

Institutional Capacity Building
Impact Assessment Methodology

Aloysius John

Introduction

Institutional capacity Building (ICB) has come out as a major trend in the development since the past fifteen years. The tsunami operations, the dwindling finance for development programs, scarcity of funds for overseas development and at the same time the development of local NGO plead in favor of capacitating the local organization and empowerment of partners.

Capacity Building is an emerging phenomenon and its impact on the local organization must be regularly analyzed in order to cope with the progress in the development field. This automatically leads the discussion to clarify first what we mean by capacity building or ODP or Organizational empowerment? Its perception by the funding partners, the back donor and the aid recipients themselves. This will be the basis for devising a methodology to analyze the impact of Capacity building activities.

This paper proposes to take through a discussion on the clarification of the concept of Capacity Building, Organizational Empowerment, the elaboration of a methodology to analyze the impact. As a conclusion a set of tools for carrying out impact assessment will be presented.

These reflections will borrow the trends and methods used in the corporate business sectors; the capability concept and also the concept of resilience. These reflections will constantly refer to the experience and achievements in the Asian, Middle-East organizational Development Process and capacity Building

The concept of Capacity Building

An Organization is a combination of different factors which coordinate and articulate among themselves to produce an expected or programmed result. Perceived from this perspective it is a matter of an organization to be able to function as a resilient, strategic and autonomous organization.

As such the above definition does not refer to any particular capability, because the whole process is about making the organization “capable” in order to achieve what it should. While the term capacity refers to achievements or performance, “Capabilities” refer to particular areas of intervention which act as enablers in order to make the organization become capable of achieving results through empowerment in one or many areas. The definition must integrate the symbiotic relation between the capacity {having the possibility} and capability, which refers to the potentials and the ability to achieve results.

Capacity building is now more and more termed as capacity “development” because it refers to a process wherein the organization has certain capacities and the process initiated consists of developing these capacities

The different experiences in Asia and Middle-east indicate that the concept of capacity Building is a means to strengthen the way an NGO operates by improving the quality, effectiveness, sustainability and deficiency of the organization. Often this strengthening is undertaken through training and training through action. It has been a long term process of developing on the existing capacities of the partners.

From the different experiences we can identify a three dimensional approach to Capacity Building.

- Short term approach through regular capacity Building activities to strengthen the operational and organizational aspects.
- A long term capacity building which aims to strengthen the operational and organizational aspects. At this level of intervention, there is a need for deeper reflection, strategies and above all a collective and participatory process to be engaged, at all levels of the organization. This long term Capacity building brings about fundamental organizational changes in the decision making process, the Vision and Mission, the perception of its work more from a professional angle, its strength and review of strategies etc.
It is at this stage the organization acquires or feels the need to acquire more capabilities and potentials to be effective and become professional.
- The third approach is the institutional dimension wherein the organization envisages to link with the other organizations, it builds in return the capabilities and potentials of the beneficiaries, the activities are geared towards more networking with the beneficiaries, the partners etc.

These different approaches enable the partners to enter into a new model of functioning with new techniques which give the possibility for professionalism and the full utilization of the potentials.

Capacity Building is a process of reflection, ownership and belongingness to the organization, enhances and introduces internal communication mechanism; capacity of the organization to dialogue and negotiate its interest based on its capabilities and lastly action starting from a situation analysis to strategic plan establishment of policies and guidelines with an able management method and competent administration.

In the Capacity Building, there is continued and accompanied analysis and reflection leading to readjustments and adaptations. This makes the Capacity Building process effective and efficient.

As a conclusion, capacity building is a combination of different kinds of activities initiated through a process to empower the organization. It is building the organizational capacities; strengthening the potentials of the key stakeholders within the organization, introducing relevant systems and structures, creating ownership.

Through these interventions, build the capacity of the organizations as a civil society to participate in the social arena, as a professional and committed organization.

What do we mean by Impact

The concept of impact is quite large and vast. It is not just analyzing the results to capture the achievements of objectives. It is rather the long term effect of any action on a project which is either positive and negative; direct effects and secondary effects. These effects are induced by the activities undertaken on an organization, on a project. These effects are through direct intervention and sometimes they are also unexpected and unprogrammed effects of the action.

When we talk of Impact, we refer to the action that has led to a result which is nothing but the effect of the cause (the action). This brings us to the point wherein we can say that when we refer to impact, we are referring to the subjects or objects on which the object would have had an effect. In other words we are referring to the changes that could have been induced by the action on those who were concerned by the project (Beneficiaries in the case of a project, organizations, communities etc.), how they were empowered and the acquisition of capabilities. In such a context, we measure not only direct visible impact, but also the indirect impact and the unforeseen impacts.

