

USAID/DRC
PARTICIPATORY INSTITUTIONAL CAPACITY ASSESSMENT AND LEARNING
INDEX

USER’S GUIDE

MAY 2015

The Participatory Institutional Capacity Assessment and Learning Index is an assessment tool used to evaluate and monitor four themes of institutional capacity development, namely:

- Demand for Institutional Performance
- Organizational Learning Capacity
- Administrative Capacity
- Institutional Strengthening Capacity

The PICAL tool is part of USAID/DRC’s evolving assessment framework. Please send comments and questions to Christopher Darrouzet-Nardi, Mission Economist, USAID/DRC, cdarrouzet-nardi@usaid.gov.)

Contents

I.	INTRODUCTION.....	2
II.	DESCRIPTION OF PICAL INDEX.....	4
III.	USE OF PICAL INDEX.....	7
	1. Participatory Diagnostic Assessment (MEC and/or IP + Country Partner)	7
	2. Baseline Validation Assessment (MEC).....	8
	3. Monitoring Assessments (MEC and/or IP + Country Partner)	8
	4. Participatory Summative Learning Assessment (MEC and/or IP + Country Partner).....	9
	5. Independent Summative Contribution Assessment (MEC).....	9
IV.	DETAIL OF PICAL INDEX CATEGORIES.....	11

I. INTRODUCTION

In 2015, USAID/DRC developed a new Country Development Cooperation Strategy (CDCS) for fiscal years 2015-2019. USAID's 20-year vision for DRC is that it is a country where *the Congolese take charge of their future to manage and sustain growth with their own human, natural, and financial resources*. In the 2015-2019 period, USAID will advance this vision through the five-year goal of supporting a *long-term transition to more effective and empowering development in the country*.

This tool is intended specifically to support USAID/DRC's efforts to monitor and continuously improve its efforts to advance Development Objective 1 (DO1) of the CDCS that *selected national-level institutions more effectively implement their mandates*.¹

USAID/DRC intends to advance this objective through a variety of interventions to improve the quality of administration of government entities, increase and improve cooperation among government entities and between government entities and nongovernmental organizations / civil society organizations, increase and improve the demand for good governance among the general populace as well as within governance organizations themselves.²

At the same time, because the other two Development Objectives identified within the CDCS – (DO2) improved lives of Congolese through coordinated development approaches in select regions, and (TO3): a strengthened foundation for durable peace in eastern DRC – share similar capacity-building goals, the PICAL tool has been designed to be informative for work on them, too. This should facilitate both greater opportunity for collaborative learning and improvement among USAID/DRC's efforts to address these inter-related DOs as well as greater opportunity for developing its own capacity for thinking about, engaging in and improving its work on organizational and institutional capacity building of various types.

To support these efforts, this tool can be used to:

- Obtain an initial assessment of organizational units' current level of capacity – to inform the articulation of specific long-term capacity-building goals, identification of short-term capacity-building priorities and the specification of capacity-building assistance to be provided by USAID/DRC to these organizations – as well as to provide a baseline for the management of these efforts and an assessment of their contributions;
- Engage leaders within organizational units in the initial assessment of long-term and short-term capacity-building priorities; the specification of assistance to be provided to move these institutions toward these capacity priorities; and the monitoring and continuous improvement of these capacity-building efforts. This would serve as a means of supporting indigenous ownership of and demand for improved capacity and performance of these organizational units, as well as supporting these leaders to raise their level of understanding of capacity building

¹ *nb* – The concept of “national-level institutions” in the CDCS has been used to refer both broadly to national “systems” (e.g. the national system for the provision of health care, education and justice), and more specifically the “organizations” that comprise these systems, particularly national government entities (e.g. national ministries of health, education and justice) but also the sub-national offices of these entities as well as national nongovernmental organizations / civil society organizations. The PICAL tool has been developed to offer a method suitable to both the monitoring and evaluation of efforts to build the capacity of specific individual organizations (“selected national-level institutions”) as well as the monitoring and evaluation of the overall effect of these efforts all together for the purpose of reporting on USAID/DRC's work on DO1 as a whole.

