SYSTEMATIC PROJECT DESIGN FOR ORGANIZATIONAL CAPACITY DEVELOPMENT

ARLINGTON, VA
AUGUST 22-25, 2011

2011 GLOBAL EDUCATION WORKSHOP: FROM EVIDENCE TO ACTION
THE CONTEXT

USAID Forward Implementation and Procurement Reform

Increasing recognition of the importance of local capacity development

USAID Education Strategy
SESSION OBJECTIVES

Increase knowledge and awareness of available models, tools, and resources to aid in the design, implementation, and evaluation of projects that support organizational capacity development.
HICD MODEL

IDENTIFY HOST COUNTRY PARTNER ORGANIZATION
- Assess the preparedness of an organization to undertake an internal capacity building effort
- Nomination by a steering committee
- Application and/or proposal through an open competition

ESTABLISH COMMITMENT OF HOST COUNTRY PARTNER ORGANIZATION
- Mutually explore performance areas to be targeted
- Establish a sense of urgency
- Formalize through memorandum of understanding

ENGAGE WITH STAKEHOLDERS
- Stakeholder mapping and analysis
- Group should be led by the host country partner organization for ownership of process
- Group should create and communicate the vision of change
- Group might include USAID Mission; HICD implementer; technical assistance providers; key donors; host government agencies; civil society organizations; community-based organizations; beneficiaries

CONSIDER THE INSTITUTIONAL CONTEXT...
- Vision
- Mission
- Goals
- Strategies
- Client, constituent, and community perspectives

AND FORCES IN THE ENABLING ENVIRONMENT
- Administrative/Legal
- Political
- Social/Cultural
- Economic

DEFINE DESIRED PERFORMANCE & CAPACITY

GAP

DESCRIBE ACTUAL PERFORMANCE & CAPACITY

IDENTIFY OPPORTUNITIES FOR IMPROVEMENT AND LEVERAGE POINTS
- Information, data, feedback
- Resources, tools, support
- Incentives, consequences, rewards
- Knowledge and skills
- Selection and retention
- Motivation and expectations
- Structure
- Strategic, tactical, and operational directions

DEVELOP ACTION PLAN
- Organizational development
- Training and development
- Communication systems
- Twining, peer exchanges
- Knowledge management
- Process improvement
- Scorecards, performance management systems
- Standards, quality assurance
- Human resource development

IMPLEMENT PERFORMANCE SOLUTIONS AND ACTION PLAN
- Maintain shared vision of successful change
- Identify and engage champions at different levels of the organization
- Remove obstacles standing in the way of implementation
- Allocate resources on time according to action plan and budget
- Ensure people have time, authority, and resources to implement the plan

MONITOR AND EVALUATE PERFORMANCE & CAPACITY
- Establish/strengthen internal performance monitoring and management systems in the host country partner organization and use this performance data to measure progress, inform evaluations, and report on results.

PERIODICALLY RE-ASSESS PERFORMANCE AND DATA QUALITY
- Periodically gather information on indicators set in the initial performance assessment.
- Assess host country partner organizations to verify the quality of reported data as well as the ability of their systems to collect, manage, and report quality data.

Performance Assessment

USAID
FROM THE AMERICAN PEOPLE
WHAT IS THE ADDED VALUE OF USING HICD AS A BASIS FOR PROJECT DESIGN?

Adopting a rigorous, systematic approach that is informed by some fundamental capacity building and performance improvement guiding principles could ultimately lead to better assessments, better design of capacity building interventions, and more effective implementation, monitoring, evaluation and reporting.
FOUNDATIONS OF HICD

Human performance technology

Behaviorism and organizational psychology

Diagnostic and analytical systems

Organizational learning and instructional systems design

Organization development and change management

Systems theory
USING THE HICD MODEL TO DESIGN ORGANIZATIONAL CAPACITY DEVELOPMENT SUPPORT PROJECTS

1. Identify Partner Organizations
2. Establish Commitment
3. Engage Stakeholders
4. Consider Enabling Environment
5. Assess Performance and Capacity
6. Re-Assess Performance and Capacity
7. Develop Action Plans
8. Implement Solutions and Action Plans
9. Assess Data Quality
10. Identify Opportunities for Improvement
11. M&E Assessment
12. Re-Assess Performance and Capacity
13. Develop Action Plans
15. Assess Data Quality
16. Identify Opportunities for Improvement
17. M&E Assessment
IDENTIFYING HOST COUNTRY PARTNER ORGANIZATIONS