Example : In a fishermen village in south India, women are the most vulnerable and the poorest. They are often victims of social and family violence. One of the NGO undertook a women empowerment program through capacity building and organized them into "panchayat groups". A few years later, there are many women's groups which are now accepted as SHG, they are involved in microcredit activities, children are now going to school, the women are respected and they even act jointly when there are social or private violence. A few women have become ward leaders during the recent elections are some of these elected candidates aspire to become panchayat leaders. These women are now able to lend money to their husbands during the high season and thus liberate them from the clutches of the money lenders.

In this case the objective of the project was to organize the women and empower them. The result is that the groups are formed.

The impacts are the following :

Direct impact is the formation of the groups and they are multiplying. Women are empowered and are formed into SHG. Relieved of political violence

The indirect or induced effect: The economical capabilities of the women are enhanced through micro credit programs and they are even able to lend money to their husbands. The families are liberated from the hands of the money lenders

Children are going to school and are educated. Women are politically empowered and are able to take up political leadership.

From the above example we can observe that the impacts are the direct or indirect influence of the project on the beneficiaries and they are measurable.

Challenges facing the impact assessment

The need for Capacity Building is not recognized and accepted as a major component of partnership relation. In the field of Capacity Building, Impact Assessment is perceived as a means to define the value for

investment on the part of the partners, who are more interested in probing how well the funds were used. This is necessary and it is undeniable, but this is a short term expectation.

The major challenge is the need to assess the long-term impact on the organization, to capture the changes that have taken place and the progress made. This requires a more holistic approach to measure the performance, understand the capabilities and the potentials that have accumulated. It is not just a question of indicators to be filled in, it is rather a question of continued reflection by the partners and their team., between the partners and the external accompanier/facilitator and between the funder and the recipient agency.

The impact Analysis Holistic approach must enable the different stakeholder to capture the changes in relationship, the acquisitions of sufficient skills and infrastructures and above all a relevant organizational structure that has been put up. It is a matter of understanding performance by measuring the ways that allowed or facilitated changes and the particular contribution and conditions that made it happen. It must be underlined that the change in relationship is central to the ODP. So the impact analysis must measure what is important and not merely what is just perceptible or visible. This requires a certain methodical approach, beginning with the idea of constant or regular self assessment by the fund recipient.

Importance must be given to appropriate methods and less dogmatic traditional thinking of the obligation to have an “external evaluation or assessment, within three or four months after the end of the program.” There is a growing awareness that external evaluation have a lesser impact then a holistic approach.

A Holistic Approach to impact analysis

This is an aid recipient approach which conjugates appropriate tools and methods integrated into a process of regular monitoring. It is more qualitative in general with a possibility for quantification of results. It is based on the basic principle that “Changes in relationships are fundamental to the organizational development process” and the changes are to be measured in their different stages of evolution according to the inputs.

In order to achieve this, the holistic approach has to be designed with a clear framework as follows:

1. The assessment concept must be inbuilt into the program. This in concrete teams would mean as assessment methodology, which motivates the project recipient to self monitor changes and progresses at the management level and the operational level. This would imply collection and synthezing the data which are collected through a group work or a workshop once in three months, focus group meeting or simply identifying the progress in a framework which can become a means for the facilitator to follow-up. It will incorporate tools and methods for self assessment, participatory cross organizational exercise, success stories, “ghost night mare tales”, i.e. failures and they are collectively synthesized. These data will become part of a monitoring trail for the facilitator or accompanier.

The different experiences in Asia and Middle-East open the perspective for a simple method which has proven to be relevant:

- a. First of all there is a need to design a framework with the partners with some basic questions :
 - i. How the Capacity Building was thought out to take place and the relevant motivation behind it. What are the tangible results?
 - ii. Why such a Capacity Building was needed and the need for changes. Are they taking place?
 - iii. Who owns the process and what it stands for?
 - iv. What are the achievements, what are the factors that contribute to achieve these results and what are the obstacles?

