



# **Capacity Assessment Methodology**

## **User's Guide**

**Capacity Development Group  
Bureau for Development Policy  
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## ACRONYMS AND ABBREVIATIONS

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<b>CCA</b>	<b>Common Country Assessment</b>
<b>DAC</b>	<b>Development Assistance Committee</b>
<b>GEF</b>	<b>Global Environment Facility</b>
<b>HACT</b>	<b>Harmonized Approach to Cash Transfers</b>
<b>MDG</b>	<b>Millennium Development Goal</b>
<b>NCSA</b>	<b>National Capacity Self-Assessment</b>
<b>OECD</b>	<b>Organisation for Economic Co-operation and Development</b>
<b>PCNA</b>	<b>Post Conflict Needs Assessment</b>
<b>UN</b>	<b>United Nations</b>
<b>UNDAF</b>	<b>United Nations Development Assistance Framework</b>
<b>UNDG</b>	<b>United Nations Development Group</b>
<b>UNDP</b>	<b>United Nations Development Programme</b>
<b>UNEP</b>	<b>United Nations Environment Programme</b>

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## SECTION I: INTRODUCTION

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*“If we are to make headway in achieving the MDGs we should learn from decades of development cooperation. In order to be more systematic and move beyond a “feel-good definition” of capacity being all things to all people, we have to be more rigorous in mapping and diagnosing capacity assets and needs in a country or community. It is not just about the numbers of teachers, school buildings and curriculum finance that is needed in the education sector, but also about the role and effectiveness of institutions and accountability mechanisms that are in place to enable a change to occur – the qualitative element of a capacity assessment... Today we have the tools to diagnose capacity assets and needs. And I am very glad to report that this will also be at the heart of the UN systems approach to defining its support at country level. The application of capacity diagnostics and resulting capacity development responses are essential for ensuring that MDG based development strategies actually reach their goals”*

– Ad Melkert, UNDP Associate Administrator, 27 November 2006

### 1. Overview of the UNDP Capacity Assessment Methodology User's Guide

The UNDP Capacity Assessment Methodology User's Guide (hereafter “the User's Guide”) gives UNDP and other development practitioners a detailed step-by-step guide to conducting a capacity assessment using the UNDP Capacity Assessment Methodology, which consists of the UNDP Capacity Assessment Framework, a three-step process and supporting tools. The User's Guide is meant to be used in conjunction with the UNDP Practice Notes on Capacity Development and Capacity Assessment, which provide explanations of the terms and concepts referenced here.<sup>1</sup>

This introductory section covers the key role that a capacity assessment plays within the UNDP approach to supporting capacity development. It also introduces the UNDP Capacity Assessment Framework and the capacity assessment process. The two following sections respectively provide instructions for conducting a capacity assessment and for formulating a capacity development response. Section IV offers operational guidelines for adapting the UNDP Capacity Assessment Framework to suit different contexts and needs and for using it in conjunction with other capacity assessment methodologies and tools. Section V includes references to and illustrative snapshots from the Excel-based Supporting Tool. Frequently asked questions are addressed in Section VI. This is followed by an overview of questions and indicators for each cross section of the UNDP Capacity Assessment Framework (Section VII). The Annexes provide additional detail on indicators and select UNDP capacity development resources.

### 2. The UNDP approach to supporting capacity development

UNDP defines capacity development as the process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time. Capacity development is not a one-off intervention but an iterative process of design-application-learning-adjustment. UNDP captures this in a five-step process cycle (see Figure 1). These steps broadly coincide with the steps of a planning or programming cycle. Approaching capacity development through this process lens makes for a rigorous and systematic way of supporting it, without using a blueprint, and improves the consistency, coherence and impact of UNDP's efforts. It also helps promote a common frame of reference for a programmatic response to capacity development.

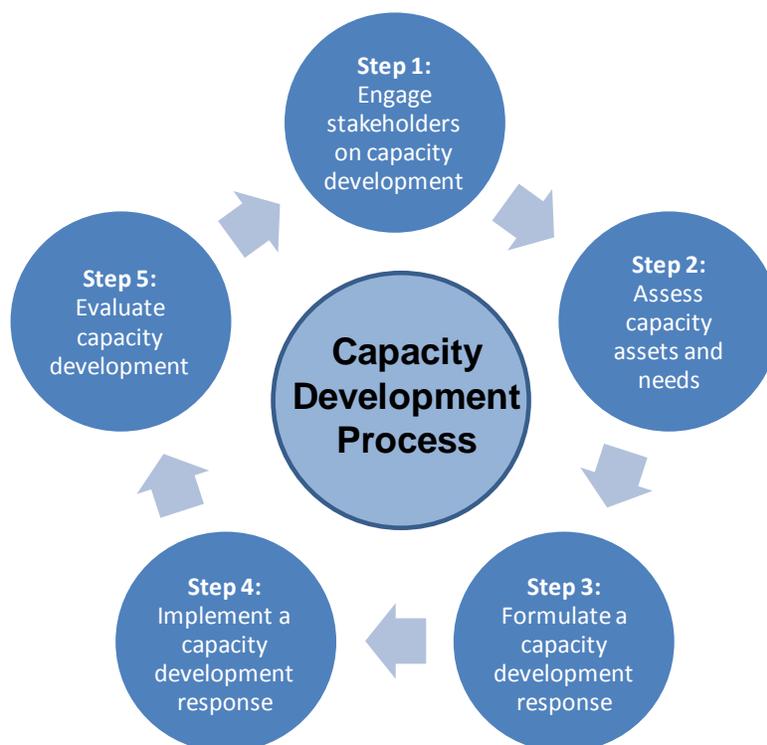
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<sup>1</sup> The Practice Note on Capacity Development (UNDP, 2008) introduces the UNDP approach to supporting capacity development and the basic principles underlying it, as well as the five steps of the capacity development process. It also discusses the integration of capacity development into programming across sectors and themes. The Practice Note on Capacity Assessment (UNDP, 2008) focuses on two steps of the capacity development process: to assess capacity assets and needs and to formulate a capacity development response. It explains the concept of capacity assessments, introduces the UNDP Capacity Assessment Methodology and how it can be used, and addresses operational implications. Both Practice Notes are available from [www.capacity.undp.org](http://www.capacity.undp.org)

The five steps of the UNDP capacity development process are:

1. Engage stakeholders on capacity development;
2. Assess capacity assets and needs;
3. Formulate a capacity development response;
4. Implement a capacity development response;
5. Evaluate capacity development.

**Figure 1. The UNDP capacity development process**



### 3. Capacity assessments

To support the capacity development process effectively requires identifying what key capacities already exist and what additional capacities may be needed to reach objectives. This is the purpose of a capacity assessment. A capacity assessment is an analysis of desired capacities against existing capacities which generates an understanding of capacity assets and needs that can serve as input for formulating a capacity development response that addresses those capacities that could be strengthened and optimizes existing capacities that are already strong and well founded. It can also set the baseline for continuous monitoring and evaluation of progress against relevant indicators and help create a solid foundation for long-term planning, implementation and sustainable results.

Capacity assessments can be conducted at different points of a planning or programming cycle. They can be used, for instance, when preparing national development strategies, conducting a Common Country Assessment (CCA), elaborating a United Nations Development Assistance Framework (UNDAF) or a UNDP Country Programme. Often, capacity assessments are conducted in response to a felt and expressed need for capacity development, for example, at the level of the government as a whole, a specific sector, an administrative unit (district, municipality) or a single organization. Such assessments are conducted to determine or clarify what types of capacity need to be addressed and how. They can be

prepared in advance or be made the first phase of a programme or project to establish or confirm its direction. If a capacity assessment was not conducted during formulation of a strategy, programme or project, it can be initiated during implementation or even during the review stage if there is to be a follow up on the programme.

In the context of any of the situations just described, a capacity assessment can serve a variety of purposes. It can provide the starting point for formulating a capacity development response; act as a catalyst for action; confirm priorities for action; build political support for an agenda; offer a platform for dialogue among stakeholders; and provide insight into operational hurdles in order to unblock a programme or project.

#### 4. The UNDP Capacity Assessment Methodology

UNDP has developed a methodology for conducting capacity assessments that is systematic and rigorous, yet flexible and adaptable; it is not a blueprint but can be used in a variety of contexts to suit different purposes. The methodology provides a structure for discussion about the scale, scope and process of a capacity assessment exercise and about the capacity development agenda more generally. It consists of:

- The UNDP Capacity Assessment Framework
- A process for conducting a capacity assessment
- Supporting tools

##### 4.1 The UNDP Capacity Assessment Framework

The UNDP Capacity Assessment Framework has three dimensions (Figure 2 below):

- **Points of entry:** UNDP recognizes that capacity resides on different levels – the enabling environment, the organizational and the individual. Each of these levels can be the point of entry for a capacity assessment. The UNDP Capacity Assessment Framework is specifically tailored to the enabling environment and the organizational level;
- **Core issues:** These are the four capacity issues that UNDP's empirical evidence suggests to be the most commonly encountered across sectors and levels of capacity: 1) institutional arrangements; 2) leadership; 3) knowledge; and 4) accountability. Not every assessment needs to cover all four, but a capacity assessment team should at least consider all of them as it defines the scope of an assessment. They can be amended based on the needs of the client and the situation.
- **Functional and technical capacities:** Functional capacities are necessary for creating and managing policies, legislations, strategies and programmes. UNDP has found that the following functional capacities are key: 1) engage stakeholders; 2) assess a situation and define a vision and mandate; 3) formulate policies and strategies; 4) budget, manage and implement; and 5) evaluate. Various technical capacities may also need to be assessed, depending on the situation.

In this User's Guide, a combination of these dimensions will be referred to as a "cross section".

