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## In this Issue

Learning about capacity development through its evaluation:

experiences from Africa, Asia, Europe and the Americas

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## News and Events

- A workshop on evaluation is being convened by CTA in Wageningen, The Netherlands from 8 to 12 September 2003. Participants drawn from EU and ACP bodies will review material collected for a book CTA is compiling on evaluating the impact of information on development. Another focus will be a toolkit for evaluating the performance of information products, being put together by CTA, IICD and KIT.

See: <http://www.cta.int/index.htm>

- The "Canadian Evaluation Society" 2003 Conference, entitled "In the Public's Best Interest: Evaluation, Accountability and Transparency" will take place from June 2-4, 2003 in Vancouver. Keynote speakers and conference presentations will focus on the conference theme, with special emphasis on four main streams: Evaluation, Accountability, Public Transparency, Program Evaluation, Case Studies. See:

<http://www.evaluationcanada.ca>

- These News and Events are taken from "MandE News" a news service focusing on developments in monitoring and evaluation methods relevant to development projects and programmes with social development objectives. It contains up to date information on news and upcoming events on evaluation.

See: <http://www.mande.co.uk/news.htm>

More info on: <http://www.capacity.org/events.html>

## *Advancing the policy and practice of capacity building in international development cooperation*

# Evaluating Capacity Development

In recent years, self-evaluation has been recommended for capacity development efforts in response to a growing awareness that externally led evaluations are often inappropriate or counterproductive. Self-evaluation has been seen as a means of assessing the needs for capacity development, of developing effective strategies and of improving existing or future programmes. The implication is that capacity development efforts require an internal evaluation capacity in order to ensure their own relevance, effectiveness and efficiency.

While this change in understanding the role of evaluation in capacity development efforts is laudable, questions remain about the practicality of self-evaluation approaches in international development cooperation and about the extent to which self-evaluation can contribute to learning processes, to performance improvement and to the development of evaluation capacity within organisations. Few capacity development efforts have been systematically self-evaluated and documented in ways that shed light on these important topics.

It was these considerations that formed the rationale for an action-learning project on Evaluating Capacity Development (ECD) by a group of evaluation specialists, led by the International Service for National Agricultural Research (ISNAR). Six research and development organisations from Asia, Africa and Latin America and their international partners supporting their capacity development efforts participated in this project and evaluated their own capacity development efforts through a series of self-evaluation studies. The evaluations addressed questions of immediate interest to the participating organisations as well as a set of five 'guiding questions' formulated jointly by participants.

The contributions in this issue of *Capacity.org* review what has been learned from this project. The articles are based on a book authored by the ECD project's participants, to be published jointly by ISNAR, the International Development Research Centre (IDRC) and the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA) in mid-2003. The first article introduces the ECD project and summarises its methodology. The second article outlines the understanding of organisational capacity development and its evaluation as developed in the context of this project. The third explains why managers should be concerned with organisational capacity development and its evaluation. The fourth presents the elements of a holistic approach that managers can use to foster organisational capacity development. The fifth explains how to build partnerships for capacity development. The sixth introduces practical approaches for evaluating organisational capacity development, and the final article explains how evaluation can be used to strengthen capacity and improve an organisation's performance. Some of the case studies are summarised in boxes to illustrate the practical effects of this approach on the capacity development of the organisations involved. A list of sources of further information on the topic is included at the end.

# Issue 17

April 2003

# The 'Evaluating Capacity Development' (ECD) Project

The initial idea to develop a project on the evaluation of organisational capacity development emerged in 1999 during discussions between the International Development Research Centre (IDRC), the International Institute of Rural Reconstruction (IIRR), and the International Service for National Agricultural Research (ISNAR) on the need to better understand how capacity development takes place and how its results can be evaluated. Despite all the attention given to capacity development, few capacity development efforts have been systematically evaluated to test their underlying theories and assumptions, to document their results or to draw lessons for improving future programmes.<sup>1</sup>

These discussions led to the design of an action-learning project, the ECD project, which was intended to explore issues of capacity development and its evaluation with a group of people who were working to strengthen capacity and were interested in evaluating their efforts. Its overall aim was to improve capacity development efforts in research and development organisations through the use of evaluation. Evaluation studies were carried out in Bangladesh, Cuba, Ghana, Nicaragua, the Philippines and Vietnam (figure 1).

The evaluation studies focused on questions of immediate interest to the participating organisations and on five 'guiding questions' that were formulated by participants in the early project:

- What are the key capacities that need to be developed in research and development organisations?
- How can managers foster organisational capacity development?
- How can partnerships be built for organisational capacity development?
- How should organisational capacity development efforts be evaluated?
- How can evaluation be used to strengthen capacity and improve an organisation's performance?

The ECD project had several special features. In order to mitigate the 'Northern' or 'international' bias of past evaluations of capacity development efforts, it involved 'pairs' of organisations in evaluations of their own capacity development efforts. Each pair of organisations consisted of a national organisation that was working to develop its own capacity and an international organisation that

**Figure 1. The six evaluation studies**



**Six evaluation studies were carried out in the ECD project:**

- Exploring organisational capacity development in a rural development NGO in Bangladesh
- Towards strategic management in a Cuban agricultural research institute
- Understanding capacity development in a plant genetic resource center in Ghana
- Assessing organisational change in an agricultural faculty in Nicaragua
- Strengthening participatory research capacities in a Philippines rootcrop center
- Expanding capacities in a rural development institute in Vietnam

was supporting the capacity development effort. One or more individuals from each of these paired organisations formed an evaluation team.

Rather than seek to measure the 'outcomes' or 'impacts' of international programmes, the evaluations sought to understand and improve capacity development processes in national and local organisations.

