is not possible to determine the financial share of that component in the entire project. Of a large subset of 3,887 projects, 2,173 (or 56%) have been registered in the project administration to contain elements of CD. However, it is not possible to assign a financial weight to these elements.<sup>121</sup>

ICCO's CD programme budget amounts to €2.3 million annually. This includes €500.000 for the contribution to I/C Consult. On top of that, ICCO receives €2.3 million from PSO for CD support for partner organizations. For other long-term technical assistance to partner organizations and for programme development support, ICCO uses another €1 million. The mainstream CD support that is part and parcel of the work of the thematic departments is not budgeted separately for CD but falls under the umbrella of the thematic departments/international programmes budget. So we can see that the real spending on CD is much larger than the figures above indicate. From the monitoring system it is clear that at least 70% of all activities funded have a CD related objective. This means that annually 70% of €130 million is spent on the capacity development of civil society organizations and actors. Many of these activities are related to strategies for strengthening civil society, but not limited to those strategies.

With Oxfam Novib's financial system, CD is not budgeted for or monitored because these interventions are integrated into the overall programme budget. However, Oxfam Novib does carry out financial monitoring of the intervention strategy, 'civil society building'.<sup>122</sup> In 2008, Oxfam Novib transferred €140.8 million to its counterparts.<sup>123</sup> Of this amount, €42 million was spent on civil society building.<sup>124</sup> Two other CD instruments are monitored separately for funding: KIC (Knowledge Infrastructure with and between Counterparts, an interactive web-based linking and learning tool); and humanitarian capacity building. €1.2 million and €0.62 million were spent respectively on these projects.<sup>125</sup>

**121)** Source: email from Karel Chambille, dated June 16, 2009.

**122)** In an email dated July 3, 2009 received from Mr Arjen Mulder, it is stated that civil society building 'for a large parts focuses on support given to organisations that focus on organisational and institutional development. But the interventions strategy civil society building is broader than just capacity development, as it aims at strengthening democratic structures and organisations within society and at achieving more balanced power relationships within societies'.

**123)** Source: email dated July 5, 2009 received from Mr Marco de Swart.

**124)** Source: email dated July 3, 2009 received from Mr Arjen Mulder.

**125)** Idem.

### **3.4 Strategies for and approach to CD**

#### **a. Strategies for CD**

Strategies for the capacity development of DDPs are mainly derived from the overall strategies of the organizations along their thematic/sectoral choices. In other words, CD is considered intrinsic to the strategies of the overall thematic/sectoral strategies. The formulation of explicit strategies on CD is gradually emerging from the policy development work carried out by the DDPs. The DDPs use the following broad strategies to carry out their CD work:

- **Funding as a means of CD:** The main rationale of making long-term, flexible funding available to partners is to enable them develop the capacities to carry out the work they need to do with a greater degree of independence and effectiveness.
- **Organizational development/strengthening:** The objective here is to contribute to enabling partners to develop efficient, effective and viable organizations with all the necessary attributes to remain robust in their fields of engagement.
- **Institutional development:** This strategy focuses on strengthening collectives or network organizations in a particular society and creating an environment that allows them to work effectively. Institutional development also relates to the transformation processes that underlie changing the institutions in a society – institutions that are often embedded in power relations. These power relations need to change in order to bring about effective development that is just, rights-based and facilitates the political participation of all the people (women and men) and organizations in civil society.
- **Knowledge generation, dissemination and brokerage:** This strategy requires the DDPs to play a proactive role in the Netherlands/Europe as well as in the countries they work in by facilitating or brokering learning processes that enhance the DDPs' own capacities as well the capacities of their partner organizations and beyond.
- **Internal learning:** This is a relatively new strategy that focuses on the DDPs from the point of view that CD is a two-way street. DDPs use a systematic approach to enhance the capacities of their own staff to stimulate more effective relationships with partner organizations in the South. Internal learning events bring together the informal and tacit knowledge of CD practices carried out by different departments within a DDP and/or by programme officers. These practices tend not to be reflected in official policy documents, but they carry a great deal of learning potential from creative and improvised practices.

## b. Core products and processes

Based on the broad strategies outlined above, the DDPs deliver the following capacity development products and services to their partners in the South. The most common CD service is the provision of financial support to strengthen partner organizations' capacities on policy, planning, financial management, and monitoring and evaluation.

Linking and learning is another service that the DDPs provide to their partner organizations. Links are proposed, brokered and facilitated between Southern organizations and between partners and organizations in the North. This allows the partners to enhance their learning by taking part in exchanges and networks. The linking and learning activities are increasingly carried out at a virtual level using ICT. This broadens the scope of what is learned and increases opportunities for a wide range of partner organizations to take part in exchanges of knowledge, skills and expertise. Knowledge-blogging and e-learning are commonly used in this regard. Linking and learning also take place when organizing joint events and partner conferences. Here, partners come together to discuss common issues including CD.

Cordaid and ICCO still use the services of the consultancy bureau they created, I/C Consult,

<sup>126) I/C</sup> to provide advice on programmatic and organizational issues for partner organizations.<sup>126</sup>

Consult's work with ICCO and Cordaid will finish at the end of 2010.

Technical assistance for partner organizations is still carried out in the form of short-term personnel secondment. While the foreign experts and advisors are still sent for these assignments, an emerging trend is the mobilization of local experts and experts from the South. Because of this, the promotion and development of local consultants has become a popular CD service rendered by the DDPs.

The commissioning of evaluations, reviews and assessments by the DDPs on their partner organizations are regarded as CD services because such exercises are carried out with a learning orientation. External consultants are mobilized for these activities, often in collaboration with local consultants.

## c. Planning, implementation and monitoring of service delivery

In general, DDPs are in the process of systematically embedding capacity development into their planning, monitoring and evaluation (PME) systems. A major hindrance to working towards this is that CD is indivisible from the broader thematic areas of support. Notwithstanding this constraint, the DDPs have made efforts to identify CD as a distinctive objective and output that has corresponding outcomes and impacts.

ICCO uses the objective-tree analysis to formulate the objectives, outputs, outcomes and impact of its CD support. These are fed into the 'results agreement' when finalizing a proposal from a partner organization. This CD-specific monitoring and evaluation is part of the overall M&E system and it captures results which can be clearly differentiated as CD – but are not what ICCO calls 'embedded capacity development' activities.<sup>127</sup>

<sup>127)</sup> Interview with Hettie Walters and Dieneke de Groot, ICCO, February 10, 2010.

CD is also the focus of the organizational scan that is part of the contractual process. Cordaid expects staff to do an organizational scan together with a partner organization when a new proposal is processed. This organizational scan includes an analysis of capacity gaps. A new set of capacities to be developed becomes part of the new proposal. Programme officers are expected to register periodically and at the end of the project period on the progress being made on the CD work.

Hivos and Oxfam Novib do not currently monitor and evaluate CD as a separate activity because they treat CD as an inherent component of thematic support. However, both organizations carry out organizational assessments of their partner organizations when processing a new proposals and projects. Such assessments emphasize the capacities of the organization concerned and work on a plan to meet any capacity gaps. In this sense, CD is planned, monitored and evaluated indirectly; but not as a distinct area of support. Hivos' and Oxfam Novib's draft policy papers on CD take a clear position on working towards a much more focused system of planning, monitoring and evaluating CD as a distinct area – while at the same time, embedding it in the larger arena of support for partner organizations.

### **3.5 Present policy in perspective**

From the DDPs' perspective, a main turning point that influenced their overall policies was the impact study launched in 1989 in response to questions about the effectiveness of aid and the criticism of lack of transparency in aid organizations. The completion of this study in 1991 and its findings paved the way for many policy and structural changes within the DDPs. The early forms of emergence of the emphasis on CD can be traced to this juncture.<sup>128</sup>

The mid-1990s witnessed a series of studies and policy changes that made DDPs further revisit their policies. Some of these studies included the report on technical assistance<sup>129</sup> and the role of co-financing organizations and civil society building.<sup>130</sup> The critique of technical assistance in the study, as well as literature published on foot of it, raised many issues that paved the way for a new form of CD.<sup>131</sup> The key policy shifts included the closure of expert programmes and the introduction of a sector-wide approach for Dutch embassies to extend bilateral support to civil society organizations. International conferences held in Beijing, Cairo and Copenhagen stressed the importance of the rights-based approach and the capacity of civil society organizations.

Another watershed for the DDPs was the launch of a series of evaluations under the steering committee in 1999 that continued till 2002. The findings and recommendations of the steering committee evaluations triggered a process of self-examination of DDPs with a commitment for renewal and change. The pressure on the DDPs who were in receipt of funding from the MFP (now MFS) became more intense after 2002, when the allocation of contributions was entrusted to an external commission with stricter criteria for efficiency and effectiveness in terms of the delivery of results.

**128)** It should be noted that there are variations between DDPs in relation to the degree of responses they have made to external changes.

**129)** This report was commissioned by the Minister of Development Cooperation in 2000, as a result of the critique on the traditional Technical Assistance. The critique came from within (IBO report in 1999) and an UNDP report: UNDP, Rethinking Technical Cooperation, Reforms for Capacity building in Africa. New York (UNDP), 1993.

**130)** Ministry of Foreign Affairs 'Civil society en armoedebestrijding; de rol van actoren uit het Nederlands maatschappelijk middenveld' (2001)

**131)** For example, P. Hoebink and F. van der Velden, From volunteerism to professionalism: Technical Assistance of the Netherlands in a change paper for the 10th EADI General Conference 'EU Enlargement in a Changing World Challenges for Development Cooperation in the 21st Century', Working Group 'Aid and Development', Ljubljana, 2002, A.M. Leenknecht and F. van der Velden, Facilitation of Organisational Change: Beyond organisational and institutional development. Contextuals No. 5, 2006. available from <http://contextinternationalcooperation.files.wordpress.com/2007/12/contextuals-no-5.pdf>

This trend continued in the MFS I<sup>132</sup> in 2006. Because the DDPs' main income came from the MFS contribution, it was imperative that the organizations should adapt to the changing policy environment. Bringing the DDPs into alignment with the Dutch government's subsidy framework had implications not just for Dutch development policy, but also for the broader, international policy shifts starting to take place at that time. The Paris Declaration and the Accra Agenda are cases in point. Governments subscribe to directives from these agreements. Their influence also trickles down to the NGDO's policies on development cooperation, which receive government funding.

The Dutch Development Cooperation Minister issued early warnings concerning his policy on the MFS II<sup>133</sup> well in advance. The stress on professionalism and on providing added value, the focus on countries and the limiting of numbers receiving MFS funding created a sense of urgency among the DDPs as well as a preparedness to conform to the new MFS regime.

Capacity development can be construed as the core business of DDPs, given their added value in working with non-state actors in the South. Proving their worth, therefore, entails becoming more professional and more systematic and concentrating on the formulation of clear policies on CD. This explains the discernible trend over the past two years of treating CD as an explicit policy domain.

### **3.6 Discussion**

The overall development paradigms, goals, values and strategies of DDPs have always been the guiding parameters for CD. In other words, CD policies and practices did not emerge in isolation. This is a major strength of DDPs that provides a solid foundation to build CD on. Treating CD as an integral and inherent component of the work of DDPs, however, is a challenge in an environment that expects specific results for the support of DDPs. A clear policy shift in this regard is can be seen in DDPs' efforts to regard CD as an explicit policy domain. It is also discernable in their proactive stance on introducing operational mechanisms for CD such as PME and budgeting. Such a trend among DDPs displays their *capability to adapt and self-renew*.

This trend, particularly over the past two to three years, also raises certain serious issues and contradictions. The policy papers that have been produced by the DDPs as drafts for future policy on CD (mentioned in section 3.2 a) draw heavily on the concepts and definitions of, for instance, OECD, UNDP, INTRAC and ECDPM. DDPs' experience of CD with their Southern partner organizations is not always adequately reflected on or properly transferred to such policy papers.

**132)** MFS I is the Co-Financing System of Dutch government's subsidy scheme for non state actors engaged in development cooperation for the period 2007-2010,

**133)** Co-Financing System for the period 2011-2015

The essence of the work of DDPs in the past was largely defined by developing the capacity of their partner organizations – but the term capacity development was not used. The practice of CD also takes place informally in different contexts with particular partner organizations. Programme officers take the initiative to come up with CD approaches to address specific contextual circumstances together with the partner organizations. Such efforts are collaborative in nature and in some cases go beyond the conventional division of labour in donor-receiver roles. Often these practices, some of which are very innovative and inspirational, are not registered in the institutional systems and memories of DDPs.<sup>134</sup> Hence the DDPs can inform their policy by their own rich experience of CD, including informal and tacit knowledge and learning. There is a need to make a bridge between learning-by-doing and CD policy.

One of the main factors that urged DDPs to develop explicit policies and operational mechanisms on CD is the immediate funding environment that they are dependent on. This includes the subsidy policy of the Dutch government, the policy shifts of official aid systems, and development cooperation in Europe. This is indeed a contextual factor that can not be ignored in the DDPs' attempts to adapt. In this sense, the DDPs have proved their own *capability to relate to external stakeholders* – a key component of the 5CC model.

Nevertheless, equal consideration should be given to incorporating the contextual changes (demands) of the Southern constituencies they collaborate with into their policy discussions. We should ask: What are the contextual imperatives and demands of the Southern constituencies that impact the work of DDPs and their partner organizations? How can such factors inform the CD policy of DDPs? This discussion on CD needs to be further considered by the DDPs. The capability of relating to external stakeholders needs to be applied in context and by stakeholders not only in the North but also the South. A step in this direction can be observed in ICCO's programmatic approach to CD as well as in its decentralization process; both of which are based on partner consultation. The regional councils established by ICCO relate to the relevant contexts in that they deal with the formulation of choices and priorities.

DDPs understand CD as an endogenous process. This assumes that CD needs are felt and identified by Southern partner organizations, and therefore that CD strategies are formulated and put into operation by themselves. While this takes place in practice (as can be seen in the case studies), knowledge of such practices by the Southern partner organizations are not always adequately reflected in the DDPs' policy making. The collective views of CD by Southern organizations are useful inputs for DDPs policy making, which legitimizes the latter's role and justifies their choices on CD. Such links are not sufficiently reflected in current policy developments.

There is a tension between what DDPs call 'technocratic' CD and 'political' CD (closely akin to the 'instrumental' CD and 'intrinsic' CD explained in Table III). This is a manifestation of the degree to which capacity development addresses power issues and overall contextual changes, and it is evident both in the policy and practice of CD.

External pressures, particularly from funding environments, force DDPs to select CD efforts that can be measured in terms of results. Hence the trend of support to what are called technocratic and instrumental CD strategies. Such short-term and isolated CD activities erode the potential of structural and political change, which requires a long-term, embedded and comprehensive approach.

**134)** For details, see U. Fernando, (2007) *Uneasy Encounters: Relations between Dutch Donors and Sri Lankan NGOs*, PhD Thesis, Amsterdam (AMIDST-UvA)

A short-term approach also contradicts basic premises of CD which understand organizations as open complex systems and understand CD as an endogenous, non-linear process. The 5CC model's stress on coherence raises concern about the DDPs' predicament of being torn between the divides of technocratic CD and political CD. The challenge for DDPs is to think of an alternative to the difficult marriage between the technocratic and political CD.<sup>135</sup>

The following main points from the above section will be linked with the overall analysis in Chapter 4.

- a) The DDPs' policies on capacity development are embedded well in the overall policies of the respective organizations.
- b) There is a clear trend in the DDPs' efforts to make explicit CD policies a specialised domain. This includes the introduction of budgetary and PME tools tailored for CD.
- c) The DDPs' policies on CD are significantly influenced by funding patterns in the Netherlands and Europe. This can cause a certain amount of pressure. Capacity development policies are a way of addressing this pressure to show evidence of results and impacts.
- d) The DDPs' understanding of CD is largely influenced by European think-tanks and institution; it is somewhat less informed by DDPs' own experience and the practice of Southern organizations.
- e) When formulating their DC policies, there is still much room for the DDPs to accommodate the voices of Southern organizations.
- f) There is a tension between intrinsic CD and instrumentalist CD. The DDPs' perspective and preferences are closer to intrinsic CD, but the external pressures often compel them to use an instrumental approach.

<sup>135</sup>) This term was used by DDP staff in their analysis of the policy environment at the workshop on policy reconstruction held on March 25, 2010.

## **4 Support for Capacity Development: analysis and conclusions**

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### **Motto**

*'The assumed goal is transformation towards autonomous development on the part of the doers, with the doers helping themselves. The problem is how can the helpers supply help that actually furthers rather than overrides or undercuts the goal of doers helping themselves? This is the actual paradox: if helpers are supplying help that is important to the doers, then how can the doers really be helping themselves? Autonomy can not be externally supplied. And if doers are becoming autonomous, then what is the role of external helpers? This is the paradox of supplying help to self-help, 'assisted self-reliance' or assisting autonomy; it is the fundamental conundrum of development assistance. Over the years, the debate around aid, assistance and capacity building keeps circling around and around it'.<sup>136</sup>*

### **4.1 Introduction**

In the preceding chapters an overview was given of the background, rationale and methodology of the present evaluation (Chapter 1). Chapter 2 dealt with the evidence that was collected on capacity development in the seven case studies and an analysis of those case studies. Chapter 3 presented a reconstruction of the CD policies of the four Dutch Development Partners: Cordaid, Hivos, ICCO and Oxfam.

In accordance with the exploratory nature of the study, this chapter takes the issues that have emerged during the evaluations (and that are grounded in the seven case studies), as its point of departure. Subsequently, focus will be given to the major evaluation questions that were presented in Chapter 1:

1. A summary of and conclusions about the effectiveness of external (DDP) interventions in terms of strengthening the capacity of Southern partners by comparing the CD policies of the DDPs with the empirical evidence that has emerged from the case studies (paragraph 4.2).<sup>137</sup>
2. Factors that explain the level of effectiveness of external interventions (paragraph 4.3).
3. Lessons that can be learned and recommendations for future policy? (paragraph 4.4)

The epilogue, which comes after this chapter, shares a few general concluding reflections about the evaluation process.

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**136**) D. Ellerman, Capacity and development. Autonomy-respecting assistance: towards new strategies for capacity-building and development assistance. In S. Fukuda-Parr (2002) *Capacity for development: new solutions to old problems*. London/New York, Earthscan/UNDP, pp. 43 – 60, page 43 – 44.

**137**) It should be noted that the analysis in this chapter is based on the (full versions of) case studies and not only on the summarized versions of Chapter 2.

## **4.2 The DDPs' capacity development policies: policy and reality**

Chapter 3 concluded that the DDPs' policies on CD are well embedded in their overall policies; and there is a discernable trend towards an explicit policy on capacity development. However, such a trend is largely influenced by funding patterns in the Netherlands and Europe. There is, in the context of the DDPs, pressure to use CD in an instrumentalist manner in an environment that demands evidence of impact. In this context, it should be noted that most DDP policy papers clearly indicate the importance of broader, long-term, intrinsic CD processes.

**Challenges of making DDP policy explicit** – The reality that was reflected in the seven case studies discussed in Chapter 2 paints a complex picture. A clear thread that emerged from the case studies was that the CD efforts were largely built on existing capacities, and that such efforts take off on their own trajectory, which could be within or outside 'project trajectories'. CD efforts that are based on existing capacities demand patient CD strategies. An instrumentalist approach, characterized by an eagerness to display impact in a concrete sense in a relatively short period of time, could potentially paralyze the emergence of capacity development.

**Co-creation and implication for policy** – The case studies brought to light the understanding that CD occurs as a co-creation; and that many stakeholders are involved in such a process. This poses the challenge of assessing attribution and the contributions of different stakeholders in a CD process. The DDPs' policies are largely premised on their own inputs and on the corresponding inputs of their partners. Though important, such a treatment reflects only a partial picture of a process. The challenge for DDPs' policies is to expand their scope of CD, taking into account the contribution of all the stakeholders involved. This entails revisiting a results-chain approach and PME tools that are generally based exclusively on the inputs of DDPs and the corresponding inputs of partners. The findings from case studies suggest that PME tools should be robust enough to capture the contributions of stakeholders other than the DDPs and their partners.

**Harmonization of policy and practice** – DDP policies accommodate a variety of CD strategies. The strategies found in the case studies represent a wide range, which are largely determined by the specificities of different contexts and the conditions under which CD takes place. There is a correspondence between policy and practice in this regard. The policy environment created by the DDPs is therefore a favourable one.

**Variety of anticipated changes** – The types of change that are anticipated in the case studies range from very specific developmental and transitional changes to radical and transformational change. However, the emerging trend in the broader policy environments in which DDPs are embedded, treats CD in an instrumentalist manner. This trend is not reflected in the seven case studies. There are partners who are striving for broad radical transformations in society. Such efforts require a DDP capacity development policy that treats CD as a broad, messy and complex process that unfolds over a relatively longer period of time.

