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Learning to evaluate capacity development

The making of 'Facilitating resourcefulness'

Biophoto / Bescond Angélique & Guy / Linear

By **Bernike Pasveer**, consultant at Knowledge Travels

In 2008, the Policy and Operations Evaluation Department (IOB) of the Netherlands Ministry of Foreign Affairs decided to evaluate the effectiveness of Dutch support to Southern capacity development (CD). This resulted in an extensive and collaborative learning exercise. Now that the evaluation has been completed and the [synthesis report](#) published, it is time to look at 'the making of'. We interviewed a number of key actors about their experiences with this complex evaluation. We looked at the methodology, the evaluation's four main questions, the findings and the lessons that can be learned from this evaluation.

This article is a supplement to issue 43 of *Capacity.org*. It takes a look behind the scenes of an extensive evaluation of 26 case studies covering the support to capacity development of seven Dutch Development Partners under the coordination and partial responsibility of the Policy and Operations Evaluation Department (IOB) of the Netherlands Ministry of Foreign Affairs. The evaluation aimed to draw lessons on how to improve the effectiveness of future capacity development interventions. At the time *Capacity.org* no. 43 was going to press, the findings of the evaluation, entitled 'Facilitating resourcefulness', had not yet been published. We recommend reading the findings alongside the lead article in issue 43 by Doug Horton. Doug's contribution is an evaluation of evaluations and is recommended reading for those who want to know how to approach capacity development evaluations.

The interviewees

- **Piet de Lange**, evaluator at IOB and coordinator of the evaluation.
- **George Kasumba**, development management consultant with the Assess Africa Development Agency in Uganda, and national consultant in the PSO Uganda case study.
- **Geert Phlix**, Director of ACE Europe, team leader and coordinator of the PSO evaluation, participated in the case studies in Kenya, Ethiopia and Sudan
- **Lebesech Tsega**, independent consultant, national consultant in the PSO Ethiopia case study.
- **Alan Fowler**, independent development advisor and analyst; member of the evaluation's General Reference Group, which was to provide advice regarding the evaluation methodology and the quality of the synthesis report; he also advised on the quality and relevance of the general ToR, the draft final reports of individual evaluations and the draft synthesis report.
- **Paul Engel**, director of ECDPM; and **Niels Keijzer**, policy officer at ECDPM; member of the General Reference Group and advisor to IOB (referred to as 'Paul Engel').
- **Kees Blokland**, managing director of Agriterro; and **Jur Schuurman**, head of support and quality at Agriterro, one of the seven DDPs involved in the evaluation (referred to as 'Kees Blokland').

► **The theoretical underpinning of the evaluation was provided by the five core capabilities (5CCs) model (see the box entitled 'The evaluation'). We asked Alan Fowler and Paul Engel, both members of the evaluation's General Reference Group about the advantages of using the 5CCs model.**

Paul Engel: 'The model made people talk about their organisations, and that could lead to them developing one or more of the five capabilities. This would also make their specific stories more generic and therefore comparable. It is this combination of things that is unique. There are many ways of getting people to talk about their experiences, but fewer ways of using stories to find out what matters in a more general sense.'

Alan Fowler: 'The model allows CD to be assessed for any kind of "object", be it a single-purpose organisation like the ones Agriterro works with, or the larger value chains that SNV supports. And everything in between. The evaluation also shows that the 5CCs can be used for any type of change process. So we had gay and lesbian rights on the one end and Ethiopian honey farmers on the other end. The 5CCs are meaningful because their level of abstraction is just about right for investigating gay and lesbian rights, and honey bee farmers, as systems. So you can ask a specific agility question, and get useful answers that are specific to the

work of the organisation in question. But, bear in mind that comparing the results of a 5CC assessment between the types of capacity change needed for promoting gay and lesbian rights and for making honey value chains more cost-effective is tricky. It means being happy with a more general view of what has changed and why, which may be less useful for action.'