##### 4.2. The process for conducting a capacity assessment

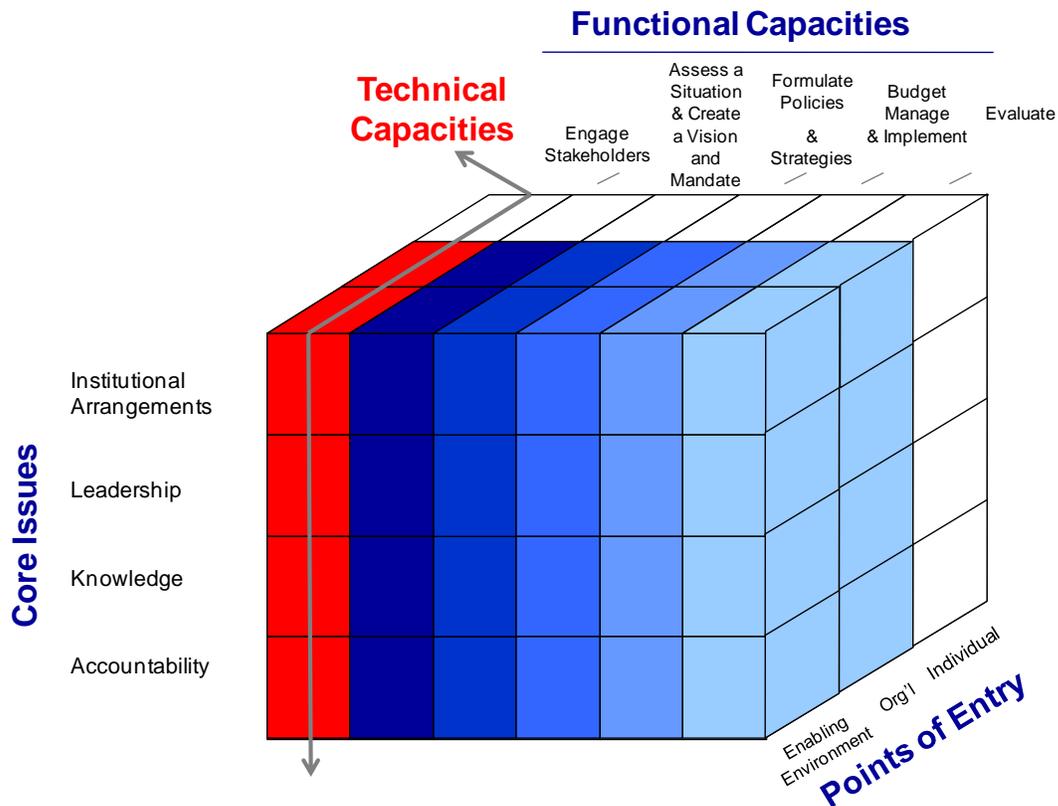
UNDP suggests following a three-step process to conduct a capacity assessment. The activities in each step aim at deepening engagement of national partners and promoting dialogue among key stakeholders around the capacity assessment process.

- **Mobilize and design:** Engaged stakeholders and a clear design are key to a successful capacity assessment. The design is driven by three guiding questions: 1) 'capacity for why?' 2) 'capacity for whom?' and 3) 'capacity for what?';<sup>2</sup>

<sup>2</sup> The phrasing of the questions in this way has proved to be appealing and intuitive to people working on capacity development.

- **Conduct the capacity assessment:** During the capacity assessment data & information are collected on desired and existing capacity. This data & information can be gathered by a variety of means, including self-assessment, interviews and focus groups;
- **Summarize and interpret results:** The comparison of desired capacities against existing capacities determines the level of effort required to bridge the gap between them and informs the formulation of a capacity development response.

Figure 2. The UNDP Capacity Assessment Framework



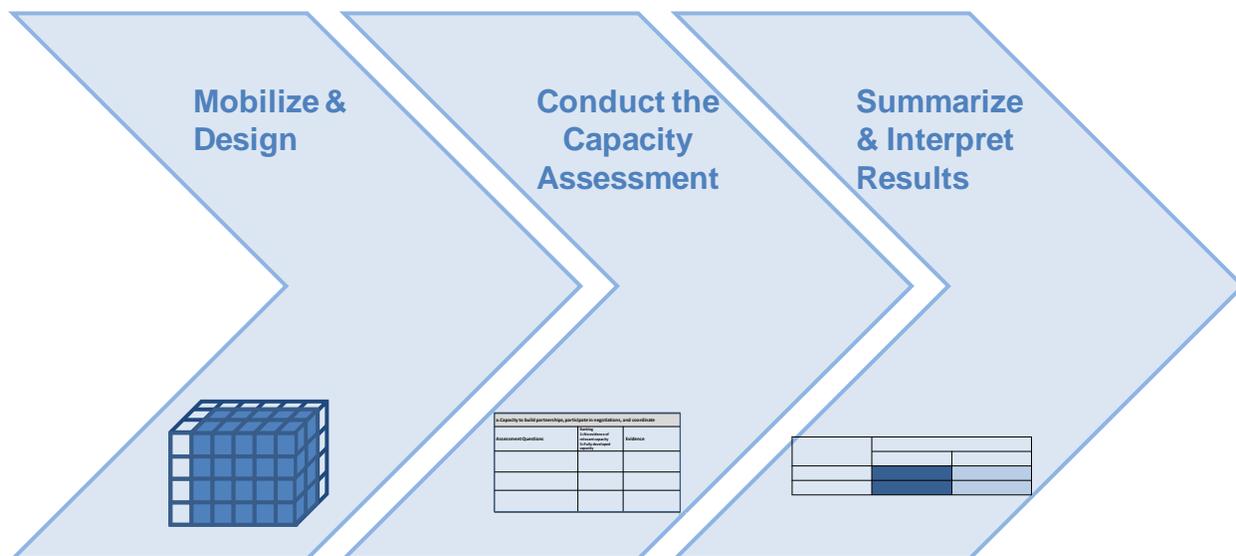
#### 4.3 Supporting tools

A number of supporting tools are available to help you support a capacity assessment. These include sample capacity assessment worksheets, interview guides, draft terms of reference for the capacity assessment team, the scoping mission and national consultants, etc. UNDP has also developed an Excel-based Supporting Tool, which will be discussed in Section V below.

## SECTION II: ASSESS CAPACITY ASSETS AND NEEDS

This section focuses on Step 2 of the capacity development process: “Assess Capacity Assets and Needs”. It is assumed that Step 1: “Engage Stakeholders on Capacity Development” has already occurred and that stakeholder engagement and consensus building will be an integral part of each subsequent step of the capacity development process. Step 3 of the capacity development process will be discussed in the next section of this guide.

Figure 3. Process for conducting a capacity assessment



### 1. The capacity assessment process – Step 1: Mobilize and design

Engaged stakeholders and a clear design are key to a successful capacity assessment. The design is driven by three guiding questions: capacity for why? capacity for whom? and capacity for what?

The first step of the capacity assessment process – to mobilize and design – focuses on answering these questions. More specifically, it covers the following activities:

- Engage stakeholders
- Clarify objectives and expectations with primary clients
- Adapt the UNDP Capacity Assessment Framework to local needs
- Determine the data & information collection and analysis approach
- Determine how to conduct the assessment (team, location)
- Plan and cost the capacity assessment (based on team composition, design and duration)

#### 1.1 Engage stakeholders

Active stakeholder engagement throughout a capacity assessment process is the key to success. An assessment can involve a range of stakeholders that can champion and drive the assessment process - beneficiaries, those initiating the assessment, civil society representatives, private sector partners, political, economic and social leaders, employees, development partners, academics, the media, and various public interest groups. Potential roles for stakeholders include:

- Provide political and administrative oversight;
- Assist in designing the assessment;

- Conduct research and participate in the assessment;
- Analyze and disseminate the results and set priorities for follow-up action;

What are the benefits of involving stakeholders throughout the capacity assessment process?

Involving partners and stakeholders helps ensure that the capacity assessment process is well adapted to the local context and local needs, so that its results are relevant and useful. It promotes ownership over the process, translates into a commitment to its results and offers opportunities to develop the capacities of partners and stakeholders for planning and programming. A capacity assessment that is driven from the inside and conducted as an integral part of planning and programming offers participants an opportunity to learn from each other and from the process itself. Finally, engagement of partners and stakeholders helps determine how a capacity assessment can support other planning and programming processes, such as a functional review, an organizational design or a risk analysis.

### Box 1: Overview of roles during a capacity assessment

This box provides a quick overview of the different roles played during a capacity assessment. They are discussed in more detail in various sections of this guide and in the Practice Note on Capacity Assessment.

- **Assessment owner** – The primary client will assign a person or unit to oversee the assessment process from the client's side. The assessment owner is responsible for managing the assessment, facilitating dialogue around the findings and serving as a liaison between the capacity assessment team and key stakeholders.
- **Capacity assessment team** – The capacity assessment team facilitates the assessment process from the 'mobilize and design' step through to summarizing and interpreting the assessment results. It also plays a role in formulating a capacity development response. The team assists the client in scoping the assessment, develops supporting tools for the assessment and facilitates the data & information collection process.
- **International/regional consultants** – If there are no local resources available, international or regional consultants can be included in the assessment team to support the assessment. It is recommended to pair them with national consultants as a way of strengthening national expertise and deepening the international/regional consultant's understanding of the context.
- **National consultants** – A capacity assessment team should ideally include one or more national experts familiar with the context and content of the capacity assessment. Pairing a national consultant with an international or regional consultant can lead to a mutually enriching exchange of knowledge and skills and strengthen the capacity of the national consultant to conduct a capacity assessment.
- **Participants in the assessment** – Participants in the assessment are those engaging, for example, in focus group discussions, interviews with the assessment team, or self-assessments. They are the ones assessing the level of existing capacity and oftentimes, determining the level of desired capacity.
- **Primary client** – The primary client takes the initiative for the assessment and helps determine its scale and scope. The client is most often a government unit at central or local levels, but may also be a civil society organisation or a private sector company.
- **Capacity assessment secretariat** – The capacity assessment secretariat supervises the day-to-day management of the assessment and provides operational support to the capacity assessment team. Like the technical reference group and sponsors, a capacity assessment secretariat tends to be used primarily if an assessment is particularly complex, comprehensive or contentious.
- **Sponsors** – Sponsors are influential leaders who provide overall direction to the assessment. This group can i) rally support for the initiative; ii) ensure that the assessment and the broader capacity development agenda receive adequate attention and lead to actionable results; and iii) ensure that the results feed national planning and budgeting processes, policy dialogues, or programming processes. Sponsors who can mobilize political support are particularly important if the capacity assessment supports a reform agenda or is likely to cause shifts in power dynamics or changes in resource allocations.
- **Stakeholders** – Stakeholders – for example, beneficiaries, those initiating the assessment, civil society representatives, private sector partners, political, economic and social leaders, employees, development partners, academics, the media, and various public interest groups - can play various roles throughout a capacity assessment. They can help ensure that the capacity assessment process is well adapted to the local context and local needs and that its results are relevant and useful. Section II.1.1 of this User's Guide provides more information as well as Section III of the Practice Note on Capacity Assessment.
- **Technical reference group** – This is a group of stakeholders with expertise on the capacities and core issues under review during an assessment that provides 'quality assurance' to the assessment.

## 1.2 Clarifying objectives and expectations with primary client(s)

### Available resources

- One-page snapshots “Capacity Assessment in Action”

### Capacity for why?

The capacity assessment process should start with an open dialogue with the primary clients of the assessment to answer ‘**capacity for why?**’ This dialogue is often part of ongoing conversations between clients and UNDP to identify opportunities for change and involvement. It can be a series of meetings that start from what the client is looking for (demand), and explores how UNDP may be able to respond to this (supply).

The initial dialogue with primary clients is particularly important when multiple, potentially conflicting objectives are under consideration or when the focus exceeds the realm of available expertise.

Before meeting the client, UNDP often conducts a ‘horizon scan’ to develop an understanding of the context. This scan generally covers information about the organization under assessment, such as its mission, vision, organizational structure, activities, budget, human resources and operational procedures. The scan may also include relevant government policies, strategies and plans, laws and regulations and relevant international agreements and standards. It is also important to find out about recent or ongoing assessments and whether they have collected data & information relevant to the current exercise, to minimize the amount of new and unnecessary research. Inputs for a horizon scan tend to be readily available in policy and legal documents, project files, organizational charts, statistics, procedure manuals, and previous analyses, evaluations and surveys and need to be collected anew.

