M&E OF CAPACITY STRENGTHENING

Capacity strengthening is a process in which people and/or organisations are provided with external support to enhance and maintain their capacity over time. It can be a complex process, involving multiple actors, methods and influences. Monitoring and evaluation should always be designed to support the capacity strengthening process, and should never undermine it.

Capacity can broadly be defined as the *"ability of people, organisations and society as a whole to manage their affairs successfully"* (OECD 2006, p8).

Capacity development is generally understood as a process whereby capacity is created, strengthened and maintained over time. Capacity development can be an entirely internal process in which individuals or organisations seek to improve their own capacity, using their own resources. Or it may be a mixture of both internal and external processes.

Capacity building, or **capacity strengthening**, on the other hand, is a deliberate process in which people and/or organisations are provided with external support to enhance their capacity. This paper deals with organisational capacity strengthening. However, the terminology used within social development is inconsistent. Capacity strengthening may be known by many different names, all meaning roughly the same thing (e.g. institution building, organisational development, capacity enhancement).

CSOs may be either providers or recipients of capacity strengthening support, depending on the circumstances. Sometimes, they are both at the same time. For example, a non-governmental organisation (NGO) based in the global South may receive capacity strengthening support from a large international or national NGO, whilst at the same time providing capacity strengthening support to other CSOs.

Recipients of capacity strengthening support are referred to throughout this paper as 'partners'. Partners can include NGOs based in both the North and the South, community-based organisations, other kinds of CSO, networks and coalitions. Sometimes, capacity strengthening may also be targeted at private sector bodies, government agencies, or wider systems, such as the healthcare or education system in a region.

CSOs often provide capacity strengthening support to partners directly. However, they may also work through third parties, such as other CSOs, organisations specialising in capacity development service provision, academic institutions, or individual advisers and facilitators. Sometimes, CSOs simply provide funding to partners, so they can access support from their own preferred capacity development providers.

Some capacity strengthening methods	
Training	Communities of Practice
Coaching	Exposure / exchange visits
Mentoring	Internships
Accompaniment	Resource provision
Expert technical assistance	Facilitating knowledge access
Peer-to-peer support groups	Secondments
Brokering	Facilitated workshops
Logistical support	Seminars
Action learning sets	Funding

Capacity strengthening is often associated with training. In reality, however, numerous types of methods can be used (see box above). Support may be provided predominantly through one method. But more often a combination of methods is used to maximise the effect.

In addition to targeted capacity strengthening support, partners are, of course, heavily influenced by the social, political and economic environments in which they operate, and are subject to constant internal change. Consequently, capacity development is often a complex, multi-layered process, involving multiple actors and influences. This has implications for how capacity strengthening work is monitored and evaluated. There is no 'one-size-fits-all' approach.

Challenges

A number of challenges are associated with the monitoring and evaluation (M&E) of capacity strengthening work. Some of the main ones are listed below.

- Capacity is an intangible concept, and people interpret it differently. If people cannot agree on what it means, then it is hard to agree on whether capacity is changing or not, or whether any changes are beneficial.

- Capacity strengthening interventions are often spread over a very long time. Some International NGOs have been providing capacity strengthening support to the same Southern partners for over twenty years.

- The same partner may receive capacity support from many different organisations. This can make it difficult to isolate the contribution of an individual capacity strengthening provider.

- M&E work may need to be coordinated across long chains of actors including donors, capacity strengthening providers, partners and targeted communities.

- Capacity strengthening is not a linear process. Organisations and individuals evolve over time in response to changing internal and external environments. It can be hard to separate out these changes from more purposeful, intended ones.

- Effective capacity strengthening often involves engaging with people's emotions – both positive and negative. For change to be possible, organisations might need to acknowledge fears of staff and/or to build trust and confidence in a new approach. But asking staff to share their inner-most feelings, or 'measuring' emotions, can be difficult.

- Most methods used to monitor and evaluate capacity strengthening require some level of self-evaluation. However, individuals within organisations may be unwilling to provide honest and open opinions, especially if these could be interpreted as criticisms of work colleagues, or might affect funding decisions.

- It is sometimes hard to decide whether a change is positive or not. For example, an organisation may go through a period of crisis, but it may be a necessary crisis that will help it evolve into a stronger organisation. Equally, an organisation may appear to some to be in a position of stability, whilst to others it seems to be stagnating.