The ECD project highlighted the development of capacity, rather than the transfer of inputs, products, services or technology. It focused on the capacity of organisations rather than on individual or project-level capacity. The evaluations were performed for and with specific, intended users. In order to stimulate learning from a range of diverse experiences, managers and evaluators from Africa, Asia, Europe and the Americas were invited to participate in the project.

This issue of *Capacity.org* summarises what we have learned, as a group, from the ECD project. It is based on a book authored by the ECD project's participants, to be published jointly by ISNAR, the IDRC and the Colombian Centre for Tropical Agriculture in mid-2003. Kim Brice drafted the articles in this issue, based on the chapters of the forthcoming book.

We are grateful to five development agencies who have provided financial support and technical inputs for the ECD project: the Australian Centre for International Agricultural Research (ACIAR), the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA), German Technical Cooperation (GTZ), the International Development Research Centre (IDRC), and the Swiss Agency for Development and Cooperation (SDC).

1 *Capacity.org* issue No. 2 spotlighted capacity and evaluation.

By Douglas Horton, evaluation specialist with the International Service for National Agricultural Research (ISNAR) and leader of the ECD project, and Anastasia Alexaki, coordinator of the ECD project.

If you would like more information or wish to share your own experiences, please contact Douglas Horton at D.Horton@CGIAR.ORG

### The ECD project' process

An Initial Workshop for the ECD project was held at ISNAR in the Netherlands in May 2000. It involved people from research and development organisations in Canada, the Netherlands, the Philippines, the United States, the United Kingdom, and Vietnam, who had expressed interest in participating in the project.

Over the next three months, managers and evaluators from several international and national organisations were invited to take part in the project. The support and involvement of five donor organisations - the Australian Centre for International Agricultural Research, the Colombian Centre for Tropical Agriculture, German Technical Cooperation, the International Development Research Centre, and the Swiss Agency for Development and Cooperation - was also negotiated during this period. In September 2000, a Planning Workshop for the evaluation studies was held at IIRR in the Philippines. This included a mini-training course on evaluating capacity development and planning for the evaluation studies. Six evaluation studies were conducted between September 2000 and May 2001. The ECD project's coordination team and consultants helped to get the studies underway, to review and sharpen their objectives, and to negotiate political support for the evaluations.

One of the project's main outputs will be a book on organisational capacity development and its evaluation, to be authored by the project's participants with the assistance of a professional writer. Preparation of the book has been a process of the social construction of knowledge from beginning to end. The main ideas presented in the book and in this issue are the result of interaction in the team-based activities and workshops over the past three years. A draft of the book and the contents of this issue were prepared in a writing workshop, which gave participants an opportunity to formulate collective responses to the project's guiding questions based on a review of all the evaluation reports and their personal experiences. The project documents and reports are available on the ECD project website: (<http://www.isnar.cgiar.org/ecd/index.htm>).

## The basics of organisational capacity development

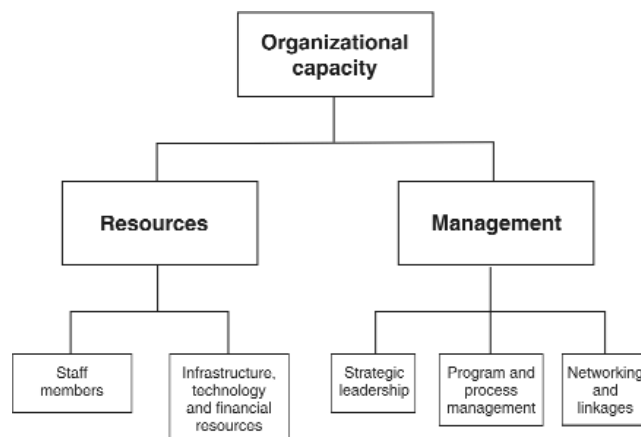
The terms 'capacity' and 'capacity development' are used in many different ways in different settings. Participants in the ECD project needed to reach an understanding of what they meant in the context of their own organisations. The process of conceptualisation and understanding began early in the project and continued throughout its life. This article presents the frameworks and understandings that emerged.

In simplest terms, an organisation's capacity is its potential to perform - its ability to successfully apply its skills and resources toward the accomplishment of its goals and the satisfaction of its stakeholders' expectations. The aim of capacity development is to improve the organisation's performance by increasing its potential in terms of its resources and management.

The project participants classified capacities broadly into two types that all organisations need in order to perform well: resources and management (Figure 2). *Resources* include those things traditionally thought of as 'hard' capacities, such as infrastructure, technology, finances and human resources. *Management* is concerned with creating the conditions under which appropriate objectives are set and achieved. Three types of management are important:

- Strategic leadership
- Programme and process management
- Networking and linkages with groups

While the development of physical, financial and human resources in an organisation should not be underestimated, the studies high-

**Figure 2. Components of an organisation's total capacity**

Note: An organization's overall capacity depends upon its resources (human, physical, financial and technological) and its management (leadership, program and process management, networking, and linkages).

lighted the critical importance of developing leadership and management capacities. Unless attention is paid to these 'soft' capacities, investments in the 'hard' capacities seldom lead to improvements in organisational performance.

In order to clarify their understanding of capacity in relation to an organisation's performance, the participants employed a model for assessing organisational performance based on the work of the IDRC and the Universalia Management Group. The model suggests that an organisation's performance is influenced not only by how it employs its capacities, but also by forces in its external and internal environment. The external environment includes the administrative and legal systems that govern the organisation, as well as its political, social and cultural context. The internal environment

relates to the organisation's culture, rewards, incentives and management style (Figure 3).