The dialogue with the primary client is used to explore:

- What are priorities for the capacity assessment, based on national priorities for capacity development?
- What is the purpose of the assessment?
- What are expectations regarding its output?
- Are these expectations realistic and well aligned to the services that UNDP can offer?

The dialogue is also used to identify who the assessment owner will be (See box 1 above).

In some cases, the dialogue may bring to light that UNDP does not have the in-house capacities or expertise to respond to a client’s request but can draw on its network of partners to provide the support required. Or, it may lead to the conclusion that the client’s demand does not sit well with UNDP’s mandate, policies or priorities for support and that it would therefore not be strategic for UNDP to engage. The dialogue may also highlight that it would be more effective to conduct another type of exercise, such as a functional review or a risk analysis that may in turn lead to a capacity assessment. However, in most cases, the dialogue will lead to agreement on the need for a capacity assessment.

### Box 2: Options for a “quick” assessment

A “quick” assessment can be conducted in one of two ways: 1) addressing many topic areas at a high level; or 2) targeting select areas. The process steps for each of the following approaches are the same but compressed version of those described above, starting with mobilization and design through to interpretation of results.

In the first case, a cursory review of all core issues and functional capacities is conducted for both the enabling environment and the organizational level. This approach is generally used when it is not necessarily clear, or when there is no agreement on, which areas should be included in a capacity assessment or should be prioritized for investment. Questions are designed to touch broadly on many issues, without going into great detail on any. The result is a high-level view that allows the assessment team, and oftentimes more important key stakeholders, visibility into relative capacity levels. It also enables them to make decisions regarding capacity areas that could be assessed in more detail. A quick assessment does not generate detailed insights into processes and mechanisms or possible programmatic responses. This approach may also be used to catalyze capacity development efforts, to build a coalition and consensus for change.

When the focus is already clear or when resources are limited, the assessment team and stakeholders may choose to assess only a small number of cross sections of the assessment framework, and if time allows look at them more deeply. This is appropriate when there is broad agreement from the outset that a comprehensive, system-wide assessment is not feasible or required. It generates a view that may be more in-depth than the high-level view produced by looking at all cross sections, as well as visibility into sources of capacity constraints and possibly insights into capacity development responses.

### 1.3 Adapt the UNDP Capacity Assessment Framework to local needs

- Available resources**
- One-page snapshots “Capacity Assessment in Action”
  - Sample ToR scoping mission
  - Sample ToR (inter)national consultant
  - Sample interview questionnaire
  - “A week in the life- Conducting a capacity assessment scoping mission”

Once the high-level objective of the assessment has been determined (‘capacity for why?’) the scale and scope of the assessment can be defined in more detail. This starts by asking ‘capacity for whom?’ and ‘capacity for what?’

**Capacity for whom?**

Addressing **‘capacity for whom?’** helps determine whose capacities need to be assessed. Will the assessment focus on one department, or the whole ministry, or several ministries that are related? For example, in local governance, is the goal to assess the capacity of a ministry of local governance, an association of municipalities, district authorities, municipalities, or all of the above?

Answering **‘capacity for what?’** helps determine what capacities and core issues to assess. Continuing with the local governance example above, is the goal to assess the capacity to formulate policy (which may be more important at the national level) or the capacity to implement programmes and deliver services (which may be more important at a local level), or both? When addressing ‘capacity for what?’ both functional and technical capacities and core issues may need consideration.

**Capacity for what?**

Capacity assessment teams tend to want to include all cross sections of the UNDP Capacity Assessment Framework in an assessment (as all could be relevant). To ensure that an assessment can be completed using a reasonable amount of money, time and human resources, the focus of the assessment needs to be narrowed to meaningful and actionable topics. Addressing the questions ‘capacity for whom?’ and ‘capacity for what?’ helps sharpen this focus.

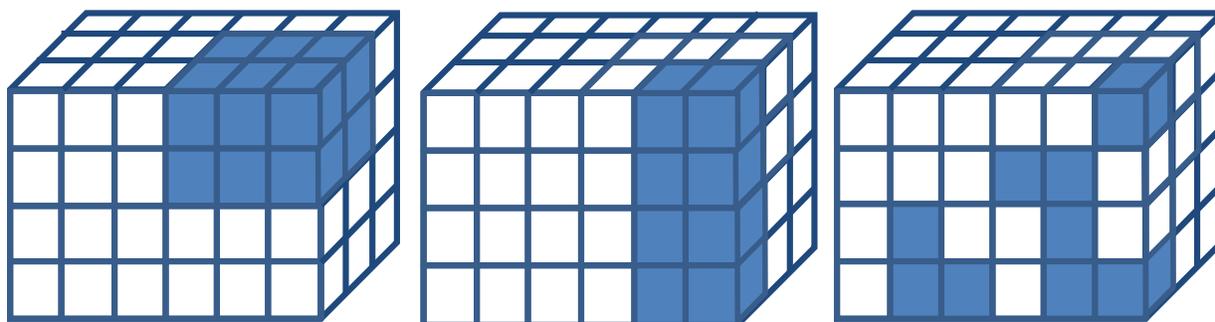
Once the cross sections have been selected, the assessment team needs to specify which capacities it will look at for each combination of point of entry, core issue and capacity. The capacities needed for the future should be identified before the existing capacities, since some of those required later may not be in place today. (But a capacity assessment should start from the assumption that existing capacities will be built upon. With this perspective it is easier to create a viable capacity development response that nurtures and reinforces existing capacities.)

Apart from identifying which cross sections of point of entry, core issue and capacity to include, it is also important to determine at the outset whether core issues or capacities will be the “lead-in” or driver of the capacity assessment.

For example, if the primary concern is a specific functional capacity, such as the capacity to implement programmes, the assessment team may want to look at this capacity in the context of each of the four core issues. Alternatively, if the primary concern is a core issue, e.g., leadership, the team may want to look at leadership across all five of the functional capacities.

In the illustration below, the framework on the left represents a scope that focuses on two core issues and three functional capacities across both the enabling environment and the organizational level; the framework in the middle right represents a scope that focuses on all four core issues and two functional capacities for the enabling environment only.

Figure 4. Illustrative scoping options



Section VI below provides illustrative questions that can help define desired capacities for each cross section of point of entry, core issue and functional capacity<sup>3</sup>. This set of questions has been developed based on a review of existing materials, such as existing capacity assessment tools and resources, case studies, project documents, from within the United Nations system and from other public and private sector organizations involved in capacity assessments.

**Box 3: Conducting a Scoping Mission**

Organizing a scoping mission can be a cost-effective way to lay the groundwork for a capacity assessment. This mission will be conducted by a scoping team that can consist of national, regional or global UNDP colleagues and/or national, regional or international consultants. Sometimes it will also include a representative of the primary client. A scoping mission is used to prepare the capacity assessment. During the mission the scoping team will meet with the UNDP Country Office, the primary client and stakeholders to:

- Confirm/refine the answers Capacity for why? Capacity for whom? and Capacity for what?
- Based on the answers, adapt the UNDP Capacity Assessment Framework by selecting the point of entry, core issues and functional and technical capacities to include in the assessment
- Develop assessment worksheets, interview guides or other supporting tools and organize their translation, if needed
- Discuss how the capacity assessment will be conducted (where, when, with whom?)
- Develop a work plan that details what needs to be done, by whom, when and the resources needed

During the scoping mission, the team also:

- Organizes a learning or familiarization session on capacity development and capacity assessment for stakeholders
- *Optional* – organizes a learning or familiarization session on capacity development and capacity assessment for UNCT/UNDP staff and national consultants

**1.4 Determining the data & information collection and analysis approach**

**Available resources**

- Sample capacity assessment worksheets
- Excel-based Supporting Tool

<sup>3</sup> UNDP has developed a wide range of assessment materials for technical areas, as have UN partners and others. These can be drawn on to tailor assessment questions that are focused on technical aspects. They are not included in this User's Guide.

When determining the scale and scope of the assessment, it is decided which capacities need to be included in the assessment. What also needs to be decided is *how* these capacities will be assessed. This includes deciding on the kinds of input to collect and appropriate collection techniques.

As discussed above, often the assessment team starts compiling materials before their first meeting with the primary client to discuss the purpose and scope of the assessment.

During the assessment, inputs can be collected either quantitatively or qualitatively. Since both have pros and cons, a capacity assessment should ideally generate both a quantitative ranking of capacity and qualitative information to support this ranking. Quantitative data, such as facts and figures, may for example be seen as more “legitimate” than qualitative information and may allow for an easier comparison of the level of capacity across core issues and functional capacities. However, it can be used for comparison purposes that are not valid. Qualitative information, such as examples and anecdotes, can provide context for the quantitative data collected, can be used to create a repository for “institutional memory” and provides an opportunity to elaborate on and contextualize capacity gaps. A disadvantage of using qualitative input is that it does not allow for an easy comparison of capacity levels across issues and functional capacities.

If a quantitative approach is selected, a **ranking scheme** needs to be designed to determine the level of desired capacity and assess the level of existing capacity. The difference between the level of desired and the level of existing capacity will determine the amount of effort required to bridge the gap between them and will inform the formulation of appropriate capacity development responses.

There are various ranking schemes that can be used to determine the level of desired capacity and assess the level of existing capacity (see Table 1 below). The easiest option is to use the same ranking scheme for all capacities to be assessed. The most complex option is to use a different ranking scheme for different capacities. Each option has its pros and cons. The assessment team will have to make a trade-off between ease of use and the depth and detail of the data & information collected. Irrespective of the choice, the same ranking scheme should be used to determine the level of desired capacity and assess the level of existing capacity.

**Table 1: Different quantitative ranking schemes for capacity**

<b>Option # 1</b>	Same quantitative ranking scheme for all capacities	Pros: Easy and quick to apply Cons: Not specific to any capacity type or category
<b>Option # 2</b>	Different quantitative ranking scheme for different types of capacity	Pros: More detailed insights Cons: No specific insights on capacities within any type of capacity
<b>Option # 3</b>	Different quantitative ranking scheme for each question	Pros: Provides detailed insights on specific capacities within each capacity type Cons: Time consuming to develop and execute

Once an option has been selected, it is up to the capacity assessment team to determine the scale of the ranking and the value assigned to each ranking. For example, a team may decide to construct a ranking from 1 – 5, with one being the highest and five the lowest, or it can construct a ranking from 1 – 10, with 1 being the highest and 10 the lowest. The wider the range, the more gradation the ranking will provide. However, too wide a range may make it difficult to compare findings.

A possible ranking could be:

1. No evidence of relevant capacity
2. Anecdotal evidence of capacity
3. Partially developed capacity
4. Widespread, but not comprehensive, evidence of capacity
5. Fully developed capacity

A key design consideration is how the data & information collected data will be analyzed, reported and utilized. Collecting a wealth of input is pointless if there is not enough capacity to analyze and interpret

the findings or if it will not lead to actionable results. It is generally better to collect the smallest amount of input needed to answer the assessment questions; this will avoid unnecessary complications when analyzing the findings.