Many CSOs have overcome these challenges, and have developed effective M&E approaches for capacity strengthening work. However, it is important to recognise the challenges at an early stage so that solutions can be incorporated into M&E design.

It is always important to remember that the central purpose of capacity strengthening support is to enhance capacity. M&E work should not undermine that support in any way (see example below). This means M&E work should either be designed to support the capacity development process, or at the very least do no harm.

Case study: Undermining capacity development

Between 2012 and 2014, INTRAC worked on an evaluation of Bangladeshi agencies supported through the Dutch Ministry of Foreign Affairs, via several European-based NGO consortiums. As part of the work, INTRAC developed a self-evaluation process for Bangladeshi agencies to assess their own capacity. The process was designed and conducted in a participatory way.

It was later revealed that one of the Bangladeshi agencies had previously been the subject of several organisational capacity assessments, carried out by different capacity strengthening providers. In at least one case a consultant facilitating an organisational capacity assessment had independently *'marked'* the Bangladeshi agency on its capacity, but had refused to tell staff the results. INTRAC believes this kind of assessment is detrimental to the capacity development process.

Conceptual issues

CSOs need to address several conceptual issues when deciding on an M&E approach for their capacity strengthening work. Some of the most important are described below.

Capacity for what? When carrying out M&E work it is important to understand what changes a development intervention is attempting to influence, and why. Establishing the purpose of a capacity strengthening intervention is often, therefore, the first step. At an organisational level, capacity strengthening can be divided into two types.

- *Technical capacity strengthening* attempts to address a specific issue, such as a partner's ability to develop funding proposals, manage health centres or teach pupils. Technical capacity strengthening is often carried out within a designated project or programme, in response to specific, defined needs. It is therefore relatively easy to address the *'capacity for what'* question.

- On the other hand *organisational* or *programmatic capacity strengthening* is intended to help partners fulfil their core functions and achieve their own mission. Change may be slow and complex, requiring in-depth reflection on the partner's culture, values and vision. Efforts are mostly aimed at internal issues such as identity, leadership, culture, strategies, staffing, structures and systems. In these cases the *'capacity for what'* question may be harder to answer.

CSOs engaged in capacity strengthening work often choose to articulate its purpose in a theory of change, a strategy document, or a results framework. Some of the key questions usually addressed are as follows:

- Why is the capacity strengthening work being done, and why now?
- What other major capacity strengthening initiatives have taken place recently? What has been learned in the process?
- What other capacity strengthening initiatives are already planned or underway? How do they connect?
- How is capacity change expected to occur?
- Who or what is expected to change?
- What would success look like?
- How will individual or organisational change contribute to wider change? Why is this wider change important?
- What key assumptions lie behind the work?

If the answers to these questions are unclear or disputed it is less likely that any M&E approach will be effective.

The purpose of M&E: It is also important to establish what an M&E system or approach is for. Many M&E systems are designed to provide a mixture of learning (in order to improve performance) and accountability to donors or supporters. But these purposes may be in conflict, and there may be significant differences in the type of

information collected, the methods used to collect it, and the integrity with which M&E is carried out.

It is also important to recognise that there may be competing demands on M&E within and across different organisations. For example, a capacity strengthening provider might want to report changes in the capacity of partners to its donors, but may also want to learn in order to improve its services. A partner may be more interested in monitoring and evaluating its own capacity development for learning purposes. And a donor might be most interested in knowing how capacity change is translating into improved lives within a partner's target communities.

The challenge is often to reconcile all these competing demands. In many cases this can best be done by designing an M&E approach to meet the needs of the primary stakeholders – usually the CSO providing capacity strengthening support and its partner(s). Additional processes can then be introduced as required to meet the needs of other stakeholders.

How far to measure: A capacity strengthening provider should primarily be accountable to its partner(s). However, it may also need to be accountable to those providing the funding for the work. In these situations it is important to establish exactly how far an M&E system needs to go in measuring change.