**Southern voice in DDP policy** – The policy reconstruction chapter concluded that the Southern voice (including imperatives derived from the specificities of Southern contexts and interests of Southern partners) is not always heard by the policy-making processes of DDPs. The seven case studies reflected myriad contexts with a variety of CD demands. Appreciation of the contexts<sup>138</sup> in the South is essential for the DDP policy making process, though organizations are becoming increasingly constrained by the vicissitudes of their own donors. This is a difficult balancing act indeed.

The overall match between policy and reality poses challenges as the discernible trends that make CD policies are driven by the dynamics of funding environments, rather than by the demands of the Southern contexts and partners. One potential danger is that CD efforts in the South will be conditioned by Northern agendas. Another danger is that the Southern CD efforts that cannot be neatly squeezed into donors' instrumentalist CD frameworks will get marginalized.

**138)** The term 'contexts' in plural form is used as there is no uniform context in the South. Hence the term 'Southern' is to be understood as layered and nuanced.

### **4.3 Factors that explain the effectiveness of DDP interventions**

The DDPs' capacity development strategies, as we have already seen, are largely based on an endogenous understanding of CD. But previous chapters have explored the indivisibility of exogenous and endogenous CD processes, given the collaborative and partnership aspects of the relationship between the DDPs and their Southern partners. For instance, core funding (or institutional funding), is understood as a key CD strategy that comes from outside. But the need and the specific CD strategy are determined by the Southern partner organizations. The analysis that follows is made on the basis of the above understanding, blurring the exogenous and endogenous boundaries of CD.

A key issue that featured in the case studies and the joint learning workshop was the relationship dimension of CD as a key factor in explaining the effectiveness of strategies. The relational dimension gave rise to two implications concerning CD. The first was that the foundation, nature and dynamics of relationships between the two (DDPs and Southern partners) had a direct impact on CD. The case studies and the subsequent discussions at the joint learning workshop proved that there was a relational or process dimension to CD that was crucial and which went beyond technical and financial input.

The case studies stressed factors such as empathy, understanding, thinking along with partners and constructive criticism from DDPs as expressions of their professionalism. This was particularly noticeable in the cases of PST and CAL. The DDPs have a role beyond that of provider of financial and technical input. A DDP contribution that was particularly appreciated by PST and CAL was trust and patience – which allowed capacity to grow organically at its own pace.<sup>139</sup> In other words, such a relational or process factor, along with the tacit dimensions of the relationship formed an important part of the DDPs' professionalism, according to Southern partner organizations. Often, these considerations did not get reflected as 'inputs' in a results chain, but prove to be crucial and very highly valued by Southern partner organizations.

**139)** Or in the case of Oxfam Novib 'to help us to restore the strength we have' which in a post conflict setting is a most remarkable contribution (PADEK case study).

The second implication was that because relationships between the DDPs and their Southern partners are so interdependent, capacity development is equally dependent on both; in other words, CD is not a one-way street. The capacity of each partner affects that of the other. The focus should not be on just developing the capacity of the Southern partner that is 'out there', but also on developing the DDPs' own capacity.

The trend of having a CD strategy of internal learning, capacitating, and linking with other actors is proving to be a step in the right direction. However, such strategies and their corresponding inputs and outputs complicate the results chain, which not only flows from the DDPs to Southern organizations but also within DDPs. This is another point that illustrates that CD processes are not linear. How to measure the outcomes and impact of changes that take place in such a non-linear manner within the DDPs is a new challenge for them.

Relevance, timing and responsiveness are essential for an effective CD strategy. They involve timely responses to demands that are triggered by the contexts in which the Southern partner organizations operate. How a Southern partner organization responds depends on their *capability to adapt and self-renew*. Developing this capability should be enhanced by their DDP's flexibility and the continuity of financial and other forms of support.

ELA is an example of this kind of responsiveness. Cordaid, ICCO and the ELA responded to significant change that was taking place in the agricultural markets and enterprises in Ethiopia. Oxfam Novib's decision to promote PADEK at a time when Cambodian civil society started to develop in the post-conflict era is another case in point. The timing of Oxfam Novib in enhancing the *capability to act and commit*, in a country that had just begun to accommodate civil society actors, has proved its effectiveness – particularly when we look at PADEK's rootedness and expansion now.

The professionalism of the DDPs in relation to CD strategies is characterized by:

- consistency and continuity of support
- flexibility
- empathy with the Southern partner organization
- an adequate reading of the Southern partner's context
- sound communication between the DDP and its Southern partner
- a good level of trust between the two parties

The volume of flexible funding coupled with long-term commitment appear to be factors that contribute to a sustained and effective CD strategy.<sup>140</sup>

#### **4.4 Capacity development: lessons to be learned**

The major lessons to be learned from the case studies at the level of development practice can be summarized as follows:

##### **a. Levels of CD**

CD is about people, movements, organizations and society at large; but first and foremost, it concerns 'people'. Individuals are the key; their behaviour, their confidence and their trust. In the CAL case study report, it is stated very firmly that 'development starts with self'. However, CD should be comprehensive and this means that it requires efforts at different levels. Issues of leadership are crucial in the context of transitional and transformational change.

**140)** For a detailed account of effectiveness of DDP interventions, discussed in the Joint Learning Workshop in March 2010, see Mandi 2010, 15-18.

### **b. Multiple actors and the diverse nature of CD interventions**

Quite a diverse picture of the CD strategies emerges from the seven case studies; there is not one single dominant approach. We can see every variation from instrumental CD to intrinsic CD approaches, as well as an emphasis on both ‘hard’ and ‘soft’ programmes and activities. Moreover, a variety of local and internationally positioned stakeholders (including the DDPs) are involved – all of which indicates that CD is emerging as a process of co-creation.

The CD strategies and the various roles of the actors, including the DDPs, are influenced by the context in which the organization operates, the core purpose of the organization, its stage of organizational evolution and the types of change being targeted. We can see from the case studies that low-level, moderate-level and high-level intervention are being performed by the DDPs; and we can also see that these roles can change over time. An adequate overview of the environment as well as an ability to ‘map’ stakeholders and read situations and contexts are important preconditions for adequate CD.

The multiplicity of actors and the phenomenon of co-creation make CD efforts indivisible. This entails having policy and PME tools which capture this indivisible nature.

### **c. Endogenous versus exogenous: the gap between policy and practice**

As was indicated in Chapter 2, in a number of the case studies, external factors, donor policies, external opportunities, interventions and actors (including the DDPs) played a very important part in the emergence, facilitation and implementation of the CD process.<sup>141</sup> In Chapter 2 it was argued that within the scope of these seven case studies, CD often occurred because of external stimuli rather than as a result of internal learning loops. One of the most important lessons of the present study is that in the seven cases, the value and importance of an external stimulus is explicitly mentioned and that an externally initiated (exogenous) approach to CD may have a value in itself. As long as there are systems and procedures in place to enhance local ownership and commitment, capacity development that is initiated and led internally is not necessarily the more desirable or feasible option. Partnerships with Northern NGDOs or with Southern NGDOs can bring about substantial benefits based on the comparative advantages of each type of partnership.

Another lesson we can learn with regard to the endogenous–exogenous divide is, that CD processes which may have initially been characterized as exogenous can develop into endogenous CD in terms of ownership, linking to internal learning processes, etc. In this sense, the notion of CD as an exclusively endogenous process needs to be demystified.

We should see the classifications, instrumental–intrinsic and endogenous–exogenous as wide spectrums: positions are not black and white; there is a wide band of grey in between.<sup>142</sup>

**141)** External support includes services such as facilitating reflection through dialogue, agenda setting, technical contributions in combination with local demands and initiatives and local expertise and existing local knowledge. The CD activities of ECM, the ELA, PADEK and SOCSIS have at least started in this manner.

**142)** Baser and Morgan argue: ‘Few endogenous efforts at capacity development anywhere in the world are completely autonomous and self-contained. Most are influenced to some degree by external ideas and pressures’ (Baser and Morgan, 2008:9). External impulses do not necessarily have to come from donors but can as well emerge from communities, sister organizations.

#### **d. Relationships: the importance of dialogue, interaction and involvement**

In almost all the cases it was emphasised that capacity and capabilities emerge over time – partly as a result of interaction between learners and others within their own systems, and partly as a result of lessons learned from observing the interactions of others. For those who are not fully or entirely part of a particular system or unit of analysis (for example, the DDPs), it is a challenge to support the process in such a manner that ownership can be fostered.<sup>143</sup>

There are several factors that contribute to the success of this balancing act: in most of the seven cases, DDPs and Southern organizations had long-standing (institutional) relationships which were based on trust, mutual respect, empathy, thinking along with the Southern organization, a common vision of the nature of the desired change, and shared values and agendas. All these elements were embedded in joint practice. Long-term donor commitment combined with financial and technical support was a formula that proved its value.<sup>144</sup> One of the success factors was that ‘agendas had been set jointly and not imposed by either organization’.<sup>145</sup> The ‘how’ issue was therefore an important contributing factor. For CD efforts to be relevant and sustainable, participatory approaches need to be adopted that recognize the right of local actors to be party to decisions that are aimed at their own development.

The selection of the team of consultants and facilitators for the CD process was also a critical factor in successfully enhancing ownership and – as is usually the case in change processes – leadership and leadership commitment were crucial to ensuring effective CD initiatives.<sup>146</sup> Strategic planning, strategic management and strategic leadership were the key capacities that needed to be developed.

At the same time, it has to be acknowledged that despite these longstanding relationships, which were based on a common concern and mutual respect, the issue of power did continue to play an important role, both implicitly and explicitly.<sup>147</sup>

CD is not a one-way street and it is not a unilateral activity; the actors in a CD intervention are inseparable and connected. The capacity of one partner affects that of the other. We can see from the case studies that the focus was not just on developing the capacity of the Southern partner organization that was ‘out there’, but also on developing the DDP’s own capacity.

We may well learn from these case studies that CD does not always have to be a process; sometimes an incident or an individual can be the catalyst that sparks individual, organizational or institutional change. The long-term, ‘process’ character of CD is not therefore an aim in itself; common values and shared views on the nature of the changes that are needed are much more important elements.

**143)** In the PST case study it is reported that ‘In exploring new ways of thinking and doing, for ICCO it is the keeping of a fine balance between supporting/facilitating and taking over that makes the experiment exciting and challenging’. As well in other cases, the DDPs have demonstrated that they are able to perform such a balancing act in a professional and responsible manner.

**144)** Ref. the PADEK, ECM, YONECO and CAL case studies.

**145)** The ELA case study.

**146)** See YONECO and ECM.

**147)** From the PADEK case study: ‘Though PADEK feels it is very much in the driver’s seat in its relationship with Oxfam Novib, dependency and cultural dimensions play their part as well’

### e. Outputs and outcomes of CD efforts

The current understanding of CD places an explicit emphasis on outputs and outcomes. However, the manifestations of outputs and outcomes in practice represent a high degree of complexity. The focus of CD interventions varies substantially from intrinsic CD to rather instrumental CD. In all the cases studied, it was clear that the enhanced capabilities, whether they focused on the ability 'to do' or 'to be', did not remain within the organizations (CD was not an aim in itself). Rather, we saw that these enhanced capabilities were being used to achieve development objectives (CD as a means). We also saw substantial anecdotal evidence that this was leading to relevant outcomes. This claim was supported by a good deal of evidence from stakeholders in the various cases studies. In view of the long-term nature of the majority of CD interventions, along with the involvement of multiple and closely interrelated actors, it was difficult to attribute results. In any case, in CD processes, there is a trend to build on what is already there in terms of capacities and capabilities.

The seven case study reports provided elaborate overviews of the capabilities that were enhanced during the CD processes. It was obvious that – although quite different answers were provided to the question 'Capacity for what?' – in general, capabilities were enhanced that facilitated the adequate implementation of organizational (read: 'unit of analysis') functions. There is a correlation between the position of the organization in its context, the core purpose of the organization, and the stage of evolution the organization is at.

An organization's core purpose was another aspect that proved to be very important. In the case of the ELA, where we saw the promotion of empowerment within a value chain, the *capability to relate to external stakeholders* emerged as an important capability that had been strengthened by the CD programme. The *capability to deliver on development objectives* and the *capability to act and commit* emerged as important capabilities for relatively new organizations such as ELA. On the other hand, the *capability to act and commit* and the *capability to deliver on development objectives* were perceived by PST as less relevant. This was because they believed that implementing capabilities was the business of the stakeholders, not of the PST itself.<sup>148</sup>

For PADEK, being an implementing agency, the *capability to deliver on development objectives* and the *capability to act and commit* emerged as priorities.<sup>149</sup>

From the CAL case study, we can learn that a focus on certain capacities relates to an organization's stage of evolution. The different stages of evolution<sup>150</sup> demand different forms and strategies of capacities. The pioneering stage typically demands the *capability to act and commit* and the *capability to relate to external stakeholders*. The differentiation stage demands the *capability to self-renew*, and the integration stage demands the *capability to achieve coherence*.

In view of this, it is not possible to identify 'essential capabilities' of Southern organizations because the capabilities are closely interrelated and none of them can, by itself, create capacity; it is the interrelatedness, the indivisibility, that matters.<sup>151</sup>

<sup>148</sup>) PST case study report.

<sup>149</sup>) PADEK case study report.

<sup>150</sup>) For example: pioneering, differentiation and integration.

<sup>151</sup>) 'The existence, effectiveness and interrelationships of collective capabilities are critical to capacity as a system condition'. Baser and Morgan (2008: 26) see the five core capabilities as key, all of which, 'to a greater or lesser extent, can be found in all organisations or systems' (ref. Diagram I, the first Chapter). In the ELA case study report it is therefore rightly argued that 'The study team did not find it necessary, indeed to grade the capabilities in terms what has been most effectively built in LA' (page 26).

#### **f. The professionalism of the DDPs**

Features that characterize the professionalism of the DDPs in relation to their CD strategies include consistency and continuity of support, flexibility, empathy with the Southern partner organization, a good reading of the context in which the Southern partner is positioned, quality communication between the DDP and Southern partner and a good level of trust between the two parties. Adequate flexible funding coupled with long-term commitment appear to be factors that contribute to a sustained and effective CD strategy.

In this context, it should be mentioned that CD processes require that all stakeholders involved should have the ability to ‘to let things go’. This is about willingness to accept change and transformation and to study and accept other world views and opinions. Donors and Southern organizations alike may need to let go of preconceived ideas or unlearn unhealthy habits in order to allow others to find their own space. This is a challenging prospect for a value-based organization.

#### **g. Gender issues**

Notwithstanding the fact that gender policies are in place in almost all organizations, gender issues did not receive sufficient consideration in most of the seven cases reviewed.<sup>152</sup>

The gender dimension of capacity development remained largely at the level of intention and was not really reflected in practice. It is often dealt with in an isolated manner or as an afterthought. Issues of gender need to be introduced at both strategic and operational level, in a conscious and systematic way right from the beginning of a CD process. They also need to be explicitly mentioned in agreements. In order to achieve this, it is important to focus on attitudes and to strengthen the leadership, organization and strategies of the women and men working on gender issues in women’s groups and in mixed-sex groups.

A major lesson that emerged from CAL’s experience of gender issues and CD is the primacy of the presence of the language of power and of power analysis. From the evaluation, it is clear that women’s organizations (even mainstream ones) were overcoming their fear of power and ‘beginning to peep into the world of power’. CAL needed to find new ways of relating to power; recognizing its deep structures within organizations and exploring them. They also wanted to find ways of bringing power issues to the surface and creating workable tools to transform way power can be used. After all, there can be no transformation without an interrogation of power dynamics. This lesson, which emerged primarily from the CAL case study, is relevant not only to organizations dealing directly with gender issues, but also those doing general development work.

**152)** In the ELA case study, it emerged however as a ‘positive unintended ‘coincidence’.

## **4.5 Conclusions and future policies**

The analytical themes and categories of the grounded theory approach can be juxtaposed to allow a pattern to emerge. We can then use this as a basis to refine the lessons we have learned and come up with a broad range of suggestions for the future.

The core of good capacity development consists of a combination of local ownership and existing knowledge – both of which should be embedded in the context of where change is taking place. Existing knowledge and ownership are in the hands of Southern organizations. The idea of proxy ownership is not desirable and can only be introduced with a heavy infusion of external inputs. This would affect the sustainability, long-term rootedness and institutionalisation of the CD process. However, a sense of ownership and commitment to CD processes, if it is not evident during the early stages, can be fostered over time.

What we mean by ‘existing knowledge’ is the knowledge Southern partners have of the context in which they operate, and their ability to interpret that knowledge. Hence there is a close link between existing knowledge and contextualization. The theory of change, in its various formulations, is also present in the notion of existing knowledge. The absence of local ownership, or the lack of a process to foster it, coupled with weak existing knowledge results in a CD process from which the essential core is missing.

The context in which Southern organizations operate is a crucial factor in a CD effort. Context matters to a CD effort’s entire trajectory; particularly at the beginning and end of the process. At the beginning, it is crucial that the CD need emerges from the context. At the end, what matters is that the CD outputs are relevant to the needs and demands of the ever-changing context.

A CD process that takes place in an international cooperation setting involves multiple realities. Context, in a Southern setting, is not homogenous. Rather it is layered with beneficial, contradictory and competing interests that simultaneously enhance and impede capacity development. The context, though crucial, can not be treated in isolation. Adjustments in the Northern context spread changes to the South. A change in The Hague has a ripple-down effect that ultimately reaches remote villages in Kompong Speu in Cambodia. And of course, there are many different currents at work within The Hague and within the broader Northern context that can, and do, affect Southern partner organizations.

Once the core of a CD intervention has been set out by a Southern partner organization, external actors, such as the DDP can start to collaborate. This is the ideal, but there can be instances where ownership and knowledge can be shared by the external actors of where they might even ‘own’ the initiative initially. Working in collaboration with others will always involve challenges, particularly in the areas of power and the letting go of power. The degree of collaboration that takes place, and its intensity, change as the relationship between external actors and Southern partners matures.

CD can not be understood as an isolated phenomenon. It is intrinsically linked with the ‘other’ or many ‘others’. As such, CD is indivisible in terms of actors, capabilities and processes. Each actor needs the other in order to change its own capacity. The capability of one can not be developed without a corresponding change or compatibility in the other.

Merely providing donor ‘inputs’ – in the form of financial resources or advice –can not develop the capacity of the Southern partner organization. Attributes such as the donor’s own policies, staff and ability to relate need to be compatible with the change the Southern partner organization desires. This requires a mutuality and reciprocity in the way CD is undertaken.

The process of CD does not take place only in the domain of the Southern partner organizations; it also takes place in the donor’s domain. Summing up, the capacity of ‘them’ is also the capacity of ‘us’; and the indivisibility of capacity development emerge as major lessons. The main implication of this lesson is the blurring of the demarcation between endogenous and exogenous processes of capacity development.

## **Epilogue**

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In this synthesis report we have tried – in the words of Hope Chigudu – ‘to weave together’ the major thoughts, experiences, insights and lessons that emerged during the evaluation process. We have tried to offer an analysis that carefully and respectfully reflects the major insights that have emerged from the seven case studies.

The evaluation process has been characterized by some challenging (and often healthy) tensions such as needing to provide ample scope for what emerges in the evaluation process despite pre-designed formats and processes; being an evidence-based evaluation but at the same time using a conceptual model as a reporting format; placing an emphasis on exploration and learning, while and at the same time feeling obliged to demonstrate value for money (accountability); organizing the evaluation as a ‘bottom up process’, with a perspective from the South, in a setting with multiple and powerful international stakeholders. These tensions sometimes gave rise to contradictions. But contradictions, as the case studies have made clear, are part of the reality – which is fundamentally complex.

The motivation to participate in the evaluation varied from actor to actor. Issues of power were at play and sometimes an ‘invited’ or ‘open’ space appeared at a deeper level and of a different nature. The evaluation process itself was a manifestation of power differentials between different stakeholders. The interactive, participatory design of the evaluation process was able to mitigate some of these power differentials, at least in the process of knowledge production within the scope of this evaluation process.

While it is naïve to assume that an evaluation process would eradicate power differentials, it is still pertinent to note that a multi-stakeholder process can produce a better product and such a process opens up windows of opportunity for engagement and future collaboration with different stakeholders. The evaluation process brought face-to-face actors at the two extremes of the aid chain (for instance, staff of Southern organizations and IOB staff), which is a rarity in evaluation studies in the development sector.

It has been an interesting and rewarding journey. Some ‘footprints of change’ are already visible as the informal and unofficial feedback from various stakeholders suggests that considerable individual and organizational learning has already taken place as part of the evaluation process itself.