Formulating precise questions is essential to reduce the amount of data & information to be collected. When deciding on the approach to collection and analysis, it is useful to reflect back on the purpose of the assessment and consider the following questions:

- How important is hard quantitative evidence, as opposed to softer qualitative information?
- What is the appropriate balance between external assessment and self-assessment?
- How important is it to use data & information collection as a learning experience?
- What are the benefits of using a third party to collect data & information; for example, is objectivity important?
- To what extent is it necessary to compare data & information over time or across entities as a measure of change?
- Is the purpose of data & information collection to emphasize strengths and opportunities that can be built upon? Or is it to focus on gaps and constraints?

In practice, inputs will need to be collected from multiple sources and through a variety of collection techniques. For example, politicians, researchers and other opinion leaders at all levels of society can provide valuable information about broader socio-cultural, political and economic trends. Managers and employees are best placed to say what works in their organization and where difficulties lie. They can also distinguish nuances between the formal organizational set-up, rules and procedures and what takes place day to day through informal channels. Meanwhile, customers or the public at large, as end users of services, can indicate their level of satisfaction with service delivery.

Techniques to obtain the necessary data & information include semi-structured and one-on-one interviews, questionnaires, focus groups, client satisfaction surveys and scorecards, workshops, case studies and self-assessment instruments. Each approach has advantages and disadvantages. For example, large multi-stakeholder forums are not well suited to detailed diagnostic work but can be helpful for collecting insights and opinions of a wider section of the community on broader issues. It is useful to record, for instance, the levels of public satisfaction with services and government performance in general, as well as people's vision of the future.

## 1.5 Determine how to conduct the capacity assessment (team, location)

### Available resources

- Sample ToR capacity assessment team

When designing the assessment process, the following considerations should be addressed: Who should be a part of the assessment team? Who should participate in the assessment? Where and how will the assessment be conducted? Ideally, the team should include people who are familiar with the context, the content and the process of a capacity assessment:

#### Who should be part of the assessment team?

- **Context:** Context experts are expected to bring an understanding of the political and socio-economic landscape in which the assessment is conducted;
- **Content:** Content providers offer detailed technical knowledge of the sector or theme under assessment. This includes best practices and relevant examples that can be used as the basis for designing and implementing the capacity assessment, as well as knowledge of the functional and technical capacities to be assessed. Depending on the focus of the assessment, the team can be complemented with experts in cross-cutting issues, such as gender or the human rights-based approach;
- **Process:** In some cases it is helpful to have a facilitator manage the process. This person should be able to facilitate discussions on the scale and scope of the assessment, adaptation of the UNDP

Capacity Assessment Framework, conduct of the assessment (including the appropriate techniques to collect data & information) and interpretation of assessment results.

The capacity assessment team keeps in regular contact with the owner of the assessment to discuss progress and direction (see 1.2 above for a discussion of the role of the 'owner').

#### Who should participate in the assessment?

The data & information collection approach determines who should participate in the exercise. Different perspectives are necessary to obtain a balanced view of the situation. This may require collecting input from people at different levels throughout an organization, - director and staff, central and field, line and staff professionals. In some cases information from an organization's partners is also helpful; when the assessment covers one department, for example, inputs may be sought from other departments in the same ministry.

#### Where and how will the assessment be conducted?

The data & information collection approach also determines where the exercise will be conducted, (in the field, or at a central level; at an offsite location -to minimize distractions- or on-site - to facilitate participation of a larger number of people) and how (with a full-scale team or a one-person 'pencil and paper' surveyor). If there are representatives from varying levels of an organization, the assessment facilitator may want to separate them to foster a more candid dialogue.

### **1.6 Plan and cost the capacity assessment (based on team composition, design and duration)**

Based on the scale and scope of the capacity assessment and its duration, a work plan should be drawn up detailing the outputs to be achieved, activities, due dates and roles and responsibilities. This work plan provides the basis for estimating the costs of the assessment. Designing and costing a capacity assessment may evolve into an iterative process that balances design and budget. The primary client, the assessment owner and other relevant stakeholders should participate in any re-scoping of the assessment, since it will influence the outcome of the assessment.

Since every capacity assessment is unique, it is not possible to provide an estimate of how much an assessment will cost. Potential costs to include in the assessment budget are:

- Salaries of local and external experts that are part of the assessment team
- Renting a location for meetings & workshops
- Stationery
- Travel expenses
- Translation costs (if the assessment is conducted in a local language)
- Reproduction of materials
- Costs for surveying or data gathering

## **2. The capacity assessment process – Step 2: Conduct the capacity assessment**

#### **Available resources**

- Sample capacity assessment worksheets
- Excel-based Supporting Tool

### **2.1 Determine the level of desired capacity**

Determining the level of desired capacity is done by the assessment team, in collaboration with those responsible for quality assurance (the technical reference group), the primary client and other stakeholders, or by those doing a self-assessment. If a quantitative approach is used, those conducting

the assessment need to have a common understanding of the meaning of each ranking, for example, what does it mean to assign a score of 2 to a capacity instead of a score of 4?

People are often tempted to assign the highest score to the level of desired capacity, but this may be unrealistic since capacity is a function of the timeframe over which it is expected to develop. This can be just one year or several years. Generally, the shorter the time frame, the more modest the likely change in capacity. Reaching 'perfect' capacity is usually not feasible in a couple of years, if at all. Agreement should therefore be reached beforehand on the timeframe over which desired capacities are to be achieved.

Trying to achieve the highest score may also be unrealistic if the ranking scheme and process are based on international standards and norms, for example for measuring progress on programme and project management and procurement, which may be highly stringent.<sup>4</sup>

Being ambitious is good, but setting the level of desired capacity unrealistically high will quickly lead to disappointment and diminishing commitment to the capacity development agenda.

## **2.2 Assess the level of existing capacity**

If the assessment includes a self-assessment, it helps to start with an information session to explain the methodology and ensure that all participants understand how to use the ranking system. It also helps to give participants assessment worksheets to fill out.

If interviews or focus group discussions will be held, appointments should be scheduled in advance so that key stakeholders can participate. The assessment work plan should allow enough time to reschedule interviews and to translate or formulate assessment worksheets in the primary language of the participants.

The assessment should begin with an explanation of how the assessment results will be used - whether they are only to support internal improvements or if comparisons will be made across entities. Participants should also be reminded that the assessment is not an individual performance assessment or an audit. Whether or not the answers will be treated confidentially should also be clarified.

During the assessment, questions should be asked as neutrally as possible to avoid guiding interviewees towards a certain response. An interview guide can help ensure that all questions are addressed. Usually it is better for the assessment to be conducted by an outsider who does not have a stake in the assessment or by a team of insiders and outsiders. If a quantitative assessment is used, participants should assign a score to each capacity, using the ranking scheme adopted. If a qualitative assessment is used, participants should substantiate their assessment with anecdotal evidence as much as possible.

## **3. The capacity assessment process – Step 3: Summarize and interpret results**

Once the assessment has been completed for the cross sections selected, the assessment team will summarize and interpret its results. This starts with comparing the level of desired capacity against the level of existing capacity. This helps determine whether the level of existing capacity is sufficient or needs improvement and in turn helps the team identify where to focus the capacity development response.

When interpreting the assessment results, the team should try to discern patterns in capacity gaps. Is a gap consistently large across a core issue (Table 2) or across a specific capacity (Table 3)? The answer to this question will guide the formulation of an appropriate capacity development response.

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<sup>4</sup> The Organisational Project Management Maturity Model (OPM3) and the Portfolio, Programme & Project Management Maturity Model (P3M3) offer standards for programme and project management. The OECD provides standards for procurement in its Methodology for Assessment of National Procurement Systems.

**Table 2: Capacity patterns - core issue**

Capacities	Budget	Manage	Implement	Avg
<b>Core Issues</b>				
<b>Leadership</b>	3.4	3.0	3.2	3.2
<b>Knowledge</b>	1.3	1.7	1.5	1.5

**Table 3: Capacity pattern – functional capacity**

Capacities	Budget	Manage	Implement	Avg
<b>Core Issues</b>				
<b>Leadership</b>	4.0	1.0	1.3	2.1
<b>Knowledge</b>	4.2	1.3	1.4	2.3

The assessment team may find that the data & information gathered from different sources provide conflicting insights, especially with self-assessments and qualitative data. Individual perceptions are influenced by many factors, and the same rankings may be interpreted differently by different people. It is therefore important, regardless of the type of data & information collected, to get a variety of perspectives and take into account different points of view when formulating the assessment summary. Sometimes further exploration of specific areas in question may be required, through additional assessments or informal discussions with key stakeholders.

#### **Box 4: Organize a validation workshop**

The assessment team or the primary client may decide to organize a validation workshop before finalizing the assessment results and preparing the report.

Such a workshop should bring together all relevant stakeholders. It generally starts with a presentation of the assessment results by the primary client or the assessment owner. This can be followed by a discussion of the results and the rationale for the scores assigned, and to build consensus on priorities in moving forward.

During the workshop all stakeholders should be given an opportunity express their views openly. This will increase trust among them and increase the credibility of the exercise, strengthening ownership over the results and laying a strong foundation for the way forward.

During this step of the assessment process, the client should give formal approval to the findings of the assessment and help priorities the capacity development response. The client is also responsible for disseminating the final assessment report to stakeholders and partners.

When communicating the findings of a capacity assessment, the way they are presented is important:

- Are they intelligible to and meaningful for most stakeholders?
- Are there opportunities for audience feedback?
- Is the focus relevant to the audience? For example, decision makers and interest-group representatives may be more concerned with the broad thrust leading to policy decisions, while technical staff and managers may want to focus on operational details.

### Preparing the assessment report

Once there is broad agreement on the findings of the assessment, the final report can be prepared. This is usually done by the assessment team, but in close collaboration with the assessment 'owner' and relevant stakeholders.

This report can include the following:

1. Mobilize and Design
  - a. Description of the context in which the assessment was conducted
  - b. Description of the primary client(s) of the assessment
  - c. The request for support
  - d. Definition of the objective of the assessment and its scope.
  - e. How the UNDP Capacity Assessment Framework was adapted
2. Conduct the Capacity Assessment
  - a. Overview of the methodology (self-assessment, group discussions, desk review)
  - b. The tools used (assessment worksheets, questionnaires).
3. Summarize & Interpret Results
  - a. Summary analysis of the assessment findings, both for desired and for existing capacities.

#### Annexes

- a. Terms of Reference of the capacity assessment team
- b. Capacity assessment work plan
- c. Overview of the different stakeholders consulted
- d. Detailed questionnaires or interview guides
- e. Detailed analysis of the assessment findings.

## SECTION III: FORMULATE A CAPACITY DEVELOPMENT RESPONSE

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### 1. Define a capacity development response

The capacity assets and needs identified by a capacity assessment provide the starting point for the formulation of a capacity development response. This is an integrated set of sequenced actions embedded in a programme or project to address the questions 'capacity for why?', 'capacity for whom?' and 'capacity for what?'

