

**Volume II**  
**Background: CRS Capacity Indices and Tracking Systems**

**Core Organizational Development Tools**  
**Title II -Programming Capacity Index (T2-PCI)**  
**Local Community Capacity Index (LCCI)**

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**Executive Summary:  
Volume I and II  
CRS Capacity Indices and Tracking Systems**

This report describes three capacity building indices or assessment tools that CRS is proposing to pilot test in its Title II projects. The ultimate goal of the indices is to assist CRS staff and national NGO partners:

- Identify what broad categories of skills they need to master in order to better support community capacity building through their Title II projects,
- Monitor progress toward mastery of these skills as part of the collaborative “action plans” that CRS encourages its country programs to develop with local NGO partners, and
- Provide a more systematic agency-wide mechanism for assessing community and local partner capacity building as both an input and output of Title II programming.

The indices are designed to assess capacity and agency support for capacity building at two levels. At the program level:

- The **Core Organizational Development Tools** assesses the core organizational development capacity that local NGO partners need to participate as full partners in food security programs, and
- The **T2-PCI (Title II Program Capacity Index)** assesses the more specific technical skills that managers and technical supervisors at both CRS country programs and local NGO partners need to execute Title II programs.

At the community level:

- The **LCCI (Local Community Capacity Index)** assesses the core organizational capacity and the technical capacity that local communities need to create and manage food security initiatives, as well as local NGO partner and CRS program support to for building these types of capacity in these communities.

The report is divided into two volumes.

Volume I: Users’ Guide: CRS Capacity Indices and Tracking Systems

This volume outlines:

- The background logic that went into the choice of a particular template for the indices, as well as the recommended template (format) for the index indicators and indicator rankings (chapter one);
- The proposed framework for finalizing incorporation of the local NGO partner and community self-assessment tools being proposed (chapter two); and
- The actual guidance and data entry forms for the core organizational development tools, the T2-PCI, and the LCCI. Each set of guidance includes a separate Excel-based data entry form that computes the “scores” automatically.

Volume II: Background: CRS Capacity Indices and Tracking Systems

This second volume describes the process that led to the development of the indicators, their formal structures and recommended systems for reporting.

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### List of Acronyms

ACDI-VOCA	Agricultural Cooperative Development International—Volunteers in Overseas Cooperative Service
ADRA	Adventist Development Relief Association
ARC	American Red Cross
CADECOM	Catholic Development Commission of Malawi
CARE	Cooperative for Assistance and Relief Everywhere
CODI	Core Organizational Development Index
CNTP	Counterpart International
CP	Country Program
CR	Country Representative
CRS	Catholic Relief Services
CS	Cooperating Sponsor
CSR4 (or CSR2)	Cooperating Sponsor Results Report and Resource Request
DAP	Development Assistance Programme
DIP	Detailed Implementation Plan
DMER	Design, Monitoring and Evaluation
DRD-PQ	Deputy Regional Director for Program Quality
FAM	Food Aid Management (Consortium of Title II Cooperating Sponsors)
FANTA	Food and Nutrition Technical Assistance Project (of USAID/FFP)
FFP	Food for Peace (Unit of USAID that administers Title II)
FFW	Food for Work
FHI	Food for the Hungry International
FSCCI	Food Security Community Capacity Index
FSIN	Food Security Initiative in Niger
FY	Fiscal Year
ha	Hectare
HH	Household
HIV	Human Immune-deficiency virus
HKI	Helen Keller International
ICB	Institutional Capacity Building
IDF	Institutional Development Framework
IEE	Initial Environmental Examinations
IGA	Income Generating Activities
IHD	Integral Human Development
IPTT	Indicator Performance Tracking Table
IR	Intermediate Result
ISA	Institutional Support Assistance grant (from Title II)
ISG	Institutional Support Grant
km	Kilometer
kg	Kilogram
LCB	Local Capacity Building
LCCI	Local Community Capacity Index
LOA	Life of Award (Life of Activity)



M&E	Monitoring and Evaluation
MAGI	Microfinance Alliance for Global Impact
MIS	Management Information System
MOU	Memoranda of understanding
MQ	Management Quality
MQAT	Management Quality Assessment Tool
MSI	Management Systems International
MYAP	Multi Year Assistance Program
NGO	Non-Governmental Organization
NRM	Natural Resource Management
PCU	Program Coordination Unit (of a Title II project)
POET	Participatory Organizational Evaluation Tool
PQ	Program Quality
PQSD	Program Quality Support Department
PRA	Participatory Rural Appraisal
PTA	Parent Teacher Association
PVO	Private Voluntary Organization
RTA	Regional Technical Advisor
SARO	Southern Africa Regional Office (CRS)
SAVE	Save the Children International
SO	Strategic Objective
SOW	Scope of Work
SPP	Strategic Program Plan
STA	Senior Technical Advisor
TA	Technical assistance
T2-PCI	Title II Programming Capacity Index
USAID	United States Agency for International Development
VIS	Village Information Systems

## **Chapter One**

### **Core Organizational Development Tools**

#### **1.0. Objectives and Audience**

Tool 1: The CRS Organizational Capacity Checklist (ProPack) for baseline assessments associated with designs

Tool 2: MSI Institutional Development Framework (IDF) for  
(a) Building and monitoring capacity building in local NGO partners and  
(b) Tracking capacity building as an impact indicator (see Volume I, Table 1.2)

Two tools are proposed for measuring core organizational development in local NGO partners.