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## Annex I: Assessment of External Reference Group

Qualification*
very good (4)
good (3)
poor (2)
very poor (1)

\*The External Reference Group does not use the quantitative translation of its judgement in the numbers one till four, but gives its comments below for each of the sections in a narrative form

<b>1. Meeting needs</b> The report does not answer the five key questions formulated for this evaluation satisfactorily.	
<i>Comments:</i> <i>The seven case studies are rich in content and point to a high variety of experiences, but they are more descriptive than analytical and fail to provide systematic answers to the first two evaluation questions whether changes have taken place in capacity (the 5Cs) and what the effects of these changes have been. This means that the answers to the other evaluation questions to a large extent are based on an interpretation of the variety of described experiences and on the exchanges during the workshops. This provides several useful insights, but there is not always a link with the evidence of the case studies.</i>	
<b>2. Appropriate design</b> There is a contradiction between the way the evaluation questions are formulated in the IOB TOR, requiring an evidence based approach with rigorous analysis, and the approach taken in the evaluation which is described as 'explorative and descriptive', and 'geared towards organizational learning'.	
<i>Comments:</i> <i>In line with the 'explorative and descriptive' approach taken in the evaluation, the exchange of ideas and values has played an important role in the evaluation design. In addition, the case studies have been selected in view of their variation and the opportunities for learning. It must be remarked that two out of the seven cases only got CFA support from 2007 onward, while the evaluation period is 2004-2008.</i> <i>As is also recognized in the report, gender has not been addressed adequately in the case studies. This is an important omission.</i>	
<b>3. Reliable data</b> The data collected for the evaluation are mainly qualitative and can be considered sufficiently reliable.	
<i>Comments:</i> <i>The qualitative data collected for the evaluation are based on different research methods within each case study and can be considered reliable.</i> <i>The same holds for the qualitative data on the policy reconstruction of the CFAs.</i>	

<b>4. Sound analysis</b> The analysis, though interesting, is often impressionistic and does not respond to the evaluation questions.	
<p><i>Comments:</i></p> <p><i>The answer to the first evaluation question should have highlighted the changes in capacity in terms of the 5Cs, but this is not always done.</i></p> <p><i>In many cases the existing capacities are described without any time frame.</i></p> <p><i>Under outputs and outcomes of these changes reference is often made to institutional processes or to capacities developed, not to outputs and outcomes.</i></p> <p><i>In some cases positive outputs and outcomes are mentioned but they need to be measurable to determine their significance.</i></p> <p><i>The analysis of the policies of the CFAs is good.</i></p>	
<b>5. Valid findings</b> The findings are valid but limited.	
<p><i>Comments:</i></p> <p><i>The findings in the case studies as summarised in chapter 2 are valid, but they mainly show the large variation in experience and remain on a descriptive level.</i></p> <p><i>The findings of the analysis of the policies of the CFAs are valid.</i></p>	
<b>6. Impartial conclusions</b> The conclusions and analysis of findings as set out in chapter 4 of the report are interesting and provide many insights. But they are mainly based on an interpretation of experiences and they reflect the collected normative ideas during the evaluation process.	
<p><i>Comments:</i></p>	
<b>7. Useful recommendations</b> The recommendations are clearly rooted in the conclusions and can be easily implemented and acted on. Several recommendations are useful, even though somewhat abstract and general.	
<p><i>Comments:</i></p>	
<b>8. Clear report</b> The report is very well written and easily accessible to all the intended users. The structure is logical and a short summary provides the key findings, conclusions and lessons learnt in a systematic manner.	
<p><i>Comments:</i></p>	
<b>Overall assessment</b> If the aim of this study had been to stimulate reflection on capacity development experiences, it would have succeeded very well as it provides ample qualitative information and feedback from the field to start such a discussion. From an evaluation perspective, however, the report falls shorts of its stated objectives.	
<p><i>Comments:</i></p>	

## **Annex II: IOB General Terms of References**

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**General Terms of Reference "Evaluation of Dutch support to capacity development"**

**Evidence-based case studies on how to support organisational development effectively**

**Final**

*Author(s): Piet de Lange (IOB), Rafaëla Feddes (IOB)*

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*"I remember one morning when I discovered a cocoon in the bark of a tree, just as the butterfly was making a hole in its case and preparing to come out. I waited a while, but I was too long appearing and I was impatient. I bent over it and breathed in it to warm it. I warmed it as quickly as I could and the miracle began to happen before my eyes, faster than life. The case opened, the butterfly started slowly crawling out and I shall never forget my horror when I saw how its wings were folded back and crumpled; the wretched butterfly tried with its whole trembling body to unfold them. Bending over it, I tried to help it with my breath. In vain. It needed to be hatched out patiently and the unfolding of the wings should be a gradual process in the sun. Now it was too late. My breath had forced the butterfly to appear, all crumpled, before its time. It struggled desperately and, a few seconds later, died in the palm of my hand."*

Nikos Kazantzaki  
*Zorba the Greek*<sup>1</sup>

<sup>1)</sup> Source: *The developing of capacity* by Allan Kaplan, Community Development Resource Association, 1999.

## **Background and purpose**

### **Background**

In order to be able to choose and follow their own development paths, developing countries need appropriate and adequate capacities. From this perspective, capacity is not just a means to realise results in health, education, agriculture or environment. Rather, it refers to effective systems such as institutions and organisations that are crucial elements of a country's ability to pursue its development path. This perspective on capacity requires that democracies use checks and balances to protect public goods, that laws are upheld, that public goods and services are delivered, etc. It requires also that citizens, particularly the poor and their civil organisations need the ability to defend their rights by means of political and decision-making processes, access to basic services and opportunities to earn an income above the poverty threshold and realise their ambitions. From this perspective, capacity is not merely a means to achieve development results but also a goal in itself and a key to development. This broader vision is confirmed by the definition of the OECD/DAC, though not uncontested. In practice, a large number of development agencies, donors and developing countries maintain a capacity development practice that is limited to the capacity to produce results in the shorter term.

*Capacity* should be understood as "the ability of people, organisations and society as a whole to manage their affairs successfully"

*Capacity development* is therefore understood as the process whereby "people, organisations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time"

*Promotion of capacity development* refers to what outside partners – domestic or foreign – can do to support, facilitate or catalyse capacity development and related change processes.

Source: OECD/DAC. The Challenge of Capacity Development: Working towards Good Practice (2006)

Capacity development has a prominent place in international development cooperation. The substantial amount of support provided, however, has not resulted often in a sufficient enhancement of capacity. This is particularly the case for capacity geared to poverty reduction. *The Accra Agenda for Action* of September 2008 acknowledges this fact and confirms that developing countries need robust capacity—strong institutions, systems, and local expertise—to fully own and manage their development processes and to achieve their economic, social and environmental goals. The document further states that capacity development is the responsibility of developing countries, with donors playing a supportive role. *The Accra Agenda for Action* underlines that capacity development is an essential aspect of development cooperation.<sup>2</sup>

<sup>2)</sup> *Accra Agenda for Action*, 4 September 2008, Accra, Ghana.

Capacity development also occupies a prominent place in the implementation of Dutch development cooperation. However, a consultation with policy officers from the Ministry, Dutch NGOs, and the private sector organised by IOB in preparation for this evaluation made it clear that there is a lack of clarity about what capacity means and how capacity development works. The Ministry has no policy document outlining a vision of the capacity issue or a manual for making decisions concerning strategic choices or approving the funding of capacity development programmes and projects. Many of the Dutch NGOs that focus on capacity development similarly lack coherent guidance regarding capacity development. For their daily routine, policy officers of both the Ministry and the Dutch NGOs rely on general notions about capacity put down in thematic policy notes and on their own experiences. Such lack of clarity is not only found in the Netherlands, but in the entire development community.

### **Purpose of the evaluation**

The purpose of this evaluation is to respond to the need of both the Ministry and the Dutch NGOs and their partners in developing countries for knowledge and insights that contribute to further policy development. Because the Ministry and the Dutch NGOs and their partners intend to gain a better understanding of how, and under what circumstances, capacity development support can be effective, this evaluation will focus on understanding and identifying the factors explaining the results of external support. The evaluation has thus a strong focus on learning.

During the design phase of this evaluation, it became clear that it would not be possible to conduct one single evaluation that does justice to the whole range of different support activities and their diverse contexts. Therefore, it was decided to follow a programmatic approach whereby Dutch NGOs and departments of the Ministry were asked to participate in this evaluation. Consequently, a series of separate evaluations will be conducted by Dutch NGOs and IOB under the umbrella of these general terms of reference. On the one hand, these general terms of reference aim to provide sufficient guidance to achieve a certain level of consistency between the separate evaluations. On the other hand, they intend to allow for flexibility to include context-specific issues and specific characteristics of different support activities. The evaluation will conclude with a synthesis report, produced and published under the responsibility of IOB.

The evaluation has innovative aspects both in its design and its organisation. The concept of capacity is not well established and the open-systems approach applied to this evaluation requires IOB to use other evaluation methods. During the design of the evaluation, the demand-driven approach led to the idea to combine seven separate evaluations covering different themes, three of which will be conducted under the responsibility of IOB and four under the responsibility of Dutch NGOs. To the opinion of IOB, the relevance of the evaluation justifies that associated risks are taken. However, IOB recognizes that the innovative character of the evaluation requires that it is carefully managed in order to ensure its consistency and quality. This may lead to adjustments during the implementation phase. Maintaining a balance between guaranteeing high-quality, context-relevant individual studies and ensuring a degree of uniformity for analysis will be a key area of attention in the management of this evaluation initiative. Section 3.3 gives an overview of the management arrangements deemed most effective in optimising this balance. This approach also implies that there is less certainty about the extent to which the findings of the seven separate evaluations will provide a sufficient basis for synthesis, though as a minimum the synthesis report is expected to present the experiences of the seven organisations involved and possible common lessons.

When this document refers to the Dutch actors as a group, i.e. the Netherlands embassies, departments at the Ministry and Dutch NGOs, it uses the term Dutch Development Partners (DDPs). The partners in developing countries receiving support of the DDPs are referred to as Southern organisations.

The term organisation is used for individual organisations, smaller units of larger organisations, and networks or systems of organisations pursuing the same goal in a collaborative effort, as is the case, for example, with the district health systems in Ghana, one of the cases included in this evaluation.

The following section presents a brief introduction of Dutch capacity development policy. Annex 1 contains a more elaborate overview.

### **The position of capacity development in Dutch development cooperation**

Until 2007, the Ministry had not published one single policy document that could serve as a guideline for decision making and operations on capacity development, though a series of attempts were made to produce documents to accommodate policymakers of the Ministry. Only in recent years, these documents show a relatively higher degree of coherence. This coherence is partly explained by the fact that these documents have incorporated the conceptual work done by the ECDPM and other institutions with similar ideas about capacity development such as the OECD, UNDP and Europe Aid. The same goes for the conceptual framework for this evaluation. A paradoxical picture emerges from the fact that most of the policy documents/instruments are clear in arguing why addressing these capacity issues is crucial to the effectiveness and sustainability of development cooperation, while at the same time they are insufficiently clear about what 'capacity' actually means in operational terms and how it can be ascertained that progress is actually being made towards its development.

The following issues can be distilled from the policy documents on capacity development in Dutch development cooperation:

- The focus on input and output targets takes up a substantial part of the budget. Consequently, this budget is inflexible at the expense of thematic priorities, such as capacity development.<sup>3</sup> Moreover, capacity development cannot easily be defined in clear results.
- The interest in support for capacity development seems limited to achieving output-level results (based on the assumption that these results lead to outcome).
- Capacity or institutional development seems to be increasingly interrelated with governance. Effectiveness and legitimacy are the general concepts that determine the quality of governance. Legitimacy is related to the quality of a nation's institutional constellation acknowledged to promote efforts such as implementing the sector-wide approach and achieving the MDGs.
- In the context of joint international effort to enhance aid effectiveness, governance is a major focus. It is enhanced through sector or general budget support. Capacity development with the sole purpose of establishing strong governmental institutions, is merely a narrow conception of capacity development adopted in the context of bilateral aid.
- Accountability is the flip side of governance. In more general terms, there is a discussion in the international development community about giving recipients more responsibility and (domestic) accountability by providing general or sector budget support. Accountability in Dutch policy is assumed to enhance people's commitment and their capacity to learn and develop a solutions-based approach (their ability to generate development results and to interact with stakeholders). Thus considered, accountability is an enabling condition for capacity development.

**3)** Memorandum FEZ aan Minister voor Ontwikkelingssamenwerking. *Voordelen en nadelen van input- en output doelstellingen*, 2 mei 2007, Den Haag.

## **Focussing the evaluation**

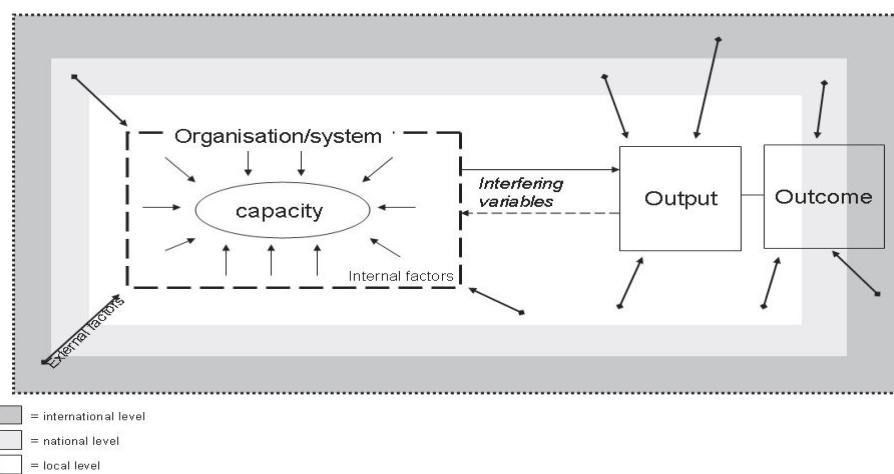
### **The concept of capacity**

Poverty alleviation policy strategies usually refer to capacity and the process of capacity development. However, the concept of capacity is used in so many different ways that it sometimes seems a mere buzz word. In that sense 'Capacity is everything'; the term is embedded at macro, meso, and micro level in all possible forms. Capacity is about empowerment and identity; collective action; it is latent, elusive and transient; it is a systems phenomenon, and something that creates public value.<sup>4</sup> Efforts to further study the concept of capacity are made by institutions such as Danida, the European Commission (Europe Aid) and the European Centre for Development Policy Management (ECDPM), based on the concept of organisations as open systems.<sup>5 6</sup>

### **Organisations as open systems**

The open-systems approach offers an endogenous perspective on capacity – the way capacity develops from within – rather than merely looking at what outsiders can do to promote it (figure 1). Almost all organisations are embedded in wider systems that transcend geographical levels (local, national and global). As such, organisations are open systems with permeable boundaries. The organisation takes up a central position in figure 1.

Figure 1. Organisations as open systems



The open-systems approach to capacity development has four pillars:

- Adopting an open-systems view on organisations;
- Applying a results orientation;
- Giving full consideration to context;
- Exploiting both the functional-rational and the political economy aspects of organisations and change.<sup>7</sup>

**4)** Baser, H. and Morgan, P. et al. (2008). *Capacity, change and performance*. Maastricht: ECDPM.

**5)** European Commission, Europe Aid (2005) *Institutional assessment and capacity development. Why, what and how?*

**6)** [www.ecdpm.org](http://www.ecdpm.org).

**7)** Nils Boesen. *Looking forward; a results-oriented model*. Development Outreach, World Bank Institute (September 2005).

According to the open-systems approach, each organisation, network of organisations, or system needs to respond to a specific range of contextual (external) factors. For instance, global economic pressure may force organisations to adopt international standards and initiatives. The international community may put pressure on countries and organisations to adopt ‘best practices’ that have a certain level of global legitimacy. Specific developmental contexts (low-income or middle-income country, stable or fragile/conflict area, small island state, or a combination of these contexts) create specific needs and call for a ‘best fit’ approach.

Some external factors are structural and can not be influenced. Other external factors (often of an institutional nature) may be within the realm of organisations and can therefore be influenced. External factors need to be sufficiently analysed and understood. They ultimately fall under one of two categories: an ‘enabling context’ that stimulates the growth of organisations; or a ‘disabling context’ creating barriers to capacity development. External factors include externally-driven processes across all levels, which have an effect on the development of an organisation’s capacity and its outputs/outcomes. These processes may include formal and informal institutions, demand and supply, politics, power and control, operating space, and perceived legitimacy. Annex 3 offers a more elaborate overview of externally-driven processes.

In addition to external factors, internal factors from within the organisation also influence an organisation’s capacity. Internal factors include human and organisational development, incentives, rewards and sanctions, awareness, understanding and learning, factors facilitating commitment and engagement to improve people’s performance, and values, meaning and moral purpose. Annex 4 offers a more elaborate overview of internal factors.

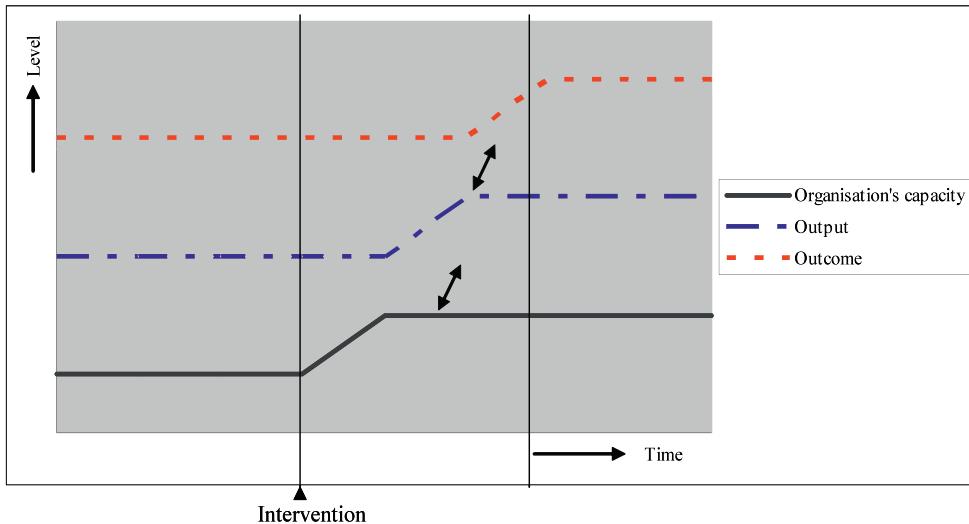
In conclusion, in the open system approach capacity development is an endogenous non-linear process that is strongly influenced by a range of internal and external factors. This observation has major implications for donors and recipients and their efforts to find the most effective strategy for identifying and addressing capacity challenges.

## **Evaluating capacity development**

It is no longer adequate to see capacity development and performance as part of a conventional cause-and-effect relationship with particular results. Instead, a variety of factors shape both performance and results. There are different kinds of trade-off between an organisation’s capacity level and the results it achieves (see figure 3). However, donors tend to focus more on outputs, outcomes and impact than on the process of capacity development and thus put partners under pressure to demonstrate and justify the results of their activities. Consequently, many donors do not define the development of capacity as one of their intended results, but consider it a precondition for achieving results.

The conclusion drawn in section 2.2 that capacity development is an endogenous non-linear process that is strongly influenced by a range of internal and external factors has major implications for evaluations aiming to explain effective strategies for identifying and addressing capacity challenges. It calls for ways to establish particular changes in an organisation’s capacity and the ways in which these changes carry over to, or interact with, changes at output and outcome level (figure 2). In the light of the previous comment, donor support is merely one of several factors. An analysis of location-specific circumstances and external and internal factors therefore forms a substantial part of the evaluation.

Figure 2. Theoretical (continued) effect: organisation's capacity - output – outcome.



