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LOCAL INSTITUTIONAL CAPACITY BUILDING EVALUATIONS

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ABSTRACT: This document briefly summarizes evaluations of capacity-building projects across several sectors including economic growth and trade, democracy and governance, natural resource management and health. Evaluations are taken from USAID and other donor agencies.

Any citation without a PDF link may be obtained from the DEC.
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SUMMARY

USAID has designed, developed and implemented dozens of programs all in an effort to enhance the capacities of non-governmental organizations, markets and institutions across several geographic regions. Capacity may be defined as “the ability of a human system to perform, sustain itself and self-renew.” Capacity development is change in that system over time, a change that is endogenous and continuous process.¹ To enhance capacity, one might consider its elements that include: conceptual framework (view of the world), vision (knowledge of abilities and strengths), strategy (how to use vision), culture (norms of organization), structure (how roles are defined), skills (using abilities) and material resources (finances, equipment).²

NON-GOVERNMENTAL ORGANIZATIONS

USAID, the World Bank, CIDA and other donor agencies embraced capacity building as a method and non-governmental organizations (NGOs) as agents to enhance development in developing societies in the 1990s. Donors did so because of the hundreds of thousands of new civil society organizations that emerged in poor countries partly as a result of global transportation, communication and information technologies.³

If NGOs are to drive economic growth and political reform, they must have the capacity to do so. Broad lessons learned include: the traditional view that South organizations look up to North organizations must be altered to a view that has an equal relationships between the North/South in their interaction. Capacity development of an organization must also be context specific and be rooted in a place and time and not be tied to a detached generic ideal.⁴

For example, the foundation Helen Keller International (HKI) partnered with over 100 NGOS in countries such as Nepal, Bangladesh and Cambodia to harness local organizations and indigenous talent to increase food production and nutrition activities. HKI encourages a participatory model to improve the skills of NGO-partners in strategic planning, program and financial management, along with monitoring and evaluation.⁵

⁴ Ibid. P. 10 of PDF.
⁵ Strengthening the capacity of local NGOs through food production and nutrition programs in Bangladesh, Cambodia and Nepal. 2003. Helen Keller Worldwide, Helen Keller International (HKI) and Institute of Public Health Nutrition (IPHN).
Despite some success stories, however, the problems associated with NGOs relate to their capacity and ability to survive in a time of diminishing donor funds. As NGOs grow in number, they compete for scarce donor funds and must deliver quality service in implementing a program. Capacity in the near term for NGOs is equated with sustainability in providing services as well as covering costs. One response is establishing an international endowment known as Quality Systems Assurance Registration (QUASAR) that is financed “through donor funds, user service fees and earnings from an endowment that could be capitalized though contributions of bilateral and multilateral donors, foundations, and socially responsible private capital”.

COMMUNITY BASED ORGANIZATIONS

Capacity and capacity building are also relevant when addressing the importance of community based organizations (CBOs), that have been active in promoting economic development since the late 1980s. CBOs are “voluntary associations of community members who reflect the interests of the broader constituency and are usually small, informal organizations, initiated by local residents and located within the communities they serve.” CBOs are central to development efforts because of their proximity to poor communities and that they are often embedded within social relationships at the micro-level of interaction, “which makes it easier for them to articulate concerns and drive local processes. However, donor agencies must take care in how to leverage CBOs because funding them may “disempower them” but also recognize that that CBOs have abilities that NGOs lack including responding to crises as they arise and dealing with tragedies and injustices. The best way to help CBOs to help foster development is to work with them with dialogue, learning and ownership while permitting CBOs to recognize that are not the power holders in the development process even if they are at the center of it.

USAID IN SENEGAL

The emphasis on civil society strengthening via NGOs has been a common theme as a way to mitigate the harmful influence of past authoritarian governments and states in an attempt to create institutions or rules of the game. One example of a USAID multi-sectoral program leveraging civil society actors was the 8 year, $15 million Senegal PVO/NGO Support Project that sought to support local NGO activities and in doing so, broadly grow development activities.

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7 Ibid. P. 14.
9 Ibid. P 196.
10 Ibid. p. 198-199.
11 Ibid. P. 204-205.
by sustaining local level activities. USAID funds would go finance local groups that would then use funds for agriculture, primary health care, family planning, natural resources management, small and micro-enterprise development and non-formal education.  

The PVO/NGO Support Project emphasized collaborative relationships between U.S.PVOs and local NGOs or other community groups through selected grants for institutional linkage activities. These grants could go to new American organizations with particular expertise or experience working with local NGOs without giving any preference to PVOs and local NGOs already working in Senegal.  