► **The evaluation aimed to reconstruct past activities in order to examine their contribution to capacity development on the basis of the 5CCs model. Yet almost none of the organisations – whether Southern or DDPs – had set up their activities according to the 5CC logic at the time, nor was capacity development used as the conceptual and practical framework for their work. Data for the 26 cases thus had to be collected retrospectively. Organisations were asked to reconstruct their past literally in terms of the 5CC framework – using a method called 'transposition' developed by Alan Fowler. We asked the interviewees to discuss their experiences with transposition.**

Alan Fowler: 'First of all, we needed to shed some light on whether this new thing called the 5CCs could actually be used to find out about capacity change on the ground. Although the model and the conceptual framework had been created from empirical data about endogenous CD, it had never been used "backwards", that is, to look at past activities in light of capacity development and, more concretely, in light of the five core capabilities. So I led a heavy process that tried to answer the question: are the 5CCs a viable way of generating sound evidence on endogenous CD? Is it a defensible instrument for IOB to have used? And our first conclusion was that the model would, when properly used, indeed generate useful information on the endogenous processes of CD. So you couldn't blame the model if things came out less rosy than expected. Working backwards meant that you needed to "transpose" organisations' stories, memories and experiences into 5CC terminology. These stories were translated into one or more of the five core capabilities and then into assessments of the organisation's or the system's capacity to deliver on the level of its outcomes. Basically, you start with an organisation's lifeline and then calibrate and transpose and do whatever you can to work that into the 5CCs.'

Piet de Lange: 'It would have been ideal if Southern organisations had a clear intervention strategy, including indicators, and collected their information accordingly. If that had been the case, we would not have to reconstruct history in terms of the framework – for that is basically what we tried to do: we used the framework retroactively. And that has cost us a lot of time and effort. What we gained from the exercise are perceptions from today's staff

and others of what has happened over the past 10 years in terms of the framework. It worked better in some cases than in others. It depended strongly on the combined use of Dutch and local consultants.'

Paul Engel: 'The quality of consultants really mattered. Those who had a high degree of participation found it easy to "transpose", whereas those that felt they could not manage within a week and decided against participation... well, in their cases, there could be no transposition or calibration. So some held splendid transposition workshops, where there were all kinds of negative and positive results. And others just wrapped a 5CC ribbon around their work. And that is reflected in the report.'

Geert Phlix: 'We used the first week to hold a workshop attended by all those involved in order to build up the 5CC model step by step from the stories people told. In this workshop indicators were developed for each of the 5CCs as well. When we felt that issues were too sensitive to be addressed and to build indicators for – leadership, for example – we proposed indicators for these issues ourselves and told them that we thought these mattered too. I think we managed to pull off this transposition work quite well, but it took a long time. We also noted that it was not always obvious what the terminology of the model that was being used on the ground, such as capabilities and capacity, was referring to.'

Kees Blokland: 'I think it was essentially a very clever idea, but unfortunately not all of the evaluators understood what it was all about, namely that the model was a frame for ordering views and stories. And that calibrating meant translating the stories about what these people were doing into CD terminology. I'm not sure all the evaluators fully understood this. I attended every preparatory discussion, and it only dawned on me towards the end.'

► **The first question the evaluation examined concerned the changes that have taken place in the capacity of Southern organisations. The evaluation aimed to explore what is called 'endogenous capacity change', a term first coined by Allan Kaplan in 1999. Kaplan's term refers to development as a process that is driven from within an organisation or a society rather than delivered by development agencies from the outside. According to Kaplan, development can only be an endogenous process. Capacity development can be facilitated but not delivered. The evaluation found that most Southern organisations had strengthened all or some of their core capabilities. We asked how successful the evaluation was in unearthing endogenous capacity change.**

Piet de Lange: 'The evaluation made a serious effort to study capacity development

and its external support as an endogenous process. The evaluation captured fairly well the formal part of capacity development; the informal part such as organisational culture, gender and power issues were more difficult to grasp except in a few cases where it was evident. Similar aspects count for the relation between the Southern organisation and the DDPs. We have to recognize that the relation is usually asymmetric and that the “political economy of the aid chain” played its role in the evaluation as well. But all in all the evaluation has delved much deeper as evaluations about capacity development support usually do.’

Lebesech Tsega: ‘The evaluation has perhaps told us more about the effectiveness of Northern support to CD than about endogenous capacity change itself. It was a given framework which the consultants had to follow. From the Southern organisations’ perspective, efforts were made to provide ideas and opinions about the developed capacities and the subsequent effects and outcomes of the developed capacities. But I find it hard to say that the approach has created space for things that matter for CD from within as it was a top-down process and sometimes the DDP-driven capabilities received more attention than endogenous capacity.’