Given the rapid changes taking place in their countries, the participants realised the importance of distinguishing between the capacities that an organisation needs in order to carry out its day-to-day activities - its operational capacities - and the capacities needed for the organisation to learn and change - its adaptive capacities.

Within organisations, capacities exist among individuals and groups, and within the organisation as a whole. Individuals possess knowledge, skills and attitudes which reflect their experience and training. When individuals share their knowledge, skills and attitude with colleagues and these become imbedded in group norms and processes, it can be said that they become part of the group's capacity. And when individual and group capacities become widely shared among the organisation's members and incorporated into management systems and culture, they become

organisational capacities.

Participants in the ECD project came to realise that organisational capacity development is an ongoing process by which an organisation increases its ability to formulate and achieve relevant objectives. Organisational capacity development involves strengthening both operational and adaptive capacities. It is a complex process of learning and improvement that takes place within organisations.

*By Jose de Souza Silva, Senior Research Officer at ISNAR and Manager of the 'New Paradigm' Network for institutional innovation in Latin America based in Costa Rica; and Albina Maestrey Boza, a specialist with the Science and Technology Division of Cuba's Ministry of Agriculture.*

### Developing strategic management capacities in Cuba's Swine Research Institute

Since 1996, ISNAR's New Paradigm Project (NPP) and the Directorate of Science and Technology of Cuba's Ministry of Agriculture have collaborated in an evolving set of activities aimed at developing a national system for agricultural science, innovation and technology and strengthening strategic management capacities within that system.

Their collaboration came about in response to the profound and rapid changes that were taking place in Cuba's economy due to the disintegration of the former Soviet Union, its main trading partner, and a long-term trade embargo imposed by the United States. Cuba recognised that there was an urgent need for change in agricultural research institutions, and, subsequently, to take stock of the change process and its results.

The Cuban evaluation study focused on a single capacity development effort - agrifood chain analysis in the Swine Research Institute. As the crisis unfolded, managers of the Swine Research Institute and Cuba's Ministry of Agriculture saw the need to build the Institute's strategic

management skills because of the Institute's dwindling relevance to the rapidly changing needs of the pig-farming industry.

A process of capacity development for organisational change was initiated. Various capacities were developed, among them the Institute's capacity to carry out agrifood chain analysis jointly with key stakeholders. This type of analysis allowed the Institute to better interpret the changes in Cuba's economy and reposition itself to better meet the needs of a rapidly changing pork market.

Agrifood chain analysis was able to give the Institute a new perspective on the needs of the pig-farming industry. This methodology helped them to further understand the changes that were taking place within the sector and to better define priority areas for their work and for supporting the sector. In turn, Institute staff were able to set new priorities for their research and development work, giving them a strong sense of direction and more confidence in negotiating with other organisations.

# Why managers should be concerned with organisational capacity development and its evaluation

For each of the organisations participating in the ECD project, the emergence of new technologies, environmental and economic turmoil, market integration and social and political instability posed opportunities as well as threats.

The project participants realised - some before but most after the evaluation studies - that the traditional rules that once governed their organisations and relations with their stakeholders are becoming obsolete. Their organisations need to adapt and learn in order to survive and prosper in this era of change. However, managers of research and development organisations are seldom aware of the capacities needed to initiate and sustain transformational change processes in their organisations. The project demonstrated that organisational capacity development can help them undertake these changes.

The evaluation studies point to general trends that can help managers focus their organisational capacity development activities. Although individual knowledge, skills and attitude development are important, they are not sufficient for developing organisational knowledge and change. Capacity development efforts must also include team-building and the development of organisational systems that channel human abilities and resources to achieve an organisation's goals.

Investments in hard capacities alone, i.e. in facilities and resources, will not lead to lasting improvements in performance. Organisations must be able to acquire and effectively use resources. Hence, managerial capacities which allow an organisation to effectively acquire and use resources are crucial for enhancing and sustaining organisational performance.

Management practices are particularly important because of the increasing pressures on managers to move beyond efficiency and effectiveness, so as to safeguard the relevance of their organisations. In addition to operating efficiently within tight budgets, organisations need to provide services that meet changing needs. This requires new capacities for monitoring the environment and responding effectively to changing circumstances.

More and more organisations, including all those participating in the ECD project, work in partnership and networks with other national and international organisations. As a result, there is a need to go beyond managing organisations as isolated entities,

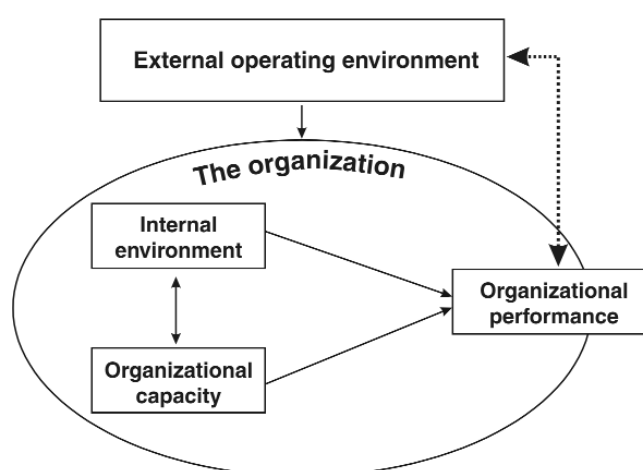
to managing complex programmes, partnerships, alliances and networks. More attention needs to be given to building new capacities for communication, public awareness-raising, policy development and negotiation.

Lastly, organisations need to be flexible and creative in order to adapt to continuously changing conditions. Those that don't learn from experience and change in ways which enhance their performance risk rapid obsolescence.

The project's participants learned how monitoring and evaluation can improve an organisation's capacity development efforts. The participatory, self-assessment approach to evaluation that the project employed enabled participants to develop a better understanding of evaluation and its procedures, tools and mechanisms.