- The first tool is the CRS Organizational Capacity Checklist presented in the new CRS Project Package (ProPack). It was first developed by the CRS West Africa Regional Office (WARO). The checklist offers suggestions for how NGO partners can rate their organization capacity for key categories during project design.
- The second tool is the MSI (Management Systems International) Institutional Development Framework or IDF. The IDF is a self-assessment tool that local NGO partners can use to identify areas where they need institutional strengthening. This tool can be used to track their progress in building the types of core institutional capacity that they need to administer a Title II project.

#### **2.0. Background**

##### **2.1. CRS Context**

The concept of building core organizational capacity of the local NGO partners is central to CRS's partnership principles and is explicitly spelled out in Principle 8 (Box 1.1, previous page):

The engagement of CRS and a local [NGO] partner in local [NGO] capacity development involves a long-term commitment to complete a mutually agreed upon process of organizational development. This commitment is characterized by a spirit of accompaniment: a close relationship that is flexible and responsive in both its institutional and personal forms (Mierke 1999: 16).

One output of the first CRS Program Quality Summit held in Baltimore, Maryland was a set of principles and standards for capacity building (CRS 1999: 16). These principles outline the following **three-step process of organizational development** for CRS's local NGO partners (CRS 1999: 16).

### **Box 1.1 CRS Principles of Partnership**

1. CRS bases partnerships on a shared vision for addressing people's immediate needs and underlying causes of suffering and injustice.
2. All of CRS's partnerships assign responsibility for decision-making and implementation to a level as close as possible to the people whom decisions will affect.
3. CRS achieves complementarity and mutuality in its partnerships, recognizing and valuing that each brings a set of skills, resources, knowledge, and capacities to the partnership in a spirit of mutual autonomy.
4. CRS fosters equitable partnerships by engaging in a process of mutually defining rights and responsibilities, in relation to each partner's capacity, required to achieve the goal of the partnership.
5. In its relationships with partners, CRS promotes openness and sharing of perspectives and approaches.
6. To foster healthy partnerships, CRS promotes mutual transparency regarding capacities, constraints, and resources.
7. By building partnerships, CRS seeks to make a contribution to the strengthening of civil society.
8. The engagement of CRS and the local partner in local capacity development involves a long-term commitment to complete a mutually agreed upon process of organizational development.
9. CRS recognizes that all communities have capacities and coping mechanism that should be identified, understood and strengthened in order to be used as a primary resource for solving local problems.
10. CRS facilitates and promotes the strengthening of partners' abilities to identify their vulnerabilities and specific capacity building needs and to identify and expand their strengths through a process that leads to sustainability.

Source: CRS. 1998. Sara Mierke. 1999. Partnership and Local Capacity Building: Foundations for a CRS Strategy. Occasional Paper Series. Baltimore: CRS/PQSD. Pp.13-14.

- *Step One:* CRS programs engage local NGO partners in joint and mutual organizational assessment and planning processes through which all parties, including CRS, collaboratively identify their own strengths, prioritize the areas in need of improvement, and create their own action plan.
- *Step Two:* CRS country programs work with local partners to strengthen partner organizational capacities, based on shared action plans, on a regular basis, as well as through project-specific intervention and occasional training (as needed).
- *Step Three:* CRS country programs collaborate with other international PVOs and local NGO support organizations to provide training for organizational development in an effort to increase consistency, avoid repetition, increase cost-effectiveness, provide networking opportunities for local organizations, and decrease dependence of local NGOs on a single PVO.

This commitment to the partnership process accounts for the fact that CRS Title II projects always start with an intensive assessment of partner capacity (Aker and Stetson 2002:30-31).<sup>2</sup>

One of the earliest capacity assessment tools is the CRS Institutional Building (IB) assessment tool that was developed and used by various country staff in the CRS Dakar cluster in the early 1990s (Hahn 1992). As of February 1992, the IB assessment tool had been used in the following projects: the MADFA and diocesan offices in Sierra Leone; CAPP in Cape Verde; NGanda in Senegal; and AFET in the Gambia (Hahn 1992). One unique feature of the IB tool was that it was designed to assess NGO partner capacity after the first twelve months of operating a joint project, rather than just at the project's start.