- b. It is also important to clarify the underlying needs for Capacity Building and at the same time ensure how the need for the impact analysis is perceived and its role in the process. This will help the management to understand its own progress. To capture this the changes occurred must be captured and analyzed regularly :
 - i. What are the changes that have occurred at the different levels? What are the factors that facilitated them and what are the factors that prevented them? This must be done on a regular basis.
 - ii. How are these changes shared with the staff? with the funders ?
 - iii. What are the ST, LT success to motivate the staff? Identify one or two best practices for future use in the similar situation with the other organization this is a communication role and it is very important.
 - iv. What are the inputs and what are the outcome at short term. How are they communicated to the different stakeholders (staff, board, funders) etc.
 - v. Any capacity building activity is a learning process, experience and a modelization process. Are there best practices that can be modelised ?
- c. For the organization, Capacity Building Impact analysis is also a means for re-adjustment through policy reforms, new systems and structures, procedures and new strategies.
 - i. What are the new systems and structures that have been introduced?
 - ii. What are the procedures to make the systems functional?
 - iii. What are the new strategies introduced and how they empower the organization

Prior to introducing the Impact analysis process these different needs and investigations must be clarified, and specified in terms of reference for the sake of transparency and documented. They must be shared with all the stakeholders concerned for the sake of recording the mutual expectations.

2. Impact measurement : Defining a method

The basic question for the funding partner, the recipient of Aid and Back donor if there are, is : what is it that we want to measure ?

The fundamental logic for this is :

- a. Activities performed give outputs
- b. These outputs lead to short term outcomes
- c. A series of short term outcomes lead to a long term Impact.

In other words the capacity Building can be expressed as a series of causal interaction with an end result which is the impact :

Input ->Output->Outcome->Spectrum of Impacts

Input is defined as the activities initiated (ODP is initiated)

Output being the effort result, activities implemented results (Strategic plan, organization realized)

Outcome is the effectiveness, the result of the input (Clear orientations and future perspectives).

Impact spectrum is the perceived or unexpected changes, and the impact will ultimately lead to change management.

3. Baseline Data

For an effective Impact analysis it is important to create a baseline data in a systematic way. These data will be the reference point for the whole monitoring process, because they will indicate the starting point and its configuration.

This has to be identified, systematized and well documented. If this is not done in the beginning itself it may create methodological problems on the long run and may bias the process. The base line data are indispensable part of the Impact analysis because they give the picture of the organization or the program before the intervention and will help monitor the process.

4. Self monitoring tools

As it has been said earlier, impact analysis is part of the capacity building process. It is not done, as it is often understood, at the end of the program. It is a regular monitoring process.

In this monitoring, there are different actors. The partner himself who does periodic self assessment, the facilitator or accompanier who also does a semi-external assessment, and lastly the external evaluation which will give more insight into the process and achievements.

The most important and relevant stage is the regular self assessment stage which will be completed by the facilitator –accompanier and lastly by the evaluator.

From the above discussion we can observe that the impact analysis requires relevant tools which need to be devised and shared with the partner.

The self assessment must be completed with the qualitative approaches which can be done through interview, group discussion and it must be culture focused. Real success stories or failure fables will contribute to analyze the impact and document them relevantly on a regular basis.

5. The last aspect of Impact Analysis is the overall input of the Capacity building process on the beneficiaries and the program success. In order to realize this, the Impact Analysis must be able to measure changes at the individual level leading to organizational changes which contribute to better quality of action and service to the beneficiaries and ultimately the beneficiary satisfaction and changes perceived in them.

This aspect is important because the ultimate goal of the organization is the service to beneficiaries and the changes perceived in the lives of the beneficiaries will be an important means to verify the impact of the capacity building.

These different aspects of the holistic approach confirm the necessity of Impact analysis being integrated in the capacity building process. It is an investment that adds value to partnership for which time, funds and relevant expertise must be allocated. It also infers the traditional idea which defines Impact analysis as a set of questions to be answered and graphs to be produced for donor satisfaction.

The successful implementation of the Impact analysis will depend on the degree of commitment of the funding partner and Recipients of Aid to “think out of the box” and rather aim at the most effective and efficient way to identify long term and sustainable changes that need to be achieved, verify if they are achieved and the conditions that acted as enablers or obstacles in the process.

Devising a relevant and efficient impact analysis system is complex and must be worked with method and the way the methodological process will be applied, in order to collect the most relevant data, to clearly understand the changes. Impact Analysis systems will ultimately lead to elaborating change management strategies and framework which is not in the scope of this document.

Defining and elaborating an appropriate Impact Analysis System is an indispensable but time consuming process, which must be inbuilt into the programs and shared with the stakeholders.

Conclusion

Impact analysis is the appreciation of how a project, a program or an activity influence the beneficiaries and the change they bring about in their attitude or way of doing things. However it does not limit itself to the measurement of the impact, but it tries to identify how the activities have brought about gradual changes during the course of the project cycle and how they bring about a new way of being. It also gives important information about the target population, the aims of the program and also the way the results are envisaged. In this sense it is part of a quality development process, constantly ensuring the betterment of the project process.