² *nb* – While candidate indicators of the Intermediate Results (IRs) identified for Development Objective 1 in the DO1 Project Appraisal Document and other documents are largely focused on improving the administrative capacity of national government entities, DO1 and the IRs themselves suggest that the goals of DO1 extend beyond enhanced administrative capacity to enhanced effectiveness of institutional planning, policy development, implementation of interventions/delivery of services, and mobilization of resources for governance – the goals of the DO are broader than the focus identified by the IRs, which are: (1.1) Capacity to identify constraints to development and propose solutions, (1.2) Capacity to create policy and legal framework in targeted sectors improved, (1.3) Capacity to implement selected policies, laws, and programs enhanced, and (1.4) Congolese resources made available for selected sectors.

- Monitor progress of USAID/DRC’s capacity-building interventions toward their intended results with the selected national-level organizational units to inform improvement of the implementation of these initiatives; and,
- Report on the results of USAID/DRC’s efforts to build the capacity of the selected national-level institutions to promote greater transparency regarding the national institutional capacity-development needs of the DRC as well as to inform the development of broader knowledge and understanding of national institutional capacity-building.

It is important to note that DO1 is not necessarily going to bring any national institution to the highest levels of capacity over the next five years. Achieving high-functioning institutional capacity is a long-term, dynamic process that can span decades. As such, the tool presents the measurement of capacity in an organizational development perspective and is designed to be applicable to organizations (and/or units within) at various levels of development.

Finally, it is also important to note that the GDRC itself has begun to focus more specifically on improving institutional capacity, in part through USAID/DRC-supported efforts. This tool is designed to complement these efforts and can be introduced to supplement them and to improve their quality in an uncertain environment. This stands in contrast to a tool that is designed to be suited uniquely to new interventions. This also makes the tool suitable for potential use in settings other than the DRC, particularly after being piloted and improved in the country.

The PICAL tool is informed by several other capacity measurement tools developed by and used within USAID, particularly the Regional Partner Institutional Viability Assessment (PIVA) Index (2001) and The Institutional Strengthening Standards for Kenyan Civil Society Organisations (2014).³ A primary difference in the PICAL tool and these earlier tools is that PICAL focuses on the development of the capacity of “national-level institutions” – with “institutions” used to refer both broadly to “national” systems (e.g. the national system for the provision of health care, education and justice), and more specifically the organizations that comprise these systems, particularly national government entities (e.g. national ministries of health, education and justice) but also the sub-national offices of these entities as well as national nongovernmental organizations / civil society organizations. For this purpose, the PICAL tool has been designed to look at a broader set of categories of factors critical to the building of “national institutional capacity” than either the PIVA or FANIKISHA indices, which focus exclusively on the administrative/organizational capacity of organizations. Specifically, beyond the elements of organizational capacity identified by the PIVA and FANIKISHA indices, the PICAL tool includes coverage of elements related to *Demand for Institutional Performance* and *Institutional Strengthening Capacity*, and expands the coverage of the elements of *Organizational Learning Capacity*. It emphasizes the importance of enhanced capacity for assessment, learning, staff and organizational development, and continuous improvement of operations and programs to sustainable, autonomous progress of institutional capacity and performance.

³ The PIVA was developed by the Regional Economic Development Support Office for East and Southern Africa to support the Integrated Strategic Plan (ISP) 2001-2005. The Institutional Strengthening Standards for Kenyan Civil Society Organisations was developed by the Management Sciences for Health FANIKISHA Institutional Strengthening Project, with funding provided by the United States President’s Emergency Plan for AIDS Relief (PEPFAR) and the United States Agency for International Development (USAID) under Cooperative Agreement AID-623-A-11-00029.