*On-site capacity building for monitoring and evaluation of Title II food security project in Niger (D. McMillan 2002)*

The IB tool was reinforced in 1999 by a chapter on capacity building in the *CRS Project Proposal Guidance* (Stetson, Hahn and Remington 1999: 163-172). This chapter included a list of “capacity indicators for complex institutions and organizations.” A revised strategy for capacity building and community participation and checklist was presented in CRS’s revised project design and proposal guidance or *ProPack* (Stetson, Sharrock, and Hahn 2004: 171-172, 192-193( Table I.5)).<sup>3</sup> In addition, various departments and regional groups have developed a number of more specialized self-assessment tools (Table 1.1).

To date, however, the agency has never developed a standard format for “tracking:”

- CRS follow-up on these different assessments or the local NGO partner capacity building strategies that resulted from them; or
- The wider institutional impact of these capacity building strategies on the partner’s core organizational development.

One goal of the current capacity building exercise was to develop a tool that would accomplish both of these objectives within the context of the USAID-funded Title II food security development programming within CRS.

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<sup>2</sup> CRS’s Title II funded Development Assistance Programme (DAP) (FY00-FY05) in Malawi is typical. The pre-design of this project included a series of internal “self-assessments” by the local partners that were to be involved as well as a commissioned consultant review. CADECOM, Diocese of Chikwawa. 1999. Needs Assessment Final Report. Lilongwe (November). Randel, M. and Kezesi, Joyce. 1999. CADECOM. Review Report of the Consultancy on Strategic Planning. Final Report. Blantyre: CABUNGO (18-22<sup>nd</sup> January 1999. Chizimbi, S. and Banda, B.F. 1998. Report on the Assessment of CADECOM Capacity for Catholic Relief Services. Lilongwe: Organizational and Development Management Associates. June 1998.

<sup>3</sup> The organizational checklist that is included in CRS’s 2004 ProPack is based on a checklist used by CRS/WAR0 (West Africa Regional Office).

**Table 1.1 Existing Local Partner Assessment Tools within CRS**

Acronym and Name	Technical Unit that Developed	Objectives
MAGI	Microfinance Created: 1999 (Contact: Kim Wilson or Marco Aldana)	Used to assess capacity of local partners and determine their accreditation for microfinance programs (SEAPRO Region Only)
MQAT	Internal Audit Department Created: 2000 (Contact: Marianne Renaldo or Mikasa Kibongo)	Used for employees to assess managers and has also been used to assess organizational capacities of local partners
Learning Organization Inventory	SEAPRO Region Created: 2001 (contact: Jim Hudock)	Used eight criteria of “learning organizations” to assess local partners
Natural Morning Star: A simple guide for cross-partner review to improve agriculture and natural resource management	CRS/South Asia Regional Team. Created: 2004 (Contact: Gaye Burpee and Kim Wilson)	A simple guide for cross-partner review to for agriculture and natural resource management to mitigate natural disasters
Hahn Assessment Tool	CRS WARO Office Created: 1997 Contact: Susan Hahn	Simple guide to assess organizational capacities of partner organizations
Gold Star	CRS/South Asia Regional Team Created: 2001 (Contact: Kim Wilson)	Simple guide to assess CRS and partner relations
AIDS Relief Financial Management Checklist	Developed by ART Unit based on tool from MANGO Created: 2003 Contact: Rick Estridge	Simple tool used to assess financial capacities of partners
CRS Sudan NGO Capacity Assessment Tool	Developed by CRS Sudan NGO Umbrella Project (Now Being Revised) Contact: Luci Thomas	A tool to assess the organizational capacities of partner organizations.

Source: STA Capacity Building. CRS PQSD Department. September 28, 2005.

## 2.2. Common Features Shared by Most Local NGO Partner Assessment Tools

To facilitate the development of this tool for local NGO partner capacity, the consultant, working with the STA for capacity building, reviewed a large number of self assessment tools that have been used by USAID and other donors. Capacity assessment of local NGO partners is almost always a pre-requisite to an international donor allowing an international PVO to sign an agreement with a local NGO. For this reason there are scores—if not hundreds—of these capacity tools that are currently in use or have been used by various divisions of USAID and Title II Cooperating Sponsors (see Lessik and Michener 2000 for an excellent overview). While no two capacity indices are exactly the same, most of them share certain structural characteristics.

### 2.2.1. *Key Variables or Dimensions*

Most self assessments –including CRS’s existing assessment tools-- rank local NGO partners on key capacity “variables” or “dimensions” such as legitimacy and recognition,

identify and vision, resource mobilization, systems and procedures, relationships, performance and results, and advocacy (Table 1.2).