<table>
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<tr>
<th>Pool of Potential Organizations</th>
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<td>Host Country Organization</td>
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- Establish selection criteria and minimum requirements for participation
- Assess the preparedness of an organization to undertake an internal capacity building effort
- Nomination by a steering committee
- Application and/or proposal through an open competition

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<thead>
<tr>
<th>Participating Organizations</th>
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<tr>
<td>Host Country Organization</td>
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<td>Host Country Organization</td>
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</table>

[Diagram showing flow of selection process]
ESTABLISHING COMMITMENT OF HOST COUNTRY PARTNER ORGANIZATIONS

Agree on:

• The overall capacity development approach, process, and goals;
• The expectations of the parties in terms of what resources will be required from each;
• The expected results;
• The involvement of other stakeholders in assessment and implementation of agreed upon capacity building activities and interventions; and
• The planned timeframe for supporting the capacity development initiative.
ESTABLISHING COMMITMENT OF HOST COUNTRY PARTNER ORGANIZATIONS

Focus on managing change:

• Foster a sense of urgency sense of urgency should be fostered in order to help secure commitment and ownership from the outset;
• Give attention to the change process and buy-in from the organization itself; and
• Formalize commitment through signed memorandum of understanding or similar document.
ENGAGING WITH STAKEHOLDERS

- Target group of key stakeholders including: decision makers; implementers; intermediaries; participants/beneficiaries

- Who has the power to act and make change?
- What do you know about them?
- What are their interests in this issue?
- How will they benefit if they engage?
- Where is resistance likely to occur?
- What is the best way to communicate with them?
- Who is best placed to engage them?
- What useful links already exist, or need to be built, between key stakeholders?
ENGAGING WITH STAKEHOLDERS

POWER
  (dormant)
  (dominant)
  (dangerous)

URGENCY
  (demanding)

LEGITIMACY
  (discretionary)
  (dependent)
ENGAGING WITH STAKEHOLDERS

- **Keep informed** (subjects)
- **Key players**
- **Minimal effort** (crowd)
- **Keep satisfied** (context setters)
ASSESSMENT:
CONSIDERING THE INSTITUTIONAL CONTEXT AND FORCES IN THE ENABLING ENVIRONMENT
ASSESSMENT:
ASSESSING PERFORMANCE AND CAPACITY

- Keep in mind the question ‘capacity for what’ and define desired performance in measurable terms using the mandate of the host country partner organization as a foundation;

- Establish agreement and understanding about the purpose of the assessment, and how results will be used;

- Encourage and facilitate a broad, participatory assessment process; and

- Establish a common, yet customizable, framework including a set of operational definitions of capacity and a set of indicators.

- Involve key stakeholders in indicator development as part of the capacity development strategy design and in measuring progress;

- Assess strengths and limitations of existing indicators and tools, including their validity and reliability and make needed improvements; and

- Jointly analyze findings with the various stakeholders involved.
**ASSESSMENT:**
**ASSESSING PERFORMANCE AND CAPACITY**

<table>
<thead>
<tr>
<th>Desired Performance</th>
<th>Actual Performance</th>
<th>Gap</th>
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<tbody>
<tr>
<td>All school inspectors should deliver reports on-time.</td>
<td>Only 3 of the 10 school inspectors delivered their last inspection report on time.</td>
<td>70 percent of school inspectors do not deliver reports on time.</td>
</tr>
<tr>
<td>School inspectors should interview at least five teachers per primary school inspection regarding their lesson planning and adherence to the curriculum.</td>
<td>Eight of 10 inspectors interview an average of less than five teachers discussing lesson planning and adherence to the curriculum.</td>
<td>80 percent of school inspectors are not performing at the desired level.</td>
</tr>
</tbody>
</table>
ASSESSMENT:
ASSESSING PERFORMANCE AND CAPACITY