In order to explain this, it is useful to use the *'ripple'* model. In its most basic form (see above) this model illustrates the three main levels at which a CSO can monitor and evaluate a capacity strengthening intervention. The capacity strengthening input (such as training or mentoring) is dropped into a pond. The ripples then flow outwards to bring about changes at the internal organisational level of a supported partner, and then ultimately at the level of the partner's target group. The size and direction of the ripple
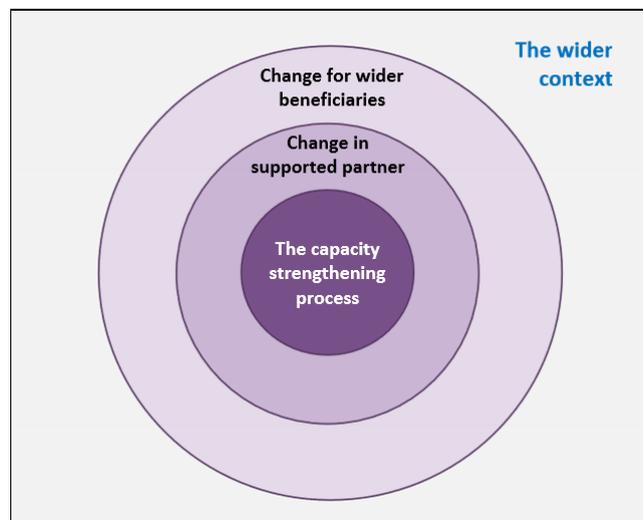

is influenced by (and in turn influences) the context in which it moves.

At the most basic level, CSOs providing capacity strengthening support can be accountable for how well they conduct the process. They can also be held accountable through their outcomes – generally assumed to be the changes within individuals, teams and/or systems in the partner organisation(s).

More controversial, however, is the view that capacity strengthening providers can be held accountable for wider changes resulting from enhanced capacity within supported partners, such as changes in the lives of targeted populations. Yet this is often a requirement of donor-funded programmes.

The ease with which this can be accomplished partly depends on the purpose of the capacity strengthening support. For example, it is much easier to assess the

How Far to Measure
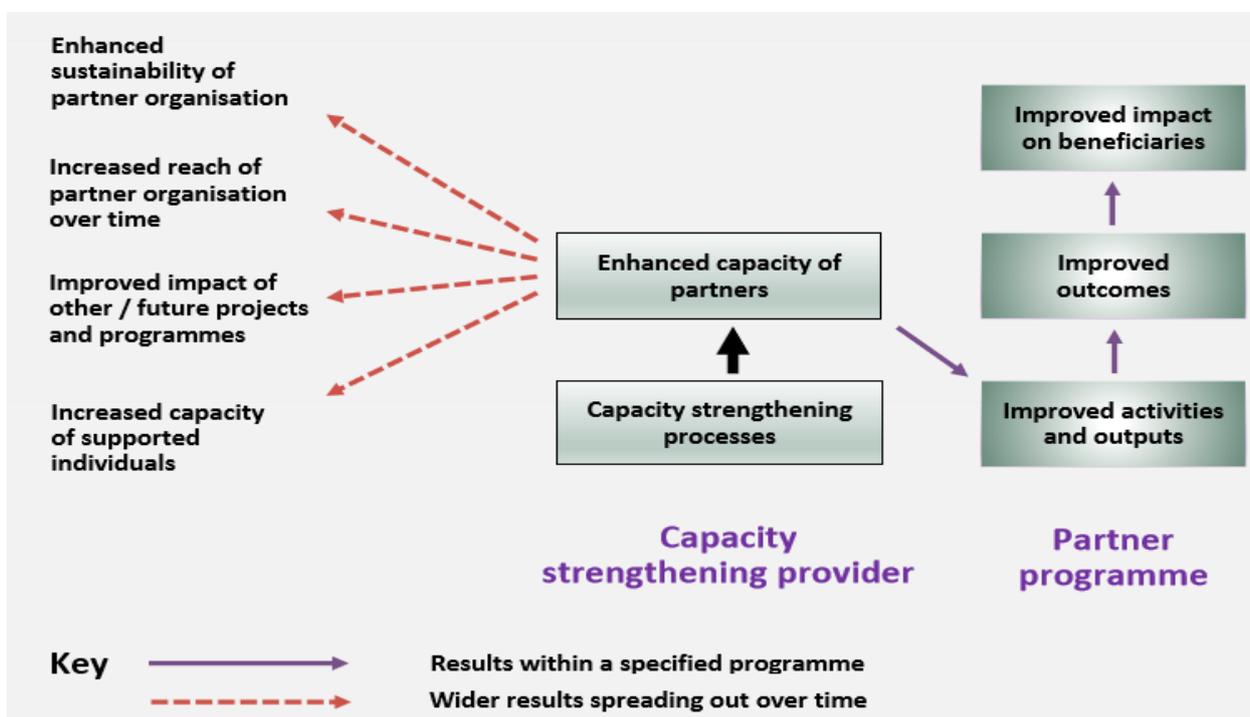
ultimate results of capacity strengthening work aimed at enhancing medical practice with patients than work aimed at internal issues such as a partner's identity, leadership and culture.