### *2.2.2. Indicators and Options for Ranking Indicators*

Each variable or dimension is then ranked by a series of indicators. The chief difference between the different tools reviewed is the extent to which they pre-assign indicators and indicator rankings. Some tools like the MSI Institutional Development Framework (IDF), the PACT Participatory Organizational Evaluation Tool (POET), and the McKinsey Capacity Assessment Grid have pre-assigned variables, indicators and rankings (Table 1.2). Other tools, like the chapter in CRS's 1999 Project Proposal Guidance "Sample Indicators for Capacity Building" (Stetson, Hahn and Remington 1999: 168-171) and World Neighbors (2000: 163) simply provide a list of indicators as "a springboard for discussion by a group of stakeholders who would ultimately choose which indicators fit their context and develop capacity building indicators" on their own (*ibid.*).

### *2.2.3. Link to Capacity Building Strategies*

Once the rankings have been adapted, most self-assessment tools include a discreet step in which staff identify an action plan for building their core organizational capacity in key areas.

## 2.3. Useful Models that Compare with the Recommended CRS Indicators for Partner Capacity Building

One of the most widespread capacity indices being used to measure core organizational capacity in USAID-funded projects today is the Management Systems International (MSI) Institutional Development Framework (IDF). Since 1992, the IDF model has been used as a tool for core organizational capacity assessment and strategy development with local NGO partners in over 30 countries. One strength of the model is that it is fine-tuned enough to facilitate discussion and learning, especially when paired with an experienced facilitator (Table 1.3). To ensure that facilitators get properly trained, the USAID-financed Capable Partners Project is developing a free on-line training workshop for IDF trainers that should be completed by the end of November 2005.

**Table 1.2 Categories and Variables in the CRS Capacity Indicator List, MSI/IDF Framework, POET and McKinsey Grid (\*=indicators under variables; variables are in bold)**

CRS Indicators (1999)	CRS Organizational Capacity Checklist (2004) (Table I.5)	MSI/IDF (Table I.6)	POET (Participatory Organizational Evaluation Tool)	McKinsey Grid
<b>Vision: The ability of an organization or group to articulate and generate commitment.</b>	<b>Strategy:</b> Does the organization have a strategy? Does the strategy express commitment to food security and alleviating human suffering? <b>Funding:</b> Is the organization dependent upon a few funding sources or relatively diversified?	<b>Oversight and Vision:</b> Board* Mission Autonomy	<b>Governance</b> Executive Committee/Board/Trustees Vision/Mission Constituency Leadership Legal Status	<b>Aspirations:</b> Mission* Vision clarity Vision boldness Overarching goals <b>Strategy:</b> Overall strategy Goals/performance targets Program relevance and integration Program growth and replication New program development Funding model
<b>Capacity: The ability to translate thinking into action.</b> Decision making processes* Program methodologies Monitoring and Evaluation Means for conflict resolution Board of directors or governing structures Accountability Learning organization Systems Organization structure	<b>Organizational Skills:</b> Performance: Does the organization have M&E systems for project performance? Does the organization have systems to develop project proposals or strategies? Does the organization effectively build relationships with a variety of entities? Local community presence and involvement? Fundraising?	<b>Management Resources:</b> Leadership style Participatory methodology Planning Monitoring and evaluation Management systems	<b>Management Practices</b> Organizational structure Information systems Administrative Procedures Personnel Planning Program Development Program Reporting  <b>Service Delivery</b> Sectoral expertise Constituency ownership Impact assessment	<b>Organizational Skills:</b> Performance management Planning Fund raising and revenue generation External relationship building and management Other organizational skills
<b>Resources: The human, physical and financial resources necessary for an organization to achieve its objectives.</b> Leadership Human resources Financial systems Financial sustainability	<b>Human Resources:</b> Staffing levels Staffing experience  <b>Systems and Infrastructure:</b> Knowledge, management, physical assets (vehicles, computers, etc.)	<b>Human Resources:</b> Staff skills Staff development Organizational diversity  <b>Financial Resources:</b> Financial management Financial security	<b>Human Resources</b> Human resource development Staff roles Work organization Diversity issues Supervisory practices Salaries and benefits  <b>Financial Resources:</b> Accounting Budgets	<b>Human Resources:</b> Staffing levels Board—composition and commitment Board-involvement and support CEO/executive director and/or senior management team management team and staff-dependence on the CEO/executive director Senior management team