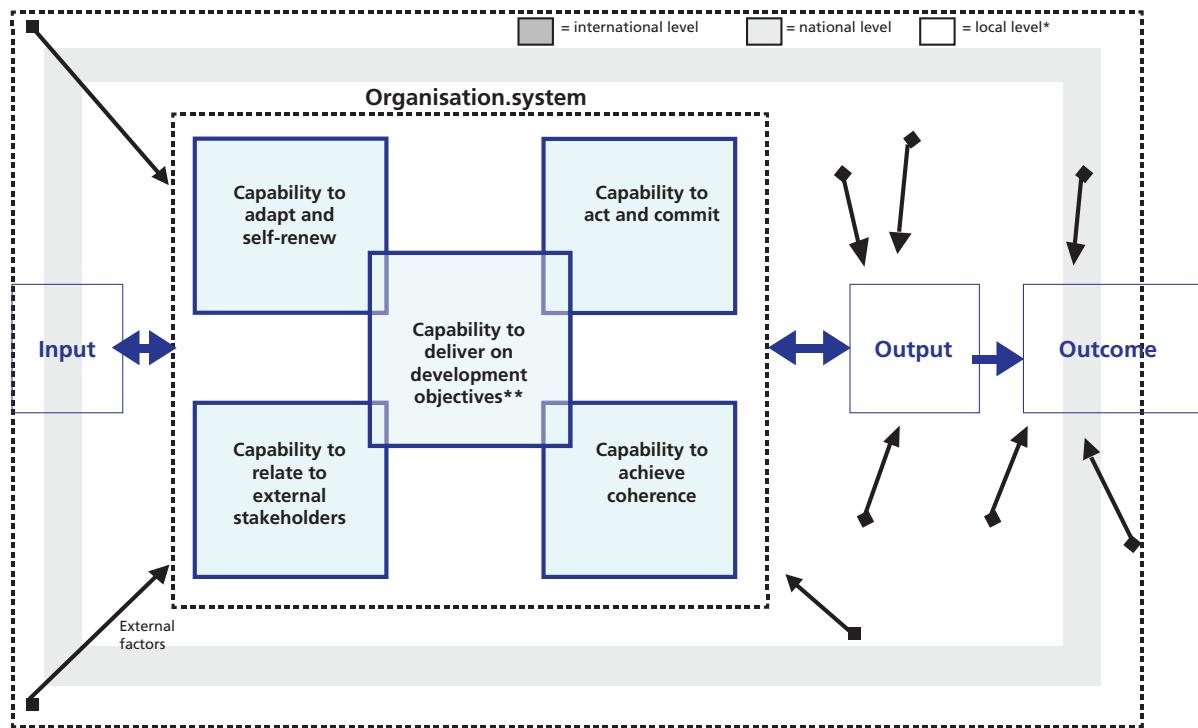
### **Capacity**

An organisation's capacity depends on individual competencies, collective capabilities and inputs that are interconnected. Improving the skills of an individual, however, does not necessarily have an immediate linear, causal effect on an organisation's overall capacity, as is assumed in various interventions. Collective capabilities are essential.

For analytical purposes, the broad concept of capacity is subdivided into five core capabilities, each of which is, by itself, not sufficient to create capacity. All five core capabilities are strongly interrelated. They provide a basis for the assessment of a particular situation at a given moment, after which it can be tracked over time in order to analyse the way it has developed.

Figure 3 shows the balanced approach that can be used both for tracking and discussing changes in capacity and strategic planning and as a framework for evaluations. Annex 6 contains the indicators that define these core capabilities in more detail. Most of these indicators are qualitative in nature, which implies a certain degree of subjectivity. To contain this subjectivity, indicators need to be concretised as much as possible to assure common interpretation (see also section 3.2.1).

Figure 3. Balanced approach to monitoring and evaluating capacity



**Notes:**

\* = defining what is 'local' will be done separately in the context of each individual evaluation.

\*\* = The capability to generate development objectives is considered separately from the 'Outputs', allowing to gain further insights on the influence of factors that are external to the organisation.

### **Output and outcome**

Capacity as such refers to the potential of an organisation, which is not necessarily exploited to achieve certain results. To ensure a results-oriented approach, evaluations therefore need to establish the extent to which changes in the capacity of an organisation influence output over time as well as the effects of these output changes at outcome level (figure 2). In the case of the open-systems approach this is complicated as the large number of external factors that have an effect on output and outcome makes it difficult to isolate the specific effects of output changes on outcome (figure 2). Earlier evaluations have shown that it is possible to determine the relationship between organisational changes and changes in output, but that it is considerably more complicated to study the effects of output changes on outcome. It is, however, important to focus on outcome to determine whether a particular organisation is able to adapt to changing circumstances and how the capacity to adapt increases the relevance of its output.

The need to establish causal links between output and outcome changes depends on the robustness of the intervention theory. In the case of an immunisation programme, the theory may be more solid than in the case of, for example, a programme to strengthen multi-party democracy. If information about outcome is required but unavailable, additional research will be conducted to the extent possible, within on the limited resources of the evaluation.

## **Multi-actor systems and organisational networks<sup>8</sup>**

Organisations often operate as members of broader networks or systems and therefore achievement of outcomes often depends on the contributions made by a number of different organisations. Networks further exist because organisations need other organisations' resources (staff, technology, support, etc.) to produce outputs. A good example of such a network or multi-actor approach is the health district system. The actors within this system, including the district health authority, the government, religious and private hospitals and clinics, health workers, traditional health providers, pharmacies, together provide services to the population. Organisational networks have three characteristics in common: interdependence, goal variety and stable patterns of bargaining interactions. Apart from strengthening individual organisations, capacity development may also be required to improve certain network relations by adding more stability to interactions, sharing information, improving coordination, etc.

The open-systems approach offers an effective approach to analyse such networks or systems. This implies that the system or network is the unit of analysis and that the context (covering external as well as internal factors) needs to be analysed from the perspective of this network or system. Additional analysis may be required to gain a better understanding of the dynamics of, constraints to, and opportunities for change.

**8)** *A results-oriented approach to capacity change*. Danida (2005). Nils Boesen and Ole Therkildsen.

## **Evaluation framework**

### **Objectives, questions, scope and limitations**

#### **General objectives**

The general objective of the evaluation is to provide new insights into how and under what circumstances capacities are developed and how support for capacity development can be provided more effectively. The evaluation will focus on identifying the factors that explain the results of DDP support for capacity development. The main questions to be answered are:

- 1) What changes have taken place in the capacity of Southern organisations?
- 2) What effects have changes in the capacity of these organisations had on the realisation of their development objectives (output and outcome)?
- 3) How effective have external (DDP) interventions been in terms of strengthening the capacity of Southern partners?<sup>9</sup>
- 4) What factors explain the level of effectiveness of external (DDP) interventions? What lessons can be learned?

External support covers all support provided to a Southern organisation by third parties that is earmarked for capacity development. This includes both financial and technical assistance or other forms of support and also covers assistance from national sources. The organisation's own resources allocated to capacity development are considered internal factors.

It will not be productive for this evaluation to formulate an a priory position on the different ways organisations deal with capacity development in relation to other development objectives. Some donors adopt a more instrumental approach with respect to the role of Southern organisations and may see capacity merely as a means to achieve development results, whereas others consider the strengthening of organisations as a goal in itself, which has an intrinsic value and is essential to development.

<sup>9</sup>) "Effectiveness: The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance. ....

Relevance: The extent to which the objectives of a development intervention are consistent with beneficiaries' requirements, country needs, global priorities and the policies of partners and donors. ....

Efficiency: An economic measure of how economically resources, inputs (funds expertise, time, etc.) are converted into results. ....

Sustainability: The continuation of benefits from a development intervention after major development assistance has been completed. The probability of continued long-term benefits. The resilience to risk of the net benefit flows over time." (OECD/DAC, 2006:36).

### ***Specific questions***

These general terms of reference provide guidance for the separate evaluations conducted in the framework of this programme. They are to be understood as a guideline to achieve the level of consistency required in order to be able to synthesise the lessons of the seven separate evaluations at a later stage. This implies that all separate evaluations will be based on the concept of organisations as open systems, the five core capabilities referred to above, and their related indicators. However, these general terms of reference also intend to be sufficiently flexible to allow separate evaluations to anticipate context-specific circumstances and specific characteristics of Southern partners and DDPs and their intervention theories.

- 1) What changes have taken place in the capacity of Southern organisations?
  - How do the five capabilities show in these organisations?
  - How have the capabilities changed during previous years?
  - What external factors are most significant to the organisation, how have these factors changed over time, and which of these external factors were particularly relevant to the organisation's capacity?
  - What internal factors are significant, how have these factors changed over time, and which of these internal factors were particularly relevant to the organisation's capacity?
  - Did the outputs achieved by the organisation have a significant effect on its capacity?
- 2) What effects have changes in the capacity of Southern organisations had on the realisation of their development objectives?
  - What is the organisation's output and how has it changed?
  - Which external factors have had an effect on (changes in) outputs?
  - Have outputs changed due to capacity changes?
  - Has outcome changed due to output changes?
  - What are the organisation's inputs and how have these changed over time?
  - Have changes in the five core capabilities improved the organisation's efficiency (output/input)?
- 3) How effective have external (DDP) interventions been in terms of strengthening the capacity of Southern organisations?
  - What effects have external (DDP) interventions had on the (changes in the) five capabilities?
  - What are the conditions to sustain the present capacity level?
  - To what extent are external (DDP) interventions implemented professionally? Annex 7 presents the operationalisation of this question and defines the term 'professional'.
  - Does the Southern organisation consider the external (DDP) intervention an added value (compared to other interventions)?

Due to its analytical nature, evaluation question 4 is not specified in further detail.

## **Scope**

The separate evaluations will focus on support provided to public-sector organisations and NGOs. Organisations may be independent organisations, units of a larger organisation, or organisational networks.

Each separate evaluation covers support through a Dutch bilateral or non-governmental channel in the form of:

1. Financial support to organisations in developing countries;
2. Technical assistance. For example, long-term or short-term personal assistance, training, advisory services, partnerships and twinnings;
3. Other forms of support or collaboration, such as electronic discussion groups, South-South learning networks, and facilitation of learning processes.

The evaluation will cover the period between 2000 and 2008.

Countries covered in the field studies will be selected from the list "Dutch partner countries of the first category", to enhance the comparability of different cases.<sup>10</sup>

The units of analysis will be organisations, smaller units of larger organisations, or organisational networks.

To ensure a common interpretation of the evaluation framework and consistency in reporting, evaluators will be trained and guided in the use of the evaluation framework. IOB will encourage collaboration and exchange between different evaluation teams.

## **Limitations**

The evaluation will not include activities concerning financial support, technical assistance, or other forms of support which do not focus on capacity development. Resources, politics & power, and new institutions will, however, be considered as factors that have an impact on organisations' capacity.

## **Products**

### ***Report of separate evaluations***

During the design phase, it became clear that it would not be possible to conduct one single evaluation that does justice to the whole range of different support activities and their contexts and also allows us to answer all evaluation questions. Consequently, it was decided to follow a programmatic approach whereby Dutch NGOs and departments of the ministries were invited to participate. The result of this approach is that the evaluation consists of seven separate evaluations to be conducted by Dutch NGOs and IOB.

IOB takes the responsibility for the evaluation of three organisations: the Netherlands Commission for Environmental Assessment (NCEA), the Netherlands Institute for Multiparty Democracy (NIMD) and the Ghana Health Sector. The fact that IOB takes the responsibility for these particular evaluations is the outcome of consultations between IOB, the DGIS departments concerned and the NGOs concerned. In the case of the Ghana Health Sector, DSI's initial proposal was supported by the Netherlands Embassy and the Ministry of Health in Ghana. Agriterra, Partos Quality House (Programme evaluation MFS organisations Cordaid, Hivos, ICCO and Oxfam Novib), PSO and SNV take the responsibility for the conduct of their evaluation.

**10)** Partner countries of the first category are poor countries (least-developed and low-income countries) with a reasonable level of stability and improving governance. They are lagging behind in their achievement of the Millennium Development Goals, but if an additional effort is made in close cooperation with the government and other donors, they might be able to catch up.

### **Synthesis report**

The synthesis report will include a summary of the findings of each separate evaluation and the lessons learnt and, to the extent possible, aims to present a synthesis of these findings and lessons. In this respect, the variation between the separate evaluations as a result of the demand-led approach is likely to play an important role, though it is still partly unknown what this role will be. An evaluation of the Asian Development Bank (ADB), covering three countries and four sectors, produced overall findings that do not show any consistent patterns across sectors, countries, regions, or time. However, it was observed that a consistent set of factors and issues related to its design and implementation determined ADB's performance.<sup>11</sup> Based on this experience, the conclusions and lessons of the synthesis report are expected to provide valuable insights into a vital aspect of Dutch support and suggestions as to how this support can be improved.

The synthesis report will be published according to IOB procedures. In essence, the synthesis report together with a response of the Minister for Development Cooperation will be sent to Parliament.

### **Design and methodology separate evaluations**

Before the start of the evaluation, the indicators defining the five core capabilities will be defined in greater detail to the extent possible in operational criteria in order to contain the subjectivity of the evaluation. Evaluators will be guided in the application of these indicators. Each separate evaluation will systematically take all core capabilities and indicators into account; additional indicators may also be included.

An evaluation of support to capacity development must be able to take the complexity of capacity and capacity development into account. This requires strong local focus and local participation in the evaluation. In order to capture the relevant external and internal factors as accurately as possible, evaluations should preferably be conducted by qualified evaluators from developing countries.

An important methodological implication of the open-systems approach is that the framework and the indicators of each separate evaluation must be contextualised and related to the perspective DDPs and Southern partners have on capacity development. In other words, the evaluation matrix of each organisation (annex 6) needs to be specified within the limits of the five core capabilities. Key to this methodological approach, which effectively bottoms up the evaluation design, is that the indicators and operational criteria are calibrated in cooperation with local stakeholders.

The way in which the separate evaluations will be organised depends on the nature of the support provided, the relationship between the DDP and its Southern partner, and the number of donors involved. For example, in case of a basket fund for a sector-wide capacity development programme either a multi-donor, joint or country-led evaluation might be considered.

Each separate evaluation consists of a preparatory study and a number of field studies. Reports of both studies will be put together in an overall report.

<sup>11</sup>) Effectiveness of ADB's Capacity Development Assistance: How to Get Institutions Right. February 2008. Reference Number: SES-REG 2008-05.

## Inception report

The preparatory study of the Dutch development partner (DDP) will be based on key documents and interviews with key informants.<sup>12</sup> It will conclude with an inception report covering:

- A reconstruction of the policy (including vision) and an analysis of the intervention theory and assumptions regarding capacity development.
- The evaluation's focus and limitations.
- The selection of the Southern organisation to be evaluated.
- A specification of the evaluation's objectives by means of an operationalisation of the evaluation questions.
- A validation and completion of the indicators (annexes 6 and 7).
- Specific key issues to be covered by the evaluation.
- Research methodologies. The chosen research methods should make it possible to generate the required information within the limitations of the available resources (budget and time).
- A work plan.
- Specification of the budget.

The generic methodological approach described below must be adapted and contextualized to ensure it is optimally relevant to each separate evaluation. Additional context-specific indicators and relevant research methodologies must therefore be identified. The cases for the field studies will be chosen based on their potential to provide relevant lessons. This is most likely the case with programmes that are representative for the DDP's policy, have been supported over an extended period, and are well documented.

## Field study and methodology

The main objective of the field studies is to generate information enabling evaluators to answer the following evaluation questions.

These field studies are conducted for all separate evaluations and are to provide insight into the following aspects of the evaluation.

Facts: What has changed?

1. Identify the Southern organisation's stakeholders.
2. Identify the Southern organisation's present capacity and the changes that have taken place.
3. Identify external factors and changes that may have had an effect on capacity, output and outcome.
4. Identify internal factors and changes that may have had an effect on the Southern organisation's capacity.
5. Identify the Southern organisation's output (quality and quantity) and changes over the years.
6. Identify outcomes and changes over the years.
7. Identify the efficiency of the Southern organisation's output and possible changes over the years.

<sup>12</sup>) In case of the Ghana Health Sector evaluation, the Ministry of Health is the development partner.

Analysis: How have changes occurred?

8. Identify significant factors that explain changes in output.
9. Identify significant factors that explain changes in capacity.
10. Identify all efforts made to support capacity development that have had an effect on the significant factors referred to in steps 8 and 9.
11. Describe DDP support (quantity and quality) and its immediate effects.
12. Identify the analytical and strategic basis for DDP support and its processes, including leadership and professional aspects.

Conclusions: What has caused these changes to occur and what can be learned?

13. Assess the extent to which changes in the Southern organisation's capacity and the achievement of its development objectives (output and outcome) can be attributed to DDP support for capacity development.
14. Extract lessons for Southern partners, DDPs, and the Ministry.

The overall methodological approach is to ensure consistency and allow sufficient flexibility. The approach may include different methodologies. A key element of the methodology is a methodological workshop at the start of each case to allow local researchers to participate, to include the visions of local stakeholders and experts in the inception report, etc. These workshops are important as they will help define the scope of the evaluation and find a balance between consistency and local specificity.

A select number of explorative interviews with key informants at the start of the field study will help evaluators to obtain a general understanding of local visions, perceptions and appreciations regarding capacity development and the specific characteristics of the partner's support. Key informants should be selected with utmost care. The interviews are expected to offer a better understanding of the possible answers to the evaluation questions and thus allow for the validation and calibration of these questions and indicators. They will also help to identify unexpected and negative outcomes.

Based on exploring interviews, a questionnaire or survey will be developed. The answers given in these exploring interviews are translated into statements about possible answers to the evaluation questions. These statements can then be applied quantitatively, in the form of standardized statements, by asking a larger group of stakeholders, including those already interviewed, to respond to them. Preferably, the findings of the questionnaire or survey, as well as the hypotheses themselves, are to be discussed in focus groups or interviews. Given the expected absence of baselines, the use of ranking methods like scorecards or other techniques can be considered. These would enable evaluators to define the most significant aspects of capacity development and how these aspects developed over time.

The choice of research methodologies will depend on the type of Southern organisation as well as its outputs and outcomes. Research methodologies to assess the output of an Environmental Protection Agency, for example, will be different from those employed to evaluate a district hospital. In general, the methodologies applied will combine qualitative and quantitative methods. Such a combination is assumed to improve the validity of the evaluation findings. Evaluators must work with both kinds of methods deliberately and be accountable and transparent about their choices and their process of analysis.

Identification of changes in capacity will partly be based on the perception of stakeholders and key informants, allowing for triangulation with the results of the questionnaire/survey. It will be particularly interesting to study the degree of appreciation clients, members or stakeholders have for the services and products provided by the Southern organisation (district hospital, school, CSO, etc.). Evaluation techniques such as Most Significant Change, Appreciative Inquiry or client surveys may be applied.

## **Organisation**

### ***General reference group***

A general reference group will be established for the collective of the seven separate evaluations. Its main task will be to provide advice regarding the evaluation methodology and the quality of the synthesis report. The general reference group advises on the quality and relevance of the general ToR, the draft final reports of individual evaluations and the draft synthesis report.

The general reference group consists of external referents dr. Paul Engel (ECDPM), prof. dr. Arie de Ruijter, prof. dr. Paul Verweel, dr. Allan Fowler and dr. Dominique Hounkonnou (two Southern experts on capacity development) and representatives of participating departments and organisations (DDPs). The reference group is chaired by the director of IOB.

The two Southern advisors will give their "distance advice" on the documents to be discussed by the reference group. They will correspond with the reference group in writing. Other forms of communication may also be considered to facilitate their input during the course of the evaluation process. Dr. Sam Adjei will represent the Ghana Health Sector evaluation on behalf of the Ministry of Health, Ghana and participates in a similar way as the two Southern advisors.

The external members of the general reference group and the Southern advisors will formulate their advice regarding the quality of the draft synthesis report, after which the director of IOB takes a final decision.

If there are dissenting views regarding the content of the synthesis report, they will be explained in the synthesis report.

### ***Reference groups separate evaluations***

A distinct reference group will be established for each of the seven separate evaluations. Each reference group will consist of a minimum of two external referents, representatives of Dutch NGOs and the ministry department concerned.

The four Dutch NGOs responsible for a separate evaluation must ensure that their evaluations are organised in such a way that they are external, independent and include a quality system as a precondition for the quality of the synthesis report. That is why one of the external referents will be the chairperson. IOB and/or an external referent from the general reference group will participate as an advisor to facilitate consistency between the separate evaluations and with the general ToR. The external members of the reference groups for the separate evaluations will formulate their advice regarding the quality of the draft evaluation report, as well as information on the composition and functioning of the reference group, which will be included as an annex to the evaluation report.

Reference groups will also be established for the three evaluations conducted under the responsibility of IOB. These reference groups will be chaired by the director of IOB.<sup>13</sup> For the Health Sector Ghana evaluation, a reference group will be established in Ghana. The external members of the reference groups for the separate evaluations will formulate their advice regarding the quality of the draft evaluation report, after which the director of IOB takes a final decision.

If there are dissenting views regarding the content of the reports of the separate evaluations, they will be explained in the report.

Each of the seven separate evaluations has a clear decision moment when a go/no-go decision is made based on the inception report. The responsible organisation will take this decision upon advice of the evaluation's reference group.

The evaluation reports of the seven separate evaluations will be made public.

### ***Organisation IOB***

IOB's responsibilities for the total of the evaluations will be taken on by a core team composed of IOB evaluator Piet de Lange, research assistant Rafaëla Feddes, and an external senior consultant. IOB evaluator Hans Slot will be responsible for one of the three evaluations conducted under the responsibility of IOB. IOB evaluator Piet de Lange has the final responsibility for the team.