Geert Phlix: ‘I think that the model frames your thinking, which is a good thing. But the question that we approached our partners with was a Dutch question, conceived and framed here. With the exception of a single Southern organisation, the model did not dovetail with previously developed endogenous views and theories on CD. Working with the model did allow us to chart a course, and discussions have been set into motion. But in terms of its initiating a learning process in Southern organisations, I’m not sure it accomplished much. Learning really requires a different methodology, and also a much broader time frame.’

► A second key question this evaluation examined concerned the effects organisational capacity changes had on achieving the development objectives. The evaluators found that it was hard to substantiate a link between an organisation’s capacity to change and its development objectives. We asked them about the nature of the challenges they encountered in this respect.

Piet de Lange: ‘It appeared that in general Southern organisations don’t systematically document what they have achieved in terms of their objectives, and if you don’t do that, then you can’t assess your own CD. After all, how on earth can you develop your own organisation or system if you don’t know what you’re achieving?’

Alan Fowler: ‘Of course you need to have *baselines!* To some extent it’s endemic to the

The evaluation: background, set-up, main findings

The evaluation set out to be a collaborative process aimed at providing knowledge and insight about how to contribute to capacity development policy. ‘Its primary focus is therefore on learning, and cases were selected on the basis of criteria that stressed this. The aim was not to present a representative sample of the entire range of programmes supported by Dutch development partners (DDPs). Therefore, this evaluation draws no conclusions about the overall effectiveness of the DDPs’ programmes.’¹ Rather, it is about learning how to ‘measure’ capacity development while acknowledging its inherent complex, contextual and partly intangible (‘soft’) nature, and while acknowledging that capacity development is most likely about slow change rather than quick results. And it is about learning how to deal with CD on the ground and supporting it from the outside.

The evaluation did not employ a definition/theory of the capacity: it assumed the formulation of outcome statements regarding ‘capacity’ to be part of the Southern organisations’ own job. It did, however, work with a *theory of change* based on systems thinking. Capacity development is considered to be an endogenous faculty of organisations as open systems; capacity development is considered to be a largely unpredictable, contextually specific, non-linear and complex process; and external support to capacity development needs to take into account these fundamentals which ‘challenge traditional logframe (logical framework) thinking that is based on predictability and on assumptions that results arise from one cause only.’²

Basically the evaluation set out to answer four main questions, the first two of which are about capacity development in Southern organisations, while the latter two are about the support provided by external development agents.

- 1) What changes have taken place in the capacity of Southern organisations?
- 2) What effects have changes in the capacity of these organisations had on the realisation of their development objectives (outputs and outcome)?
- 3) How effective have DDP interventions been in terms of strengthening the capacity of Southern partners?
- 4) What factors explain the level of effectiveness of DDP interventions? What lessons can be learned?

Set-up

Seven donor organisations (called DDPs in the report: Dutch Development Partners) – NCEA, NMID, PSO (under the responsibility of IOB), SNV, Partos Quality House, Agriterra and the Ghana Ministry of Health – undertook evaluations of a total of 26 ‘Southern’ cases. All international and local consultants and the Southern organisations involved worked with, further developed and operationalised the framework and methodology of ECDPM’s 2008 study *Capacity, change and performance*.³ Based on extensive empirical research, this study found that organisations/systems would need a combination of five core capabilities (5CCs) to achieve capacity results. These 5CCs are:

- the capability to act and commit
- the capability to deliver on development objectives
- the capability to adapt and self-renew
- the capability to relate to external stakeholders
- the capability to achieve coherence

In itself, ‘scoring’ on one or more of these five CCs does not result in increased capacity to achieve one’s intended (development) outcomes. But investing in them is assumed to contribute to an organisation’s capacity to achieve its (development) objectives.

Main findings

The synthesis report mentions six broad results of the evaluation:⁴

1. Most of the Southern organisations strengthened all or some of their core capabilities.
2. The extent to which positive changes in the core capabilities helped Southern organisations achieve their goals remained largely unclear, mainly because Southern organisations often gather an insufficient amount of reliable data about their outcomes.
3. Donor funding was relevant to all Southern organisations. For Southern non-governmental organisations, donor funding was often a vital lifeline.
4. Dutch support for capacity development contributed to positive changes in the core capabilities of Southern organisations, but contextual factors and circumstances specific to the internal operation of the organisation were often more responsible for changes in capacity than was the provision of Dutch support.
5. Dutch official government policy for development cooperation can help support the capacity development of Southern organisations, but its potential has thus far been only partially realised. The Ministry’s poor performance in developing its own capacity by operationalising and mainstreaming this policy has resulted in a lack of concerted attention to and effective management of support to capacity development processes on the ground.
6. The analytical framework developed for this evaluation is in principle a sound methodology, but for it to become suitable for broader application, Southern organisations, their development partners (donors) and other actors need to improve it and customise it to their own needs.