II. DESCRIPTION OF PICAL INDEX

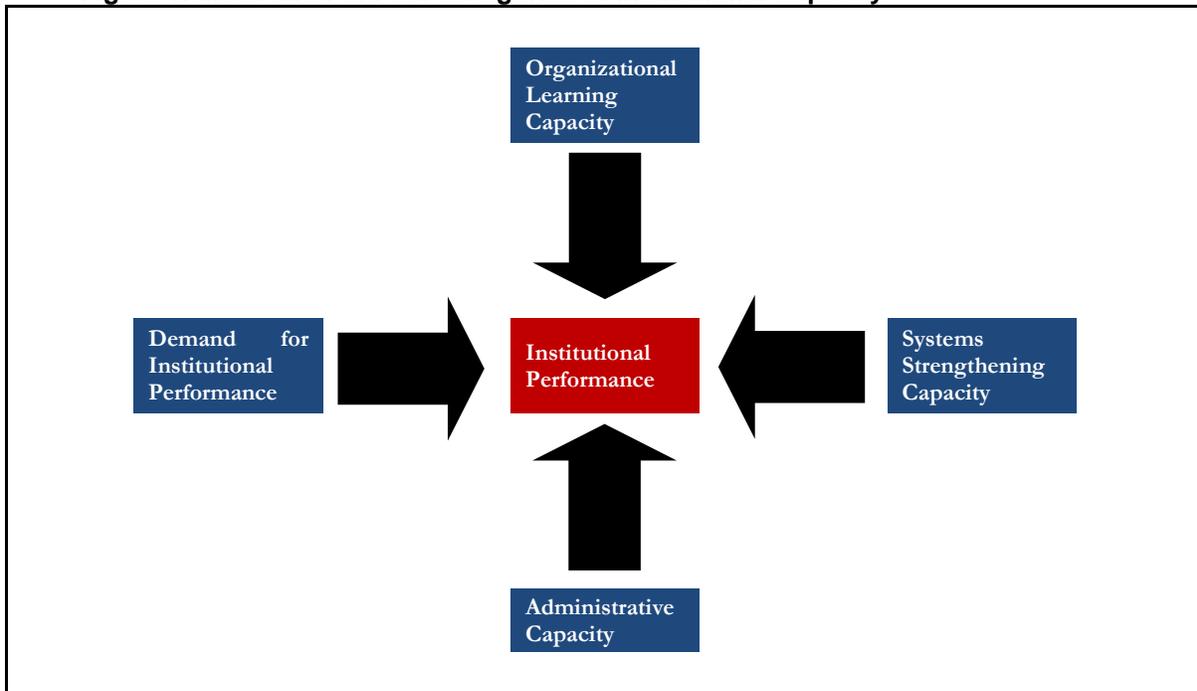
PICAL is a user-friendly tool that provides a framework to assess the capacity of organizational units of national governance institutions in the DRC in order to identify priorities for capacity-building and monitor the effectiveness of efforts to enhance this capacity.

Each of the four themes of institutional capacity development is divided into sub-categories, which are further divided into main elements. For example, under “Systems Strengthening Capacity,” the sub-category of “Decentralization” has several elements within it: (1) transfer of authority, (2) resourcing, (3) capacity of subsidiary units.

Table 1. Institutional Capacity Development Categories and Sub-Categories

Demand for Institutional Performance	
	Stakeholder Perceptions
	Accountability (Internal)
	Accountability (External)
	Inclusiveness
	Participation
	Transparency
	Corruption Controls
	Staff Understanding of Mandate
	Performance Incentives
Organizational Learning Capacity	
	Capacity-Building Leadership
	Organizational Planning
	Assessment and Learning
	Knowledge Management
	Research
Administrative Capacity	
	Leadership
	Organizational Roles and Responsibilities
	Human Resources (Planning)
	Human Resources (Salaries)
	Information Management
	Financial Management
	Reporting
	Physical Space & Equipment
	Compliance / Auditing
Systems Strengthening Capacity	
	Policy Development
	Oversight
	Capacity Building
	Resource Mobilization
	Resource Allocation
	Decentralization
	System Logistics
	Information Sharing
	System Coordination

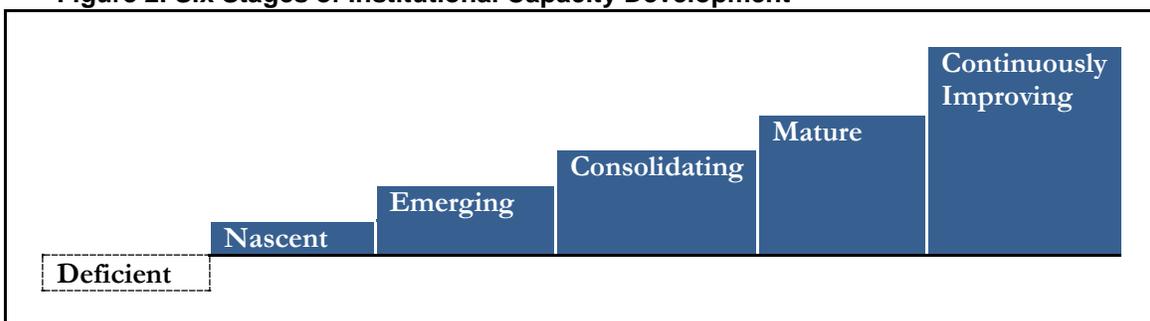
Figure 1. Illustration of Four Categories of Institutional Capacity