There are a number of considerations pertaining to the sustainability of a capacity development response and its results<sup>5</sup>:

- Because an assessment usually covers several core issues and because the core issues are mutually reinforcing, a capacity development response will be more effective if it combines actions to address more than one core issue. Similarly, a capacity development response should address more than one level of capacity. For example, an assessment of the procurement office of a ministry of health (organizational level) may need to be complemented by a revision of the government's procurement guidelines (enabling environment).
- It may be less threatening for stakeholders to start from existing strengths rather than weaknesses. For example, it may be better to emphasize the existence of a salary policy rather than its obsolescence.
- A capacity development response should try to combine short- to medium-term initiatives (one year or longer) with quick-impact activities (less than one year). Together these can build the foundation for continued capacity development. A capacity development response should include exit strategies, such as strengthening the base of local experts and consultants and involving regional, national and local educational and training institutes.
- A capacity development response should integrate with national budget structures to ensure continued funding.

### 2. Define indicators of progress for a capacity development response

Indicators are needed to monitor progress of a capacity development response, and each indicator needs a baseline and target. The baseline data are used as the starting point for measuring progress; the targets may be either short-term or long-term with interim milestones. Progress monitoring should allow for refinement of a capacity development response and potentially the design of new initiatives to address evolving needs.

As illustrated in Figure 5, indicators for the capacity development response measure **output**, or whether activities are being implemented as foreseen. These indicators are similar to those for monitoring the output of any project; they need not be specific to capacity development. Nor is it necessary to create a separate monitoring system for a response; just as a capacity development response is incorporated into an overall action plan, so should indicators for the response be integrated into the monitoring framework of a programme or project.

Indicators identified as part of the capacity assessment measure **outcome**, or the desired change in capacity. They can be identified for each cross section of core issue and capacity – at each capacity level – covered by the assessment. The UNDP Capacity Assessment Methodology User's Guide suggests indicators for each cross section. The indicators are meant to be illustrative of the various types of indicators that could be applied. The "hierarchy" of indicators in this User's Guide is mixed:

- Some indicators are broad and qualitative, while others are more specific and easily measurable. For those that are broad or qualitative, the assessment team needs to make them SMART in the context of their capacity development effort.

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<sup>5</sup> See UNDP (2008a) for more detail on the UNDP approach to supporting capacity development.

- Some indicators are applicable across many core issues; others are more targeted to specific issues. For those that are more general, the assessment team needs to make them more specific to the issues under assessment.

The assessment team should strive to define indicators that are SMART: **S**pecific, **M**easurable, **A**ttainable, **R**elevant and **T**imebound.

The process of defining progress indicators aids activities throughout the capacity development process. Specifically, it:

- Supports policy dialogue and strategy formulation as a part of the analytical work that precedes capacity development investments;
- Contributes to the design of a capacity development response;
- Enhances monitoring: by tracking process and progress over time, thus improving the design of a capacity development response;
- Enhances evaluation by tracking the change resulting from a capacity development response;
- Promotes organizational learning and empowerment because it is an internal learning exercise.

**Figure 5. Indicators and the monitoring of results**  
(Adapted from UNDP Handbook on Monitoring and Evaluating for Results)

TYPE	WHAT IS MEASURED	INDICATORS
<b>Development</b> <i>(Impact Level)</i>	A development impact, not a capacity development impact. Capacity development may be a contributing factor	Sustained positive development change
<b>Capacity Development</b> <i>(Outcome Level)</i>	Development effectiveness, or results in terms of access, usage and stakeholder satisfaction from products and services generated by projects and programmes	Sustained production of benefits
<b>CD Response</b> <i>(Output Level)</i>	Effort, or products and services generated by capacity development projects and programmes	Implementation of activities

Regardless of the type of indicators selected, baseline and target metrics should be defined. The baseline may be as straightforward as the quantitative ranking determined during the assessment. Regardless of the indicator chosen, its “measurability” is critical – the availability of indicator data, or lack thereof, may require the capacity assessment team to reconsider its indicators.

### 3. Cost a capacity development response

Costing a capacity development response is critical, since it encourages stakeholders to realistically estimate the funding required for implementation. If the exercise reveals insufficient funds for all the proposed capacity development actions, alternative solutions are needed. These can include leveraging other programmes and resources or to prioritize the actions. This will build on the priorities set during the design of the capacity assessment (guided by ‘capacity for why?’ ‘capacity for whom?’ and ‘capacity for what?’) and the validation and interpretation of its findings. Since priority setting is inherently political, this process should be managed carefully and transparently, with the involvement of all relevant stakeholders; otherwise those that stand to lose out may withhold their support during implementation.

The costs for a shorter-term capacity development response can be determined through activity-based budgeting. This starts from actions planned, for example, ‘support to a functional review’ and budgets the estimated, quantifiable inputs (such as number of consultant days, transportation costs, translation days, number of training materials to be printed) need to complete this action. Project costs for a longer-term

capacity development response is more complicated. If these cannot be accurately projected (which often involves using econometric modeling techniques), the costing exercise should probably be limited to costing actual, planned activities to avoid questioning the credibility or legitimacy of the costs. Under some special circumstances, an element of imputed costs may be estimated a priori and built into programme/project design.

## SECTION IV: OPERATIONAL GUIDELINES

This section begins with a discussion of how the UNDP Capacity Assessment Methodology can be leveraged at various steps of the overall capacity development process. It also introduces two thematic applications of the methodology, provides guidelines for using the methodology in conjunction with other assessment methodologies and offers lessons from application as well as tactical considerations.

### 1. Leveraging a capacity assessment throughout the capacity development process

Conducting a capacity assessment can be a relatively straightforward proposition when a programme or project is just being initiated; to most, it makes sense to begin a programme by developing an understanding of the challenges and opportunities, or capacity assets and needs as in the case of a capacity assessment. However, it may become less clear how to leverage a capacity assessment when one is already in the midst of the capacity development process. Following is an overview of how a capacity assessment can be effectively used throughout the capacity development process.

**Table 4: Leveraging a capacity assessment throughout the capacity development process**

Capacity Development Process	Questions	Leveraging Capacity Assessment Assets
Engage Stakeholders on Capacity Development	<ul style="list-style-type: none"> <li>Is there support for the capacity development agenda?</li> <li>For change more generally?</li> </ul>	Use the Capacity Assessment (CA) Methodology to initiate and frame dialogues with stakeholders Use CA Framework to help identify priorities for assessment/development
Formulate a Capacity Development Response	<ul style="list-style-type: none"> <li>Are capacity development responses being formulated based on insights generated and consensus built via a capacity assessment?</li> <li>Does the capacity development response build on capacity assets and address capacity needs?</li> </ul>	Use CA Framework (especially core issues) to brainstorm about the composition of a capacity development response  Use the CA Framework to set indicators, targets and baselines for capacity development
Implement a Capacity Development Response	<ul style="list-style-type: none"> <li>Is the capacity development response effectively implemented?</li> <li>What are constraints hampering implementation?</li> </ul>	Use the CA Methodology to explore potential stumbling blocks
Evaluate Capacity Development	Have benchmarks been set against which to measure capacity development?	Use CA capacity questions to measure capacity development

### 2. Thematic applications of the UNDP Capacity Assessment Methodology

The UNDP Strategic Plan (2008-2011) stipulates that capacity development is UNDP's core service to programme countries. It is integrated into the results areas of all UNDP practices in support of national/sector strategies. The following areas represent some of UNDP's strategic capacity investment areas, for which adaptations of the UNDP Capacity Assessment Methodology are available.

## 2.1 Procurement

### Available resources

- Procurement Capacity Assessment User's Guide
- Procurement Capacity Assessment Tool

UNDP is increasingly being called upon to support national capacities for implementation, including for project management and procurement. To support this growing body of work, it has developed an application of the UNDP Capacity Assessment Methodology for the area of procurement.

An adapted capacity assessment framework and a Procurement Capacity Assessment User's Guide are available to support procurement capacity assessments at the enabling environment (called 'environmental' in this adaptation) and the organizational level. The User's Guide also provides guidance on how to adapt the framework to specific areas, such as assessments of e-government procurement capacities or sector-specific procurement capacities.

At the environmental level, the adapted assessment framework comprises the pillars and indicators of the OECD/DAC Methodology for the Assessment of National Procurement Systems.

At the organizational level, the framework comprises the four core issues from the UNDP Capacity Assessment Framework (institutional arrangements, leadership, knowledge and accountability), but an adapted set of thirteen capacities that relate to the stages of the procurement cycle. These include, for example:

- Procurement planning
- Identifying the correct procurement method
- Contract review and award
- Payment of invoices

## 2.2 Aid Coordination and Aid Management

### Available resources

- Checklist for National Capacities for Aid Coordination and Aid Management
- Checklist for Aid Coordination Mechanisms
- Checklist for Aid Management Policy
- Checklist for Aid Management Systems

UNDP has also adapted its assessment methodology to the area of aid coordination and management. The cores issues in the UNDP Capacity Assessment Framework have been replaced by issues pertaining to national capacities to coordinate and manage aid. These are:

1. National ownership and leadership
2. Policy and institutional framework
3. Partnerships with internal and external stakeholders
4. Mutual accountability

The points of entry and the functional capacities are the same as in the UNDP Capacity Assessment Methodology.

To support the use of the framework, four capacity checklists have been developed:

- Checklist for National Capacities for Aid Coordination and Aid Management
- Checklist for Aid Coordination Mechanisms
- Checklist for Aid Management Policy
- Checklist for Aid Management Systems

These checklists can be used for self-assessment exercises with aid coordination units within, for example, the Ministry of Finance, Planning or the Economy, prior to a more comprehensive capacity

assessment on the ground. Their findings can lead to the formulation of a programme or project to promote aid effectiveness, which should ideally be incorporated into broader public administration reform efforts. In UNDP's experience, the checklists can be used together or as stand alones and are complementary to the UNDP Capacity Assessment Methodology.

### 2.3 Trade

#### Available resources

- Guidance note
- Worksheet for conducting a horizon scan
- Worksheet for assessing capacities to mainstream human development-oriented trade policies
- Worksheet for assessing capacities to conduct HDIA

International trade can help raise levels of human development and promote sustainable poverty reduction, but only if countries have sufficient capacity to reap the fruits. UNDP therefore helps strengthen the capacities of countries to be internationally competitive; negotiate, interpret and implement trade agreements that prioritize human development and poverty concerns; and to integrate pro-poor trade policy in national development strategies.

As part of its efforts, UNDP has adapted the UNDP Capacity Assessment Methodology to support trade mainstreaming and the conduct of a Human Development Impact Assessment (HDIA). More specifically, it has amended the core issues of the UNDP Capacity Assessment Framework to institutional arrangements, leadership, knowledge and data and expertise, while retaining the points of entry and functional capacities. UNDP has also developed a set of three worksheets that can be used to support the assessment:

- Horizon scan
- Assessing capacities to mainstream human development-oriented trade policies
- Assessing capacities to conduct an HDIA.

