



Improving the Effectiveness of Norwegian Support to Capacity Development: The Role of Capacity Assessments

Capacity assessments are not used widely within Norwegian development cooperation and when they are they lack a robust structure and approach. The purpose of this evaluation brief is to reflect on the role that capacity assessment can play in improving the practice of capacity support and to provide practical guidance on how best to design and undertake such a process. This brief is based on the findings of the Evaluation of Norwegian support to capacity development.

WHAT IS A CAPACITY ASSESSMENT?

Capacity assessments are formalised processes by which an organisation reflects, either through self-assessment or through external facilitation, on its strengths and weaknesses and develops a plan for self-improvement. Capacity assessments can be undertaken at any point during a capacity development intervention but most commonly take place during the preparatory stages.

WHY ARE CAPACITY ASSESSMENTS IMPORTANT?

Capacity assessments are important for a number of reasons:

- > **Problem identification:** They provide a structured and evidence-based way of diagnosing the strengths and weaknesses in the systems and practices of an organisation. Following a robust process can help ensure that problems are unpacked appropriately.
- > **Strategy selection:** By helping to uncover underlying problems, capacity assessments can help inform what combination of capacity development strategies to pursue (twinning, technical assistance etc.). This lays the foundations for a best-fit rather than a best practice approach.
- > **Buy-in and planning:** Capacity assessments create a platform for dialogue between those involved in a capacity development process. This can help create a shared understanding of purpose and create buy-in for the process. It also provides a platform for mutual accountability.

TABLE 1: STRENGTHS AND WEAKNESSES OF THREE APPROACHES TO CONDUCTING CAPACITY ASSESSMENTS

Approaches to conducting capacity assessments	Strengths of the approach	Weaknesses of the approach
1. Self-assessments: This approach involves the partner conducting an assessment of its own capacity without any external inputs.	This approach is effective at building partner's ownership of the diagnosis and the resulting action plan for improvement. This is important to the eventual success of the capacity development process.	The assessment may lack objectivity and is open to accusations of bias. The lack of independence may mean an organisation is unable to see problems or diagnose them effectively.
2. Joint assessments: This approach involves the providers of the capacity support working closely with the partner to diagnose capacity constraints and jointly develop an improvement plan.	This approach introduces greater objectivity and robustness to the process, while still retaining partner's ownership of the results. Capacity providers and partner jointly review the data on capacity and make joint judgements on strengths and weaknesses.	This approach requires careful facilitation to ensure an appropriate balance of self and external assessment.
3. External assessments: This approach involves the provider of the capacity support undertaking an external assessment of a partner's capacity.	This approach produces the most objective assessment of capacity. It tends to be used as part of an organisational evaluation or due diligence process to determine funding levels.	This approach is likely to generate much lower levels of ownership of process and results.

THE USE OF CAPACITY ASSESSMENTS IN NORWEGIAN DEVELOPMENT COOPERATION

Within the context of Norwegian development cooperation the design of capacity development interventions are characterised by a high degree of informality. Typically, the scope of a capacity development intervention emerges based on series of conversations between the various stakeholders involved. This is undertaken in the absence of any defined methodology or structure. While this approach can provide the space for open discussion and adaptability, which in turn can build trust, commitment and ownership, it also has challenges.

A key challenge is that it can lead to a partial diagnostic of needs, which in turn, can lead to inappropriate capacity development strategies being employed. In nearly half (9 of the 19) of the interventions reviewed in the evaluation of Norwegian support to capacity development the type of support did not completely align with the needs of the organisation. This was largely attributed to a lack of understanding of the needs of the organisation and the wider context in which that organisation operates.

In a number of interventions, particularly the more complex ones, the use of a more systematic approach to assessing partner's capacity early in the process could have been beneficial.

HOW TO UNDERTAKE A CAPACITY ASSESSMENT?

There are three main approaches to conducting a capacity assessment, each with differing strengths and weaknesses. These include: self-assessments, joint assessments, and external assessments. These are summarised in table 1 above.

In addition to the approach used to manage the capacity assessment, another consideration is what framework to use to structure the assessment. There are a variety of different tools and framework available.¹ Some are comprehensive and cover all functions of an organisation, others focus on a specific dimension of capacity, such as governance.

Consideration also needs to be given to how the data that underpins the assessment should be collected and analysed. A number of the frameworks use questions to structure the process and focus data collection and reflection. Other frameworks use capacity assessment scales. Here, different levels of capacity are defined for each key area of an organisation.