The IOB internal peer-review team consists of and IOB evaluators Rita Tesselaar and Nico van Niekerk, chaired by IOB director Bram van Ojik.

### **Qualification of evaluation team**

The external senior consultant will be contracted in compliance with EU public procurement law. His/her main tasks include:

- identification and contracting of evaluation teams for the three separate evaluations conducted under the responsibility of IOB, in consultation with the IOB evaluator;
- training and advisory support for the seven separate evaluations;
- participating in the reference groups of separate evaluations conducted under the responsibility of the NGOs;
- contributing to the synthesis report.

The precise division of tasks will be determined by the members of the core team.

For a good conduct of the separate evaluations, it is important that the evaluation teams meet the following qualifications:

- expertise in capacity development;
- expertise on evaluations of development cooperation and capacity development;
- sector or thematic expertise;
- assignment of qualified evaluators from developing countries, possibly as team leaders;
- knowledge of Dutch policy for development cooperation;
- gender expertise.

Evaluators must not have any involvement (as key advisors or otherwise) in the capacity development activities of the DDPs or with the cases under evaluation.

**13)** The deputy Director of IOB will chair the reference group for the NIMD evaluation.

## **Planning**

In the first half of 2009, the evaluation will first be limited to one or two cases in order to develop and test the methodology, to be followed by the other separate evaluations based on the earlier experiences. The reports of the separate evaluations will be finished before July 2010. The synthesis report will be completed before the end of 2010.

## **Scope of work**

### ***Core consultant***

Training and advice single evaluations; 70 days  
Support synthesis study; 70 days  
Support calibration validation indicators; four field visits

### ***Separate evaluations***

#### **Evaluation NCEA**

*Policy reconstruction and inception report*  
Policy reconstruction; 5 days  
Draft inception report; 5 days  
Revision draft inception report, 1 day  
*Case studies*  
Per country  
Preparation senior consultant/team leader; 2 days  
Field work senior consultant/team leader; 10 days  
Field work consultants; 20 days  
Two field visits senior consultant/team leader  
*Four countries*  
 $4 \times 32 = 128$  days  
 $4 \times 2 = 8$  field visits senior consultant/team leader  
*Evaluation report*  
Senior consultant/team leader; 15 days

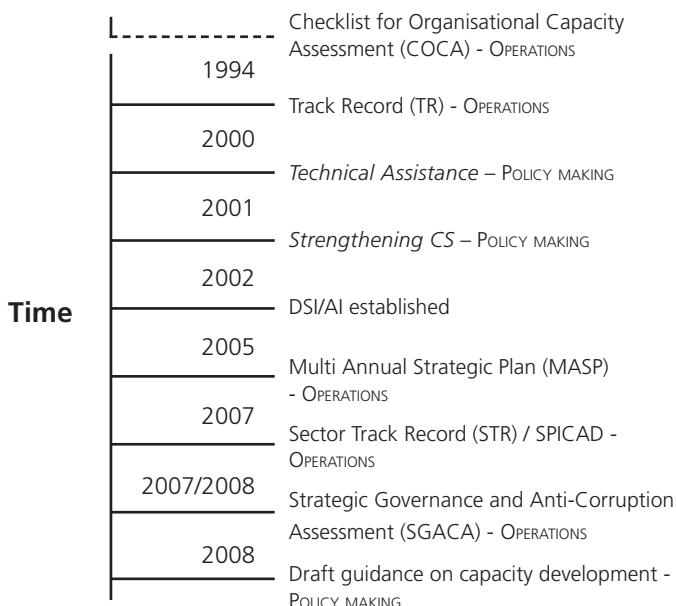
#### **Evaluation Ghana Health Sector (2 districts) 80% NCEA evaluation**

#### **Evaluation NIMD (four country studies) 110% NCEA evaluation**

## **Annex 1. Dutch policy on capacity development**

Until 2007 the Ministry has not published one single policy document that serves as a guideline for decision making and operations on capacity development. The Ministry did produce a large number of policy documents, guidelines, result reports and policy instruments in which reference is made to a wide variety of capacity problems and support strategies. Nevertheless, a series of attempts have been made to produce documents that could serve policy makers of the Ministry (see figure 1).

*Figure 1 Timeframe Dutch policy documents related to capacity development*



Only since recent years these documents show a relative higher degree of coherence. The coherence is partly explained by the fact that they make use of conceptual work done by the ECDPM and other institutions with similar ideas about capacity development such as the OECD, UNDP and Europe Aid. This same concept forms the conceptual framework for this evaluation. With the exception of the SPICAD proposal and the draft guidance on capacity development, all the policy documents in the figure lack a definition of what is exactly meant with the terms 'capacity' and 'capacity development'. A paradoxical picture emerges from the fact that most of the above mentioned documents are clear in arguing why addressing these capacity issues are crucial for the effectiveness and sustainability of development cooperation, while at the same time they are insufficiently clear about what 'capacity' actually means in operational terms, and how it can be ascertained that progress is being made towards the development thereof.

Choices that have been made in the Dutch policy for bilateral development cooperation have to be seen in the light of the joint international effort to enhance aid effectiveness and to achieve the eight global development output targets, known as the Millennium Development Goals.

### **Sector wide approach**

An important turn in the Dutch development cooperation was the introduction of the Sector Wide Approach in 1998-1999. The key feature of this 'organising principle' was its emphasis on partner country ownership of the design, implementation and monitoring of sector policies, which were to be supported by donors in a harmonised manner. The sector approach policy stressed the importance of a thorough institutional analysis of a sector prior to the design of sector programmes. The Ministry introduced a methodology called Institutional Sector and Organisation Analysis (ISOA). In practice, only few systematic institutional analyses were actually carried out by Dutch embassies or other sector partners. As a result, most sector policies were not based on a realistic assessment of (visible and invisible) institutional bottlenecks and do not include a capacity development strategy.

### **Institutional establishment**

In 2002 a division was established, occupied with institutional development and capacity strengthening (DSI/AI). The division struggled with producing policy documents, guidelines or instruments with clear point of views on how to implement capacity development into policy that would stimulate the shift in thinking and acting among policy makers. In the end, most of the policy makers at both headquarters and embassies continued with their way of working.<sup>14</sup> In 2004 DSI/AI was discontinued and its portfolio went to the department effectiveness and quality (DEK) that was assumed to have more influence on policy making than the smaller division DSI/AI, i.e DEK would be in direct contact with other departments that were closely interconnected with the decision making process in the Ministry.<sup>15</sup>

The policy documents on *Technical Assistance and Strengthening civil society* shown in the timeframe will be discussed below.

### **Technical Assistance**

In 2000, as a result of the widespread criticism on the traditional approach to Technical Assistance (TA) the Minister for Development Cooperation announced a task group TA to reform TA into a more entailed, demand-driven, tailor made practice, using more local expertise and knowledge networks. It would have to be part of a broader package of aid modalities.<sup>16</sup> Main critics were: not enough demand driven; undermining of local capacity; high costs of resident expatriates; disruption of local labour market; lack of sustainability and lack of coherent approach.

The policy framework TA recognizes for the implementation of the policy through two channels: 1) the bilateral and multilateral channel and 2) NGOs eligible for subsidy. Both channels have three objectives: 1) *to contribute to institutional development and capacity development*, 2) *to transfer and disseminate state-of-the-art knowledge, skills and technology*, 3) *to assist in cases where local capacity is temporary unavailable*. NGOs eligible for subsidy have an additional objective: *to strengthen civil society in developing countries*. Due to this change in policy direction, capacity development has taken a central position and providing personnel is now only one of many possible strategies.

<sup>14)</sup> Van den Heuvel, M.P (2008) *BuZa aan het woord over capaciteitsversterking*, Master product Postdoctorale opleiding ontwikkelingsstudies CIDIN.

<sup>15)</sup> Idem.

<sup>16)</sup> Criticism was based on an IBO report in 1999 and an UNDP report in 1993.

### **Strengthening Civil Society**

The policy document "*Civil society en armoedebestrijding; De rol van actoren uit het Nederlands maatschappelijk middenveld*" (2001) argues that capacity development is an endogenous process of autonomous organisations.<sup>17</sup> It states that external support aimed at strengthening civil society in developing countries has been far from optimal due to a severe lack of knowledge about the nature of civil society. Knowledge centres in the South need to be involved to create knowledge networks, develop methodologies and obtain context-specific knowledge. Only then can Northern CSOs and bilateral donors possibly make well-founded decisions about partners and interventions. Core funding of organisations is considered a key element of support. These points of departure are fixed in the MFS policy framework.<sup>18</sup> The Ministry does not instruct Dutch co-financing organisations (MFOs) on how they should contribute to the strengthening of civil society but recognizes the value of a diversity of approaches. Instead, MFOs are asked to specify their anticipated results by means of progress indicators and to monitor changes according to an agreed monitoring protocol. The amount of support for civil society networks and alliances in the South has grown considerably over the past years. The policy framework also states that Dutch co-financing organisations indicate that the strengthening of civil society is more effective if 1) good donorship and long-term flexible core funding allow partners to respond to changing circumstances and take advantage of "windows of opportunity" and 2) partners working in the same fields are encouraged to form networks, cooperate strategically, and share their knowledge.

Annex 2 gives an overview of the various instruments that deal with capacity development at operational level.

<sup>17)</sup> TK 27 433, nr. 3, 27 juni 2001, Notitie *Civil Society en Structurele Armoede-bestrijding*.

<sup>18)</sup> Kamerbrief inzake uitwerking van maatschappijopbouw in het MFS en beleidskader lokaal actieve NGO's. Kamerstuk Nederlands Ministerie van Buitenlandse Zaken, 11-07-2006, DSI/MY-364/06.

## **Annex 2. Instruments for capacity development at operational level**

- The *Multi Annual Strategic Planning* (MASP) is to better translate and link the Ministry's overall development policies with the implementation level. Capacity is defined as one of seven categories that need to be kept in mind while making a 'SWOT' analysis of the embassy in question. The manual for the MASP does not provide sufficient guidance on capacity.
- Based on a *Track Record* (TR) the decision is made regarding the degree of alignment and use of modalities in a given country. Capacity development is treated more as a 'black box' and is marginally covered. It does distinct technical capacity problems from political dimensions as part of the concept capacity. TR also includes a donor's ability and willingness to perform as a partner.
- The *Sector Track Record* (STR) has to be drawn up by the embassy as well to monitor and analyse (sub)sectors. It addresses the twelve indicators of progress of the Paris Declaration. One of the four key sections of the STR is devoted to assessing 'trends in capacity development'. It encourages embassies to take a multi-actor perspective. In general, it takes a pragmatic approach by leaving it to embassies to define what capacity means in their context, while encouraging them to be as precise, concrete and detailed as possible. Both TR and STR are instruments for internal use only.
- *Strategic Governance and Anti-Corruption Analysis* (SGACA) has been developed as a tool for making a "scan" to structure and support the analysis of formal and informal aspects of governance in a particular country context. The SGACA framework includes various references to the term 'capacity', and specifies it into different types of capacity in the context of governance, and attributing these to different actors. The SGACA framework applies a rather wide conceptualisation of capacity. Capacity is largely seen as a relational concept, and strongly related to legitimacy.
- Part of *Checklist for Organisational Capacity Assessment* (COCA) checklist, that is mandatory for organisations that are considered to spend funds granted by the Dutch Ministry, is an assessment of the organisational capacity. The document contains no guidance on what should guide this assessment, leaving the judgement therefore to the policy officer making the assessment.
- *Support Program for Institutional and Capacity Development* (SPICAD) aims to contribute to better equipping the Ministry to support capacity development processes in developing countries. As such, the instrument differs from the other instruments covered in this section.

### **Annex 3. Overview of externally-driven processes**

The following processes are relevant:

1. *Formal and informal institutions.* The 'rules of the game' determining the institutional context in which an organisation operates. Institutions create and maintain patterns of incentives.
2. *Demand and supply.* The demands of a wide range of stakeholders such as citizens, politicians, watchdog groups and media must be balanced with the supply side. An organisation that develops the capability and willingness to reach out and connect with its target groups and supporters may strengthen its performance and legitimacy.
3. *Politics, power and control.* Capacity development is fundamentally influenced by these forces. Many institutions lobby and advocate to create supportive coalitions that help them develop capacity. Distribution of power, the level of social cohesion and political conflict are examples of factors that determine capacity development and real reform.
4. *Operating space.* This space is a protected area within which participants can make decisions, experiment and establish an identity. Such a space can be institutional, intellectual, political, organisational etc. Creating and maintaining such spaces requires a complex and delicate balance. Too little space may pull down innovation, energy and commitment. Too much space may lead to less responsiveness and accountability, which undermines one's resilience on the long run.
5. *Perceived legitimacy.* Contributes to the effectiveness and sustainability of capacity development across a range of circumstances. Legitimacy becomes visible in reassuring symbolism and socially constructed systems of norms, beliefs and definitions. The concept of legitimacy is complex, since different stakeholders (government, local beneficiaries and the donor community) have different views about the nature and value of legitimacy.

## **Annex 4. Overview of internal factors**

1. *Human and organisational development.* A commonly used process-oriented approach that underlines the importance of human and organisational qualities such as identity, collaboration, innovation and resilience. It encourages new attitudes, new roles and relationships and alternative forms of organisational behaviour.
2. *Incentives, rewards and sanctions.* Factors encouraging better results and improving performance, as well as more effective capacity development strategies. The way these incentives are perceived is very important for the effectiveness of these capacity development tools.
3. *Awareness, understanding and learning.* Factors facilitating commitment and engagement to improve people's performance. They enable people to adopt new ways of thinking and to turn new knowledge into capabilities for action and performance.
4. *Values, meaning and moral purpose.* Deeper-level factors underlying capacity development. Adopting a 'values' approach to capacity development is a long-term effort. Ultimately, however, it may foster legitimacy.
5. *Formal structures and systems.* Refers to the explicitly designed pattern of relationships, authorities, information flows and coordination that shape the way a system or network functions. Hence, informal or invisible structures or interaction patterns are as important as formal ones in determining the level of capacity.
6. *Assets, resources and financial flows.* Basic elements essential to capacity development.
7. *Ownership, commitment and motivation.* Major factors influencing the progress of capacity development, as was also pointed out by the Paris Declaration and Millennium Development Goals. In reality, the nature and limitations of these elements have been open to interpretation. (Whose ownership and commitment, the country's or the donor's?)
8. *Leadership, management or entrepreneurship.* The capability to commit and engage depends on these factors. Effective leadership contributes to more confidence and optimism that may raise an organisation to a higher capacity level and better results.
9. Readiness and absorptive capacity. Refers to the willingness and ability of a system or organisation to implement capacity interventions. It is about fitting and matching.
10. *Coherence and coordination.* These are keys to capacity development and can be seen as both ends and a means. Hence, the way multi-stakeholders increasingly demand diversification of systems may be at odds with the need for coherence.
11. *Resilience.* In a context of rapid change, instability and fragility, the ability to cope with shocks and disruptions is essential to the sustainability of capacity. Capacity thus seems directly correlated with the level of resilience.

## **Annex 5. Framework for labelling organisations**

'Organisation' refers to the organisation as determined by such as organisation type (formal network, single actor, multi-actor, public authority, private company, civil society or hybrid organisation), general functions, strategic positioning and internal factors shaping the organisation's capacity.

Delineation based on the focus of the policy theory and type of organisation, context, strategy and approach taken by external interveners.

*Type of level*

- o Institutional*
- o Organisational*
- o Individual*
- o Network of organisations*

*Type of organisation*

- o Public sector, civil society, private sector, hybrid*
- o Multi-actor, single actor, formal networks*
- o Service delivery, support coordination and facilitation, multipurpose/policy development*
- o Strategic positioning in context, strategic positioning involving both assets and real disadvantages, strategic positioning involving major dysfunctional aspects*
- o Evolutionary phase: entrepreneurial, growth and development, undue complexity, reform and renewal*

*Type of context:*

- o Country type: low income, middle income, small-island state, land locked, fragile state.*
- o Country context: historical pathway and evolution; governance and politics; trust, diversity and collective action*
- o Context-actor relationships: supportive, difficult but not hostile, contextual factors determining dynamics and outcomes. The complexity and paradoxes of many context-actor relationships do not follow a linear pattern of cause and effect.*

*Type of strategy*

- o Planned: based on planning, control and intentionality, leading to planned change.*
- o Incrementalism: by means of adjustments and small interventions, organisations seek out opportunities, try different strategies, move in fits and starts and try to adjust to different conditions*
- o Emergence: adapting to complex and uncertain conditions*
- o Capacity development stimulated by, performance results*

*Type of approach by external interveners*

- o *Direct: taking responsibility for the realisation of a development intervention, filling vacancies*
- o *Indirect: facilitating or supportive role, influencing contextual factors, providing legitimacy, joint learning, co-production, partnership through networking, experimental interventions, supporting local processes and relationships, connecting to international networks*

*Type of instruments*

- o *Long term, short term, ad hoc*
- o *Financial support*
  - o *GBS, SBS, special fund, basket funding, organisational core support, programme support, project support.*
- o *TA*
  - o *advising, training, coaching, providing information, twinning, linking to networks*
- o *Moral support, protection, lobby*

## Annex 6. Indicators defining the five core capabilities

Core capability	Indicators	Operationalization of indicators
1 The Southern organisation is capable to commit and act.	<ul style="list-style-type: none"> <li>The organisation has a plan, takes decisions and acts on these decisions collectively.</li> <li>The organisation maintains effective human, institutional and financial resource mobilisation.</li> <li>The organisation conducts effective monitoring of the plan.</li> <li>Leadership is inspiring /action oriented.</li> <li>Leadership's integrity is accepted by the staff.</li> <li>...</li> </ul>	<ul style="list-style-type: none"> <li>• The organisation has a plan, takes decisions and acts on these decisions collectively.</li> </ul>
2 The Southern organisation is capable to deliver on development objectives	<ul style="list-style-type: none"> <li>The organisation has adequate resources.</li> <li>The organisation's infrastructure is considered sufficient and relevant for its core tasks.</li> <li>The organisation has adequate and sufficiently stable human resources at its disposal.</li> <li>The organisation has access to knowledge resources.</li> <li>...</li> </ul>	<ul style="list-style-type: none"> <li>• The organisation has adequate resources.</li> <li>• The organisation's infrastructure is considered sufficient and relevant for its core tasks.</li> </ul>
3 The Southern organisation is capable to relate.	<ul style="list-style-type: none"> <li>The organisation is seen as politically and socially legitimate by relevant stakeholders.</li> <li>The organisation's leadership and staff are integer (upright, incorruptible or undiscussed), according to its stakeholder.</li> <li>The organisation has operational credibility /reliability in the eyes of relevant stakeholders.</li> <li>The organisation is aware of the importance to enter into coalitions and puts this conviction into practice.</li> <li>The organisation maintains adequate alliances with relevant external stakeholders.</li> <li>...</li> </ul>	<ul style="list-style-type: none"> <li>• The organisation is seen as politically and socially legitimate by relevant stakeholders.</li> </ul>
4 The Southern organisation is capable to adapt and self-renew.	<ul style="list-style-type: none"> <li>The management has an understanding of shifting contexts and relevant trends (external factors).</li> <li>The management has the confidence to change: it leaves room for diversity, flexibility and creativity.</li> <li>Management is encouraging and rewarding learning and exchange, including in its own management.</li> <li>The organisation uses opportunities and incentives, acknowledges mistakes that have been made and stimulates the discipline to learn.</li> <li>The organisation plans and evaluates its learning systematically.</li> <li>...</li> </ul>	<ul style="list-style-type: none"> <li>• The management has an understanding of shifting contexts and relevant trends (external factors).</li> </ul>
5 The Southern organisation is capable to maintain consistency.	<ul style="list-style-type: none"> <li>The organisation has a clear mandate, vision and strategy, which is known by staff and used by its management to guide its decision-making process.</li> <li>The organisation has a well-defined set of operating principles.</li> <li>Leadership is committed to achieving coherence, balancing stability and change.</li> <li>There is consistency between ambition, vision, strategy and operations.</li> <li>...</li> </ul>	<ul style="list-style-type: none"> <li>• The organisation has a clear mandate, vision and strategy, which is known by staff and used by its management to guide its decision-making process.</li> </ul>