### 2.4 HIV/AIDS

#### Available resources

- Guidelines on successful support to capacity development for UNDP Country Offices serving as GFATM Principal Recipient [draft]

In exceptional circumstances, UNDP is selected by the Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM) and Country Coordinating Mechanisms (CCMs) to act as Principal Recipient (PR) of GFATM grants, but with the expectation that UNDP would assist in developing the capacities of local entities to take on the role of Principal Recipient as soon as possible. UNDP, as PR, is also expected to strengthen national capacity for programme development and implementation by supporting the capacity development of sub-recipients and communities as well as government and civil society organizations.

UNDP has developed a set of guidelines to help UNDP Country Offices support capacity development of local entities in a systematic manner by following the five steps of the capacity development process. Part of this process is to analyze the current capacities of the nominated PR(s) against the GFATM's minimum requirements to generate an understanding of capacity assets and needs to formulate a capacity development response. This assessment uses GFATM tools which are available in five areas: 1) financial management and systems; 2) institutional and programmatic arrangements; 3) procurement and supply chain management; 4) monitoring and evaluation arrangements; and 5) sub-recipient management. The process for conducting the assessment follows steps similar to those suggested in the UNDP Capacity Assessment Methodology: plan the capacity assessment; conduct the capacity assessment; and summarize and interpret results.

### 3. Using the UNDP Capacity Assessment Methodology in conjunction with other capacity assessment methodologies & tools

The UNDP Capacity Assessment Methodology has been developed based on good practices from within and outside the organization, and with knowledge of other existing methodologies and tools, such as the MDG Needs Assessment, the UNDG, UNDP and the World Bank Post-Conflict Needs Assessment and the National Capacity Self Assessment developed by the Global Environment Facility (GEF), UNDP and the United Nations Environment Programme (UNEP) and the Harmonized Approach to Cash Transfers. It has also informed the UNDG Capacity Assessment Methodology. The UNDP Capacity Assessment Methodology is designed to be used in conjunction with these other methodologies and tools in a complementary fashion as described below.

#### 3.1 UNDG Capacity Assessment Methodology

<b>Description</b>	The UNDG Capacity Assessment Methodology consists of a Capacity Assessment Framework, a process and a supporting tool. It provides a structure for discussion about the scale and scope of a capacity assessment exercise, and more generally about a country's capacity development agenda, as contextualized in its national development strategy.
<b>Purpose</b>	The UNDG Capacity Assessment Methodology can be used by UN Country Teams in analyzing capacity assets and needs when supporting a country analysis (Common Country Assessment (CCA)) or preparing the United Nations Development Assistance Framework (UNDAF).
<b>Use in conjunction with the UNDP Capacity Assessment Methodology</b>	The UNDG and UNDP Capacity Assessment Methodologies are quite similar, with slight variations in the core issues and functional capacities included in their capacity assessment frameworks, namely the core issues and functional capacities. While both methodologies can be used to support national partners in systematically assessing and addressing capacity gaps in all areas of development, the UNDG Capacity Assessment Methodology can be used by UN Country Teams in conducting the CCA and preparing the UNDAF, while the UNDP Capacity Assessment Methodology can be used by UNDP Country Offices to support formulation of its Country Programme.

#### 3.2 Millennium Development Goals Needs Assessment

<b>Description</b>	<p>The Millennium Development Goals (MDG) Needs Assessment is a methodology developed by the UN Millennium Project, and adapted by UNDP, to answer the question 'what will it take to achieve the MDGs?' It consists of five distinct analytical steps: 1) Develop a list of interventions; 2) Specify targets for each set of interventions 3) Develop an investment model and estimate resource needs; 4) Estimate synergies across interventions; and 5) Develop a financing strategy.</p> <p>The results of an MDG Needs Assessment provide detailed information on interventions and resources required for planning and budgeting for key MDG sectors.</p>
<b>Purpose</b>	An MDG Needs Assessment aims to quantify the 'needs' for meeting the MDGs in terms of human resources, technical capacities, physical infrastructure and supplies and assets. It takes a sector-driven approach, such as health, education or energy services. To give an example, a health sector needs assessment estimates the number of doctors, nurses, lab technicians, other health professionals, as well as the equipment, and infrastructure required to meet the health MDGs.
<b>Use in conjunction with the UNDP Capacity Assessment Methodology</b>	The UNDP Capacity Assessment Methodology and the MDG Needs Assessment operate in a complementary way. An MDG Needs Assessment focuses on <b>what</b> needs to improve (interventions) and the financial requirements to fund this; a capacity assessment focuses on <b>how</b> the improvements will occur and how much they will cost.

### 3.3 Post-Conflict Needs Assessment

<b>Description</b>	The Post-Conflict Needs Assessment (PCNA) developed by the UNDG, the World Bank and UNDP is a complex analytical process led by national authorities and supported by the international community. It is carried out by multilateral agencies on their behalf, with the closest possible collaboration of national stakeholders and civil society. The needs assessment aims to overcome the consequences of conflict or war, prevent new outbreaks, and shape the short-term and potentially medium-term recovery priorities as well as articulate their financial implications on the basis of an overall long-term vision or goal.
<b>Purpose</b>	The PCNA is used as a first entry point for conceptualizing, negotiating, financing and operationalizing a common shared strategy for recovery and development in fragile, post-conflict settings. A PCNA takes place prior to other assessments and, more generally speaking, the development phase.
<b>Use in conjunction with the UNDP Capacity Assessment Methodology</b>	UNDP's Capacity Assessment Methodology can be used in conjunction with a PCNA in two ways: 1) It can support organizational-level capacity assessments mainstreamed across all sectors of a PCNA 2) It can be used after a PCNA has been conducted and has identified capacity as a development priority. A capacity assessment can then be used to conduct a more targeted and in-depth analysis of desired capacity needs vs. existing capacity assets, the results of which in turn lead to a set of capacity development responses to be implemented during the development phase.

### 3.4 National Capacity Self-Assessment

<b>Description</b>	The National Capacity Self-Assessment (NCSA) is a Global Environment Facility (GEF) programme designed to enable countries to carry out their own systematic assessment of the capacity needed to address priority national and global environmental issues. Over 150 developing countries and countries with economies in transition are currently undertaking an NCSA, with support from the GEF and GEF Implementing Agencies, UNDP and the United Nations Environment Programme.
<b>Purpose</b>	The NCSA appraises the organizational and systemic capacity constraints and opportunities that affect a country's priority environmental management issues. These are considered in the context of sustainable development and the Millennium Development Goals. The NCSA concludes with the preparation of a national capacity strategy and action plan, designed to underpin the country's environmental management and sustainable development programmes and projects.
<b>Use in conjunction with the UNDP Capacity Assessment Methodology</b>	The NCSA methodology is a close adaptation of the UNDP Capacity Assessment Methodology. The participatory process is designed and run by a national team. It draws on existing national planning frameworks and integrates the findings of other strategic priority assessments and plans. From this broad assessment base, the NCSA prepares a country plan for strengthening the foundations of its environmental management and sustainable development programmes. By using the UNDP Capacity Assessment Methodology, follow-up actions are readily integrated with mainstream development planning, the CCA/UNDAF process and the strategies of different international donor agencies.

### 3.5 Harmonized Approach to Cash Transfer (HACT)<sup>6</sup>

<b>Description</b>	The Harmonized Approach to Cash Transfers (HACT) was launched in 2005. HACT introduces a way of managing the process of transferring cash to implementing partners that shifts the focus from a system of rigid controls to a risk management approach. The approach is mandatory to UNDP, UNFPA, UNICEF and WFP (the United Nations Development Group Executive Committee agencies or UNDG ExCom).
<b>Purpose</b>	<p>The HACT aims to:</p> <ul style="list-style-type: none"> <li>• Reduce transaction costs pertaining to the country programmes of the ExCom agencies by simplifying and harmonizing rules and procedures;</li> <li>• Strengthen the capacity of implementing partners to effectively manage resources;</li> <li>• Help manage risks related to the management of funds and increase overall effectiveness.</li> </ul> <p>The approach uses macro and micro assessments, conducted with implementing partners during programme preparation, to determine levels of risk and capacity gaps to be addressed.</p>
<b>Use in conjunction with the UNDP Capacity Assessment Methodology</b>	The HACT addresses one functional capacity of the UNDP Capacity Assessment Framework: the capacity to manage funds delivered as part of a development programme or project from a UN agency. This can be assessed as part of a broader capacity assessment which looks at a variety of other functional and technical capacities (leveraging the HACT macro assessment content); or it can be done as a result of a broad, high-level assessment that has already identified financial management capacities as an area of particular interest (leveraging the HACT micro assessment content).

### 3.6 Other types of assessment

The context and objectives of an assessment determine the appropriate type of analysis. The UNDP Capacity Assessment Methodology should be considered when the focus is capacity. Other types of analysis may be more appropriate in other cases – such as when the focus is on understanding stakeholder positions, redefining organizational structures, reviewing operational functions, or improving business processes. Many of these tools can be used in conjunction with a capacity assessment, either before, during or after, depending on the context and need. Analyses that can complement a capacity assessment include those listed below.

**Table 5: Different Assessment Methodologies and Tools**

<b>Approach</b>	<b>Brief Description</b>
<b>Business process re-engineering</b>	An analysis of a process flow to identify key steps, decision points and bottlenecks and redesign the process to improve efficiency and effectiveness. It is a potential response to a capacity assessment to address the core issue 'Institutional Arrangements'.
<b>Functional review</b>	A review of functional activities either across a number of entities or within one to determine where best the function should be exercised. It is used when it is not clear which entity should perform what function or when an entity is new. A functional review is conducted before a capacity assessment.
<b>Horizon scan</b>	A review of development trends and dynamics and the policy environment in which an entity operates (enabling environment), as well as of its internal procedures, frameworks etc. (organizational level).
<b>MDG Needs Assessment</b>	A mapping of the quantitative and qualitative interventions required to achieve country-adapted MDG targets and an assessment of how much such interventions will cost.
<b>Organizational design</b>	An analysis of an organization's vision, formal structure, roles and responsibilities and culture.
<b>Performance assessment</b>	Assessment against a set of predetermined criteria of the economy, efficiency and effectiveness with which an organization or an individual carries out a particular activity or

<sup>6</sup> Refer to the UNDG Capacity Assessment Methodology User's Guide (UNDG, 2008) for a more detailed description of HACT.

	range of activities. Organizations or individuals may be set regular targets on particular aspects of their performance—financial returns, efficiency, quality of services supplied, etc.—against which their performance is monitored and evaluated <sup>7</sup> . [adapted from OECD, August 2008]
<b>Risk analysis</b>	A review of a system or organization to define operational and financial risks; primarily for implementing partners. It is conducted to identify capacity gaps before the implementation of a capacity development response. A capacity assessment can be conducted after a risk analysis to drill down deeper on some capacities identified.
<b>Stakeholder analysis</b>	A mapping of key stakeholders and their position vis-à-vis an entity's objectives (degree of support, power etc.). It can be used to identify which stakeholders to include in the capacity assessment.
<b>SWOT</b>	A tool to analyze the strengths and weaknesses internal to an organization (organizational level) and the opportunities and threats posed by the organization's environment (enabling environment). It was initially designed as a tool to understand an entity's positioning vis-à-vis its competitors but has since been adapted for use in a development context. It is a variation on a capacity assessment.
<b>Training needs assessment</b>	Collection and analysis of organizational, occupational and individual competencies critical to performance. Analysis of desired vs. existing performance leads to definition of training programmes to respond to the gap between the two.