CRS Indicators (1999)	CRS Organizational Capacity Checklist (2004) (Table I.5)	MSI/IDF (Table I.6)	POET (Participatory Organizational Evaluation Tool)	McKinsey Grid
	Financial support	Financial solvency	Financial and inventory controls Financial reporting <b>Sustainability</b> Project/program benefit sustainability Organizational sustainability Financial sustainability Resource base sustainability Involvement in NGO fora	staff volunteers <b>Systems:</b> Systems Infrastructure <b>Organizational Structure:</b> Board structure Organizational design Interfunctional coordination Individual job designs <b>Culture:</b> Performance as shared value Other shared beliefs and values Shared references and practices
<b>Linkages:</b> The ability of an organization to build productive relationships with other organizations and agencies	(under organizational skills)	<b>External Resources:</b> General Community Government NGO	<b>External Relations:</b> Constituency relations Inter-NGO collaboration Government collaboration Donor relations Public relations Local resources Media	(under strategy)



Another strength of the IDF is its user friendly template. Each indicator is a line with the indicator rankings built into cells on that particular line (see Table 1.6 at the end of this chapter). The simple system enables NGO partners to adapt the rankings to their specific situation while keeping the core structure of the indicators and capacity categories (Renzi 1996). The same simple structure facilitates translation. Most recently a French version of the IDF was successfully used to facilitate CRS partner review in Burundi.

Two of the other well known NGO self-assessment tools--the PACT Participatory Organizational Evaluation Tool (POET) and the McKinsey Capacity Assessment Grid—share the same basic structure as the IDF. They are distinguished from the IDF by the larger number of capacity categories, variables, and indicators that they rank. The IDF measures five capacity categories versus seven for POET and seven for the McKinsey Capacity Assessment Grid. The IDF measures 38 indicators versus 140 for the POET and 58 for the McKinsey Capacity Assessment Grid. All three assessment tools use “generic” capacity categories and indicators, but encourage the NGOs to adapt the wording of the indicator rankings.

The major strength of the IDF index is its simplicity (Table 1.2). The strength of POET and McKinsey Capacity Assessment Grid is their more in depth analysis of the key issues that NGOs need to address to implement and track organizational change and development strategies.

#### 2.4. Cost Benefits of Different Structures for Measuring Core Organizational Capacity

Based on this comparative analysis there appear to be four options for measuring the NGO partners’ core organizational capacity to execute Title II projects (Table 1.4).

**Option One:** Use the more concise (13 indicator) CRS organizational capacity checklist. One strength of the CRS checklist (13 indicators) is that it could be more easily mainstreamed (i.e., incorporated as one of the categories of the T2-PCI that is discussed in the next chapter). Another strength is that the checklist is already part of the CRS ProPack (The CRS Project Package: Project Design and Proposal Guidance for CRS Project and Program Managers) (see Stetson, Sharrock and Hahn 2004: 192). The chief weakness of the checklist is that the indicator rankings are very general. While this could be useful during a design assessment when CRS needs to make a quick distinction between the capacity levels of different partners, it is less useful if one is talking about strategy building and programming.

**Option Two:** Formally recommend that all Title II projects consider adopting the MSI IDF model. The chief strengths of the longer, more comprehensive IDF (38 indicators) is that it can function as both an assessment and strategy building tool and it is short, well-articulated, and generic (Table 1.6 this chapter). In contrast, the CRS Capacity Checklist is better suited to the type of quick “snap shot” that you need during a design.

**Table 1.3 Strengths, Weaknesses, Opportunities and Threats Associated with CRS Capacity Building Indicators and Checklist, the MSI Institutional Development Framework (IDF), and the McKinsey Capacity Assessment Grid**

<b>Capacity Index</b>	<b>Strengths</b>	<b>Weaknesses</b>	<b>Opportunities</b>	<b>Threats</b>
<b>CRS Capacity Building Indicators for Complex Institutions and Organizations (1999)</b>	4 categories of capacity assessed	No standard template or rankings	Well known within CRS	Didn't provide CRS with a generic capacity indicator or index that could be used throughout the agency
<b>CRS Organizational Capacity Checklist (ProPack 2004)</b>	4 categories of capacity assessed  13 core indicators  Simple template (form)	Only one indicator per variable  Primarily for assessment	Very useful simple tool for assessing "pre" and "post" capacity  It is extremely short (1 page)	Lack of detail makes the tool less useful as a training and strategy tool and reduces the accuracy with which teams can track capacity changes between years
<b>MSI Institutional Development Framework (IDF)</b>	5 categories of capacity  38 core indicators  Simple template  Useful for both assessment and training	The tool is most effective when the facilitator is experienced	A free online training module for facilitators will be released in the next month  Rankings are easily adapted to specific project context and local languages  Short (6 pages)	Link to ProPack Checklist would need to be explained to avoid confusion
<b>POET (Participatory Organizational Evaluation Tool)</b>	7 categories  140 indicators	Detailed user manual (38 pages) requires a very experienced facilitator	Good resource document for NGO partners that are serious about capacity building.	Complexity might discourage field adoption on Title II projects which do not focus on core organizational development
<b>McKinsey Capacity Assessment Grid</b>	7 categories  54 indicators  Simple template	Length of template (26 pages) categories don't directly relate to the CRS indicators.	Good resource. document for NGO partners that are serious about capacity building	Complexity might discourage field adoption on Title II projects which do not focus on core organizational development