Capacity development involves considerable experimentation and learning-by-doing. Periodic reflection and analysis can help an organisation to keep its capacity development efforts on track and to learn from successes and failures. Monitoring and evaluation can be used to compare progress with goals and expectations, and to test the assumptions underlying a capacity development effort. They can also provide useful information that managers and programme operators can use to improve their ongoing work and their future planning.

**Figure 3. Framework for organisational assessment**



Note: An organisation's performance is influenced by its capacity, by its internal environment, and by the external environment in which it operates.

Source: Based on Lusthaus, Anderson, and Murphy (1995) and Lusthaus, Adrien, Anderson, Carden, and Montalvan (2002).

The evaluation studies helped participants increase their knowledge and skills and change their attitudes about what successful capacity development involves. This was true of national and international organisations alike. By involving key actors from national organisations and their international partners in self-assessment exercises, the evaluation teams were able to assess capacity development from multiple perspectives. This helped participants to understand how to improve relationships between their organisations.

*By Ibrahim Khadar, Manager of Planning and Corporate Services at the Technical Centre for Agricultural and Rural Cooperation ACP-EU (CTA), and Jocelyn Perez, lecturer at Benguet State University in the Philippines and formerly (until January 2001) Director of the Northern Philippine Root Crops Research and Training Centre.*

## How managers can foster organisational capacity development - towards a more holistic approach

In the past, capacity development has seldom been systematically planned or managed. Since the 1950s, development organisations and funders - including all those that participated in the ECD project - have used a variety of mechanisms to strengthen the capacities of Southern organisations. Earlier efforts often focused on building or transferring facilities and basic equipment. Capacity development efforts later shifted to investments in university-level education and then to short-term technical training. Today, collaborative projects, partnership and networking are advocated for capacity development.

The evaluation studies convinced participants of the need to employ a more holistic approach to capacity development. Focusing capacity development on individuals or projects may not improve an organisation's overall capacity and performance. Fragmented approaches seldom address an organisation's priority needs, and often miss 'big picture' issues. In some cases they even undermine the organisation's capacity.

The project participants suggested a more holistic approach to organisational capacity development, in which the organisation

leads its own capacity development efforts.

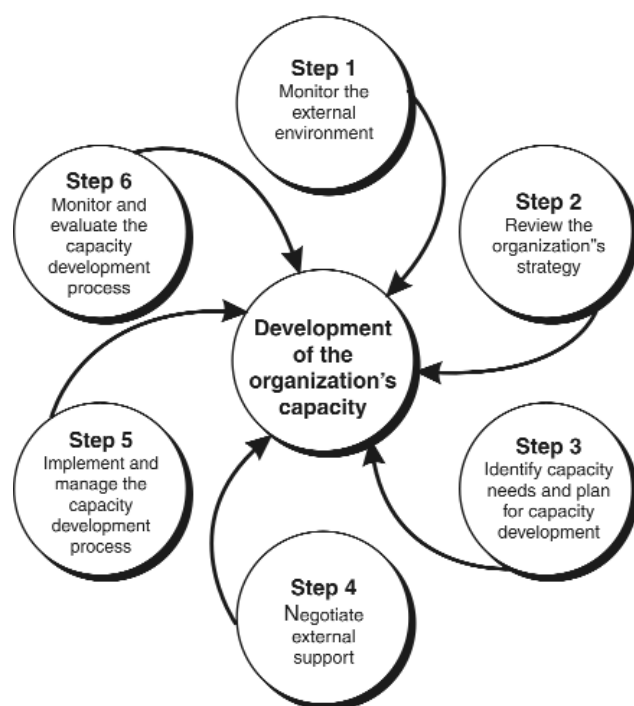
Capacity development should target the needs of the organisation as a whole. Once the priorities have been established, attention may shift to strengthening individual or project-level capacities. The processes used for developing capacities are often as important as its goals, and they need to be well managed.

Adequate support from decision-makers in high-level positions must be cultivated, and an organisational environment should be cultivated that is conducive to learning and change. Monitoring and evaluation should be built into the capacity development effort from the outset, to promote continuous cycles of action, reflection and improvement.

The experiences and reflections of participants suggest the value of going through the steps identified in Figure 4. Managers should not expect to implement these steps in a neat sequence, though experience suggests logic in the order presented which is mirrored in recent research on organisational strategy and change.

*By Samuel Bennett-Lartey, Director of Ghana's Plant Genetic Resources Center, and Jamie Watts, impact assessment and evaluation specialist at the International Plant Genetic Resources Institute in Rome.*

**Figure 4. Steps in a holistic approach to capacity development**



Note: The steps are presented in an ideal sequence. In practice, however, capacity development efforts may begin at different points in the sequence and they may skip steps.