#### 4. Lessons learnt

##### Available resources

- “Capacity Assessment in Action – Learning from Experience”

The UNDP Capacity Assessment Methodology has been applied in a range of contexts and for a variety of purposes. While each capacity assessment is different, some common lessons can be drawn from these experiences:

- **Adapt to the local context and needs.** While the UNDP Capacity Assessment Methodology can provide a useful starting point for discussion, it does not offer a blueprint. It can just as well be used to guide one-on-one informal interviews and open forum workshops as it can be used for self-assessments. Don't feel intimidated by the UNDP Capacity Assessment Framework. It is only meant to help structure your thoughts and think through actions systematically. The framework can be condensed or expanded as needed.
- **Build in enough time to mobilize stakeholders and design the assessment.** These are often the most time-consuming and most important activities since they include setting priorities. If well managed, this step leads to a well-designed assessment with all stakeholders on board.
- **Ensure sufficient time for the collection of data & information.** Sources may not always be readily available, so the assessment work plan should build in plenty of time for this activity. Other reviews or documents, such as the report of a functional review or another type of assessment, can support this effort. There is no need to ‘reinvent the wheel’ or duplicate what others have already done.
- **Ensure local ownership.** The findings of a capacity assessment will only be used if they and the process are locally owned. But facilitation by an external party, such as a national or an international consultant, can be useful to ensure objectivity.
- **Be creative.** Conducting a capacity assessment may seem daunting at first, but it need not be complex. For example, a quick assessment can address many topic areas at a high level or target just a few specific areas. The first approach is useful when there is a lack of clarity or agreement on what to include in the assessment of give priority for investment. The second is useful when the focus

<sup>7</sup> Adapted from OECD (2008)

is already clear. In that case, the assessment team and stakeholders may choose to assess only a few cross sections of the framework.

- **Wait till the end to prioritize a capacity development response and follow-up actions.** This will help prevent the process from being hijacked by stakeholder interests.

## 5. Tactical Considerations

While capacity assessments are desirable and fulfill a key need, there are certain operational and attitudinal constraints that can emerge in the course of the assessment and may result in rejection of the findings or undesired results. These issues include:

- **Assessment fatigue** – Assessments are a common aspect of any organizational planning or programming process and so many people are likely to have participated in an assessment of one sort or another (performance assessments, project evaluations and so on). When they are time consuming and seem to produce few concrete results, people lose enthusiasm for the process. This risk is even greater in situations where coordination among donors and development partners is limited. If this 'assessment fatigue' occurs, consider conducting a focused assessment of the issues that consistently block progress, rather than a comprehensive one. This helps ensure a close connection between the issues under assessment and the participants.
- **Skepticism about the value and validity of results** – To avoid skepticism and build consensus, it is important to keep clients, stakeholders and participants engaged from the outset. Encouraging openness and honesty, which includes communicating regularly about the findings, helps ensure fairness and acceptance of the procedures and rules.
- **Suspicion about the use of assessment results** – Capacity assessments should be considered a normal part of good management and of a strategy for improving capacities and performance, but sometimes they are perceived as a tool of senior management for re-profiling and retrenchment. Ensuring stakeholder engagement is one way to deal with this. It may also help to focus on the enabling environment rather than the organizational level of capacity. This puts some distance between the assessment and participants' direct context, which may help reduce suspicion. Addressing 'capacity for why?' helps clarify the purpose of the assessment and identify which stakeholders may have reservations about the process and why.
- **Disconnect between assessment findings and the capacity development response** – A capacity development response should not be designed on the basis of 'guesstimates' of capacity gaps but on the assessment's concrete findings. It is therefore important to pay close attention from the outset to the link between capacity assessment results and a potential capacity development response. It is also important to avoid sweeping generalizations that cannot be translated into practical actions. This could undermine the credibility of the exercise and compromise the 'actionability' of results.
- **Facilitation level** – A balance is needed between too much and too little process facilitation: too much may lead to coached outcomes; too little may result in an unrealistic wish list of capacity development actions. Ensuring that the process is driven from the inside and owned by relevant stakeholders helps address this issue.

## SECTION V: THE EXCEL-BASED SUPPORTING TOOL

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UNDP has developed an Excel-based Supporting Tool to facilitate the use of the UNDP Capacity Assessment Methodology. The tool is a spreadsheet that guides a capacity assessment team through Step 2 ('Assess Capacity Assets and Needs') and Step 3 ('Formulate a Capacity Development Response') of the capacity development process, as described in Sections II and III above.

It can be considered as one of many possible ways to capture and report on the inputs of a capacity assessment and facilitate a dialogue on a capacity development response. Another way, for example, is to use capacity assessment worksheets.

The Supporting Tool can be used to capture quantitative data as well as qualitative information and can generate a summary report of the assessment. It then carries the team through the process of defining a capacity development response, developing indicators for the response and costing it.

Following are step-by-step instructions for using the Supporting Tool, along with select screen captures from the Tool. The Tool can be found using the following link:

<http://www.capacity.undp.org/index.cfm?module=Library&page=Document&DocumentID=6021>

### 1. Step 2 of the capacity development process: assess capacity assets and needs

#### Mobilize and design

During the 'mobilize and design' phase, the Supporting Tool can be used to capture the questions to be asked for each of the cross sections of point of entry, core issue and capacity included in the assessment.

Open the 'Assess Capacity' tab in the Supporting Tool (see Figure 6 below).

Click on the drop down menus (starting with cell K6 and K9) to select core issues and points of entry. Repeat this for each combination of core issue and point of entry as determined by the assessment team (continuing in cells K56 and K59, K106 and K109, etc.), up to 8 combinations (two points of entry by four core issues). The Supporting Tool begins with Institutional Arrangements and Enabling Environment, but any combination can be selected and in any order (a text box will appear if a combination has already been selected in the worksheet). All five functional capacities are automatically included for each combination of point of entry and core issue, but it is not necessary to include all five functional capacities in any given assessment. Additional core issues and/or capacities can be added as needed.

For each cross section of point of entry, core issue, and functional capacity selected, an overall question is automatically generated (cells L19, L26, L33, L40, L47 for the first combination of point of entry and core issue, and continuing below for each cross section). As stated above, the team may use this overall question as a point of departure to formulate additional questions; or the team may need to redirect the line of questioning depending on the needs and expectations of the client. The team enters additional questions by typing them in the green-colored cells that appear (starting in L20-24). If desired, the default questions that are automatically populated into the tool can be ignored (they cannot be deleted).

At the end of this step, the assessment team will have the scale and scope of the assessment defined and assessment questions documented.

Figure 6. Mobilize and design

	J	K	L	M	N	O	P
4							
5		<b>Core Issue</b>					
6		<b>Institutional Arrangements</b>					
7							
8		<b>Point of Entry</b>					
9		<b>Enabling Environment</b>					
10							
11		<b>Summary Rating</b>					
12		4.00					
13							
14		<b>Capacity Questions</b>		<b>Assess Capacity</b>			
15							
16		<b>Functional Capacity</b>	<b>Questions</b>	<b>Desired Level</b>	<b>Existing Level</b>	<b>Evidence (Narrative)</b>	
17				(1-5)	(1-5)		
18		Engage Stakeholders		4.00	3.33		
19			Do authorities have the capacity to develop policies and legal and regulatory frameworks and mechanisms that ensure multi-stakeholder participation?	4.00	4.00		
20					3.00		
21					3.00		
22							
23							
24							
25		Assess a Situation and Define a Vision and Mandate					
26			Do authorities have the capacity to frame, manage and interpret a comprehensive analysis of the policy and legal environment? Do authorities have the capacity to create a vision for fair and equitable policies and legal and regulatory frameworks and mechanisms?				
27							
28							
29							
30							
31							
32		Formulate Policies and Strategies		4.00			
33			Do authorities have the capacity to develop policy, legal and regulatory frameworks and mechanisms?	4.00			
34							
35							
36							
37							
38							
39		Budget, Manage and Implement					

Conduct the capacity assessment

When conducting the capacity assessment the Supporting Tool can be used to capture quantitative data and qualitative information about each question included during the 'mobilize and design' phase.

For each question, including those that have been automatically generated (if the team has decided to use them) and those added by the team, those conducting the assessment enter a quantitative ranking (using a ranking scheme already agreed upon) and/or qualitative evidence. If making a quantitative assessment, enter number into column N. If making a qualitative assessment, provide anecdotal information in column O (See Figure 6 above).

The average score for all questions within a functional capacity is calculated (example: cell N18). The average score for all functional capacities is then calculated to provide an overall rating for the cross section (example: cell K12).

At the end of this step, the assessment team will have quantitative and/or qualitative input for each question; if the team has gathered quantitative input, it will also have an average ranking by cross section and by combination of point of entry and core issue across all functional capacities.

Summarize and interpret results

When summarizing and interpreting the results of the assessment, the Supporting Tool can be used to provide a summary of quantitative input for each cross section of point of entry, core issue and functional capacity selected.

Open 'B. Review Summary' tab to see summary of cross section quantitative ratings (See Figure 7 below). The ratings for the existing level of capacity are transferred from the previous sheet. The ratings for the desired level of capacity should be added here. The level of desired capacity can be determined by those doing a self-assessment. It can also be determined by the technical reference group or the primary client.

Figure 7. Summarize and interpret results

Point of Entry Enabling Environment	CAPACITY ASSESSMENT									
Core Issues	Functional Capacities									
	Engage Stakeholders		Assess a Situation & Define a Vision and Mandate		Formulate Policies & Strategies		Budget, Manage & Implement		Evaluate	
	Desired Level	Existing Level	Desired Level	Existing Level	Desired Level	Existing Level	Desired Level	Existing Level	Desired Level	Existing Level
1.0 Institutional Arrangements	4.00	3.33	4.50	3.50	4.00	3.50	4.50	2.50	3.50	3.00
2.0 Leadership										
3.0 Knowledge										
4.0 Accountability										
<b>Overall</b>	<b>4.00</b>	<b>3.33</b>	<b>4.50</b>	<b>3.50</b>	<b>4.00</b>	<b>3.50</b>	<b>4.50</b>	<b>2.50</b>	<b>3.50</b>	<b>3.00</b>
Difference	0.67		1.00		0.50		2.00		0.50	
Point of Entry Organisational	CAPACITY ASSESSMENT									
Core Issues	Functional Capacities									
	Engage Stakeholders		Assess a Situation & Define a Vision and Mandate		Formulate Policies & Strategies		Budget, Manage & Implement		Evaluate	
	Desired Level	Existing Level	Desired Level	Existing Level	Desired Level	Existing Level	Desired Level	Existing Level	Desired Level	Existing Level
1.0 Institutional Arrangements							4.00	3.50	5.00	3.50
2.0 Leadership										
3.0 Knowledge										
4.0 Accountability	4.00	2.00	3.00	1.00	5.00	4.00				
<b>Overall</b>	<b>4.00</b>	<b>2.00</b>	<b>3.00</b>	<b>1.00</b>	<b>5.00</b>	<b>4.00</b>	<b>4.00</b>	<b>3.50</b>	<b>5.00</b>	<b>3.50</b>
Difference	2.00		2.00		1.00		0.50		1.50	

This summary table can be used to promote discussion among a variety of stakeholders and adjust the findings to take into account varying perspectives, to build consensus on priority capacity needs, and to help shape a way forward to formulating capacity development responses.