- Organizational Performance
  - Effectiveness
  - Efficiency
  - Relevance
  - Financial Viability

- External Environment
  - Administrative/Legal
  - Political
  - Social/Cultural
  - Economic
  - Stakeholder
  - Technological
  - Ecological

- Organizational Capacity
  - Financial Management
  - Program Management
  - Process Management
  - Inter-organizational Linkages
  - Strategic Leadership
  - Human Resources
  - Infrastructure
  - Structure

- Organizational Motivation
  - History
  - Mission
  - Culture
  - Incentives/Rewards
ASSESSMENT:
ASSESSING PERFORMANCE AND CAPACITY

Oversight / Vision
Management Resources
Human Resources
Financial Resources
External Resources

Legend:
Baseline: as of June 2009
Mid-Course: as of June 2010
Post-Grant: as of June 2011
Percent Improvement for period

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>Start up</th>
<th>Development</th>
<th>Expansion/Consolidation</th>
<th>Sustainable</th>
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<tbody>
<tr>
<td>Board</td>
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<tr>
<td>Mission</td>
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<td>Autonomy</td>
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<td>Leadership Style</td>
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<td>Participatory Management</td>
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<td>Planning</td>
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<td>Monitoring and Evaluation</td>
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<tr>
<td>Management System</td>
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<tr>
<td>Staff Skills</td>
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<td>Staff Development</td>
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<td>Organizational Diversity</td>
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<tr>
<td>Financial Management</td>
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<td>Financial Vulnerability</td>
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<td>Financial Solvency</td>
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<td>Public Relations</td>
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<tr>
<td>Community Engagement</td>
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<tr>
<td>Ability to Work with Gov’t Bodies</td>
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<tr>
<td>Ability to work with NGOs</td>
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Percent Improvement for period: 71%
ASSESSMENT:
ASSESSING PERFORMANCE AND CAPACITY

Education Inspection Agency – Management Calendar

<table>
<thead>
<tr>
<th>Director</th>
<th>Head of Sector</th>
<th>Head of Unit</th>
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<tbody>
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<td>M Q</td>
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School Inspection and Evaluation

- # of schools notified on-time / # of schools planned
- # of inspections finished on-time / # of inspections planned
- # of schools inspected / # of schools planned
- # of inspection reports on-time to target audience / # of inspection reports
- # of schools inspected / # of inspections
- # of justified complaints on work / # of inspection days
- # of complaint decisions being final / # of decisions

Complaint Handling

- # of complaint acknowledgements on-time / # of complaints
- # of complaint decisions meeting quality and time / # of decisions

Planning and Budgeting

- # of budget proposals

Personnel Development

- # of inspectors entering job profile / # of inspectors
- # of newly trained inspectors / # of inspectors

Quality Assurance

- # of inspection reports submitted on-time / # of inspection reports
- # of inspection reports rejected / # of inspection reports

Key performance indicators:
- Annually
- Semi-Annually
- Quarterly
- Monthly
### ASSESSMENT:
IDENTIFYING OPPORTUNITIES FOR IMPROVEMENT AND LEVERAGE POINTS

<table>
<thead>
<tr>
<th>ENVIRONMENTAL</th>
<th>Information</th>
<th>Resources and Tools</th>
<th>Incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDIVIDUAL</td>
<td>Knowledge and Skills</td>
<td>Individual Capacity</td>
<td>Motives</td>
</tr>
</tbody>
</table>
ASSESSMENT:
IDENTIFYING OPPORTUNITIES FOR IMPROVEMENT AND LEVERAGE POINTS

B. Task Support
- Can performers easily recognize the input requiring action?
- Can the task be done without interference from other tasks?
- Are job procedures and workflows logical?
- Are adequate resources available for performance (time, tools, staff, information)?

A. Performance Specifications
- Do performance standards exist?
- Do performers know the desired output and performance standards?
- Do performers consider the standards attainable?

C. Consequences
- Are consequences aligned to desired performance?
- Are consequences meaningful from the performer’s viewpoint?
- Are consequences timely?