In the PICAL, each of the four categories of capacity development are assessed according to a six-point rating scale that corresponds to stages of capacity development. Each category, sub-category and main elements within a subcategory are to be scored according to the general guidance provided by the description of the capacity development stage. Three of the four categories of the index produce a “snapshot” of all the pieces of an organization’s contribution to national-level institutional capacity at a given moment. The fourth category offers a snapshot of the broader system in which the organization operates.

The six stages of organizational development and the corresponding point scale for scoring capacity is presented in Table 1.⁴ As defined in the PICAL, they range from “deficient” to “continuously improving.” These can be depicted graphically as follows:

Figure 2. Six Stages of Institutional Capacity Development



⁴ *nb* – This capacity development framework, scoring scale and discussion draws significantly upon the model of and is essentially an adapted and expanded version of the USAID/REDSO/ESA PIVA Index, which focused primarily on the capacity category of Administrative Capacity as discussed herein.

Table 2. Stages of Organizational Capacity Development and PICAL Scores

Score	Stage	Description
0	Deficient	Standard operating procedures are largely absent
1	Nascent	Standard operating procedures exist but are notably incomplete / inadequate
2	Emerging	Standard operating procedures are largely complete /adequate but implementation is notably inconsistent / inadequate
3	Consolidating	Standard operating processes are implemented largely consistently but largely without attention to quality of processes
4	Mature	Standard operating processes are implemented largely consistently and with some attention to quality and improvement
5	Continuously Improving	Operating processes are implemented with consistently high quality and subject to continuous improvement by results-based management

As all organizations evolve differently, this type of scored method of assessing an organization’s capacity in terms of stages of development helps to present a fair, qualitative, and quantifiable picture of a very complex phenomenon of institutional capacity. An organization could be in a different stage of development in any of the four categories at any one time. For example, an organization might be in the *consolidating stage* with respect to *Organizational Learning Capacity*, but still in the *nascent* stage in terms of its *Demand for Institutional Performance*. In fact, this diversity of capacities is to be expected, particularly in environments like the DRC in which governance in general is still in a stage of consolidation. This type of assessment can help an organization define what capacities to focus attention to in order to move to the next stage of development. Because many organizations must continually attempt to strike a balance between developing capacity and available resources, the method of pinpointing needs by *capacity* and by *stage of development* helps to highlight more critical capacity-building needs over others.

III. USE OF THE PICAL INDEX

As introduced, the PICAL Index is intended to be a tool for the participatory assessment of institutional capacity for informing the implementation of capacity-building efforts at multiple stages of their life-cycle. The tool should provide diagnostic assessment, ongoing/regular monitoring for continuous improvement, and a summative evaluation.

The suggested process for using the PICAL Index to assess the capacity of a particular organizational unit of a national institution spans all of these different stages.

1. Participatory Diagnostic Assessment (MEC and/or IP + Country Partner)

The initial use of the PICAL tool for assessing the capacity of an organizational unit should be a diagnostic assessment done collaboratively by representatives of the recipient organization along with representatives of USAID/DRC and/or the implementing partner tasked with providing the capacity-building intervention(s). In some cases, the unit's own GDRC counterparts should take place also (such as the Ministry of Public Function in cases of administrative capacity assessment since they play a lead role across the entire government).

This assessment will both provide an indication as to the various capacity needs and relative priority for the recipient organization. Informed by this assessment, USAID/DRC can then refine and prioritize its programming.

In this initial diagnostic assessment, the representatives of USAID/DRC and/or the implementing partner should guide the recipient organization through the use of the tool to ensure they understand its use as a means of more carefully identifying capacity needs and priorities for their organization.