## **Annex 7. Indicators defining the professionalism of external (DDP)**

### **support**

	<b>Indicators</b>	<b>Operationalization of indicators</b>
1. Quality of policy	<ul style="list-style-type: none"> <li>• The DDP's policy for capacity development is topical.</li> </ul>	<ul style="list-style-type: none"> <li>• Policy is based on a systematic identification and analysis of capacity problems in developing countries and their root causes.</li> <li>• Research and policy insights have been used.</li> <li>• Policy instruments are described and motivated.</li> <li>• Policy intentions and instruments have been aligned with Southern visions.</li> <li>• Policy instrument have been harmonised with other donors.</li> <li>• Interim revision of the policy has taken place based on new or current insights.</li> <li>• .....</li> </ul>
	<ul style="list-style-type: none"> <li>• The DDP's policy for capacity development is relevant for Dutch policy on development cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• The capacity problems identified are relevant to the main objectives of Dutch development cooperation.</li> <li>• It has been made clear why it is a Dutch responsibility to help solve the identified capacity problems.</li> <li>• .....</li> </ul>
	<ul style="list-style-type: none"> <li>• The DDP's policy for capacity development is results oriented.</li> </ul>	<ul style="list-style-type: none"> <li>• Policy is based on an intervention or policy theory.</li> <li>• Assumptions about capacity development have been made explicit.</li> <li>• Objectives have been formulated and are concretised by result indicators.</li> <li>• Budget has been allocated to the objectives.</li> <li>• Support guidelines or assessment criteria have been formulated.</li> <li>• .....</li> </ul>

2. Effectiveness of policy implementation	<ul style="list-style-type: none"> <li>• The DDP invests in a qualitative process to identify Southern organisations.</li> </ul>	<ul style="list-style-type: none"> <li>• The choice for the Southern organisation is underpinned by a solid assessment of prevailing capacity constraints.</li> <li>• The Southern organisation's vision on development is consistent with the vision of the DDP.</li> <li>• The Southern organisation's development objectives are relevant to the problems of the poor and to the root causes of these problems.</li> <li>• A systematic assessment has been conducted to determine whether the Southern organisation and target groups are capable of achieving the objectives and results.</li> <li>• DDP's criteria have been properly applied in assessment of Southern organisation's programme proposals (funding requests).</li> <li>• .....</li> </ul>
	<ul style="list-style-type: none"> <li>• The DDP supports Southern organisations in identifying and designing its capacity development programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• The Southern organisation's capacity problems have been adequately identified and analysed from a poverty perspective.</li> <li>• The Southern organisation has developed a theory of change regarding capacity development. This theory is relevant given the capacity constraints, its causes and dominating factors.</li> <li>• The Southern organisation's strategy is an adequate response to the problems and root causes.</li> <li>• Intended results are in accordance with the Southern organisation's vision.</li> <li>• Projects and programmes are harmonised with other donors.</li> <li>• .....</li> </ul>
	<ul style="list-style-type: none"> <li>• The DDP makes its services and funding available in an effective manner.</li> </ul>	<ul style="list-style-type: none"> <li>• DDP's services meet professional standards.</li> <li>• DDP's services are flexible</li> <li>• DDPs services are participatory</li> <li>• .....</li> </ul>
	<ul style="list-style-type: none"> <li>• The DDP disposes of adequate staffing level and capacities to execute support for capacity development.</li> </ul>	<ul style="list-style-type: none"> <li>• Staff at different levels is sufficient.</li> <li>• Staff has adequate knowledge about capacity development.</li> <li>• Staff members participate actively in knowledge and learning networks on capacity development.</li> <li>• .....</li> </ul>
	<ul style="list-style-type: none"> <li>• The DDP is a learning organisation with regard to capacity development.</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring and evaluation system provides information to assess the evolution of programmes, bottlenecks encountered as well as results and impacts achieved.</li> <li>• Lessons learnt are documented, debated and used for adaptation of programmes and policy.</li> <li>• The DDP promotes South-South learning about capacity development.</li> <li>• The DDP has the availability of systematic training and staff development on capacity development..</li> <li>• .....</li> </ul>

## **Annex III: Partos, Terms of References**

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### **Terms of Reference**

#### **Joint Programme Evaluation**

#### **Capacity Development**

#### **Participating organisations:**

**Cordaid, Hivos, ICCO, Oxfam Novib**

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## **List of abbreviations**

CFA	Co-Financing Agency
CBO	Community-based Organisation
CD	Capacity Development
CG	Co-ordination Group
ERG	External Reference Group
IOB	Inspectie Ontwikkelingssamenwerking en Beleidsevaluatie (Policy and Operations Evaluation Department)
MFP	Medefinancieringsprogramma (= CFP: Co-Financing Programme)
MFS	Medefinancieringsstelsel (= CFS: Co-Financing System)
OECD/DAC	Organisation for Economic Cooperation and Development/ Development Assistance Committee
PME	Planning, Monitoring and Evaluation
RBA	Rights Based Approach
SWOT	Strengths, Weaknesses, Opportunities, Threats
ToR	Terms of Reference

## **1. Joint Programme Evaluations Partos**

All recipient organisations from the Dutch Co Financing System (MFS) are required to establish a practice of regular “project evaluations” of their activities. In addition, the larger MFS recipients are also required to organise “programme evaluations”. In contrast with project evaluations (where the object of evaluation is an individual project/ organisation supported by an MFS organisations) the object of a programme evaluation is a particular programme and/or policy area of the MFS organisation. The selection of programmes to be evaluated is made by the MFS itself, selection criteria are the relevance for support, policymaking and programme evaluations are part of the accountability mechanisms of MFS organisations. Therefore they are required to be result oriented. The quality of these programme evaluations is assessed by IOB, the Policy and Operations Evaluation Department of the Dutch Ministry of Foreign Affairs.

Based on their previous collaboration<sup>19</sup>, the organisations Cordaid, Hivos, ICCO and Oxfam Novib (hereafter called the CFAs) have decided to implement a part of their programme evaluation agenda jointly: in the period 2007-2010 they organise a series of five joint programme evaluations, focusing on subject areas common to and relevant for each of them<sup>20, 21, 22</sup>. The co-ordination of these joint programme evaluations is with Partos, the association of Dutch civil society organisations in the international development cooperation sector.

## **2. Programme Evaluation “Capacity Development”**

The programme evaluation “Capacity development” (PE CD) is considered to be one of the five joint programme evaluations. However, its position and coming into being differs from the other programme evaluations. This PE CD is part of a bigger project concerning CD carried out by the IOB. The IOB wants to evaluate CD to gain a better understanding of how, and under what circumstances, capacity development support can be effective. Because of the magnitude of the subject the IOB decided to combine seven separate evaluations. This PE CD carried out by OxfamNovib, ICCO, Hivos, Cordaid under co-ordination of Partos is one of the seven evaluations. A synthesis-report will be written based on the seven reports of the individual evaluations.

**19)** CFP evaluation reports during the previous subsidy round (2003 – 2006) can be found at [www.partos.nl](http://www.partos.nl), under ‘Kwaliteit’, ‘Kwaliteitshuis’, ‘Rapporten Programma Evaluaties’. For example:

- Synthesis report of Dutch CFA Programme Evaluation HIV/AIDS 2001 –2004 (no 5, Feb 2006)
- Synthesis Report - Assessing civil society participation as supported in-country by Cordaid, Hivos, Novib and Plan Netherlands (no 4, Dec 2005)

- Synthesis Report - Evaluation of health related programmes of three co-financing agencies 2002 -2004 (no 3, Oct 2005)
- Synthesis Report - The Role of Women’s Organisations in Civil Society Building 1998-2003 (no 2, Nov 2004)

**20)** The other 4 programme evaluations in the period 2007-2010 focus on Conflict transformation, Microfinance, Capacity Development, and Gender-based violence respectively.

**21)** Gezamenlijke programma evaluaties 2007-2010, Herzien Plan van Aanpak Februari 2009

**22)** Plan Nederland is also part of the agreement on joint evaluations, but does not take part in this particular one.

### **3. Capacity Development**

#### **3.1 Definition of capacity development**

In order to be able to choose and follow their own development paths, developing countries need appropriate and adequate capacities. From this perspective, capacity is not just a means to realise results in health, education, agriculture or environment. Rather, it refers to effective systems such as institutions and organisations that are crucial elements of a country's ability to pursue its development path. This perspective on capacity requires that democracies use checks and balances to protect public goods, that laws are upheld, that public goods and services are delivered, etc. It requires also that citizens, particularly the poor and their civil organisations have the ability to defend their rights by means of political and decision-making processes, access to basic services and opportunities to earn an income above the poverty threshold and realise their ambitions. From this perspective, capacity is not merely a means to achieve development results but also a goal in itself and a key to development. This broader vision is confirmed by the definition of the OECD/DAC, though not uncontested. In practice, a large number of development agencies, donors and developing countries maintain a capacity development practice that is limited to the capacity to produce results in the shorter term.

*Capacity* should be understood as “the ability of people, organisations and society as a whole to manage their affairs successfully”

*Capacity development* is therefore understood as the process whereby “people, organisations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time”

*Promotion of capacity development* refers to what outside partners – domestic or foreign – can do to support, facilitate or catalyse capacity development and related change processes.

Source: OECD/DAC. The Challenge of Capacity Development: Working towards Good Practice (2006).

#### **3.2 Dutch development cooperation and capacity development**

Capacity development has a prominent place in international development cooperation. The substantial amount of support provided, however, has not resulted often in a sufficient enhancement of capacity. This is particularly the case for capacity geared to poverty reduction. *The Accra Agenda for Action* of September 2008 acknowledges this fact and confirms that developing countries need robust capacity—strong institutions, systems, and local expertise—to fully own and manage their development processes and to achieve their economic, social and environmental goals. The document further states that capacity development is the responsibility of developing countries, with donors playing a supportive role. *The Accra Agenda for Action* underlines that capacity development is an essential aspect of development cooperation.<sup>23</sup>

Capacity development also occupies a prominent place in the implementation of Dutch development cooperation. However the IOB states that there is a lack of clarity about what capacity means and how capacity development works.

<sup>23</sup>) *Accra Agenda for Action*, 4 September 2008, Accra, Ghana.

The Dutch Co-Financing organisations consider support to capacity development since long as an integral part of their work, but it was in general not seen as a separate policy domain. References to capacity development are made in policy documents on for example partner policy or civil society strengthening. Until 2007 the CFA's have not published policy documents that could serve as a guideline for decision making and operations on capacity development as a policy domain in itself.

In 2006 ICCO developed a capacity development programme as one of the 7 main programmes in their Business Plan. This policy was subsequently further developed.

Hivos has always viewed capacity development as part of its intervention strategy in its thematic domains, its partner policy and its civil society building policy and strategies. Since 2007, an internal learning process has started looking more specifically at support to CD as a strategy.

The participating CFO's have undertaken capacity development support activities within the context of their partner policy (Cordaid), and their organisational strengthening of partner organisations support in mainly the Humanitarian Aid sector (OxfamNovib).

The variety in perception of the (meaning) of the concept Capacity Development is reflected in the conceptual framework for this evaluation. A paradoxical picture emerges from the fact that the existing policy documents/instruments are clear in arguing why addressing these capacity issues is crucial to the effectiveness and sustainability of development cooperation, while at the same time they are insufficiently clear about what 'capacity' actually means in operational terms and how it can be ascertained that progress is actually being made towards its development.

All participating CFO's have been influenced by insights on capacity development and theories about the Learning Organisation and organisational development as a professional field by a number of actors working in the field of Capacity Development, such as INTRAC, I/C Consult, ECDPM, CDRA and PSO.<sup>24</sup>

**24)** For literature see:

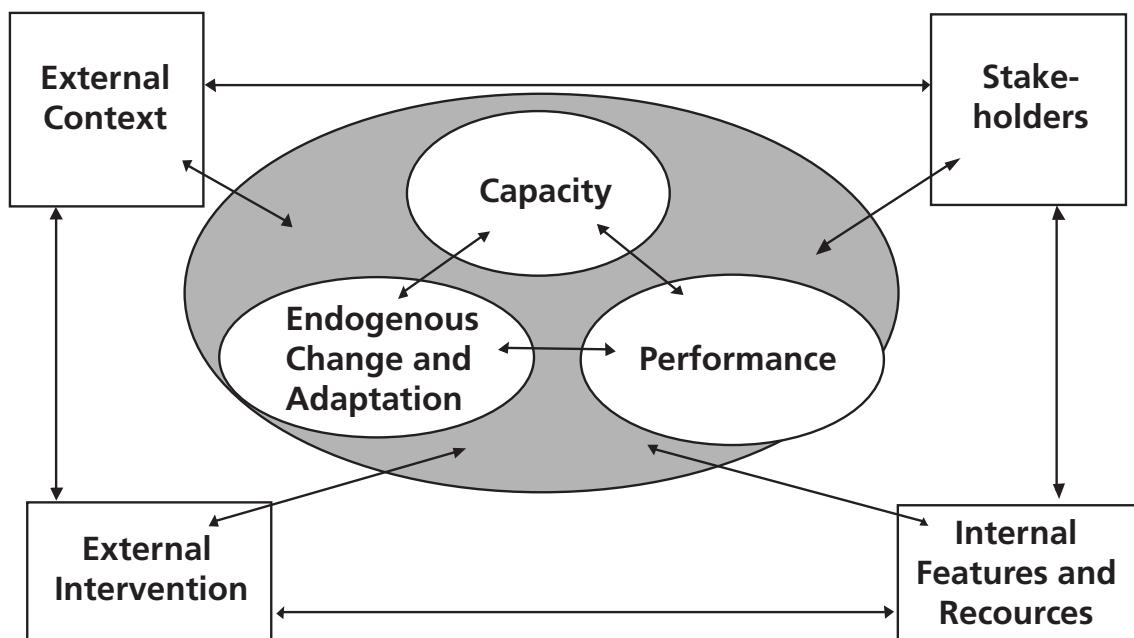
- Brenda Lipson and Martina Hunt Capacity Building Framework A values-based programming guide . INTRAC, Praxis series No.3, 2008,
- McKinsey & Company Effective Capacity Building in Non Profit Organisations, 2001, Venture Philanthropy Partners
- Carlos Lopez Thomas Theisohn Ownership, Leadership and Transformation Can we do better for Capacity Development? Earthscan, London, UNDP New York 2003
- The Challenge of Capacity Development: Working Towards Good Practice OECD 2006

### 3.3 Theoretical framework “Capacity development”

#### 3.3.1 Organisations as open systems

For this evaluation we subscribe to the theoretical framework that IOB presents in its ToR<sup>25</sup> “Evaluation of Dutch support to capacity development”. This framework is based on the concept of organisations as open systems. However for this evaluation the participating CFAs refer to a slightly different presentation (or interpretation) of the Open Systems approach as described and visualised in the overall TOR. This interpretation also stems from the ECDPM study on Capacity Development and Performance final report by Heather Baser and Peter Morgan (2008)<sup>26</sup>, being the same source referred to by the general TOR . We prefer this perspective as it gives more attention to the interaction between systems and the context. Secondly it seems to better grasp the non-linearity of the relationship between endogenous processes (of capacity development), influencing factors and (dis)enabling environment, (external) support to capacity development and the upcoming tangible results (to be seen / found in the open system).

Figure 1. Organisations as open systems



This framework includes some key assumptions:

- Capacity (and capacity development) needs to be seen in relationship to the socio-political dynamics of the context within which it takes place
- Capacity, change and performance are interrelated in complex ways
- All processes drawn in the model may follow different sequences (e.g co-incidental, sequential) and are non-linear and
- External interventions are important but only to be perceived as one way of contribution to the capacity development process.

<sup>25</sup>) General terms of Reference “Evaluation of Dutch support to capacity development” Evidence-based case studies on how to support organizational development effectively (annex 1).

<sup>26</sup>) [http://www.ecdpm.org/Web\\_ECDPM/Web/Content/Download.nsf/0/AE807798DF344457C1257442004750D6/\\$FILE/08-59B\\_Baser\\_Morgan.pdf](http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/AE807798DF344457C1257442004750D6/$FILE/08-59B_Baser_Morgan.pdf).

For this evaluation we propose to align the methodology with the ideas presented on open systems thinking as presented in the afore mentioned ECDPM report: the Complex Adaptive Systems approach (CAS)

CAS offers some ideas that can be guiding for this evaluation:

1. we will focus on *processes* more than on structures or outcomes of capacity development as a way of studying (evaluating) the situations
2. we will focus on the *interrelationships* between people, groups, structures and ideas. The resulting patterns will be seen as the driving force behind the results like: changed behaviour, the actual events that have taken place and the outcomes of capacity development
3. the capacity development processes that we will study are to be understood from a *perspective of emergence*: complex systems evolve on the basis of many interactions amongst a huge number of elements. 'system' properties like capacity emerging out of these interactions have characteristics not to be found in any of the single elements.
4. human systems have an in built tendency towards *self-organisation*. This evaluation will try to understand firstly the capacity development due to self-organising and secondly the role of external support to this self- organisation principle.

Using a systems approach to this evaluation implies that we need to understand the feedback loops that exist between the various elements of the system. Sometimes these feedback loops are also called the vicious and virtuous cycles that determine the systems behaviour (ECDPM, pg.17). This evaluation will seek to understand the feedback loops so as to understand the way capacity development has come about or has failed to be realised.

The open-systems approach offers an endogenous perspective on capacity – the way capacity develops from within – rather than merely looking at what outsiders can do to/ with the actors in the system to promote capacity (figure 1). Almost all organisations are embedded in wider systems that transcend geographical levels (local, national and global). As such, organisations are open systems with permeable, non-static, boundaries.

The view of capacity development as an endogenous non-linear process that is strongly influenced by a range of internal and external factors has major implications for this evaluation aiming to explain effective strategies for identifying and addressing capacity challenges. It calls for ways to establish particular changes in an organisation's capacity and the ways in which these changes carry over to, or interact with, changes at output and outcome level (figure 2). In the light of the previous comment, donor support is merely one of several factors. An analysis of location-specific circumstances and external and internal factors therefore forms a substantial part of the evaluation.

According to the open-systems approach, each organisation, network of organisations, or system needs to respond to a specific range of contextual (external) factors. For instance, global economic pressure may force organisations to adopt international standards and initiatives. The international community may put pressure on countries and organisations to adopt 'best practices' that have a certain level of global legitimacy. Specific developmental contexts (low-income or middle-income country, stable or fragile/conflict area, small island state, or a combination of these contexts) create specific needs and call for a 'best fit' approach.

Some external factors are structural and can not be influenced. Other external factors (often of an institutional nature may be within the realm of organisations/ networks of organisations and can therefore be influenced. External factors need to be sufficiently analysed and understood. They ultimately fall under one of two categories: an ‘enabling context’ that stimulates the growth of organisations; or a ‘disabling context’ creating barriers to capacity development. External factors include externally-driven processes across all levels, which have an effect on the development of an organisation’s capacity and its outputs/outcomes. These processes may include formal and informal institutions, demand and supply, politics, power and control, operating space, and perceived legitimacy. Annex 3 of the general IOB TOR offers a more elaborate overview of externally-driven processes.

In addition to external factors, internal factors from within the organisation/ network of organisations also influence a systems’ capacity. Internal factors include human and organisational development, incentives, rewards and sanctions, awareness, understanding and learning, factors facilitating commitment and engagement to improve people’s performance, and values, meaning and moral purpose. Annex 4 of the general IOB TOR offers a more elaborate overview of internal factors.

### ***3.3.2 Capacity development in open systems***

Given the above it is no longer adequate to see capacity development and performance as part of a conventional cause-and-effect relationship with particular results. Instead, a variety of factors shape both performance and results. There are different kinds of trade-off between an organisation’s / system’s capacity level and the results it achieves. However, donors tend to focus more on outputs, outcomes and impact than on the process of capacity development and thus put partners under pressure to demonstrate and justify the results of their activities.