**Table 1.4 Strengths and Weaknesses of Different Options for Combining the MSI Institutional Development Framework with the CRS Organizational Capacity Checklist**

Options	Strengths	Weaknesses
<b>Option 1:</b> Adopt the 13 indicator Organizational Capacity Checklist	Short and concise (13 indicators) Already in the ProPack	Better for assessment than for strategy building
<b>Option 2:</b> Adopt the MSI 38 indicator IDF	Longer but concise (38 indicators) tool that can be used for training as well as assessment	Although new to CRS, the tool follows the same general format as the CRS Organizational Capacity Checklist so it is highly likely that field teams who know the checklist will be simply see this as an extension of the checklist rather than as something “new”
<b>Option 3:</b> Let CP’s determine which index they wish to use	Builds on the strength of both assessment tools	Continues the problem that CRS does not have a core indicator with which to measure the impact of Title II programming on core organizational development of its local NGO partners  Programs that only use the Organizational Capacity Checklist will have trouble tracking changes over the course of the project
<b>Option 4:</b> Request that all CP’s pilot test the IDF system on their partners during FY06 and continue using the CRS 13 indicator Checklist for design	Creates a “core” indicator for all CRS Title II programs with which to assess the impact of Title II programming on core organizational development  Encourages programs to use the Organizational Capacity Checklist during design missions (as recommended in the ProPack)  Local partners are likely to be enthusiastic about the more detailed IDF tool because it responds to their core concerns with building core capacity as well as Title II program specific capacities	Without strong leadership support from CRS regional offices, country programs may not see why the tool is in their own best interest  Without strong support from CRS M&E specialists, CP’s are unlikely to introduce the index into their official Title II tracking systems, which is critical for the index to be comparative between years and between projects

**Option Three:** Title II country programs could choose between the IDF and the CRS ProPack Checklist. The strength of this compromise is that it would enable CRS to take advantage of the strengths of both tools. The disadvantage of this option is that CRS would still lack a single comparative index that could be used to monitor the impact of the Title II projects on core organizational development over time.

**Option Four:** A fourth option, which is the one recommended here, is to:

- Pilot test the more complex, but concise, IDF (5 capacity categories, 38 indicators, six pages) as the official methodology for tracking core organizational development capacity in Title II programs (as both a management and M&E tool); and
- Use the CRS Organizational Capacity Checklist (4 capacity categories, 13 indicators, one page) as a supplementary tool for Title II pre-design partner assessment and designs.

### **3.0. Structure: The IDF <sup>4</sup> and the CRS Checklist**

#### **3.1. Categories, Variables, and Indicator/Rankings**

The IDF measures five capacity categories (oversight and vision, management resources, human resources, financial resources, and external resources) (Table 1.2). Each of these categories represents a potential resource to support the organization.

Each of these capacities is broken down into variables that are composed of the critical sub-categories of capacity (Table 1.2). The number of variables in each category varies (Table 1.2).

Each variable is assessed using two to four indicators. Each indicator is ranked 1-4 with “1” being start-up capacity. The highest ranking of “4” suggests that the local partner is both: (a) working to a higher standard; and (b) moving in the direction of being able to sustain the capacity once the Title II funding ends. These rankings are portrayed as “progress cells” going from left to right, according to the “Development Continuum” shown in Table 1.5. The Framework describes four stages in an organization’s development: start-up development, expansion/consolidation, and sustainability (Table 1.5).

Each progress cell is filled with generic descriptions that help an organization consider where it may be located along the continuum at any given time.

The CRS Organizational Capacity Checklist follows a similar structure (Table 1.6).

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<sup>4</sup> Based on the Management Systems International (MSI) Institutional Development Framework.

**Table 1.5 Sample Format for Ranking the Indicators for One Capacity variable in the IDF with Embedded Code Sheet\***

Resources	Criteria/Rankings				Scores		
	Start-up	Development	Expansion/Consolidation	Sustainability	Baseline	Mid-Term	Final
<i>Oversight and Vision</i>							
<b>Board</b>	Board partially identified.	Board identified but in flux.	Board membership stable, and well-targeted.	Board compromised of recognized leaders.			
	Roles of members and of members vis-à-vis exec. Dir are unclear.	Board understands role and how to relate to the exec. Dir.	Board assists project through access to key people.	Board provides hands-on policy direction for political action.			
	Board not yet active partner.	Board becoming active and contributes and pursues resources.	Board provides some leadership. Committees formed, but only one or two active members.	Significant funds raised by board. Many members of the board play an active role.			
	Board may act as a drag on the organization.	Board no longer a drag on the organization.	Board able to help advance organization, but chair not yet able to mobilize efforts to advance the organization.	Active, strong chair and board in place, helping advance the organization.			