# Towards partnership in organisational capacity development

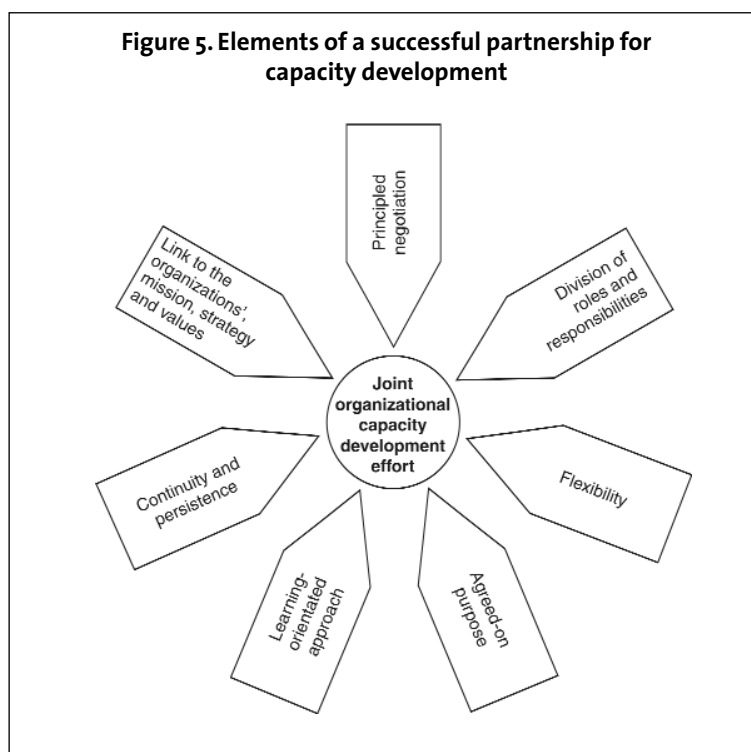
The ECD project brought together a number of national and international research and development organisations, in order for them to evaluate how they have been working together to strengthen their capacities. Through their involvement with the project, they have become aware of several factors that make some partnerships more successful than others. These are illustrated in Figure 5.

In the course of the project, the partners came to realise the importance of clarifying the purpose of the relationship. A lack of clarity can lead to unrealistic expectations or dissatisfaction later on. Successful partnerships are consistent with the mission, strategy and values of the organisations involved. This promotes ownership of the activity because the partners are working towards similar long-term goals in similar ways. Ownership and commitment are also fostered by involvement in the planning and performance of capacity development activities.

Leadership must come from within an organisation that wishes to develop its own capacity. Power imbalances need to be recognised and mutually acceptable principles and procedures need to be negotiated for working together.

Capacity development efforts need to be flexible in order to evolve over time in response to changing circumstances. Organisational learning is at the heart of capacity development, and the evaluation studies show that capacity development efforts are most successful where all parties are committed to learning and to improving their work. Learning can be fostered by regular reflection on the

**Figure 5. Elements of a successful partnership for capacity development**



goals, activities and results of the capacity development process, through systematic monitoring and by evaluation.

*By Fred Carden, Senior Programme Specialist at the IDRC's Evaluation Unit, and Imrul Kayes Muniruzzaman, Director for Social Development, Advocacy and Training of Bangladesh's Ranjpur Dinajpur Rural Service.*

## Towards a new approach to organisational capacity development at Nicaragua's National Agricultural University

The Faculty of Natural and Environmental Resources (FARENA) at Nicaragua's National Agricultural University seeks to provide an education that is both sound and relevant to the needs of the country's agricultural and forestry sectors.

In the 1990s, the University carried out a national assessment of the professional needs of the agricultural sector, which resulted in the reorganisation of FARENA and a revision of its curricula.

During a four-year period following the assessment, FARENA put considerable effort into building the capacity of its staff in teaching, research and extension skills. This enabled the faculty to develop a core group of professionals. The emphasis was on building the faculty's capacities at individual and project levels.

The evaluation study, which was conducted through a series of participatory self-assessment workshops, with participants from FARENA, other University departments, students and an external partner, helped FARENA understand how an organisational, rather than a technical, approach to its restructuring and curriculum reform processes could help it improve its overall performance.

In the previous structuring process, key organisational capacity issues were neglected, such as management, planning, evaluation and fundraising skills. Inadequate planning made it difficult for the Faculty to prioritise its activities. Its three main functions - teaching, research, and extension work - all carried the same weight. A strategy was also lacking to improve the faculty's physical and financial resources. The participants in the Nicaraguan study gained an appreciation of the value of a more holistic approach to capacity development.

# Approaches for evaluating organisational capacity development

One goal of the ECD project was to gain experience with methods for evaluating capacity development. Based on their experiences and reflection, the project participants concluded that capacity development efforts should ideally be evaluated in a collaborative mode, by teams composed of members of the various participating organisations. This involvement may benefit an organisation and its stakeholders more than the use of the findings of evaluation reports. For this reason, the use of participatory self-assessment methods that involve the organisations' members and external stakeholders is crucial.

Three broad issues should be addressed before embarking on an evaluation:

- How to prepare for the evaluation
- How to establish a set of principles on which to base the evaluation
- How to carry out the evaluation

## An evolving partnership for capacity development in Ghana

The International Plant Genetic Resources Institute (IPGRI) and Ghana's Plant Genetic Resources Centre have been working together for over 20 years. Their relationship was the main focus of the Ghana study. Since their relationship is based on a commonality of mission and strategies, and since responsibility and authority for plant genetic resources rest with local organisations, the two have worked closely together to help build the Centre's capacity for plant genetic resource conservation and management.

The results of the evaluation study showed that the nature of the IPGRI's contribution to the Centre's capacity development evolved over time and responded to its changing circumstances and needs. Despite the relevance of previous capacity development efforts, the evaluation team noted that there was still a need for the IPGRI to further gear its capacity development efforts more directly to the Centre's needs. The IPGRI's capacity development support had been focused on a limited number of areas and topics such as the conservation of germ plasm at research stations. The study also concluded that the Centre would have greatly benefited from support in developing its operational and strategic management capacities in administration, general management and policy reform, for example.

These management-related issues lie outside the traditional mandate or area of expertise of a technical institute such as the IPGRI. Though the IPGRI may not be the best-suited organisation to respond to the Centre's organisational development needs because of its staff profile, the study convinced some staff members to recommend putting financial resources aside and creating staff positions specifically for organisational capacity development support. Since nearly all the members of the IPGRI's staff have some responsibility for capacity development, their skills in and knowledge of capacity development also need to be strengthened so that the organisation as a whole can improve its contributions to its partners' organisational capacity development.