This initial participatory diagnostic use of the tool can be customized to suit the recipient organization. For example, for organizations with particularly low levels of organizational capacity, the initial diagnostic assessment could be conducted collaboratively by the representatives of the recipient organization and USAID/DRC and/or the implementing partner. Alternatively, for organizations with greater capacity, the tool could be entirely self-administered; after which they would review the assessment with representatives of USAID/DRC and or the implementing partner to engage in validating the diagnosis.

While not a requirement, good practice suggests that beginning with the initial diagnostic a capacity-building team of persons within the recipient organization should be identified to inform the process and champion capacity-building efforts.

While the general guidance for scoring of the PICAL is provided by the descriptions of the stages of organizational capacity development - which are generally readily interpretable and can be applied consistently across most categories - it is suggested that during the participatory diagnostic phase more specific indicators relevant to the recipient organization be identified. This serves as a guide for the outcomes of the capacity-building assistance that would mark contributions to the organization's improvement in its score for the category.⁵ The descriptions of the stages of organizational capacity development are presented in Table 3 below.

⁵ Note that improvement in indicators would not necessarily be sufficient in themselves to suggest an improvement in the capacity score, particularly beyond a score of 2 ("emerging" capacity development). For example, in the case of a complete lack of standard operating procedures, such as the roles and responsibilities of DPS units relative to the Ministry or the use of off-budget financing for ETDs, the clarification of these could mark an improvement from a score of 0 to a score of 1. However, in the case of the existence of a policy requiring the regular payment of salaries to public employees that is not being implemented, the adoption of another policy clarifying this task as the responsibility of a new actor does not necessarily indicate an improvement in the score without actual improvement in implementation.

Table 3. Stages of Institutional Capacity Development and Example Identified Indicators

Score	Stage	Description	Example Identified Indicators
0	Deficient	Standard operating procedures are largely absent	n/a
1	Nascent	Standard operating procedures exist but are notably incomplete / inadequate	Adoption of clear roles and responsibilities of Health DPS Offices
2	Emerging	Standard operating procedures are largely complete /adequate but implementation is notably inconsistent / inadequate	Health DPS Offices operate in fulfillment of delineated roles and responsibilities, with some notable lack of financial autonomy
3	Consolidating	Standard operating processes are implemented largely consistently but largely without attention to quality of processes	Local ETDs are increasingly functionally managing education delivery in the district
4	Mature	Standard operating processes are implemented largely consistently and with some attention to quality and improvement	DPSs are soliciting feedback from Health Zones, which is reporting improvement in satisfaction of DPS performance
5	Continuously Improving	Operating processes are implemented with consistently high quality and subject to continuous improvement by results-based management	Local ETDs are undertaking regular reviews of educational outcomes and adjusting budget allocations to school accordingly to address performance differences

2. *Baseline Validation Assessment (MEC)*

For the purposes of independently assessing the effectiveness of USAID/DRC’s contributions to DO1, a third party contracted to evaluate the capacity-building efforts supported by USAID/DRC will conduct an independent validation of the scoring of the capacity of the organizational units to which USAID is providing capacity-building support. This validation assessment will both (i) provide the baseline index scores against which later scores will be compared in USAID/DRC’s PMP reporting, as well as (ii) provide feedback to the organization receiving the assistance and to USAID/DRC regarding the accuracy and quality of the initial participatory diagnostic assessment.

It is recommended that, where applicable, units that serve as a control (non-intervention) are identified and also assessed. Due to idiosyncratic features of most government organizations and their subunits, this may not always make sense. Nonetheless, a search for suitable controls should be undertaken and any found should be assessed if it is deemed that they are worthwhile as a basis for comparison.

3. *Monitoring Assessments (MEC and/or IP + Country Partner)*

It is recommended that participatory assessments be repeated at least on an annual basis for learning and management purposes, including for the purpose of fostering increasing understanding of and demand for capacity-building within the recipient organizations. For learning purposes, in addition to scoring the capacity of the recipient organizations, observations should identify factors facilitating or impeding the growth in capacity of the organization.

In addition to the annual assessments, recipient organizations should be encouraged to document events/incidents which they feel suggest improved capacity and/or performance (for example, in the form of expressions of changed perceptions by staff regarding job expectations or improvements in relevant policies not identified as indicators in the initial assessment).

