

## **Annex B: Background and Process to this document**

### *Why Write These Recommendations*

The Organizational Capacity Development Measurement Recommended Approach was generated in response to several factors. External drivers have included recommendations from peers and implementing partners that more consistent guidance from USAID would improve monitoring and evaluation of capacity development work. Notable contributions in this vein were made through the closing series of conversations for the AIDSTAR II project, at the launch event for the HICD Pro IDIQ, and through the findings of the Learning Agenda on Local Capacity Development, as well as recommendations around the Agency's Local Solutions agenda put forward by ACVFA and InterAction. The input from implementers has been complemented by work in the academic and gray literature creating a growing consensus around key aspects of capacity development, including among other aspects the importance of surfacing a theory of change in capacity development work and a growing salience of distinguishing between capacity in descriptive terms and measuring the outcomes of capacity change in performance terms.

At the same time, within USAID there have been changes that support and promote the creation of a recommended approach to organizational capacity development measurement. There is increasing attention to measurement and data in the Agency, including in difficult areas to measure such as capacity. The adoption of the Local Systems Framework included an explicit commitment to better measurement in areas related to our effects on local systems. And our increased direct partnerships with host country organizations under Local Solutions work has encompassed a commitment to strengthen partners as appropriate and focused attention on measurement of capacity, sustainability, and ownership.

The approach does not respond to all of the requirements and recommendations above, but it does make an important contribution by spelling out a consistent way in which organizational capacity can be measured and related to systems-level measurements of properties such as sustainability or ownership.

### *Process Behind This Document*

In order to develop these recommendations, a working group was formed in August 2014 under the auspices of Local Solutions and with support from PPL as a contribution to following up on the Local Systems Framework. This working group consists of managers and technical experts on capacity development from different sectors of the Agency, both field-based and Washington-based. The working group has grown over time and includes 86 USAID staff.

Its purpose was defined as to identify common principles to capacity development that match with the latest literature and are commonly embraced by various USAID operating units who support capacity development in different sectors and through different approaches. Only after reaching agreement on the principles derived from the literature and from experience would the implications be articulated in terms of measurement. A living document of capacity principles served as the reference for this part of the process and is synthesized into the sections on capacity and capacity development in the current Recommendations Document.

In addition to meetings of the working group on approximately a monthly basis and its support to discuss capacity findings, the working group solicited input from identified thought

leaders in different sectors, speaking to capacity development of both public and non-public organizations through different Agency models. These thought leaders were primarily practitioners but also included academics, with their work reflecting both USAID-supported and other-donor-supported programming, and their materials and input influenced the working group's discussions and conclusions.

In January, the Agency held an internal webinar on the process and drafting findings to date – at the point where we had reached consensus on the principles of capacity and started to translate those into implications for measurement, but not yet fully crafted the measurement recommendations. The webinar included 98 people from 29 Missions who provided their own probing questions and thoughts that further informed the process. The webinar was also shared both [internally](#) and [publicly](#) to enable continued engagement with interested staff and members of the public.

Finally, in June, a version of this recommendation that had been reviewed by the working group was shared with the public in anticipation of an August event for public consultation and discussion of both the organizational capacity development recommendations and Agency thinking around measuring local systems and systems change. The event [\*Systems and Capacity: Two Measurement Challenges in Search of Progress\*](#) occurred on August 27, 2015. Some 97 people representing 47 organizations attended, including 24 from within USAID. The attendees discussed and provided feedback on the recommendations, broadly endorsing the principles for getting at the “so what” of capacity development and helping to put the relationship between organizations and systems at center stage. They also highlighted concerns around clarity in language, better articulation of what is new and different about it, helping staff digest the implications into their theories of change and project designs, lag time before changes might become visible, and ensuring local ownership of and buy-in to the metrics of a given effort, and suggested various ways to address those concerns in revisions and in planned next steps for incorporation of the principles into policy and training.