## Preparing for the evaluation

It is crucial to clarify the purpose and main audience of the evaluation, in order to avoid confusion, frustration and dissatisfaction at a later stage. The single most effective way of ensuring that an evaluation produces useful results is to involve intended users throughout the evaluation process. For this reason, potential users should be involved in discussions on the evaluation's purpose and methods. Before beginning data collection, they should also discuss the possible results and implications of the evaluation and potential follow-up actions.

It is important to cultivate necessary external and internal support and gain commitment to the evaluation as early as possible. An evaluation needs the time and commitment of skilled and motivated individuals, and it is best to negotiate their availability before starting work.

## Establishing a set of principles for the evaluation

Before moving to data collection, a set of principles should be established to guide the evaluation process and help resolve any disagreements and conflicts. Based on their own work, the project participants proposed several general principles for evaluating capacity development efforts:

- *Utility.* Design and implement the evaluation so that it is useful to its intended users.
- *Sensitivity to context.* Be aware of the setting in which the evaluation is to be performed and the sensitivities that might exist.
- *Participation.* Involve intended users in the evaluation and take their views seriously.
- *Negotiation.* Negotiate agreements on how to proceed with the evaluation; don't impose your own views.
- *Learning-by-doing.* Promote learning throughout the evaluation.
- *Iterative approach.* Build cycles of action and reflection into the evaluation process.
- *Systematic documentation.* Document decisions taken, evidence collected, and findings, in order to be able to respond to questions or resolve disagreements that might arise later on.
- *Integrity and transparency.* Cultivate an open and honest process to ensure fairness and acceptance of the results.

## Carrying out the evaluation

Once the evaluation team is prepared and equipped with guiding principles, several key methodological questions need to be answered in order to carry out a sound evaluation that produces useful results.

- *What questions does the evaluation seek to answer?*

It is important to focus an evaluation on specific questions. In the studies, such questions evolved over time and became more precise as the understanding of capacity development efforts and evaluation methods matured.



- *How can a 'logical model' be used to focus the evaluation?*

A logical model is a chain of relationships that portrays the logic and assumptions underlying a programme or intervention and the means by which it intends to achieve its object. Developing logical models helped participants to clarify their objectives, assumptions and anticipated outcomes.

- *What is the scope of the evaluation?*

The scope of the evaluation (i.e. does it cover the whole organisation, part of the organisation or several organisations?) the topics addressed, and the time period covered need to be determined in order to guide the subsequent collection of information and analysis.

- *How can a shared understanding be developed and commitment gained to the evaluation?*

The studies used various means of dealing with sensitivities, so as to promote a common understanding and to gain commitment to the evaluation. These included the involvement of internal and external stakeholders, open discussions about organisational development and evaluation, and the validation of findings and recommendations by key stakeholders.

- *How should the evaluation process be managed?*

Managing an evaluation involves defining the roles and responsibilities of those involved and managing the time and resources available in order to successfully complete the work. Someone has to take charge of the evaluation, take the necessary decisions and supervise the work to its successful completion. Participatory evaluation processes need to be facilitated. Organisations embarking on the evaluation of capacity development need to find or develop capable facilitators who can be actively involved throughout the process. It may be useful to invest in specialised training in facilitation skills for staff.

- *What information needs to be collected?*

It is advisable to collect the smallest amount of information that is needed to answer the evaluation questions. Organisational studies have a tendency to overlook organisational records and files, and rush into the collection of primary information. Our studies found that a more careful review of information needs and of existing documents would have been valuable.

- *What tools should be used to collect and analyse information?*

Tools that proved useful in the evaluation studies included self-assessment workshops; document review; key informant interviews; group interviews; personal histories; case studies; direct observation and questionnaire surveys.

- *How should the findings be cross-checked or triangulated?*

Triangulation is a way of increasing confidence in the findings by assessing and cross-checking findings from multiple points, including different data sources, methods, evaluators and theoretical perspectives. Given the complex nature of organisational capacity development efforts, the limited baseline data typically available, and the different perspectives of stakeholders, the use of multiple methods and triangulation is particularly important.

- *How should the evaluation results be presented?*

Well-planned and well-executed evaluations often fail to produce the expected results, because they are not presented in appropriate ways to potential users. The studies demonstrated the value of making frequent verbal presentations of the evaluation's goals, progress, results and conclusions to interested stakeholders. By contrast, lengthy reports often have little impact.

*By Le Thanh Duong, Deputy Director of the Mekong Delta Farming Systems Research and Development Institute of Vietnam's Can Tho University, and Ronnie Vernooy, a senior programme specialist at the IDRC, focusing on Southeast Asia.*

### **Methods and tools for evaluating capacity development in a rural development institute in Vietnam**

In Vietnam, the evaluation focused on Can Tho University's Mekong Delta Farming System Research and Development Institute and the two networks it coordinates - the Farming Systems Research Network and the Natural Resource Management Network. The IDRC's Community-Based Natural Resource Management (CBNRM) programme has offered various types of support to all three.

The study sought to evaluate individual and organisational capacity development efforts that took place over a ten-year period among the participating organisations and to improve their use of monitoring and evaluation tools for capacity development. The Vietnam study team primarily used a set of qualitative and participatory monitoring and evaluation tools adapted to the specific theme and focus of their evaluation. These tools were chosen to engage all staff in a frank and constructive discussion about past, current and future capacity development efforts. At the same time, the variety of tools served as a methodological learning experience for both the evaluation team and the staff.