USAID’ s 1990 PVO/NGO Support Project Planning Paper includes a survey of Senegalese NGOs/PVOs defining what institutional capacity is in relation to establishing objective parameters. Organizational autonomy and self-sufficiency implied being involved in organizational decision-making even with donors and the government, defining organizational needs, being less dependent on single donors, diversifying sources of income, being able to generate revenue and managing their own planning, financing project design and evaluation.

The subsequent USAID evaluation of PVO/NGO Support Project made some important discoveries. First, the Support Unit needed more flexibility when addressing beneficiary needs as well as risk-taking during financial negotiations with local organizations. Second, differences between USAID and its contractor over decision-making authority and project management responsibility needed to be more delineated. Third, the Support Unit needed a formal communication and filing system for communicating externally with participating NGOs/PVOs. Fourth, the Support Unit underutilized its personnel. Finally and importantly, USAID could have better prepared for the project’s completion and using the expertise of local organizations in preparing for future training. A better plan of action was necessary to bring better credibility to USAID and the National Project Committee (NPC) especially as it related to communication and on-site visits to local organizations.

The 1993 evaluation deemed the PVO/NGO Project partially successful in that after 18 months, institutional strengthening and training of local NGOs increased despite shortcomings in planning and decision-making authority.

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13 Senegal PVO/NGO support project. 1990. USAID Mission to Senegal.
14 Ibid P. 30.
16 Ibid, P. 11-17.
USAID IN BOLIVIA

A second project that was more narrowly focused was the MAPA Project in Bolivia that concentrated on technology development in the agriculture sector. MAPA in this instance facilitated building innovative technology for the low-income farmers (civil society actors), who can use close communication lines in pushing a growing market of applied technology for agricultural development. MAPA showed positive gains: human resources (i.e. administrative skills among managers) increased as a result to enhance economic institutional capacity. MAPA has also utilized a gender approach in redirecting labor roles in generating income capacity in Bolivia, resulting in increases in income and more rational use of productivity, along with healthier diets and more educational opportunities for children.

USAID implemented dozens of other NGO/PVO programs that were typically focused on one sector or two. Examples include the five year Institutional Capacity Building (ICB) Initiative targeting food security across 13 countries, a strategy that incorporates community-based early warning systems (CWISER) as well as the directed use of measurement and evaluation (M&E). Another program strategy is promoting collaboration with other private voluntary organizations (PVOs) on cross-cutting issues to further leverage ICB.

GENERAL SERVICES DELIVERY IN INDIA

The case of using Koodam (a traditional cultural and social space) in India in 2004 demonstrates how a very old institution can improve modern engineering techniques and water supply systems. The capacity development occurred when engineers of the Tamil Nadu Water Supply and Drainage Board and the consumers of their water formed a new relationship within their social (institutional) and physical environments, creating trust that resulted in a 40-50% reduction in investment costs and corruption, and an improved water supply. Local actors, with the assistance from donors, leveraged a traditional space into a definite change of practices that would become both an endogenous and continuous process that benefitted all.

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18 Ibid. P. 7.
20 Frankenburger, Tim. 2007. Institutional capacity building program (ICB) : mid-term review – final report. P 6-7 of PDF.
21 Ibid. P. 11.
22 Ibid. P. 32.
AGRICULTURE AND NATURAL RESOURCE MANAGEMENT CAPACITY BUILDING IN ALBANIA

In Albania in the 1990s, the World Bank and Swedish International Development Agency (SIDA) funded projects implemented by SNV Albania to respond to increasing soil erosion and degradation. The basic plan had local governments set up Communal Forest User Associations in 30 locations and later more, all in successful attempts to regrow trees at the meso- or association level, and later Communal Forest User Federations at the regional level. This bottom-up model increased accountability and support across local, state and federal offices and drove capacity gains facilitating policies and regulations that actually boosted individual property rights. SNV’s approach “emphasized a responsive form of support to building local exercises with special attention to multi-actor engagement and forming meso-level structures capable of promoting effective best practices.”

AGRICULTURE AND NATURAL RESOURCE MANAGEMENT CAPACITY BUILDING IN NEPAL

Another example of a successful natural resource management (NRM) capacity building program was the effort put forth by the Government of Nepal, several donor agencies and NGOs in the 1990s. District level and District Forestry Coordination Committees determined that Terai forest timber was crucial for the survival of local villagers and that sustainable management would be required. The committees found that real challenge was creating a collective capacity to use the forest resources. The various donors and local actors together found a new, shared understanding of the situation along with agreements about possible solutions, new formal and informal rules, new forms of trust and new systems of reward and sanction to modify behaviour. Over time, innovations evolved via the multi-stakeholder dialogue, protecting the forest and creating innovations brought. Capacity only emerged because of the network of learning and engagement of the actors.