F. Individual Capacity
- Are performers physically, mentally, and emotionally able to perform?

E. Knowledge/Skills
- Do performers have the necessary skill and knowledge to perform?
- Do performers know why the desired performance is important?

D. Feedback
- Do performers receive information about their performance?
- Is the information they receive: timely, relevant, accurate, constructive, easy to understand, specific?
## ASSESSMENT:
IDENTIFYING OPPORTUNITIES FOR IMPROVEMENT AND LEVERAGE POINTS

<table>
<thead>
<tr>
<th>LEVEL</th>
<th>PERFORMANCE</th>
<th>UNIT OF ANALYSIS</th>
</tr>
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<tbody>
<tr>
<td><strong>Work environment</strong></td>
<td>Institutional performance</td>
<td>• Institutional performance system</td>
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<tr>
<td></td>
<td></td>
<td>• System variables: product or service positioning, strategy, vision, mission</td>
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<tr>
<td><strong>Workplace</strong></td>
<td>Organization performance</td>
<td>• Organization performance system</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• System variables: organizational structure, culture, ergonomics</td>
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<tr>
<td><strong>Work process</strong></td>
<td>Process performance</td>
<td>• Process performance system</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• System variables: communication, supply chain and production process, funding flows, information systems</td>
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<tr>
<td><strong>Worker</strong></td>
<td>Human performance</td>
<td>• Human performance system</td>
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<td></td>
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<td>• System variables: skills, knowledge, competency, motivation, leadership</td>
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<tr>
<td>ENVIRONMENTAL</td>
<td>Information</td>
<td>Resources, Processes, and Tools</td>
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<td>Feedback</td>
<td>Process improvement</td>
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<td>Goal-setting</td>
<td>Organization development</td>
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<td>Feedback</td>
<td>Physical resources</td>
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<td>Communication systems</td>
<td>Job aids</td>
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<td></td>
<td>Knowledge management</td>
<td>Checklists</td>
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<td>Performance standards</td>
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<td></td>
<td>Job descriptions</td>
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<td></td>
<td>Coaching</td>
<td>Revised recruiting and hiring</td>
<td>Employee retention programs</td>
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<td>Formal training</td>
<td>Workforce planning</td>
<td>Performance reviews</td>
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<td>Study tours</td>
<td>Competency modeling</td>
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<td>Workshops</td>
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<td>Train-the-trainer</td>
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<td></td>
<td>Informal and on-the-job learning</td>
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- ASSESSMENT: DEVELOPING ACTION PLANS
- **Information**
  - Feedback
  - Goal-setting
  - Communication systems
  - Knowledge management
  - Performance standards
  - Job descriptions
- **Resources, Processes, and Tools**
  - Process improvement
  - Organization development
  - Physical resources
  - Job aids
  - Checklists
- **Incentives**
  - Reward and recognition programs
  - Benefits
  - Verbal recognition
  - Notation on employment record
- **Knowledge and Skills**
  - Coaching
  - Formal training
  - Study tours
  - Workshops
  - Train-the-trainer
  - Informal and on-the-job learning
- **Individual Capacity**
  - Revised recruiting and hiring
  - Workforce planning
  - Competency modeling
- **Motives**
  - Employee retention programs
  - Performance reviews
ASSESSMENT:
DEVELOPING ACTION PLANS

Plan with the Results in mind

Manage Behavior Influences to optimize results

Behavior Influences
- Coaching
- Feedback
- Job aids
- Rewards and recognition
- Process
- Team design
- Participant training
- Study tours
- Goal setting
- Etc.

Behavior (Tasks and Tactics)
- Plan
- Analyze
- Present
- Negotiate
- Design
- Ask
- Evaluate
- Demonstrate
- Find information
- Etc.

Work Outputs (Products of Behavior)
- Deliverables
- Transactions
- Decisions
- Milestones
- Relationships
- Changes or innovations
- Communications
- Etc.

Results
- Education outcomes
- Stakeholder satisfaction
- Constituent satisfaction
- Etc.
“Too many organizations focus on too many things all at once.”

A common pattern that leads to implementation failures.