Initially, a two-day self-assessment workshop was organised. This was performed and facilitated by the evaluation team and attended by 34 members of the Institute's staff. The workshop served as a vehicle for presenting the ECD project and the case study to staff and receiving feedback on a variety of questions concerning capacity development. The workshop helped to develop a shared understanding about the evaluation study within the Institute, a strong commitment among staff to cooperate in the project and study, and also provided preliminary insights into the evaluation's key questions.

Institute managers, lecturers, technicians and administrative staff were then asked to fill in questionnaires and to participate in interviews aimed at preparing 'work stories'. The questionnaires were used to gauge the impact of capacity development efforts at both an individual and a project level. The 'work stories' explored, through more personal and detailed accounts, how staff perceived their contributions to the Institute's core activities, if and how their work had changed over time, if and how their own capacities had evolved, and how these capacities related to the Institute's organisational capacity development efforts.

Finally, key informant interviews were held with the Director of the Institute, and with IDRC-CBNRM staff who had been responsible for overseeing support to the Institute and the networks. The interviews explored how the IDRC had contributed to the Institute's capacity development, and identified the impact of joint research projects, the changes that occurred in Vietnam during the period under review and what affect they had on research and development in the country, and finally the challenges that lay ahead. Throughout the evaluation process, the evaluation team reviewed an array of documents to obtain relevant quantitative and qualitative data.

# Using and benefiting from the evaluation

Evaluation results can be used in three main ways. *Direct use* occurs when a decision-maker acts on the basis of an evaluation report's conclusions and recommendations. *Indirect use* occurs when an evaluation report is just one of many sources of information used by a manager to prepare a position on a specific topic. *Symbolic use* occurs when the impression is given that evaluation results are accepted or being used in decision-making when, in fact, they are not.

Studies of evaluation have identified four key factors that influence the use of evaluation results (the four 'I's): the personal *interests* of decision-makers, dominant *ideologies* or beliefs, the *institutions* or norms that guide behaviour, and the competing array of *information* that bombards decision-makers.

With all these influences to compete with, evaluation results have only a slim chance of directly influencing a particular decision. This is especially true where the decision is a major one that may have serious repercussions. For this reason, indirect and symbolic uses of evaluation results are more common than direct use.

Evaluators have gradually come to realise that evaluation *processes* can be as useful as the results contained in evaluation reports. *Process use* refers to the benefits gained from an evaluation when

individuals acquire new knowledge, skills or attitudes as a result of participating in an evaluation process.

Few of the evaluation reports seem to have been used for management decision-making purposes by the organisations taking part in the ECD project. By contrast, process use has been reported in all of the participating organisations. Although process use is mediated through changes in individuals' knowledge, skills and attitudes, it can influence decisions and actions quite quickly, as indicated below.

Participation in the evaluation studies helped managers and staff understand how to use evaluation to foster organisational capacity development. Open and frank discussions about the future of the organisation created a positive environment for action. The evaluation studies provided information to participants and encouraged them to improve ongoing capacity development efforts and to plan future work.

The learning-by-doing approach adopted in the studies helped organisations build the internal capacity to evaluate themselves. Involving partners and stakeholders in the evaluation process helped to strengthen interpersonal and interorganisational relationships. The evaluations benefited the organisations involved,

## Using and benefiting from evaluation: an experience from the Philippines

The Northern Root Crops Research and Training Centre and the User's Perspectives with Agricultural Research and Development (UPWARD) network have been collaborating over the past 12 years on a variety of sweet potato research projects. The study, which focused on this collaboration, resulted in specific action being taken by both organisations on the basis of its conclusions and recommendations, and also in managers, staff, and stakeholders acquiring new skills, knowledge and attitudes about evaluation and organisational capacity development.

The Centre's staff, for example, gained a new appreciation of capacity development and its evaluation. The open and frank discussions created a favourable climate for evaluation. As a result, the Centre's management and staff have planned to undertake similar evaluations of other key organisational capacities. External participants from Benguet State University (BSU), to which the Centre is operationally attached, have also become committed to the evaluation process and have asked to participate in similar future studies and activities. Two evaluation proposals were subsequently prepared by BSU and the Root Crop Centre, with the aim of adapting the evaluation methodology for examining their other organisational capacities.

The evaluation process and its results have also helped to strengthen the relationship between the Centre and UPWARD and have been of great use and benefit to UPWARD's programme development. The study helped identify the Centre's new training needs and UPWARD used this as input in designing a new course on participatory research and development. Lessons and insights from the 11-year partnership with the Centre now serve as case materials for the course.

The experience with the study has also inspired UPWARD to conduct parallel evaluations with several of its other partners, in the hope that this will in turn inspire them to conduct their own evaluations. The interest displayed by both the Centre and UPWARD in engaging in ongoing evaluation studies shows that the process has motivated the staff of both organisations to improve their respective and joint capacity development efforts and has stimulated a commitment to planning for future work.

The utility of the evaluation study has been complicated by several changes that have occurred at the Centre since the study took place. Following the evaluation, the Centre-UPWARD sweet potato project underwent a major reorganisation and the Centre came under new management. This may result in changes in the Centre's overall priorities and strategies, which may have implications for how and whether the findings, conclusions and recommendations of the evaluation will be used.

The study team also ran into some unexpected problems during the course of the evaluation study. Centre management and staff were somewhat suspicious of the evaluation because it ran parallel to a sensitive external audit of the Centre's finances, which was being conducted by BSU and the government's audit agency. What's more, two of the evaluation team members were also part of the audit team. Because of the timing, the evaluation study was perceived as being linked to the financial audit, and this required the evaluation team to work hard to dispel the myth. They were assisted by the fact that the evaluation was an open, transparent and participatory effort.

and they also served as inspiration for other organisations to evaluate their own capacity development initiatives.