#### *Capacity*

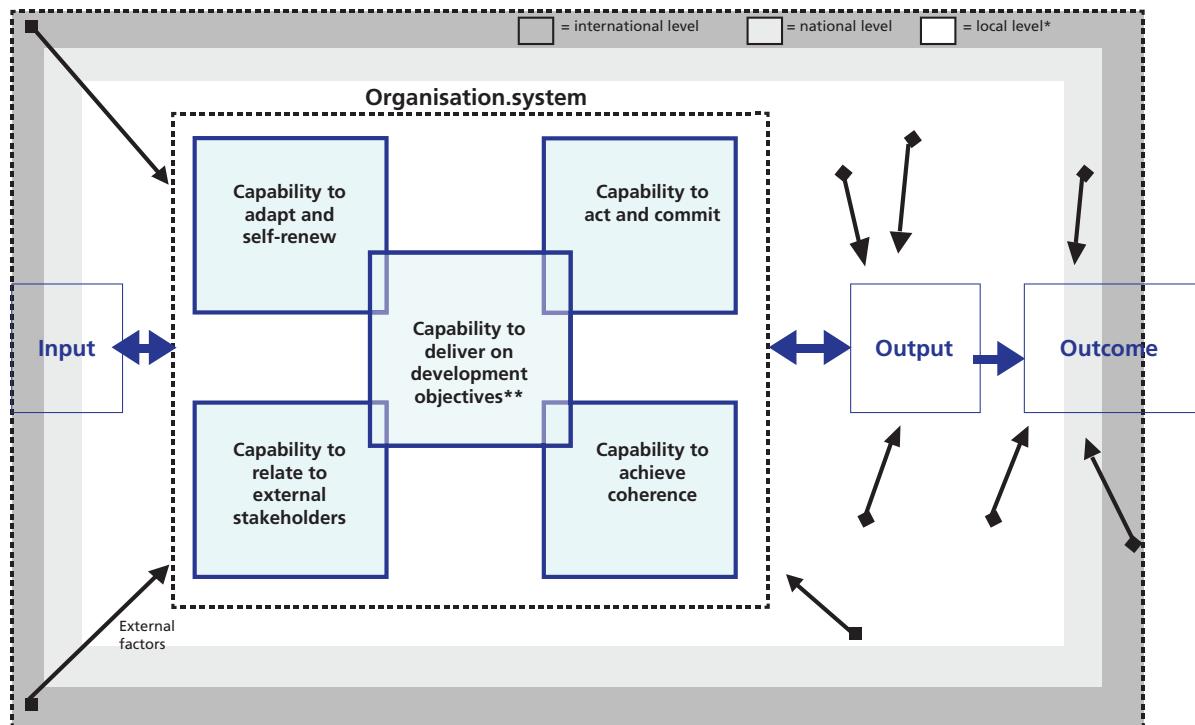
An organisation’s / system’s capacity depends on individual competencies, collective capabilities and inputs that are interconnected. Improving the skills of an individual, however, does not necessarily have an immediate linear, causal effect on an organisation’s overall capacity, as is assumed in various interventions. Collective capabilities are essential.

For analytical purposes, the broad concept of capacity is subdivided into five core capabilities, which together constitute ‘capacity’. All five core capabilities are strongly interrelated. They provide a basis for the assessment of a particular situation at a given moment, after which it can be tracked over time in order to analyse the way it has developed.

Figure 2 shows the balanced approach that can be used both for tracking and discussing changes in capacity and as a framework for understanding the constitutive and inter-related elements of organisations and systems in the context of this evaluation. Annex 6 of the general IOB TOR contains the indicators that define these core capabilities in more detail. Most of these indicators are qualitative in nature, which implies a certain degree of subjectivity. The indicators need to be concretised for this evaluation in a way that reduces the level of subjectivity and assures common interpretation as much as possible.

The figure presented below does -by its appearance- seem to imply that we expect to find causal and linear relations. But given the above, we think that for this evaluation it is important to stress that we would like to assess whether capabilities within a system do indeed lead to, and to what kind of, results in terms of capacity development. And to understand what the role of planned external support to the process of capability development, and maybe wider system capacity development, is. The interaction between the non linear self-organising system and the planned external processes needs careful investigation.

*Figure 2. Balanced approach to monitoring and evaluating capacity*



**Notes:**

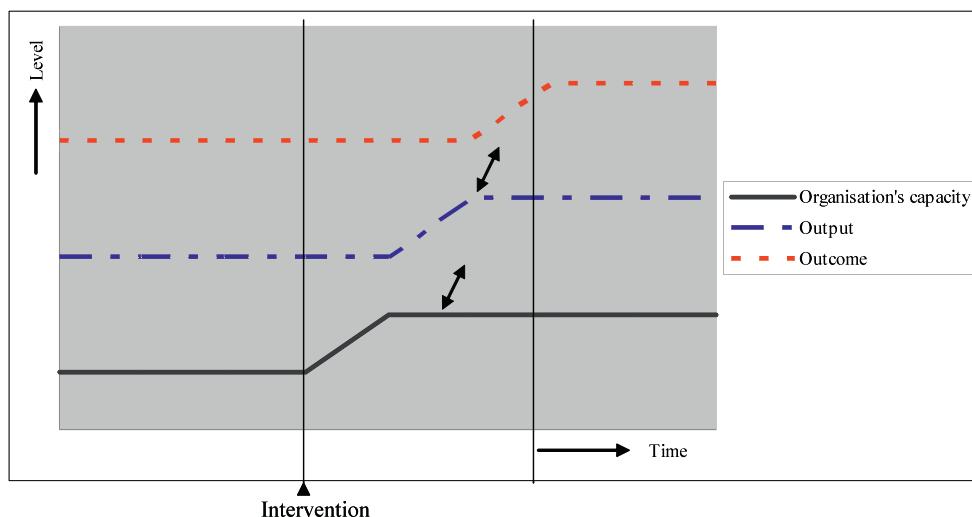
\* = defining what is 'local' will be done separately in the context of each individual evaluation.

\*\* = The capability to generate development objectives is considered separately from the 'Outputs', allowing to gain further insights on the influence of factors that are external to the organisation.

### *Output and outcome*

Capacity as such refers to the potential of an organisation/system, which is not necessarily exploited (yet) to achieve certain results. To ensure a results-oriented approach, evaluations therefore need to establish the extent to which changes in the capacity of an organisation influence output over time (quantitatively but – more important- qualitatively) as well as the effects of these output changes at outcome level (figure 3). In the case of the open-systems approach this is complicated as the large number of external factors that have an effect on output and outcome makes it difficult to isolate the specific effects of output changes on outcome (figure 3). Earlier evaluations have shown that it is possible to determine the relationship between organisational changes and changes in output, but that it is considerably more complicated to study the effects of output changes on outcome. It is, however, important to focus on outcome to determine whether a particular organisation is able to adapt to changing circumstances and how the capacity to adapt increases the relevance of its output.

Figure 3. Theoretical (continued) effect: organisation's capacity –output- outcome



Concluding: in the open system approach capacity development is an endogenous non-linear process that is strongly influenced by a range of internal and external factors. This observation has major implications for donors and recipients and their efforts to find the most effective strategy for identifying and addressing capacity challenges.

*Some operational consequences of applying this open systems approach (CAS) for the evaluation are:*

1. we will need to look not only at the subject of the evaluation (the organisation or network of organisations) but place these within the wider systems of which it is part.
2. we need to look at the elements that make up the systems in their interconnectedness and not as elements that are independently a causal factor for change
3. we will try to understand the interaction between 'planned intervention towards developing capacities' and the natural evolving processes that develop capacity (emerging, seeking surprises).
4. the evaluation will try to shed light on the opportunities and constraints that hinder or promote the self-organisation of the system: is external intervention/ support an opportunity or a constraint?
5. the evaluation will try to understand the non-linear processes that have taken place and their interaction with the planned processes (strategies for capacity development) and the results of this interaction.
6. the evaluation will pay attention to understanding issues of leadership and intentionality in change processes such as capacity development.

## **4. Research outline**

### **4.1 Research objective:**

By means of this evaluation the CFAs want to gain a better understanding of how capacity development evolves, how developed capacity can be assessed, and how and under what circumstances capacity development support can be effective. It is a learning evaluation aimed at identifying and understanding the factors explaining the results of external support.

### **4.2 Points of departure:**

Before formulating the research questions we want to present the points of departure of this evaluation:

- The evaluation will focus on the period 2000-2008
- The nature of this research is above all a **learning** evaluation. We see this evaluation as a starting point of understanding and to further shape the understanding of capacity development, developed capacity and capacity development support and the role of Northern and Southern actors in this (amongst whom the participating organisations). This evaluation does not have a representative character and therefore can only indirectly be used for accountability. This focus of research is linked to the focus which the IOB has stated for the seven separate evaluations and the synthesis of the seven evaluations (vide Annex 1, general IOB TOR).
- Due to the fact that this is a learning evaluation on a poorly explored subject, the evaluation will be of an **explorative** and **descriptive** nature.
- Since we value the learning aspect of this evaluation highly we would like to emphasise the importance of a participatory approach to promote learning by those involved in the evaluation process and in our own organisations. Feedback loops need therefore to be built into the process .
- The evaluation must be gender sensitive. This means that both the practice of research as the report should cover differences with regard to Capacity Development, developed capacity and the how and when of these two between and for men and women. This also means that the evaluation teams need to possess capacities and experience in evaluation from a gender perspective
- The evaluation is a co-production between ICCO, Hivos, Cordaid and OxfamNovib. Based on the cases, the research is expected to illustrate differences in capacity development support by these four CFAs, in order to learn from different approaches.

### **4.3 Evaluation questions:**

For this evaluation we have formulated five main evaluation questions:

- A. What relationship exists between (social) change and (developed) capacity?
- B. How can capacity (as an outcome of capacity development) be understood?
- C. What can we learn about the support given to the development of capacity?
- D. What assumptions (espoused theory and theory in practice) about effective CDS are predominant within the CFA's? Are these assumptions reflected in their policy?
- E. What connection is there between the assumptions, the policy and the findings deriving from questions A, B and C?

The nature of evaluation questions A, B and C differ from the questions D and E. The answers to the first three questions should be found in the South through field studies in carefully selected cases. The answers to questions D should be found in the Netherlands through a study within the CFA's. In conclusion; evaluation question E will foresee in a synthesis of all posed questions.

#### **4.3.1      Operationalisation of evaluation questions A, B, C**

The learning and explorative nature of this evaluation show in these main research questions, especially A, B and C. To structure the research and to give it more focus we have elaborated the first three evaluation questions into the following research questions:

- A. *What relationship exists between (social) change and (developed) capacity?*
  - 1. What (social) changes have taken place in the selected cases?
  - 2. What external factors explain the (social) change in the cases?
  - 3. What internal factors explain the social change in the cases?
  - 4. Has developed capacity played a role in the (social) change; if so in what manner?
- B. *How can capacity (as an outcome of capacity development) be understood?*
  - 5. What forms of developed capacity are to be distinguished in the cases?
  - 6. How do the five capabilities show in the developed capacity in the cases?
  - 7. Can something be said about the relationship between individual developed capacity, organisational developed capacity and institutional developed capacity based on the cases?
  - 8. What kind of developed capacity seems to be the most effective in (social) change?
  - 9. Can a gender bias be distinguished in the developed capacity? Are there differences between men and women in their development of capacity and how can they be explained?
- C. *What can we learn about the support given to the development of capacity?*
  - 10. What forms of capacity development support are to be distinguished in the cases?
  - 11. Where/how is capacity development support positioned? In other words: To whom is the CD support directed, why and with what results for capacity developed by different stakeholders? (include gender perspective)
  - 12. How effective is each form of capacity development support? (include gender perspective)
  - 13. What are **factors** to be distinguished that make capacity development support effective? Take under consideration: method, position of CD support, role played by CFA, ownership, characteristics of partner organisation, specific target groups. (factors can be influenced by CFA and/or partner organisations).
  - 14. Are there specific **circumstances** to be distinguished that make capacity development support effective or ineffective? (circumstances lay beyond the influence of CFA and partner organisation).
  - 15. Are there specific **preconditions** to be distinguished that constitute effective capacity development? (preconditions help to predict whether capacity development support will be effective before the start).

## **4.4 Research methodology and justification**

The CFAs use an inductive approach in which the developed capacity identified in selected cases is the starting point. They feel that this approach suits the explorative and descriptive nature of the evaluation. It is an explicit choice to conduct case research.

We will select a number of cases in which:

- a) the CFAs assume that (social) change due to developed capacity has occurred
- b) there has been an intervention by a CFA or partner organisations.

The selected cases will be the subject of a field study. The field study will be the first part of the evaluation and will provide the answers to evaluation question A, B and C.

The study within the CFA's answering question D, will come next.

Case research has advantages and disadvantages. It can provide operational insight into real-life experiences and show patterns across a wide variety of conditions. It can provide a learning experience for those involved at field level. Case research provides a broad view of a variety of experiences across sectors and countries. It does not generate analytical depth and empirical rigour in particular subject areas. It must be seen as a method for inductive research. The rather 'unexplored' state of Capacity Development as a policy domain or development goal in itself, the new views on CD developed over the last years in research, and the differing views on both the subject and the approaches to it justify this inductive approach for the CFAs.

### **4.4.1 Selection of cases cq criteria of recognising developed capacity**

In the case selection, the CFAs will look for situations where some of the following aspects can be observed / recognised. The list is not meant to be limitative:

- Organisations are able to realize their stated objectives ( NGO's, CBO's, actors)
- Organizations have organized their monitoring.
- Leadership/ leaders of organizations is/ are democratic, is/ are respected for the inspiration and direction it/ they provide(s).
- There are feedback loops in the provision of and circulation of information between different levels in the system ( within and between organizations and actors) so that actors (including beneficiaries) at different levels know what is going on and why.
- Empowerment of beneficiary groups/ communities at grassroots level is recognizable in the unified action taken (for concrete improvements, lobby, claiming rights and services etc) and in their participation in higher level representative for a/ networks etc.
- Role and contributions of women in these communities and in the different levels of the system is recognizable and respected.
- Cooperation between organizations of different levels and characters has grown recognizable in joint efforts, and organizational forms.
- Forms of dialogue and mutual learning for overcoming differences of interest have been developed within the whole system.
- Organisations have developed intra and associative organizational capabilities and competencies of staff.

## **5. Plan of approach**

The evaluation will proceed in four phases

### 1. Writing inception report

A draft table of content for the inception report has been formulated by the IOB.

### 2. Fieldstudy

- a review of relevant literature
- further development of criteria for selecting cases
- selecting cases in cooperation with the CFA's
- developing indicators and judgements criteria
- preparing fieldwork in cooperation with the CFA's
- fieldwork
- writing up findings from the field, answering the evaluation questions A, B, C

### 3. (Policy) Study within the CFA's

- Deskresearch/policy research
- Interviewing members of the CFA's
- involving all four CFA's

### 4. Writing up synthesisreport

## **6. Planning**

Because of the fact that this evaluation is one of the seven evaluations which are part of a bigger evaluation lead by the IOB, we are bound to follow – if possible - the time schedule proposed by the IOB. This schedule is as follows:

10 march 2009:	General kick off. Introduction of teamleaders
March- june:	writing inception report
First half june:	monitoring process and uniformity based on inception report
July-february 2010:	research and writing up individual synthesis reports
Feb-nov 2010:	writing up final overall synthesis

It will be clear we are behind on the schedule at the start. We will however maintain the deadline of the synthesis report (feb 2010).

To monitor the process of the 7 evaluations, the IOB will facilitate meetings between teamleaders. This will of course ask an investment of the teamleader and the evaluation team. This investment should be budgeted.

## **7. Deliverables**

Based on the field-study and the desk-study a synthesis report (main text max. 60 pg) will be written. This report will contain a description of the fieldwork, will answer all the research questions and will propose recommendations to develop policymaking concerning capacity development support and will propose methods to disseminate the lessons learned. The report also will provide (in an annex) a clearly written research method accountability. All drafts and final version of the report need to be in English. The final version must be edited and corrected by a native English speaker. If the final draft has been approved by the coordination group the contracted party will send 25 hardcopies of the report plus an electronic version (MS word format)

## **8. Evaluation team**

The contracted party must meet the following criteria:

- the teamleader and the evaluators must have demonstrable expertise on capacity development.
- the teamleader must subscribe the vision on capacity development as elaborated in this ToR
- the teamleader must have demonstrable experience with learning evaluations and participatory approach
- the teamleader must have a network of possible local evaluators
- the teamleader will contract the evaluators
- the teamleader and evaluators must be strong qualitative researchers
- the teamleader and evaluators need to possess capacities and experience in evaluation from a gender perspective

## **9. Budget**

A budget should give a breakdown of the expected number of days per team member and their fees. Prices need to be calculated in Euro's, are maximum prices and cannot be changed during the contract. The maximum budget available for the complete evaluation (including all four phases) is € 300,000 (excl. BTW).

The payment procedures are as follows:

- 25% at acceptance by the evaluation team of the task
- 25% after report on fieldwork
- 25% after conducting study within CFA's
- 25% after approval by co-ordination group of final report and financial justification  
(end phase 4)

## **10. management and steering of the evaluation**

### *Co-ordination Group (CG)*

The evaluation is managed by the evaluation manager within Partos, with the assistance of a co-ordination group consisting of members of the four participating co-financing agencies. The co-ordination group members have prepared the current Terms of Reference. The main function of this group is:

- To select the evaluation team who actually implement this evaluation.
- To ensure that the consultants have access to and have consulted all relevant information sources and documents related to the project/programme available at the agencies.
- To validate the evaluation questions.
- To discuss and comment on notes and reports delivered by the consultants.
- To assist in feedback of the findings, conclusions, lessons and recommendations from the evaluation back into their organisations.

### *External Reference Group (ERG)*

Partos, together with the Co-Financing Agencies have installed a Reference Group of external experts to advise the co-ordination group on the quality of process and results of the joint programme evaluations. The External Reference Group gives advice on the draft Terms of Reference, the draft inception report, the draft Synthesis report, and prepares a final assessment on the quality of process and results. Their independent assessment will be included in the final synthesis report as an annex.<sup>27</sup>

### *Policy and Operations Evaluation Department (IOB)*

This evaluation is part of a bigger evaluation done by the IOB. To monitor the process and the uniformity, the IOB will facilitate a community of practice for the teamleaders. The agenda of this community will be decided on the 10th of march 2009.

The CFAs are accountable to the Ministry of Foreign Affairs and the Dutch public for the obtained results. The evaluation reports will be open for public use and are reviewed by the Policy and Operations Evaluation Department, an independent body of the Ministry of Foreign Affairs, according to a Quality Assessment List (annex 4, in Dutch).

Contact person during the evaluation:

All contracting, payment and correspondence concerning the evaluation goes through Partos:  
Ellermanstraat 15

Amsterdam

The Netherlands

Tel: 020 – 320 9901

Fax: 020 – 620 8049

Contact person: Lisette Desain, [ld@partos.nl](mailto:ld@partos.nl), Evaluatiemanager Partos

<sup>27</sup>) An example of such an assessment can be found at [http://www.partos.nl/index.php?page=5\\_2\\_3](http://www.partos.nl/index.php?page=5_2_3) , Synthesis Report of Dutch CFA Programme Evaluation - MBN HIV/AIDS Evaluation, 2001-2004 on page 111-112.

## **11. Minimal (general) requirements for proposals**

In case you are or your organisation is interested, we invite you to prepare a proposal for implementation (max. 18 pages, excluding annexes). We encourage you to team up with other organisations or individuals. The proposal should be written in English. We expect a plan of approach, with at least the following information:

Understanding context and evaluation questions:

- Fine tuning of the evaluation questions, including a first draft of 'judgement criteria'. The evaluation questions need to be captured into different judgement criteria developed by the consultants. Each evaluation question should have at least 1 to 2 judgement criteria. The achievement of these criteria during the period 2003 -2007 can be assessed or judged through indicators, which need to be developed by the consultants during the first phase of the evaluation.

Evaluation capacity:

- A proposal for a methodology, the way in which data will be collected and data sources needed, taking into account the expected methodological problems and data shortcomings.
- A proposal for how to analyse data in order to answer the evaluation questions.

Evaluation team:

- An overview of the roles, expertise and skills of the team members in the evaluation.
- Time table, including possible risks, and measures you may take in order to reduce those risks.

The proposal should include at least the following annexes:

- o Composition of the evaluation team with cv's, showing their knowledge, skills and experiences
- o List of relevant evaluations within the last 5 years



## **Annex IV: Major outcomes of the Joint Learning Workshop**

During the Joint Learning Workshop participants attributed analytical sense to the primary data collected through formulating statements on CD.<sup>29</sup> Prioritisation of statements took place and the subsequent clustering of statements provided insights in how topics fit together. The clustering of experiences and views related to the case studies helped to identify essentials. The major outcomes of this workshop can be summarised as follows.

### **a. Priority statements**

The priority statements which have been identified by the participants of the Joint Learning Workshop can be summarised as follows (see Box II: Priority statements).

#### *Box I: Priority statements*

##### *a. Capacity Development requires ownership*

The fact that capacities are being developed when ownership resides with the Southern organisation emerged as one of the most important issues. Ownership means the subject of development should in principle take the initiative and will only do so if they themselves have experienced and/or are convinced that certain capacities need to be built in order to achieve results or bring about certain change; there is a realisation that ideally speaking change comes from within. The intrinsic motivation of individuals to contribute meaningfully is crucial. Southern partner organisations should be in the 'driver's seat'. At the same time it may be acknowledged that this statement has become a buzz word but that often little of it is seen in practice as ownership can not be forced (see further on).

##### *b. Existing knowledge and resources as the basis of CD*

The issue of existing knowledge is closely related to this issue of ownership, or CD from within. The realization that CD needs to build on the existing knowledge and resources of the organisation in its specific political, cultural, socio-economic, etc. context is closely related to this issue of ownership or CD from within. This issue may also be problematic in cases where the existing knowledge cannot be glorified. In some cases it is imperative to assist people to unlearn the acquired 'knowledge' (traditional practices, beliefs, customs, and habits).<sup>30</sup>

##### *c. Long-term vision on change, shared values and a common agenda*

While engaging in a CD the parties involved need to have, or develop, a common vision of the desired nature of the change.<sup>31</sup> Furthermore, shared values and result orientation are important. Such parameters will facilitate the CD process. The long-term character of CD, however, does not need to be an aim in itself; sometimes a change process can be 'triggered' by incidents and can have a short-term character.