These assessments can be conducted to suit the particular recipient organization, but it is recommended that they be conducted in a participatory fashion as described for the diagnostic assessment. Arguably, such review assessments could be even more supportive of the capacity-building efforts, particularly the socialization of the recipient organization, if conducted more regularly, such as on a semi-annual basis.

Independent evaluation of the capacity-building efforts may be warranted in select cases where the Mission determines that it would importantly increase the worth of the final summative evaluation. Data should be collected both in the form of the assessment scores and the tracking of indicators, but also the qualitative observation of the recipient organization’s adoption of use of the capacity assessment practice to inform its work.

4. ***Participatory Summative Learning Assessment (MEC and/or IP + Country Partner)***

At the end of the five-year CDCS period, or at the end of each DO1-related intervention or sets of interventions, a final participatory assessment should be conducted along with a comprehensive review of the regular assessments conducted on the intervention(s).

These participatory summative assessments can offer perspective to the recipient organization and USAID/DRC on the progress of capacity-building in the recipient organization as well as lessons for how to go forth with this work – the recipient organization continuing its efforts to develop its capacity, and USAID/DRC continuing its efforts to develop capacity of national-level institutions.

5. ***Independent Summative Contribution Assessment (MEC)***

Similarly, at the end of the five-year CDCS period, or at the end of each DO1-related intervention or sets of interventions, the third-party evaluator should conduct a final assessment along with a comprehensive review of the regular assessments conducted on the intervention(s) by the evaluator and the recipient organization itself with USAID/DRC and /or the implementing partner.

In particular, in addition to reviewing the scores and the complementary qualitative observations captured in the monitoring efforts, the independent evaluator should employ one or more of the following methodologies (or others) to more carefully capture the contribution of USAID/DRC’s support to the building of the organization’s capacity and more generally the contribution of these improvements in capacity to improvement in the governance performance of the national institutions:

- Process Tracing
- Outcome Harvesting
- Contribution Analysis
- Most Significant Change

This independent summative assessment should offer perspective to USAID/DRC on the impact of its DO1-related efforts in terms of their contribution to the fulfillment of the objective. This assessment should seek to identify the contribution of these efforts not only to the capacity of the organizational units themselves but to the intended DO1 outcomes of the performance of the national institutions to which these organizations contribute.

Reporting

In addition to using the PICAL scores to measure and assess the efforts of USAID/DRC related to individual organizations, the scores will be aggregated across category in order to fulfill the Mission’s development objective-level reporting requirements. These scores would not represent some universal quality of capacity of Congolese national-level institutions. Rather these category scores would represent the quality of capacity specifically of the “selected” organizational units with which USAID/DRC is working (and whose performance in turn allows for institutional performance to improve). So long as there is a consistency of reporting on the same set of organizations from one reporting period to the next, this reporting would represent a snapshot of the evolution of capacity of these organizations with which USAID/DRC is working and can thus suggest the appropriate focus of the reporting on DO1.

Any changes in the set of organizations being worked with and, thus, whose scores are included in the aggregate score, would render the score not comparable to previous periods. This can be addressed in a few ways. One option is to report the scores for only the same set of organizations for the entire CDCS reporting period. This would be the most consistent but also the least informative of the full range of work that USAID/DRC is supporting. A second option is for USAID/DRC to report on two sets of category scores each reporting period – the aggregate category scores of the same set of organizations from the previous period, for the purposes of comparison to this previous period, and the aggregate category scores of the full set of organizations being worked with in the current period, for the purposes of comparison to the next period. This option would allow for a “rolling” comparison between periods (similar to a rolling average used in forecasting or other data analysis). Finally, a third option is to report in both of these fashions – reporting three sets of aggregate data each period, including (i) that of the “original” set of “selected” national-level institutions/organizations with which USAID/DRC works under the CDCS, which will allow for a single albeit limited set of comparable data for the entire CDCS and (ii) that of each previous period’s set of organizations, which would allow rolling inter-period comparison of more complete sets of USAID/DRC’s work with “selected” national-level institutions.