An impact analysis must be part of the project process and there must be political will to implement it with a relevant method, including all the stakeholders concerned.

Aloysius John

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Tools

Annexe 1 :

1. How the Capacity Building was thought out to take place? What were the motivations?
2. What are the needs for Capacity Building? What are the need for changes and the fields to changes and how will the capacity Building process contribute to achieve he changes ?
3. Who own the process? What it stands for ?
4. What is the end result expected?

Annexe 2-1B

Why an Impact Analysis

| Management Need | Communication-Information | Accountability | Best Practice | Policies and strategies readjustments |
|---|--|---|--|--|
| -Identify and analyze the changes. -Document them *Must be done at regular intervals *it must be participatory. | -Identify the achievements -what are the ST/LT success factors which will help motivate the staff -Identify the shortcomings -Identify the best practices | -Achievement to be shared with the management and decision makers. -What are the values of different activities, inputs and track the outcomes -Capture progress= value for Human resources, time and monvey investment | -Capture the experiences and best practices -the learning process | -Review policies, strategies and readjust them Reframe procedures, systems and structures and strategic plan. |
| These different points need to be clarified before hand in a participatory manner. The above elements in the five column can be combined in an appropriate manner for satisfying the different needs | | | | |

Annexe 3- 4B

Self Assessment Tools

Open interviews with open questions

Non directive story telling

Close questions interview

Group discussions

Focus group discussions

Role Play

Annexe 4- HA2

Impact Measurement – Method

| Problems identified and expected changes(1) | Activities proposed (Input) (2) | Activities Performed (output) (3) | Outcome (4) | Impact (5) |
|--|---------------------------------|-----------------------------------|-------------|------------|
| | | | | |
| <p>(1) A synthesis of the initial problem identified category wise, the expected results that should bring about changes.</p> <p>(2) A synthesis of the different activities that are proposed, planned and implemented.</p> <p>(3) A synthesis of the output, or the implemented. These are the activities performed.</p> <p>(4) This is the result of the activities performed</p> <p>(5) The visible and non visible results obtained.</p> | | | | |

Annexe 5

Core Capabilities

| | |
|------------------------|------------------------------|
| Able Leadership | Governance |
| | Management |
| | Roles and responsibilities |
| Appropriate strategies | Strategic plan, VMG |
| | Clear Orientations |
| | Policies and Guidelines |
| | Strategic Monitoring systems |

| | |
|---------------------------|---------------------------|
| Systems & Structures | Communication |
| | Finance Management |
| | Procedures |
| | PMS |
| | Research and Development |
| Human Resource Management | HR Policy |
| | Staff evaluation |
| | Staff motivation |
| | Capacity Building |
| Finance | Clear Budget |
| | Finance forecast |
| | Finance Policy |
| | Internal + external audit |

Impact Analysis

Reference tool

Partner :

Starting Date:

Visits:

| Initial diagnostic Date: | Program activities undertaken | Success Indicators | Success criteria | Impact of the activities | Expected + Unexpected Results | Challenges and lessons learned |
|--|--|--|--|--|-------------------------------|--------------------------------|
| A.Organisation 1.Management+ decision making - 2.VMG 3.Strategies - 4.Finance Management - 5.Communication B.Program Activities 1.PMS 2.Program implementation 3.Emergency Response 4. P.M .E C. Staff Capacity 1.Methodology 2.Adhesion to basic principles 3.Staff commitment 4.Staff Participation | Sessions organized and advisory trails Training and exchange of knowledge In house sharing and communication Field visits to projects Cross organizational learnings Methods used Documentation of the program | Development of management tools Clarification of roles and Responsibilities enabling decision making and participation Funding for Programs Methodologies for new models of interventions Commitment of the staff to change Better internal communication and sharing best practices Conflict resolution | Better knowledge of the partner Better knowledge of the partner as a professional, possibilities for enforced partnership Mutual trust Better internal collaboration Value of competencies and potentials accepted Confidence from within and without Good foundations Priorities are established Peer training and review | Behavioral changes Development of new strategies and adapting to new professional needs Growing confidence -between staff -Management and the staff -NGO and the other partners NGO and funding partner -Recognition and acceptance by the local NGO, Back donor Impact on other stakeholders to collaborate on themes Dialogue et Transparence Management systems Finance systems General Management Decision making | | |
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