**29)** The following focus sentence was used: 'From the seven case studies in may be learnt that CD .....'. See Annex V to the Inception Report for a description of the Ariadne, Concept Mapping software.

**30)** The terminology which was used initially, 'building' was replaced in the FGD by 'recognise'; in a CD process one does not necessarily build on existing knowledge and experiences but takes into account what is already there. Such an approach relates to another issue that has emerged as a priority issue: the need for thorough understanding of the people and the context while engaging in a CD activity.

**31)** For instance a distinction can be made between developmental, transitional and transformational change. D. Anderson, & L. Ackerman Anderson, *Beyond change management. Advanced strategies for today's transformational leaders*, San Francisco (Jossey-Bass/Pfeiffer), 2001.

*d. Gender*

Gender should be introduced consciously and systematically in the CD process. The issue of gender ought always to be at the forefront of a CD planning processes. Quite often women need a separate space to explore their potential.

*e. The ability to let go*

Often CD processes are multi-stakeholder processes that require the ability of all stakeholders involved to let things go; it is about willingness to accept change and transformation or study and accept other worldviews and opinions. Donors, such as the DDPs, and Southern organisations alike may need to let go of their sometimes preconceived ideas, or unlearn bad habits, to allow others to find their own space.

**b. Clusters of insights that have emerged<sup>32</sup>**

While clustering the statements five interrelated major clusters emerged. The core themes, 'messages' that have emerged from the case studies can be summarised as follows.

*Capacity Development comes from within:* Authentic Capacity Development comes from within. In the CAL case study report it is stated: 'No one capacitates another without their permission, willingness or corporation'. This issue is closely related to the Theory of Change of organisations and the ability to imagine, both at the individual and the group level, a different future. In view of these observations it is important to pay attention to ownership, motivational factors for CD and a conducive environment, which means having a clear picture of where to go and what change to achieve.

*Transformational change:* It needs to be acknowledged that CD is about people, movements, organisations and society at large, but it is first and foremost for 'people': 'individuals are the key; their behaviour, confidence and trust'. In the CAL case study report it is rightly stated very firmly 'Development starts with self'. However, CD should be comprehensive ('you cannot do parts only') and requires hence activities/interventions at different levels. Issues of (personal) leadership are crucial in the context of transitional and transformational change.

*Process:* Capacity Development is in principle a complicated, non-linear, dynamic and iterative process that – in view of the fact that most organisations have permeable boundaries – involves multiple stakeholders. At the same time it has to be acknowledged that some CD processes are triggered by incidents and are not long-term. The notion of CD as an entire endogenous process needs to be demystified: CD often starts as an exogenous process but evolves in the implementation to have a more endogenous character.<sup>33</sup> In view of the nature of CD processes and the character of the change that is being targeted results are often difficult to measure.

However, endogenously initiated CD processes often start with people, with self-awareness and self-reflection. It needs to be mentioned that CD processes do take place without conscious and systematic outside support or interventions.

**32)** This paragraph is based on the clusters that emerged during the Concept mapping exercise. For details reference is made to the report of the Joint Learning Workshop page 23 – 27 (Mandi, 2010). For editing the order of the clusters has been changed.

**33)** Ref. for instance the Ethiopian Learning Alliance, SOCSIS, PADEK and ECM case studies.

*Roles and involvement of different stakeholders:* Despite the observation that CD is 'mainly a process that emerges from within and that outsiders can in principle not deliver development', external agents can play an important facilitative role; 'the role of outsiders should be nurturing, not top down'. External facilitation may include facilitation reflection through dialogue, agenda setting, technical contributions in combination with local demands and initiatives and local expertise and existing local knowledge. Such services should not be provided free of charge due to the risk of creating dependency and lack of commitment or ownership.

*Power:* CD is first and foremost about relationships that have to be managed; relationships of respect and trust as a prerequisite for CD. This where the power dimensions come in, such as the notion of 'power over', the participatory notion of 'power with' and trust and respect and letting go of in 'power to'. The ability to engage in a collaborative effort, to acknowledge the two-way character and the ability 'to give and take'. Power differentials appear to be an important dimension of CD processes. These are relationship issues between DDPs and NGOs.<sup>34</sup>

Power 'within' is again about ownership, intrinsic and otherwise, and in that sense flows through all relationships and other forms of power dynamics.

**34)** During the FGD it was observed that 'Evidence is found in most cases. Example: the DDP could make a suggestion with the best of intentions which, however, may not be relevant to the Southern partners, but because of the cultural differences and power differentials the Southern partner takes the suggestion as a command'. (Mandi, 2010: 26.)



# **Annex V: Evaluation of collaborative associations**

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**Piet de Lange, IOB**

*April 24th 2009*

*The author thanks Joseph P. McMahon Jr., Manager, Collaborative Processes for his valuable advice. This note substantially borrows from the concepts provided by him.*

## **1. Introduction**

The terms of reference for the evaluation ‘Dutch support to capacity development; evidence based case studies’ state that though they offer an effective approach to evaluate multi-actor systems and organisational networks, additional research may be needed in order to gain a better understanding of the dynamics of, constraints to, and opportunities for, the changes these systems and networks may provide.

The question of how to handle cases in which DDPs provide support to more than one organisation was briefly discussed at the second team leader meeting. The discussion clearly showed that most Dutch development partners provide support to collaborative associations and that they use a wide variety of terms to label these associations (Annex 1). Because these terms are not formulated in more detail, it is possible that different terms are used to refer to associations that are actually very similar. Or vice versa: a single term may cover different types of collaborative associations. In order to be able to cluster the associations systematically for the synthesis report, it is therefore essential that collaborative associations supported by DDPs are labelled consistently.

This note addresses the role collaborative associations can play in capacity strengthening and proposes an approach for labelling them. The main purpose of this contribution is to achieve consistency between the single evaluation at the policy reconstruction level (Chapter 1 of the inception report) and the separate case studies.

The general ToR uses several different terms for situations in which DDPs provide support to more than one organisation or in which several organisations work together. From now on we will use the term collaborative association to refer to these entities.

For the purpose of this evaluation, we describe a number of key terms as follows:

“Association” – A group of organisations that comes together for a common goal. It includes a number of terms commonly used to refer to joint undertakings, such as network, alliance, consortium, partnership, coalition, etc.

“Collaboration” – A mutually beneficial relationship between two or more organisations. Relationships are characterized by different degrees of integration by sharing responsibility, authority and accountability.

“Collaborative Association” – An association in which several parties work together to achieve common goals. Goals can vary from knowledge sharing for the benefit of all members to working together towards a development goal.

"Member" - An organisation/ entity that is part of a collaborative association.

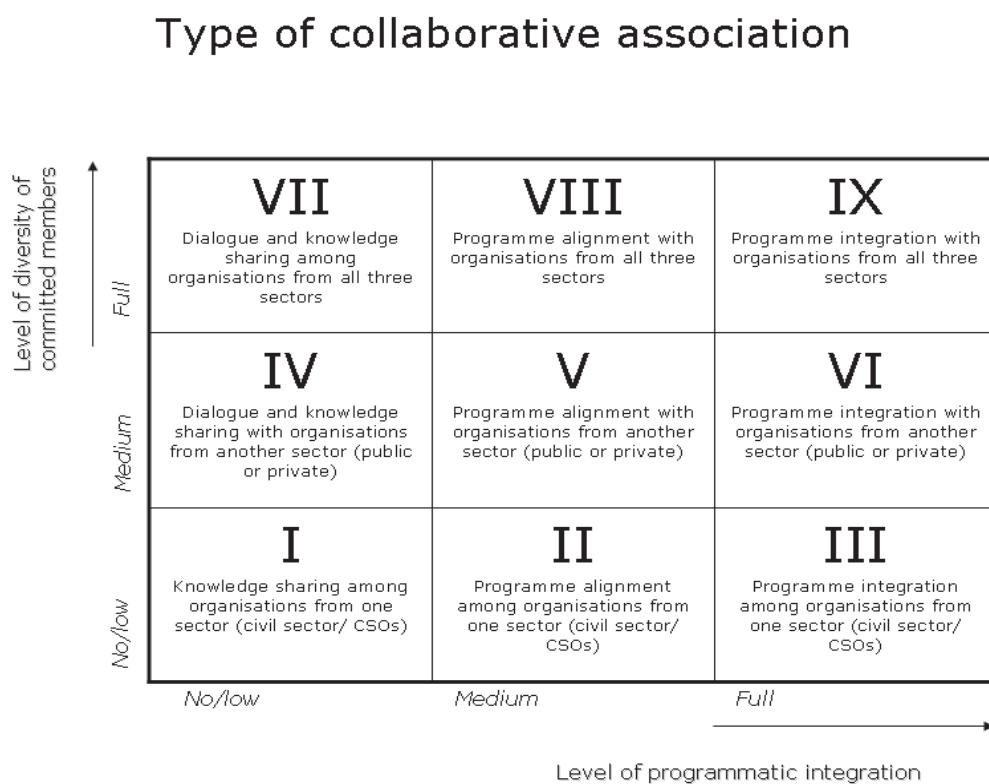
"Stakeholder" – An external relation of the collaborative association.

## **2. Labelling of collaborative associations**

Organisations have different reasons for joining a collaborative association. Usually they participate because they realize that operating within an association is likely to be more effective than acting on their own. Some organisations choose to participate in a loose network, whereas others take responsibility for the design and implementation of a joint programme.

There are many possible parameters and combinations of parameters that could be used to typify collaborative associations. For the purpose of this evaluation, it is appropriate to typify associations based on the extent in which they embody conditions for the emergence of outputs contributing to outcomes and development objectives. Accordingly, major parameters are 'diversity and commitment' and 'integration' (figure 1).

*Figure 1 Type of collaborative association*



The X axis indicates the integration level and the Y-axis shows the degree of diversity. The diagram suggests that moving "East" along the X axis beyond knowledge sharing leads to a deeper integration of development activities and moving "North" along the Y axis implies trading off control and autonomy for the beneficial synergy of integrated activities. Moving "North- East" implies a more effective cooperation of members from civil, public and private sectors.

In "Cell I", members from one particular sector share knowledge, and exchange contacts and data, but continue to direct their activities independently.

In "Cell V", members from two sectors align their activities with the activities undertaken by others. They thus minimize duplication, aligning their energy to increase the effectiveness and impact of their activities.

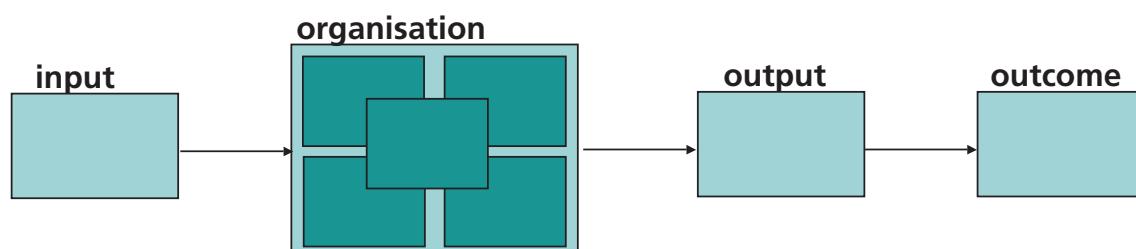
In "cell IX", activities are jointly designed and undertaken. Consequently, cost-effectiveness is increased, the scope of activities is extended, successes are taken to scale, quality is improved, and effectiveness and impact are increased.

Collaborative associations in cells III, VI and IX are very similar to "individual organisations", i.e. those that are not a member of a collaborative association, in particular the ones that have existed for a longer period of time and developed their own institutional capacity. For the purpose of this evaluation, evaluators are asked to describe collaborative associations according to the two axes 'diversity and commitment' and 'integration' and to classify them as type I, II, III, etc. The IOB core team will cluster these associations based on the complete inventory of all cases and propose reallocation in case of a 'misfit'. The advantage of this approach is that even though DDPs can maintain their own labelling strategies, there is a common understanding and consistent approach within the context of this evaluation.

### **3. Strategies for support**

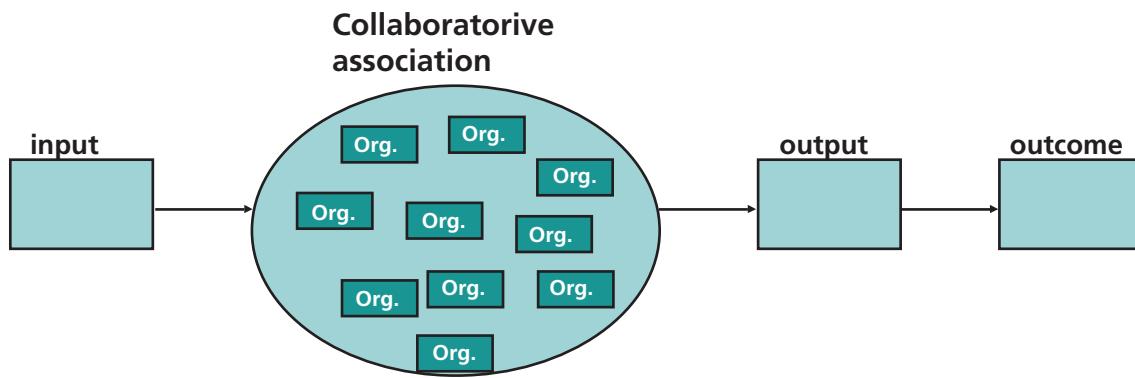
Although the policy of DDPs regarding their support to capacity development is usually not explicit, three different strategies can be distinguished.

1. Support of the DDP to a single organisation, which has sole responsibility for the delivery of outputs, contributing to the realisation of outcomes.



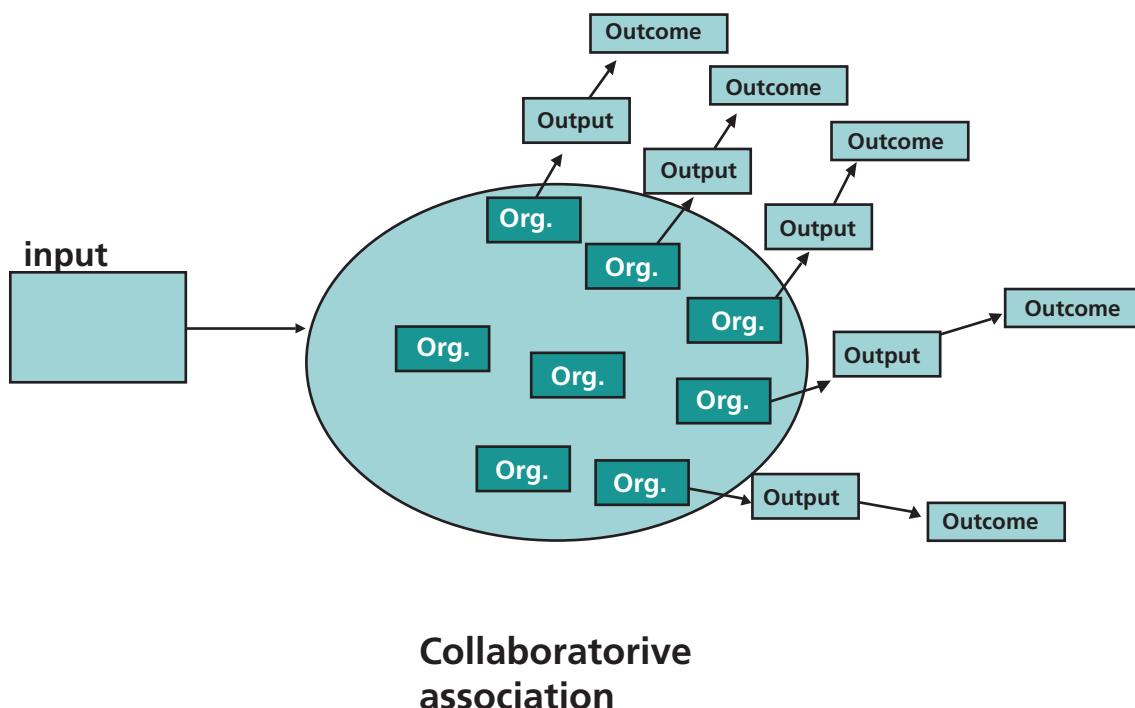
In this case, the organisation is the object of evaluation and the system boundary is to be drawn around the organisation. Figure 1 from the general Terms of Reference 'Organisations as open systems' applies to this situation. Interactions with other organisations are covered by the five core capabilities (capability to relate to external stakeholders).

2. Support to a collaborative association with its own objectives, outputs and programme of work. This type of association fits in Cells III, IV or IX (programmatic integration).



In this case, the collaborative association is the object of evaluation and the system boundary is to be drawn around the collective of its members. Basically, the same situation applies as in the above case, except for the fact that capacity only concerns the five core capabilities of all members to the extent that they make their capacity available to the association. The association's capacity thus includes the "added value" of the interaction between its members. This implies that the capacity of an association is determined by the intensity and quality of the interactions between its members. The indicators to determine changes in the five core capabilities may require adaptation to incorporate interactions within the collaborative association. How well does the association function as a collective (in terms of communication, use of power, sharing of responsibilities and benefits, etc)?

3. Support to a collaborative association whose objective is to strengthen the capacity of its members. This objective may be pursued by sharing knowledge (cells I, IV and VII) or alignment of programmes (cells II, V or VIII).



**Collaborative association**

In this case, the support DDPs provide to an organisation in order to strengthen its capacity is made available through the collaborative association's outputs. This implies that individual members are the object of evaluation and that a system boundary is to be drawn around each of them separately. In addition, the collaborative association will be assessed in terms of its effectiveness in strengthening the capacity of its members.

In this evaluation, policy reconstruction will include a discussion on the strategy followed by the DDPs, for which the three above-mentioned "prototype strategies" will serve as a guideline.

#### **4. Assessing collaborative associations**

For assessing the capacity of a collaborative association or its members the five core capabilities are applicable. In addition to the 'regular' indicators to assess the five core capabilities the ability to relate to members should also be taken into account. These indicators are related to a so-called 'corporate culture' of the collaborative association. Culture is a concept that refers to a commonly shared set of elements (e.g.: basic beliefs, values, sense of identity, and set of references and practices, such as traditions, rituals, unwritten rules, stories, symbols, language, dress-codes etc.). In short, a commonly shared corporate culture enables constructive collaboration at all hierarchical levels within an organisation/collaborative association that could ultimately lead to a higher probability of a more coherent policy making and – implementation. Analysing how the corporate culture shapes and evolves over time in a collaborative association can hence provide useful information for evaluating how the association's capacity has evolved over time, as well as examining the effects of external interventions in support of the capacity development process. To this end, additional indicators addressing aspects in relation to the aforementioned aspects could be formulated and added to the evaluation framework presented in the inception note.

Below indicators have been listed that are to be added to the current list of indicators related to the five core capabilities.

<b>Core capability</b>	<b>Additional indicators for Collaborative Associations</b>
To commit and act	1. Leadership is shared rather than positional 2. Members act to satisfy the interests of all members
To deliver on objectives	1. There is sufficient transparency, data freely shared and explained
To adapt and self-renew	2. Members effectively deal with their diversity and power asymmetries
To achieve coherence	1. There is a results driven structure and process 2. Attitudes of respect and trust are present, avoiding stereotyping or reactive behaviour (culture) 3. Credit and responsibility for the collaboration is shared among members 4. Members ensure that views of less powerful stakeholders are given a voice

## Annex 1

	Agriterra	MER	Partos	PSO	SNV	NiMD
Partnership	(X)		X	X	X	X
Constellation				X	X	
Adaptive network						
Informal network			X	X	X	
Network		X	X	X	X	X
Multi-actor process		X	X	X	X	
System		X				
MoU			X		X	X
Platform				X	X	X
Mutual relation			X			
Societal system						
Delivery system		X		X	X	X
Value chain				X	X	
Power network			X			X
Result chain						X
Epistemic community						
'Individual organisation'	X	X	X	X	X	X

## **Annex VI: Members of the External Reference Group**

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- Chair of ERG: Geske Dijkstra, Senior Lecturer economics, EUR
- Administrative assistant of ERG; Niels Keijzer, Programme Officer Centre Policy and Innovation, ECDPM
- Members of ERG:
  - Anita Hardon, Professor Medical Anthropology (UvA)
  - Paul Engel, Director ECDPM
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  - Bert Helmsing, Professor ISS
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## **Annex VII: Members of the Coordination Group**

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