To clarify, it is not recommended that the different category scores for any organization be aggregated to provide a single score to the organization, or to report on an aggregation of such single scores for the organizations. There may be some specific purpose for doing single-score aggregations, however, which again would require acknowledgement of the limitations of using such an aggregation – such as aggregating the category scores in a way that provides more explicit weighting to particular categories in order to provide more emphasis on attention to these categories (such as might be an interest to promote greater attention to “demand for organizational performance” or “systems strengthening,” which are typically less emphasized in basic “organizational capacity-building” efforts).

IV. DETAIL OF PICAL INDEX CATEGORIES

Table 4. Four Categories of Institutional Capacity (Defined)

Demand for Organizational Performance – Does the organization have adequate capacity to foster demand for its high-quality performance?		
Stakeholder Perceptions		Does the organization solicit feedback from stakeholders about its performance?
Accountability (Internal) Accountability (External)		<ul style="list-style-type: none"> Does the organization have monitor for and remedy improprieties in the organization’s operations? Are there other organizations that monitor and assess the propriety of the organization’s operations?
Inclusiveness		Are all stakeholders represented in the operations and services of the organization?
Participation		Are all stakeholders involved as appropriate in informing its operations?
Transparency		Does the organization disclose clear and accurate information on its operations?
Corruption Controls		Does the organization monitor and remedy improper conduct of staff members?
Staff Understanding of Mandate		Does the organization ensure that staff members have a clear understanding of the mandate of the organization?
Performance Incentives		Are incentives in place for staff to improve the performance of the organization?
Organizational Learning Capacity – Does the organization have adequate capacity to improve the effectiveness of its operations?		
Capacity-Building Leadership		Are senior staff clearly designated for identifying and leading efforts to build the capacity of the organization?
Organizational Planning		Does the organization plan its strategy and operations based on theory and evidence?
Assessment and Learning		Does the organization measure and improve the effectiveness of its operations and its service to its constituents?
Knowledge Management		Is the knowledge of staff members captured and distributed in order to foster staff learning and preserve institutional memory?
Research		Are practices in place for intentionally generating and/or acquiring new understanding regarding its work?
Constituent Perceptions		Does the organization solicit from its constituents feedback on its services?
Administrative Capacity – Does the organization have adequate capacity to manage all general administrative and operational functions?		
Leadership		Does the organization develop the leadership capacity of senior staff and to prepare other staff to serve in leadership roles?
Roles and Responsibilities		Are the roles and responsibilities of sub-units of the organization and staff of the organization clearly defined?
Human Resources (Staffing) Human Resources (Salaries)		<ul style="list-style-type: none"> Does the organization have adequate capacity for ensuring high-quality staffing? Does the organization have adequate capacity for managing staff salaries (with all salaries represented in official budgets)?
Information Management		Does the organization maintain records in a manner that allows them to be effectively accessed and used by staff?
Financial Management		Does the organization appropriately manage financial resources (with all finances represented in official budgets)?
Communications and Reporting		Does the organization document and disseminate useful information at periodic intervals to provide regular feedback informing stakeholders about the organization’s operations.
Physical Space & Equipment		Does the organization have adequate physical space and equipment for it to operate?
Compliance / Auditing		Does the organization have in place practices for ensuring compliance with laws, regulations and codes of conduct?
Systems Strengthening Capacity – Does the broader institutional system of which the organization is part have adequate capacity?		
Policy Development		Is there adequate capacity for developing policy, including legal and regulatory frameworks, in the institutional system?
Oversight		Is there adequate oversight, provided by legal or regulatory actors, in the institutional system?
Capacity Building		Is there adequate capacity for building the capacity throughout the broad institutional system?
Resource Mobilization		Is there adequate capacity for mobilizing resources throughout the broad institutional system?
Resource Allocation		Is revenue appropriately distributed to actors throughout the institutional system, whether horizontally to specific functional units within the institution or to subsidiary units, such as provinces/localities?
Decentralization		Is there adequate transfer of authority, responsibility and resources to sub-national governments within the institutional system?
System Logistics		Is there adequate capacity for moving supplies and equipment to stakeholders throughout the institutional system?
Information Sharing		Is information shared among stakeholders throughout the institutional system?
System Coordination		Are activities of stakeholders coordinated throughout the institutional system?
Stakeholder Feedback		Is there solicitation of feedback from stakeholders about the performance of the institutional system?