This is illustrated in the diagram at the bottom of the previous page. A capacity strengthening provider may carry out activities in order to help enhance the capacity of a partner. If this is designed to improve results in a specific project or programme then it may be possible to measure results in terms of improved outcomes / impact at community level. Even this may be difficult as a capacity strengthening provider might have to demonstrate not just the outcomes of the project or programme, but also whether these outcomes were better than they would otherwise have been without the capacity strengthening intervention.

If, instead, the capacity strengthening work is designed to seek improvements in the invisible core areas of vision, values and culture, or if it is concerned with internal organisational systems such as planning, fundraising or human resources, then it may be impossible to link changes in partners' capacity to specific changes in the lives of their target populations. For example, INTRAC, as a specialist capacity strengthening provider, can point to many cases where its support to CSO partners has resulted in change at different levels and in different places. But INTRAC is rarely able to assess its contribution to specific changes at community level with any degree of confidence.

The direction of M&E: Another key issue is to decide the starting point for M&E. The diagram below shows three different approaches. In the first approach (tracking forwards) M&E starts from the support provided. Over a period of time a CSO might seek to monitor:

- what capacity strengthening support it provided and to whom;
- how well it was organised and carried out;
- how it was initially received;
- what changes were seen in the way individuals within the partner behaved (if relevant);
- what changes occurred at partner level;
- what were (or might be) the ultimate effects of these changes on the wider population; and
- what has been learnt along the way that might be useful when carrying out future work.

This approach has significant advantages. Firstly, attribution is easier to assess, because M&E is focused on the results arising from a specific capacity strengthening intervention, or combination of interventions. Secondly, the approach helps ensure that the quality of the capacity strengthening process is properly monitored and evaluated. By contrast, the approach is less useful for evaluating the cumulative effects of different types of interventions spread over time. It is also less suited to dealing with complexity. For example, if a partner receives capacity support from a number of different capacity strengthening providers in the same area of its work, then tracking forwards from each provider's capacity strengthening activities will not necessarily show the cumulative effect.

The second approach seeks to first identify capacity change, and then track backwards to investigate what might have caused these changes, and forwards to see what wider changes have resulted. This approach may be more relevant to organisational or programmatic capacity strengthening than technical capacity strengthening (although it can be used for both). It is better able to handle a variety of different capacity strengthening inputs, applied over different timescales. It is also more
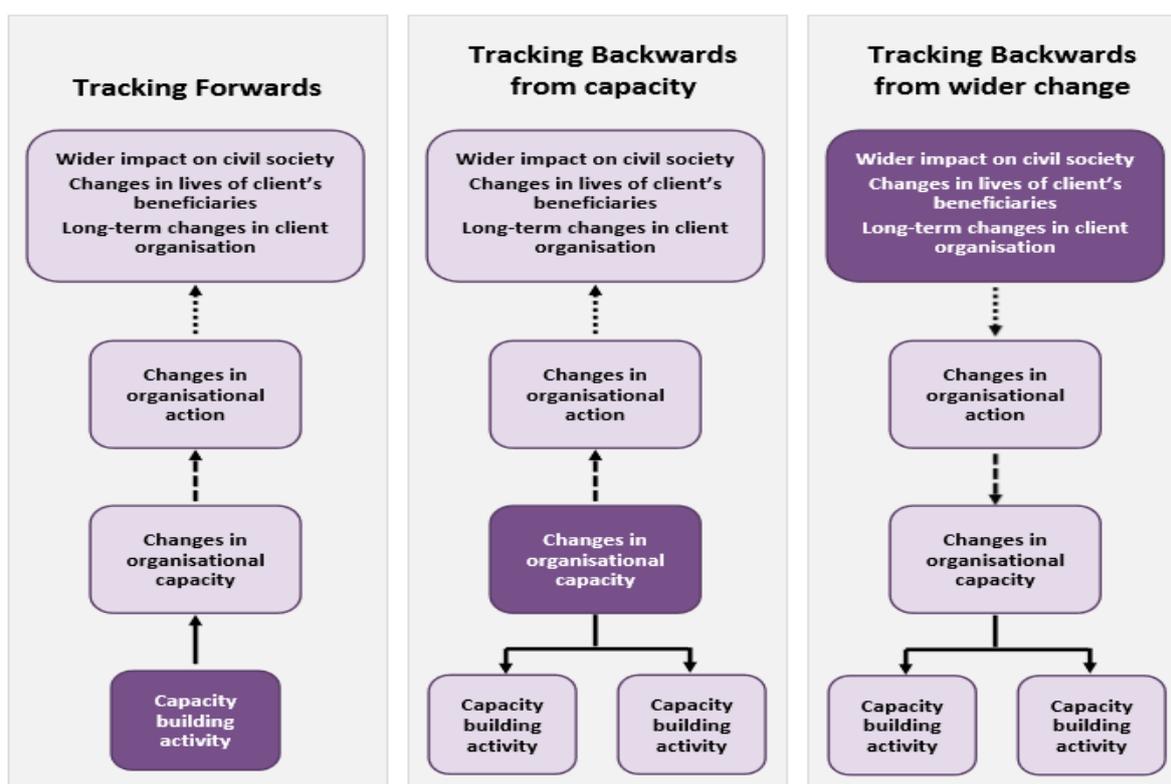
appropriate in complex environments where changes in capacity cannot easily be predicted beforehand.