¹ Additional examples: ECDPM's 5 Capabilities framework (<http://ecdpm.org/publications/5cs-framework-plan-monitor-evaluate-capacity-development-processes/>); Universal's Institutional Assessment model (<http://www.reflectlearn.org/discover/universalia-institutional-and-organizational-assessment-model-ioa-model/>); Pact Organisation Capacity Assessment (http://pactworld.org/sites/default/files/OCA%20Handbook_ext.pdf)

TABLE 2: EXAMPLE OF A CAPACITY ASSESSMENT SCALE

Management of people				
Most staff have written objectives, but these are sometimes unclear or irrelevant to their role. Managers decide individually how best to supervise and assess the performance of staff.	Most staff have relevant objectives that reflect their job descriptions. Managers follow basic guidance when supervising and assessing performance.	All staff have relevant objectives that reflect their job descriptions. They receive periodic supervision. Most managers follow guidelines on performance assessment. Managers receive some support regarding people management.	All staff have relevant, clear, attainable and time-bound objectives that reflect their job descriptions. Most staff have regular supervision and formal appraisals. Most managers consider supporting staff to be an important part their role and follow policies and processes. Managers receive some support regarding people management.	All staff have relevant, clear, attainable and time-bound objectives that reflect their job descriptions. All staff have regular supervision and formal appraisals. All managers consider supporting staff to be a crucial part of their role and follow policies and processes. Managers people management skills are effectively supported and developed.

The capacity assessment process involves agreeing which level best describes the current capacity of the organisation. This process can be done in a highly participative way in discussion with the organisation, or it can be undertaken by an external assessor. The benefit of this approach is that it can be repeated and can show how capacity changes (or not) over time. An example of a capacity assessment scale is presented above in table 2.

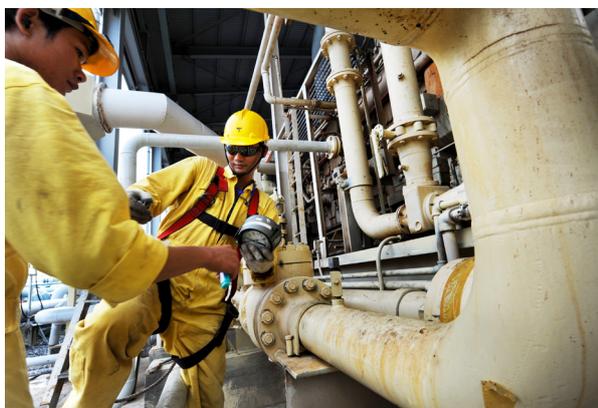


PHOTO: KEN OPPRANN

FIVE STEPS TO IMPROVING NORWAY’S APPROACH TO USING CAPACITY ASSESSMENT IN DESIGNING AND TARGETING CAPACITY SUPPORT

- > **1. Formal capacity assessment should be undertaken during the design of a capacity development interventions.** There is a strong evidence that emerged from the evaluation that despite the benefits of informal capacity needs assessment, a more systemic, formal approach would help design more tailored interventions. As the evaluation highlighted almost half of the intervention reviewed did not have a strategy that aligned with overall needs.
- > **2. Joint assessments of capacity should be undertaken as this aligns with Norway’s partner-led approach.** Joint assessments allow Norway to support its partner’s to take a lead in defining their capacity needs, but also ensure objectivity in the diagnosis.
- > **3. The findings of capacity needs assessment need to be reflected in the design and resourcing of capacity development intervention.** Capacity assessment provide a sound evidence base for designing an intervention. In their absence designs may be too ambitious, they may focus on the wrong issues, and/or the resourcing may be insufficient.

The Evaluation Department, located in Norad, initiates evaluations of activities financed over the Norwegian aid budget. The Department is governed under a specific mandate and reports directly to the Ministry of Foreign Affairs. The evaluations are carried out by independent evaluators, and all evaluation reports are made public.

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- > **4. Capacity needs assessments should serve as a basis for mutual accountability between capacity development partners.** Findings of capacity needs assessment should be used to create consensus among key stakeholders around the purpose of a capacity development interventions and the priority areas for reform.

- > **5. Capacity assessments should be periodically updated.** The evaluation found that a hallmark of Norway's support to capacity development is that it is long term. Given capacity interventions may span multiple years it is important that Norway and its partners understanding how capacity is changing over time. This will support evidence informed decisions about how interventions need to be adapted and generate valuable data on the effectiveness of Norway's support to capacity development.

EVALUATION OVERVIEW

This evaluation brief draws on an evaluation of Norwegian support to capacity development commissioned by the evaluation Department in Norad, conducted by Itad Ltd (UK). The evaluation is part of a Scandinavian joint evaluation.

Purpose of the evaluation: To help Norway improve its decision-making and strategy on capacity development in developing countries, particularly in public sector institutions.

Methodology: The evaluation was based on 19 case studies in nine countries. 11 cases were subject to in-depth studies in the three countries Malawi, Mozambique and Vietnam, while the rest were carried out as document reviews supplemented by interviews.

Core evaluation team: Rob Lloyd (Project director), John Markie (Team leader), Joe Bolger and Stephen Peterson (Country team leads), Stein Erik Kruse (Vietnam), Florian Schatz (Mozambique), Gregory Gleed (portfolio and desk reviews, literature review), Zozan Kaya (portfolio and desk reviews).

Publications: There is also a second evaluation brief on adapting programming. Both evaluation briefs and the evaluation report are available for download at <http://norad.no/en/front/evaluation>

This brief is written by Rob Lloyd and Greg Gleed from the evaluation team.