If an assessment leads to too many un-prioritized activities that have not been carefully thought through, people will feel overwhelmed and findings will not be acted upon.

Tackling one priority challenge at a time may be a good place to begin.
IMPLEMENTING PERFORMANCE SOLUTIONS AND ACTION PLANS

Successful Implementation

- Maintain shared vision of successful change
- Identify and engage champions at different levels of the organization
- Remove obstacles standing in the way of implementation
- Allocate resources on time according to action plan and budget
- Ensure people have time, authority, and resources to implement the plan
MONITORING AND EVALUATION:
PERIODIC RE-ASSESSMENT OF PERFORMANCE AND CAPACITY

Baseline Assessment
Year One Assessment
Year Two Assessment
Year Three Assessment
Final Assessment

Host Country Partner Organization Performance Management System
Host Country Partner Organization Performance Management System
Host Country Partner Organization Performance Management System
Host Country Partner Organization Performance Management System
Host Country Partner Organization Performance Management System
Host Country Partner Organization Performance Management System
HICD CASE STUDY

MINISTRY OF REFUGEES AND ACCOMMODATION (MRA)
• 2008 Georgia-Russia War.
• Over 100,000 Internally Displaced Persons (IDP).
• Most returned home, up to 40,000 remained in IDP camps.
• "Old" (from the early 90's) and new caseload IDPs
• State Strategy and Action Plan for IDP integration.
• MRA charged with the task to implement the action plan focused on integration of IDPs into mainstream society.
• MRA - small, voiceless within the government, poorly performing, resourceless.
IDENTIFY PARTNER ORGANIZATION

• MRA lacked institutional capacity to implement the Action Plan.

• Initially, USAID was approached for a small-scale TA activity.

• The intervention gradually grew into a full-blown HICD initiative.

• Several donors interested to work with MRA.

• Alignment with the Mission's assistance objectives for Georgia.
OBTAIN PARTNER COMMITMENT

• MRA open to external assistance. High degree of buy-in at all levels.
• MoU signed between MRA and USAID's contractor.
• HICD "Champions" - closely working with one of the Deputy Ministers and Head of Administration.
• Several meetings held between the Mission and MRA leadership.
A stakeholder group (Steering Committee) was set up consisting of USAID, USAID's contractor, MRA, UNHCR, EC Delegation, Danish Refugee Council (DRC), IRC, World Bank and Swiss Development Agency.

It coordinated both the overall assistance efforts for the MRA as well as progress of the HICD initiative.

Monthly meetings held. Sector-specific sub-committees were set up. Close coordination.
CONDUCT PERFORMANCE ASSESSMENT (PA)

- 1 local expert working at the MRA helping with day-to-day operations.
- 2 international experts conducted PA.
- Specific performance gaps identified (HR, communications, need for reorganization, financial management and legal issues).
- Related areas for monitoring identified.
PREPARE PERFORMANCE SOLUTIONS PACKAGE

- The experts put together a package of interventions aimed at closing the identified gaps.
- MRA involved in the process. The steering committee providing overall feedback and advice.
- An agreement reached with DRC to take a phased approach to implementation, with USAID funding the first several phases and DRC taking over at a later stage.
- An organizational-level performance monitoring plan designed.
IMPLEMENT PERFORMANCE SOLUTIONS

A series of interventions carried out:

• Communications strategy designed and implemented.
• A reorganization plan designed (implemented with DRC assistance)
• Training in HR, financial management, training for the legal department
• Creation of a database.
• A redesigned reception to register and respond to IDPs’ requests.
Results achieved:

- MRA gaining respect within the Government of Georgia (upstream stakeholder) for the implementation of the Action Plan.
- Positive feedback from IDPs (downstream stakeholders) concerning the efficient and responsive functioning of MRA departments.
- The EU made a decision to allocate 50 million euros for the implementation of the Action Plan.
- Smooth transition from USAID to DRC.
Main Lessons Learned

Key factors contributing to results achieved:

• Close and regular coordination among different stakeholders.

• Buy-in and ownership of and commitment to HICD assistance by the partner institution.

• Setting up a monitoring system early on.
THANK YOU!

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