An evaluation of a capacity development initiative, especially a highly participatory one that brings together different perspectives and interests, is a dynamic social process with somewhat unpredictable results. In most cases, working together strengthened relations between the national and international

organisations involved; in some cases, however, relations were weakened or strained, at least for a time.

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## Selected reading on the ECD Project

*The evaluations studies and other project materials are available on the ECD project website (<http://www.isnar.cgiar.org/ecd/index.htm>). The web-site contains links to many references listed in this box and to other websites concerned with capacity development and its evaluation.*

### Capacity development

Peter Morgan has produced a great deal of insightful work on capacity development, with an emphasis on organisational strengthening. Two papers commissioned by the Canadian International Development Agency, entitled 'Capacity and capacity development: some strategies,' and 'An update on the performance monitoring of capacity development programs: what are we learning?', published in 1998 and 1999 respectively, are particularly valuable.

Lusthaus, Adrien and Perstinger (1999) of the Universal Management Group in Montreal present a useful discussion of definitions, issues and implications for planning, monitoring and evaluating capacity development in *Capacity development: definitions issues and implications for planning, monitoring and evaluation*.

The framework for assessing organisational capacity and performance presented in this paper is based on *Institutional Assessment* by Lusthaus, Anderson, and Murphy (1995), which was recently updated by Lusthaus and colleagues (2002). Horton and colleagues (2000) used this framework in evaluating a regional capacity development programme in Latin America. The implications of the Latin American study for the planning, implementation and evaluation of capacity development efforts are presented by Horton (2002) and Mackay and Horton (2002a, 2002b).

The notion of operational and adaptive capacities is based on a publication by Earl, Carden and Smutylo entitled *Outcome mapping. Building learning and reflection into development programs* published by the IDRC in 2001.

### Organisational change

In his popular book entitled *The Fifth Discipline* (1990), Peter Senge championed the idea of organisational learning based on the notion that human minds in interaction are capable of transcending individual limitations. Since then, many organisational specialists, including Lloyd Baird and John Henderson (2001), Chris Collinson and Geoff Parcell (2001), and Mark Easterby-Smith, John Burgoyne, and Luis Araujo (1999), have emphasised the importance of strengthening the 'soft side' of organisational capacity, including negotiation, communication, knowledge management, organisational learning and empowerment. Horton, Galleno, and Mackay (2003) review recent literature on evaluation, organisational learning, and change.

### Approaches to capacity development

The steps to promote the development of organisational capacity that are presented in this issue are consistent with contemporary approaches to strategic planning and analysis and organisational development. R.M. Grant's book, *Contemporary strategy analysis: concepts, techniques, applications* (1995), outlines a strategic approach to developing an organisation's capabilities. This approach has been further elaborated by Mabey, Salaman and Storey (1998) in *Strategic Human Resource Management: A Reader*.

Useful frameworks for strategic planning are presented by Bryson (1995) in *Strategic planning for public and non-profit organisations: A guide to strengthening and sustaining organisational achievement* and by Blackberry and Blackerby (1994) in *Strategic Planning. A 1999*

article by M.Q. Patton entitled 'Organisational Development and Evaluation' in *The Canadian Journal of Program Evaluation* discusses how evaluation can be used to promote organisational and leadership development.

Several useful frameworks and tools for organisational assessment are presented on the <http://www.reflect-learn.org> website. More detailed frameworks are discussed in a book written by Lusthaus and colleagues, entitled *Organisational assessment: a framework for improving performance* (2002).

### Partnerships: Reforming Technical Cooperation

There has been much criticism in recent years of technical cooperation and its implications for capacity development in developing nations. Over the past two years, the UNDP has taken a fresh look at the fundamentals of capacity development and at how external cooperation can best contribute to the development of lasting indigenous capacities. Its project entitled 'Reforming Technical

Cooperation for Capacity Development' is intended to contribute to the ongoing debate on capacity development and the role of external partners. Progress reports on this project and the results of extensive discussions can be found at

<http://capacity.undp.org/books/book1.htm>. See also *Capacity.org* No. 14.

### Evaluation and its uses

Scores of textbooks and guidelines present methods for evaluating programmes and projects. Two that we have found especially useful are *Utilization Focused Evaluation*, by Michael Quinn Patton (1997) and *From the Roots Up*, by Peter Gubbels and Catheryn Koss (2000). Patton's book, probably the most widely read and most influential evaluation text in print, covers all major aspects of planning and carrying out an evaluation that is actually used by the intended users. *From the Roots Up* is particularly strong on the principles and techniques for self-assessment exercises that aim to strengthen organisational capacity.

*Capacity.org* was set up by the European Centre for Development Policy Management (ECDPM) as a tool for development researchers, practitioners and decision-makers. As both a web site and a newsletter, *Capacity.org* brings together information, ideas, and viewpoints on capacity building policy and practice within international development cooperation. It acts as a platform for dialogue and provides a channel for informed review and synthesis of the complex issues faced by development practitioners and policy makers.

Focusing on both the 'why' and the 'how' of capacity building - debating policy questions and learning from practical experiences - *Capacity.org* seeks to 'unbundle' the complex of ideas and practices that we call capacity building. In doing this, the editors particularly encourage the exchange of perspectives and experiences from the South, to ensure that the discussions are rooted in reality.

Developed by ECDPM, it is our aim to make *Capacity.org* a joint effort in which all of our various capacities and expertise are mobilised and shared. Interested individuals and organisations can help make *Capacity.org* an effective communication tool for people who seek to alleviate poverty through capacity building. Join us by contributing information, lessons, ideas and opinions, and feedback. Offers to co-finance parts of the initiative or to link related initiatives are very welcome.

<http://www.capacity.org>

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