\*Most assessments use a separate code sheet. In this case we are proposing to adapt the IDF by “embedding” the code sheet into to the last three columns of the form.

**Table I.6. Sample Format for CRS Organizational Capacity Checklist (Table 6.3 in ProPack)**

Dimension of Organizational Capacity	Criteria/Rankings			Scores		
	Very Limited Capacity in Place	Basic Capacity in Place	High Level of Capacity in place	Baseline	Mid-Term	Final
<b>STRATEGY</b>						
Does the organization have a strategy?	No strategy	A strategy but not necessarily clear	Clear strategy with priorities			
Does the strategy express commitment to food security and alleviating human suffering?	No commitment to food security	Food security is mentioned but not explicitly	Strategy focused upon food security and the alleviation of human suffering			
Funding: Is the organization dependent upon a few funding sources or relatively diversified?	Highly dependent on only a few funders	Multiple types of funding	Highly diversified funding			
<b>ORGANIZATIONAL SKILLS</b>						
Performance: Does the organization have M&E systems for project performance?	Limited M&E system, organization collects data on activities and outputs, but not on impact indicators	M&E system in place, collects data, but not necessarily impact indicators.	Strong M&E system in place; collects data on activities, outputs and impact			
Does the organization have systems to develop project proposals or strategies?	Limited ability to develop strategic plan or project proposal	Ability to develop strategic plan and project proposals, but outside assistance needed	Ability to develop a strategic plan and project proposal without assistance			
Does the organization effectively build relationships with a variety of parties?	Limited use of partnerships or partner relations	Early stages of building relationships with other organizations	Built and maintained effective partnerships that are anchored in stable, mutually beneficial collaborative partnerships			

Dimension of Organizational Capacity	Criteria/Rankings			Scores		
	Very Limited Capacity in Place	Basic Capacity in Place	High Level of Capacity in place	Baseline	Mid-Term	Final
Local community presence and involvement?	Organization's presence not recognized by the community or not regarded as positive	Organizational presence recognized and generally regarded as positive	Organization well recognized and perceived as engaged and highly responsive to community needs			
Fundraising?	Generally weak fundraising skills and lack of expertise	Main fundraising needs covered by internal capacities and external support	Fundraising covered by internal skills and expertise			
<b>HUMAN RESOURCES</b>						
Staffing levels	Many positions are unfilled	Positions are filled, but turnover or vacancy problems exist	Positions are filled, no turnover or vacancy problems			
Staffing experience	Staff drawn from narrow range of experience/interests; staff only have experience in one area	Staff have variety of backgrounds, experiences and capabilities; staff have experiences in several areas	Staff have very diverse backgrounds and bring a broad range of skills			
<b>SYSTEMS AND INFRASTRUCTURE</b>						
Knowledge management	No formal systems to capture and document knowledge	Systems exist, but aren't user-friendly or comprehensive enough	Systems are well-designed, user-friendly and document and disseminate internal knowledge			
Physical assets (vehicles, computers, etc.)	Has building but only one vehicle that is used by many staff; typewriters	Has sufficient vehicles but not well managed; computers and printers but need upgrading	Has good system for managing and maintaining vehicles; new computers			
Financial support	Ledgers for financial records	Computerized finance system but not accurate reports	Well managed finances			

### 3.2. Completing the IDF and the CRS Checklist

The first challenge that an NGO partner faces in using either the IDF or the Checklist is to review the suggested rankings for each indicator and to adapt them to the specific institutional situation of that particular local NGO partner. Renzi's (1994: 3) describes this process in reference to the IDF:

While certain commonalities exist among organizations, which make construction of a Framework [e.g., IDF] feasible, each organization has its own characteristics, personality, and a sense of where it is and wants to be. Accordingly, the Framework here must be modified to suit the organization, or organizations it sees to serve....Organizations are free to change the text in any cell, re-sort the rows, add new rows that they think are important or even eliminate entire rows that are inappropriate to their circumstances. For example, non-profits without a board would naturally need to adjust the text in the first row of "leadership style."

Once the NGO partner has adapted the IDF framework or CRS Organizational Capacity Checklist to its institutional setting, the next challenge is to examine the framework, row by row, and determine where along the continuum it is situated.

Once the group has ranked the indicators contained within each row, that ranking is put in one of the far right column of a printed version of the excel-based data entry form. The ideal would be to rank a project during its baseline, mid-term and final phases. If a program is already at mid-term, its baseline could be assessed retroactively. This latter option is helpful because it almost always shows that even if capacities are not at the desired levels, they are considerably advanced over what they were when the project started.