aid system that organisations don't have baselines or outcome statements, but there's no way around it if you want to use the 5CCs model, or any other model to deal with CD for that matter. And we're not just talking about the project or the programme level. You need an outcome statement for the organisation that is somehow related to the mission statement. Of course, it also has to be specific: what outcome do you, as an organisation running a variety of projects and programmes, deliver to society? You won't find CD if you base your assessment on individual programmes and projects. And in any case, if you can't define your outcome, you can't define what the system is, nor can you use this model.'

George Kasumba: 'But even if they had had such documentation and baselines and what have you, assigning portions of the development objectives realised by the organisation to the changes in their different capacities was more academic than factual. It was very hard even for respondents in the organisation to determine how many of the realised outputs and outcomes could be attributed to changes in capacity.'

► **The third key question concerned the effectiveness of DDP interventions in strengthening the capacity of Southern partners. The evaluation concluded that donor funding was relevant (sometimes 'a vital lifeline') to all Southern organisations. This support, however, was only one (and often not the most crucial) of the factors that contributed to capacity change. We asked Piet de Lange to reflect on this rather disappointing conclusion.**

Piet de Lange: 'Our goals are too ambitious, and because of that we burden ourselves and partner organisations with impossible tasks. It touches on the foundations of development and international cooperation. Big intervention theories assume that



changes in society can be made according to plan. This assumption also underlies the Millennium Development Goals, the idea that you can plan things and that they will work according to the plan in a short period of time. This creates unrealistic expectations about development and change. For example, in a vast country like Ethiopia, official development assistance is only a drop in the ocean. So it is important to be modest. It all starts with understanding how development processes evolve and how we can create conditions in our regular funding schemes that encourage and facilitate local and autonomous capacity development. But that redefines the role of the donor quite radically. And I'm not sure that there's sufficient political space to move in that direction. The other big dilemma is that sometimes local NGOs depend almost entirely on external funding.'

Lebesech Tsega: 'External interventions can make crucial contributions to the development of clearly defined competencies – needed and mutually agreed on by both external capacity builders and Southern organisations. The issue is who is in the driver's seat. Some of the DDPs' experiences show that there was heavy dependence on European and Dutch expertise, and by and large the Southern organisations played more of a passive recipient role without challenging or demanding to be at the steering wheel. This and related factors could limit the development of endogenous capacity and increase the dependency on external CD providers over time. The dependency attitude has often been attributed to the uncertain and limited sources of funding.'

► **The fourth and final question addressed by the evaluation asked what makes an intervention effective. After all, one of the purposes of this evaluation was to learn. We asked the interviewees: 'Did we learn or will we learn?'**

Piet de Lange: 'Learning is a difficult concept and is easily mistaken for having taken note of information. The proof of the pudding is in the eating: will the DDPs, including the Ministry make clear at what order they have learned: are they ready to question the assumptions founding their mission and strategy and revise them eventually since the evaluation made it clear that the strategies of the DDPs, including the Ministry are not always that effective? Will they change their practices if that would be desirable? That learning process has just started and will become more profound at the conference organized by the Ministry to discuss the lessons of the evaluation on 15 December this year.'

The evaluation: lessons learned

The synthesis report formulates four main lessons⁵ which are primarily directed at further elaborating the evaluation's learning agenda:

- It will take time and effort to make Dutch expertise – which is potentially highly relevant – available in such a way that Southern organisations can apply it effectively. It is important to recognise that this is a path full of risks, and often beyond the control of the DDP.
- It is important to conduct evaluations that assess the real potential of innovative approaches for supporting capacity development. And it is necessary to make clear exactly what would be required from outside agencies to support these processes professionally.
- DDP support for innovation is potentially strong and offers promising approaches to capacity development at the institutional level. This is borne out in the success of the cases where support was given to collaborative associations such as the value chains, environmental impact assessment systems and multi-party systems.
- It is necessary to shift support for capacity development in such a way that it helps Southern organisations to learn from their practice – particularly in terms of encouragement to probe the assumptions on which their strategies are based (second-order learning). It may require an in-depth investment by all Dutch development organisations to develop the expertise that is required to support these processes.