AGRICULTURE AND NATURAL RESOURCE MANAGEMENT CAPACITY BUILDING IN THE PHILIPPINES

The Philippines has a history of non-governmental organizations (NGOs) organizing community collective actions and specifically delivering agricultural services. Under the Marcos and Aquino regimes, local NGOs pursued agrarian reform programs while receiving money from donor agencies.

capacity grants are common and funded by the European Union, Japan, China, the World Bank and Asian Development Bank go through either the Department of Agriculture as well as local governments although after 1991, a shift to devolution gave local administrators more control. \(^{26}\) Agricultural technical capacity grants often focus on training and education with scholarships going to qualified students who stay in country or attend land grant universities abroad. Technical capacity (TC) grants also support community farmer, fisherman and women’s organizations. Some lessons learned in Philippine agricultural capacity development include: TC programs do improve government competencies such as increased rates of collection and more monitoring to reduce corruption, along with TC manuals that capture best practices. \(^{27}\) Another lesson involves “country ownership”. Although the term can be ambiguous, in the Philippines it manifests particularly when determining priorities for funding mechanisms, using local/national input in designing TC projects, expecting project execution to be affected by turnover and identifying the proper strategic partner. \(^{28}\) Finally, the need for donor coordination is more important as more donors enter the TC arena, and at the same time, how to sustain projects locally after donor funds cease. Being able to be a manage change is critical too, that is, be prepared for contingencies by using follow-through planning and devising an overall framework for reform or capacity development initiatives. \(^{29}\)

**USAID AGRICULTURE CAPACITY DEVELOPMENT IN MALI**

USAID has used education and training as a major component in capacity building in the agriculture sector. Students from Africa would attend universities and major in agricultural studies or business administration. Early programs saw the student assuming to be the conduit to transfer knowledge advances and technological innovation to the African agricultural setting. \(^{30}\) Student selection by merit initially became the practice in a student-centered model while institution-centered training programs later focused at building the staff capacity of African agricultural institutions with graduates of U.S. universities. Advanced degrees and more specialized training assisted preparing for newly-emerging sub-sectors in the agricultural sciences, such as farming systems. \(^{31}\)

In the meantime, USAID established linkages between a consortium of U.S. universities and private sector organizations with institutions in Mali and the sub region while committing resources for capacity building in Malian agricultural institutes of higher learning and research and funding a program in short-term

\(^{26}\) Ibid. P. 156.
\(^{27}\) Ibid. P. 159.
\(^{28}\) Ibid. P. 161.
\(^{29}\) Ibid. P. 163.
\(^{30}\) Gilboy, Andrew and Flora, Cornelia, et al. 2010. Agriculture long-term training : assessment and design recommendations. P. 27 of PDF.
\(^{31}\) Ibid. P. 29 of PDF.
training for Malians in areas critical to agriculture and rural development while making it easy for teaching faculty to support themselves while assigned.32

Africa Agriculture Capacity Development Training Initiative Strategic Technical Assistance for Results with Training, a particular project in Mali, utilized Africa-based research collaboratively designed with strong input from African mentors, avoiding the weakness of other long-term training (LTT) programs where U.S. faculty would on occasion suggest a research topic without regard to the African institutional or national context.33 African training capacity also benefitted from American faculty travelling to the region and spending time at the partner institutions, and “increased interaction with African agricultural institutions and colleagues, along with actually studying on a U.S. campus and learning new research techniques, and improving academic habits not replicable through distance learning or Africa degree programs designed jointly with U.S. universities without a U.S. stay”.34 All seven students selected for agriculture training completed a study program and learned new concepts such as the business incubator and Computer Assisted Design.35

USAID MEASUREMENT AND EVALUATION OF CAPACITY DEVELOPMENT

USAID has also emphasized the importance of measurement and evaluation (M&E) in capacity development to properly and empirically detect any change due to programming. Lessons learned include including aid recipients in designing and managing CD efforts, testing broader CD theories and assumptions, focusing on organizations that truly intend to reform, facilitating change processes while working on many fronts and integrating program M&E to promote individual and organizational learning improvements strategies.36 In measuring CD programs, simple lessons learned include37: using the theories of intervention, performance and change, clarifying what capacity development really is, avoiding the “impact” metaphor in evaluations, having organizational members and stakeholders participate in evaluating and triangulating the data results, all while looking at the data in a way to contribute to the whole CD process.