One disadvantage of the approach is that there is no guarantee that any particular capacity strengthening activity (such as a training course or a workshop) will be mentioned as a contributory factor – either positive or negative – to any organisational change. The method is therefore less useful for accounting to donors for specific capacity strengthening activities.

The third alternative is to attempt to measure change at a higher-level – such as changes within wider civil society or changes in the lives of target populations – and then work backwards to find out what might have contributed to those changes. Where the enhanced capacity of a partner (or partners) is identified as a contributory cause then it may be possible to go even further backwards and identify relevant capacity strengthening inputs.

The three approaches are not mutually exclusive. In an ideal world, CSOs could monitor and evaluate their capacity strengthening activities and attempt to track changes forward. At the same time, partners could be supported to assess and monitor changes in their own capacity, and track both backwards (to see what contributed to those changes) and forwards (to see what wider effects they might have had). A later evaluation or impact assessment might then look at long-term changes at societal or community level, and track backwards to find out what might have influenced those changes. However, where there are limited resources in terms of personnel, funding and time, CSOs providing capacity strengthening support may need to choose the single approach that best meets their needs.

Using M&E to enhance the capacity strengthening process

When implemented properly by good facilitators, effective capacity strengthening support relies on a constant flow of high-quality information, used in real-time to make decisions. This is usually based on continuous, close relationships between capacity strengthening providers and partners. CSOs providing high-quality support to a limited number of partners may therefore find there is little or no need for additional M&E processes. For example:

- If a capacity needs assessment is conducted with the partner, this may provide all the information needed to produce a written baseline, or provide the basis for assessing future capacity change.
- Capacity strengthening support usually involves regular, systematic reviews involving both providers and partners. Findings of reviews then feed into ongoing decision-making.
- Good facilitators spend a lot of time talking to individual partner staff (interviews), encouraging group or focus group discussions, observing behaviour (observation), and generally encouraging ongoing joint analysis (sensemaking).

There are, however, circumstances where additional, formal M&E processes may be required. For example, a

partner may be receiving capacity strengthening support from multiple providers, and may need to enhance communication between them. Or a capacity strengthening provider may wish to formally monitor and evaluate a specific approach, such as a training course or a workshop, to see if it needs to be adjusted, replicated or abandoned. And additional M&E is almost always required when a CSO supports a large number of partners.

In these cases it is important to remember, as stated earlier, that M&E work should always be designed to enhance the capacity strengthening process, not to undermine it. This means keeping M&E as light as possible, and ensuring it is not onerous for partners. In practice, this means using information generated through existing capacity strengthening processes wherever possible, and where not possible then building on what is already there, rather than introducing new or parallel M&E processes. This is covered in more detail in the associated paper *'M&E systems for capacity strengthening'*.

INTRAC's top ten tips

INTRAC has been engaged in, and writing about, the M&E of capacity strengthening for over thirty years now. During that time the development industry has changed a great deal. Yet the basic principles for monitoring and evaluating capacity strengthening have not fundamentally changed. Based on INTRAC's cumulative experiences over the years, the following would be our top ten tips.