### 3.3. Scores: Data Entry and Analysis

#### 3.3.1. *Excel-Based Data Entry Forms (attached to the guidance)*

Once the group has filled in their responses on a printed copy of the six page IDF form or the two page CRS Checklist, these responses can be entered into the electronic version of the form in the three far right columns. This Excel-based form is structured so that the "raw scores" for the five capacity categories are added up automatically at the bottom of the file. These "raw" scores are then adjusted so that the maximum score for each IDF capacity category is 20 points and the maximum score for each CRS Checklist category is 25.

The total partner score is also calculated automatically by the forms. This total score is the sum total of the adjusted scores for each of the capacity categories. The maximum score on either form is 100 points. The "real" excel based forms are attached to the main guidance.



### 3.3.2. Additional Data Entry Forms

One strength of the IDF indices is that MSI has developed two simple innovative systems for analyzing the data:

- An Institutional Development Calculation Sheet which performs various calculations automatically; and
- An Institutional Development File which produces an interesting series of graphics from the Institutional Development Calculation Sheet.

CRS may eventually want to include some of these additional tools in its user's manual (Volume I). For the moment, CRS is focusing its attention on introducing a simple version of the Framework that incorporates the calculation sheet into the framework itself.

## 4.0. Reporting

### 4.1. In Partnership Meetings

Both the IDF and CRS Checklist provide a useful basis for the annual partnership discussions that most Title II projects organize with their local partners.

### 4.2. As Part of a Project Monitoring and Evaluation System

#### 4.2.1. *Impact Indicator*

Given the centrality of local capacity building in CRS's partnership model, it is strongly recommended that programs consider introducing the IDF into their official IPTT as an impact indicator. This means that the project's achievements would only have to be assessed against targets during a baseline survey, mid-term, or final evaluation. If a project chooses to measure the indicator annually that is fine. The targets, however, should be those set for mid-term and the project's end. The IPTT in chapter one (Table 1.2, Volume I) shows how this can be officially reported.

#### 4.2.2. *Targets*

Renzi (1996) argues that in general it is better to establish annual targets that are for a percentage increase over the baseline assessment score. This percentage increase could, for example, be 15 percent during the first year and 15 percent during the second year. In this way the local partner is competing only against itself—not the other local partners.

#### 4.2.3. *Tracking Tables for the Donor*

If there are a large number of local NGO partners, the project may report only the average IDF score in the Title II Indicator Performance Tracking Table (IPTT), but must include a more detailed table and discussion in its annual reports. If there are only a small number of local NGO partners participating in a project, the individual NGOs

achievements (% increase over baseline) might be reported in the IPTT to give some idea of the range of capacities. The sample IPTT in chapter one (Table 1.2, Volume I) shows how this information might be presented

### **5.0. Anticipated Impacts**

The anticipated benefits of conducting an annual assessment using either the IDF or the CRS Checklist will be seen at several levels (Table 1.7). In the short-term, the indices should provide local NGO partners and the CRS country programs that host Title II projects with a better mechanism for identifying: (a) partner capacity building needs and (b) the types of training and technical assistance that partners need to build this capacity (chapter four, section 2.0). Given that the IDF is a standardized tool, it can fairly quickly be incorporated into the management information systems of the regional program quality staff and headquarters-based STA for capacity building in PQSD.

In the longer term, the more widespread use of these two capacity indices is expected to make a direct contribution to Intermediate Result 1 (“FFP’s global leadership enhanced”) and Intermediate Results 2 (“Title II program impact in the field increased”) of the USAID/FFP strategy. It accomplishes this by creating a standard indicator (for at least one Title II Cooperating Sponsor) with which the agency can track one of the most important longer term sustainable impacts beyond the “immediate welfare benefits to these types of food aid supported activities” (USAID/FFP 2003: 25).

**Table I.7 Anticipated Impact of Using the IDF or CRS Checklist on Different Title II/FFP Constituents**

	Audience Whose Management Information Systems are Likely to Benefit						
	Local NGO Partner	CRS Country Program with Title II Project	Regional Program Quality Staff	PQSD STA Capacity Building	Regional and PQSD STA M&E	Other Title II Cooperating Sponsors	USAID/ FFP 2003 Strategy
<b>Title II Capacity Building Strategies</b>							
Identification of areas where capacity building is needed	X	X					
Sounder basis for the identification of capacity building action plans following CRS 3 -Stage model for partner capacity building (see section 2.0 above)	X	X	X	X			
<b>Title II Management Information Systems</b>							
Improved tracking of the link between project and regional PQSD capacity building TA and training and core capacity			X	X	X	X	X
<b>Title II M&amp;E Systems</b>							
Creates and pilot tests an impact indicator that CRS (initially) and USAID/FFP (ultimately) can use to track wider institutional and regional impacts of Title II and their link with sustainability					X		X