33 Gilboy, Andrew and Flora, Cornelia, et al. 2010. Agriculture long-term training : assessment and design recommendations. P. 37 of PDF.
34 Ibid.
35 Ibid. P. 38 of PDF.
37 Ibid. P. 7 of PDF.
USAID CAPACITY DEVELOPMENT IN DEMOCRACY AND GOVERNANCE SUBSECTORS

Capacity building is relevant in the democracy-governance subsectors largely because institutions such as laws and the infrastructure that apply and enforce those laws must function in a viable and complementary fashion with other sectors such as health, economic growth and agriculture.

According to Bloom et al., local governance capacity “cannot be measured simply through quantifiable indicators but must also include the perceptions of the citizens and the government, and the relationship all actors have with each other”.\(^{38}\) Two examples using the Local Governance Barometer, an effort to “arrive at quantitative measures for good governance indicators to enable a comparative analysis between different situations, an understanding of the evolution of factors of governance and evaluate the impact of interventions”,\(^{39}\) suggest there are constraints in building capacity in a developing context.

CORRUPTION AND A LACK OF TRANSPARENCY AND OWNERSHIP

In developing countries, a lack of transparency and accountability prevents or reduces oversight to processes that would normally need more supervision. Without this supervision, corruption can occur and violate respect to human rights and fundamental liberties as well as the participation of all citizens in the transparent election of their government officials. These authorities “become less accountable for their own acts before a parliament and electors and the access of everyone to justice, education and health without gender distinction, ethnic-national origin, age, religious belief, political ideology or sexual preference becomes less likely.”\(^{40}\)

In Ecuador, institutional and managerial weaknesses (like non transparent bidding and licensing processes) led to corruption that resulted in the hiring of under-qualified contractors, a procedure that “ignored social and economic profitability criteria.”\(^{41}\)

In Cameroon, dialogue between actors at all levels (family, organizations, levels of government), learning and ownership had to be maintained to reduce corruption and increase transparency.\(^{42}\)

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\(^{39}\) Ibid, 2.

\(^{40}\) Ibid, 13.

\(^{41}\) Ibid, 13.

\(^{42}\) Ibid 28.
LACK OF RESOURCES AND TRAINING REDUCES RULE OF LAW

A simple lack of resources, skills, education and training also all affect capacity-building in local governance and general services delivery at the regional and national level as well as affecting the rule of law. Unless governments can effectively respond to citizens' priorities, the governments will lack legitimacy. Programs must provide assistance to improve the “know-how and the financial resources of local governments so they can deliver services to the community’s needs. Advances in local government capacity not only have tangible impact on people's lives, but also improve people’s confidence in and commitment to democratic practice.” 43

In Romania, funds increased capacity by providing advanced financial management, budget, and computer operating systems for local officials to more effectively “allocate resources and track expenditures against the delivery of services.”44

In Lebanon, capacity building focused on informational hardware such as “computer hardware, and software systems for 20 municipalities in order to help increase efficiency, transparency, and citizen participation.”45

In Bolivia, formation of the Centro de Investigaciones del Congreso Nacional (CICON), a unit that “built the technical capacity to review the budget, draft bills, assist legislators with constituent relations, and provide research service to the congress”, greatly boosted resources and served as a link to civil society since it sought input from interest groups on pending legislation.46

LACK OF POLITICAL ACCOUNTABILITY AND RESPONSIVENESS TO VOTERS

Legislatures can have little legitimacy simply because they do not have links to their constituents. Capacity building here might comprise professionalizing and educating legislators using programs that encourage sharing experiences across country borders, such as study tours, conferences, and workshops. On the other hand, “support is also created through strengthening the capacity of civil society groups to access lawmakers through advocacy and public information programs that seek to influence legislative behavior to deliberate specific policies”47, thus bringing voters closer to their representatives.

43 USAID’S Experience in Decentralization and Democratic Local Governance, 2000, 3
44 Ibid, 13.
47 Ibid, 10
In Nicaragua, USAID funds helped establish the Asamblea Nacional’s modernization committee, a multi-partisan body formed in a very polarized political arena that had to improve the assembly’s capacity to oversee the budget. The Committee also “had to upgrade the voting system, and create a web site that publicizes bill status and other legislative information”.48 As a result, there was a massive increase in the number of the website hits as legislators, researchers, members of civil society, and citizens alike all tried to reinforce the ties between society and the government.

In Malawi, the technical capacities of the Parliamentary Women’s Caucus increased resulting in the drafting of new laws including the Marriage Act (establishing the age of consent) and the Affiliation Act (increasing maintenance for children born out of wedlock).49

48 Ibid, 11.
49 Ibid, 23.
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