- Be clear about the purpose of capacity strengthening. CSOs providing capacity strengthening support need to have a clear rationale for their work, and a clear sense of what they want to achieve. This might mean developing an appropriate theory of change or strategy. At the least, it should involve ensuring a joint understanding of how improved capacity at different levels contributes to wider development goals.

- Be clear about the purpose of M&E. M&E designed for accountability to donors and supporters is not necessarily the same as M&E designed to learn, improve, and support ongoing adaptation.

- Do not automatically assume that a capacity strengthening intervention requires a formal M&E system. Sometimes it doesn't.

- If formal M&E processes are needed then carry out M&E alongside capacity strengthening support wherever possible, and ensure that M&E work supports the capacity strengthening process, or at the very least does no harm.

- Decide how far to measure change. For some forms of technical capacity strengthening it may be possible to measure the wider changes in a targeted population resulting from capacity change within a partner. For programmatic or organisational capacity strengthening it may be much more difficult.

- Keep M&E pragmatic and feasible. Use a blend of simple tools, methodologies and approaches that will help provide a picture of what is changing (or not) and

why. Make sure this is consistent with the available resources, and ensure M&E is not time-consuming, especially for the supported partner.

▪ If a donor or donors are involved, agree key issues beforehand wherever possible. This should include agreement on how far M&E should attempt to measure change. If a donor requires qualitative reporting to be supplemented by numbers then make sure this is clear from the start.

▪ Don't promise what you can't deliver. M&E staff are put under serious strain where capacity strengthening providers attempt to demonstrate they have achieved unrealistic expectations spelt out in logical frameworks or project proposals in order to gain funding. In

particular, capacity strengthening providers should be cautious about predicting the pace of change within partners that they may influence, but over which they have no absolute control.

▪ Avoid linking M&E information to funding decisions. If people feel their jobs are threatened, or organisational funding is at stake, they will be less likely to provide honest and open opinions about the results of capacity strengthening interventions.

▪ Make sure any supported partners buy into the M&E system as far as possible, and ensure they are consulted throughout the process. This will help add to their sense of ownership of the whole capacity development experience.

Further reading and resources

The next two papers in this series deal with M&E systems for capacity strengthening work and the monitoring and evaluation of capacity strengthening portfolios. Further papers in this section of the M&E Universe deal with the M&E of training and tools and methodologies used to assess capacity strengthening work. These can be accessed by clicking on the links below.

⏵ **M&E systems for capacity strengthening**

⏵ **M&E of capacity strengthening portfolios**

⏵ **M&E of training**

⏵ **Tools for M&E of capacity strengthening**
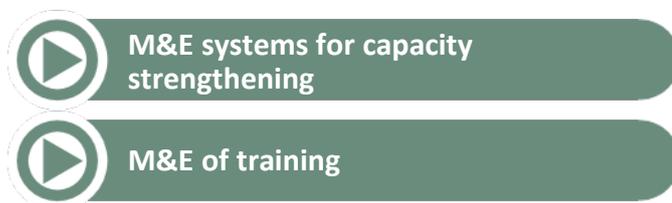
A paper called *'Monitoring and Evaluating Capacity Building: Is it really that difficult'*, was produced by Nigel Simister and Rachel Smith for INTRAC in 2009, and deals with many of the issues raised in this paper. It is available from the INTRAC website at: https://www.intrac.org/wpcms/wp-content/uploads/2010/01/Praxis-Paper-23-Monitoring-and-Evaluating-Capacity-Building-is-it-really-that-difficult.pdf.

Another INTRAC paper is called '*Just do it: Dealing with the Dilemmas in Monitoring and Evaluating Capacity Building*' by Rick James and is also available from the INTRAC website at https://www.intrac.org/wpcms/wp-content/uploads/2016/09/Praxis-Note-49-Dealing-with-the-Dilemmas-in-Monitoring-and-Evaluating-Capacity-Building-Rick-James.pdf.

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INTRAC is a specialist capacity building institution for organisations involved in international relief and development. Since 1992, INTRAC has contributed significantly to the body of knowledge on monitoring and evaluation. Our approach to M&E is practical and founded on core principles. We encourage appropriate M&E, based on understanding what works in different contexts, and we work with people to develop their own M&E approaches and tools, based on their needs.

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