Geert Phlix: 'The evaluation has generated a lot of thinking and learning in the organisations we worked with. This includes becoming aware of the importance of working with a theory of change, of knowing where you want to go and how you want to get there and what you need. It is immensely important to follow up this learning process. But I don't know whether that will happen.'

Kees Blokland: 'Towards the end of the process, people became increasingly defensive. Everything that could be read as a comparison of the different organisations' performance was deleted. But if you want a learning evaluation you have to be clear on what worked and why, otherwise you won't learn.'

Paul Engel: 'IOB always wanted both quantitative and qualitative data. But there was little to measure, there were no baselines. And the DDPs seem to have refrained from pushing measurements, quantitative data. Perhaps they feared that this would turn into a classic evaluation after all. It's understandable to some degree, but it's a tremendous pity that there is such a fear of numbers in some parts of the sector! The argument that some things are hard to quantify is often an excuse to not measure anything whatsoever. One of the problems in this field is that you're never allowed to compare.'

► **In addition to asking the interviewees to comment on what was published in the report, we also asked them to talk about the lessons they learned.**

George Kasumba: 'The biggest lesson from the evaluation process is that the 5CC approach can be applied to a wide spectrum of organisations to assess CD. But it would have been more useful if CD interventions had been designed using the same framework so that the core capabilities are used for more than just capacity assessment. My organisation has adopted the 5CCs concept to design capacity building packages for other organisations.'

Alan Fowler: 'Donors and NGOs really need to learn to play second fiddle, and Southern organisations need to become much more articulate in defining their outcomes and setting a practical baseline against which to assess and measure change.'

Paul Engel: 'The fact that Southern organisations often lacked outcome statements does not mean that DDPs should set themselves that task. The process of goal-setting should be endogenous too! As a DDP, you cannot and should not do that for partners. This study shows that it is important to look much more elaborately into the assumptions and aspirations behind organisations' investments in CD.'

Geert Phlix: 'This evaluation has allowed us to start outlining what matters on the ground for

capacity development. It has provoked a discussion among both DDPs and Southern organisations. This is extremely valuable, and it is perhaps the start of a learning process in which we can develop a language, a theory and practices that encourage CD, but which works two ways in the sense that we also learn. But you also see that the balance between learning exercises and outlining results all too easily tips in favour of accountability. And it is telling that the Dutch Ministry of Foreign Affairs has asked the NGOs to start using the 5CC model straight away to monitor and evaluate their newly financed programmes. It is unclear whether and how the "learning process" – which has been part of this evaluation's focus, both in terms of the Southern organisations and the DDPs – will be taken forward. In any case, it is a pity that the evaluation is now being primarily used for accountability purposes whereas its potential for learning is much less clearly elaborated. And to be honest, it is not only Southern organisations that need to learn about CD!'

Piet de Lange: 'For us at IOB, this report is the start of a process, an elaborate process. But in the end, the fate of the evaluation is not in our hands. There are three key things in my opinion. First, it is going to be a challenge to use the framework from a truly "Southern" perspective. This process of calibration and transposition has been really hard at times. So if you want to leave that to the people in the field, there still is quite some work to be done. Second, methods that use the lifeline of an organisation are more exciting and more interesting if it is guided by what the organisation wants to achieve. Thus if you constantly link information about capacity to the organisation's outcome statements. That will allow you to get a better grip on whether and how CD works to encourage social change. And third, it is absolutely essential to start using real-time evaluations to get feedback from ongoing processes in practice, which you can then use to develop your views and expertise. I would hope that organisations both here and there would reserve part of the funding to develop innovative learning skills on these matters. But IOB is not in a position to advise or guide the learning or the policy agenda.' <

¹ IOB (2011), p. 24.

² Ibid, p. 35.

³ Baser, H. and Morgan, P. (2008) *Capacity, Change and Performance: Study Report*. Maastricht: ECDPM. Available at [http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/OBA74077B6E93908C12578E2003F98E1/\\$FILE/08-59B_Baser_Morgan.pdf](http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/OBA74077B6E93908C12578E2003F98E1/$FILE/08-59B_Baser_Morgan.pdf)

⁴ IOB (2011), pp. 15-19.

⁵ IOB (2011) *Facilitating Resourcefulness: Synthesis Report of the Evaluation of Dutch Support to Capacity Development*. The Hague: Ministry of Foreign Affairs, p. 20.

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