At the end of this step, the assessment team will have an understanding of the nature of the gap between the level of desired capacity and the level of existing capacity.

## 2. Step 3 of the capacity development process: formulate a capacity development response

### Define the capacity development response

In this step the Supporting Tool can be used to capture short-term and medium-term capacity development actions to reflect the gaps and priorities identified during the assessment.

Open 'C. Define CD Response' tab (See Figure 8 below).

The capacity questions and capacity level ratings are automatically carried forward from the tab A ('Assess Capacity' – in the exact order in which they appear in A (they cannot be edited in Tab C). At either the level of individual questions within each cross section or at the level of the overall cross section, define and enter strategic initiatives (column G) and quick impact activities (column H).

At the end of this step the tool will have captured short-term and medium-term capacity development strategies.

Figure 8. Define a capacity development response

	A	B	C	D	E	F	G	H	I
4									
5		<b>Core Issue</b>							
6		<b>Institutional Arrangements</b>							
7									
8		<b>Point of Entry</b>							
9		<b>Enabling Environment</b>							
10									
11		<b>Summary Rating</b>							
12		<b>4.10</b>							
13									
14		<b>Capacity Questions</b>		<b>Capacity Level</b>		<b>Define Capacity Development Response</b>			
15		<b>Functional Capacity</b>	<b>Questions</b>	<b>Desired Level</b>	<b>Existing Level</b>	<b>Strategic Initiatives</b>	<b>Quick Impact Activities</b>		
16		Engage Stakeholders	Do authorities have the capacity to develop policies and legal and regulatory frameworks and mechanisms that ensure multi-stakeholder participation?	4.00	3.33				
17				4.00	4.00				
18					3.00				
19					3.00				
20									
21		Assess a Situation and Define a Vision and Mandate	Do authorities have the capacity to frame, manage and interpret a comprehensive analysis of the policy and legal environment? Do authorities have the capacity to create a vision for fair and equitable policies and legal and regulatory frameworks and mechanisms?	4.50	3.50				
22				4.50	3.50				
23									
24									
25									
26									
27									
28									
29									
30									
31									

Define indicators of progress for a capacity development response

In this step the Supporting Tool is used to capture indicators for short-term and medium-term capacity development actions that combine to form the capacity development response, including the indicator, the baseline and the target for an agreed period of time.

Move to 'D. Define Indicators' tab (See Figure 9 below).

Figure 9. Define indicators for a capacity development response

	A	B	C	D	E	F	G	H	I	J	K	L	M
1		requires user input											
2		cells automatically populated											
3													
4													
5		<b>Core Issue</b>											
6		<b>Institutional Arrangements</b>											
7													
8		<b>Point of Entry</b>											
9		<b>Enabling Environment</b>											
10													
11		<b>Summary Rating</b>											
12		<b>4.10</b>											
13													
14		<b>Capacity Questions</b>		<b>Capacity Level</b>		<b>Capacity Development Response</b>			<b>Define Progress Indicators -- Capacity Development Response</b>				
15		<b>Functional Capacity</b>	<b>Questions</b>	<b>Desired Level</b>	<b>Existing Level</b>	<b>Strategic Initiatives</b>	<b>Quick Impact Activities</b>	<b>Indicator</b>	<b>Baseline</b>	<b>Target</b>			
16		Engage Stakeholders	Do authorities have the capacity to develop policies and legal and regulatory frameworks and mechanisms that ensure multi-stakeholder participation?	4.00	3.33								
17				4.00	4.00								
18					3.00								
19					3.00								
20													
21													
22													
23													
24													

The capacity questions, capacity level ratings, strategic initiatives and quick impact activities are automatically carried forward from tabs A and C – again, in the exact order in which they appear in those tabs. Define and enter indicators for each capacity development action that combine to form a capacity development response, along with baseline data and targets.

Cost a capacity development response

In this step the Supporting Tool can be used to capture activity-based costs for each short-term and medium-term capacity development action that combine to form the capacity development response.

Open 'E. Cost CD Response' tab (See Figure 10 below).

**Figure 10. Cost a capacity development response**

	B	C	D	E	F	G	H	I	J	K
4										
5	<b>Core Issue</b>									
6	<b>Institutional Arrangements</b>									
7										
8	<b>Point of Entry</b>									
9	<b>Enabling Environment</b>									
10										
11	<b>Summary Rating</b>									
12	<b>4.10</b>									
13										
14	<b>Capacity Questions</b>			<b>Capacity Level</b>		<b>Capacity Development Response</b>				<b>Cost Capacity Development Response</b>
15										
16	<b>Functional Capacity</b>		<b>Questions</b>		<b>Desired Level</b>	<b>Existing Level</b>	<b>Strategic Initiatives</b>		<b>Quick Impact Activities</b>	
17	Engage Stakeholders		Do authorities have the capacity to develop policies and legal and regulatory frameworks and mechanisms that ensure multi-stakeholder participation?		4.00	3.33				
18					4.00	4.00				
19						3.00				
20						3.00				
21										
22										
23										
24	Assess a Situation and Define a Vision and Mandate		Do authorities have the capacity to frame, manage and interpret a comprehensive analysis of the policy and legal environment? Do authorities have the capacity to create a vision for fair and		4.50	3.50				
25					4.50	3.50				
26										
27										
28										
29										
30										
31										

The capacity questions, capacity level ratings, strategic initiatives and quick impact activities are automatically carried forward from previous tabs – again, in the exact order in which they appear in those tabs. Calculate costs (outside of the Tool) and enter this amount for each capacity development strategy (column J).

## SECTION VI: FREQUENTLY ASKED QUESTIONS

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### 1. General questions

#### a. What are the benefits of a capacity assessment?

- A capacity assessment brings rigour and a systematic yet adaptable method to:
  - Determining desired capacities (capacity needs) and assessing existing capacities (capacity assets)
  - Establishing capacity development priorities
  - Prioritizing capacity development interventions (as opposed to wishful shopping lists)
- It provides the starting point for formulating a capacity development response. It helps priorities capacity needs at two levels: longer-term strategic initiatives and quick impact initiatives that demonstrate results to political constituencies and help win fast-track approval.
- It establishes capacity baselines for measuring, monitoring and evaluating progress in capacity development.
- It is generally based on self-perception. Staff members, not outside assessors, conduct the assessment, so that people do not perceive it as an individual performance assessment or an audit.

#### b. What are the limitations of a capacity assessment?

- A capacity assessment is a tool, not a solution.
- It does not necessarily generate 'surprises', but rather provides a basis for confirmation and consensus.
- The 'desired' capacities do not emerge from the capacity assessment but are defined before the assessment is conducted. The assessment then helps analyze the gap between what is desired and what exists. The capacity assessment framework will be of limited use in designing a solution if the desired capacities are not properly defined.
- A capacity assessment requires an understanding of the political and cultural context and a clear rationale for defining desired capacities.

#### c. When to conduct a capacity assessment?

A capacity assessment may be conducted at different points of the planning or programming cycle. It can be used, for instance, when preparing a national, sector or local development strategy or plan, conducting a Common Country Assessment (CCA), preparing a United Nations Development Assistance Framework (UNDAF) or a UNDP Country Programme. Often, capacity assessments are conducted in response to a felt and expressed need for capacity development, for example, at the level of the government as a whole, a specific sector, an administrative unit (district, municipality) or a single organization. Such assessments are conducted to determine or clarify what types of capacity need to be addressed and how. They can be prepared in advance or be made the first phase of a programme or project to establish or confirm its direction. If a capacity assessment was not conducted during formulation of a strategy, programme or project, it can be initiated during implementation or even during the review stage if there is to be a follow up on the programme.

#### d. Why conduct a capacity assessment?

Capacity assessments can serve a number of different purposes in the context of any of the situations discussed under question c above. They can: provide a starting point for formulating a capacity development response; act as a catalyst for action; confirm priorities for action; build political support for an agenda; offer a platform for dialogue among stakeholders; and provide insight into operational hurdles in order to unblock a programme or project.

#### e. How can a capacity assessment feed the design of a programme or project?

A capacity assessment can feed the design of a programme or project in two ways:

- A quick assessment can be conducted as part of the programme or project formulation stage; or
- A comprehensive and lengthy assessment can be conducted that is a project in itself. This would be a stand-alone effort, but within the context of a larger capacity development agenda. Its

findings should eventually lead to the design of a new programme or project or the enhancement of an existing programme or project.

**f. What is the 'value added' of the UNDP Capacity Assessment Methodology?**

The UNDP Capacity Assessment Methodology provides:

- A **structure** for discussion about the scale and scope of a capacity assessment and more generally about a capacity development agenda;
- A systematic **process** for assessing capacity assets and needs and formulating a capacity development response;
- **Resources and tools** to support a capacity assessment including **content** for assessing functional capacities along points of entry and core issues.

**g. What is the link between the UNDP Capacity Assessment Methodology and the MDG Needs Assessment?**

The UNDP Capacity Assessment Methodology and the MDG Needs Assessment operate in a complementary way. An MDG Needs Assessment focuses on **what** needs to improve (interventions) and the financial requirements to fund this; a capacity assessment focuses on **how** the improvements will occur. Capacity assessments can be worked on simultaneous to and as part of an MDG Needs Assessment in analyzing and presenting a more comprehensive and integrated programme and resource response. When linking capacity assessments with development strategies and plans, it is usually not possible to create a one-to-one map between a capacity gap and a desired development outcome.

**h. How to address political will using the UNDP Capacity Assessment Methodology?**

The UNDP approach to capacity development places a lot of emphasis on the engagement of stakeholders, not just at the beginning of the process but throughout. Similarly, the first step of the capacity assessment process focuses on the mobilization of relevant stakeholders. Conducting a capacity assessment can help strengthen political will for supporting capacity development investments, by showing in a rigorous and systematic way what the capacity gaps and assets are that need to be addressed.

**i. Where has the UNDP Capacity Assessment Methodology been used?**

The UNDP Capacity Assessment Methodology has now been used in more than 30 countries around the world in a wide range of contexts and for a variety of purposes. For lessons learnt, case stories and other materials, please visit [www.capacity.undp.org](http://www.capacity.undp.org).

**j. Where to learn more about the UNDP Capacity Assessment Methodology?**

If you would like to learn more about the UNDP Capacity Assessment Methodology you may wish to consult the UNDP Practice Note on Capacity Assessment that is available on [www.capacity.undp.org](http://www.capacity.undp.org). UNDP staff can also take the self-paced online course on Capacity Assessment that is available through the UNDP Learning Management System.

**2. The UNDP Capacity Assessment Framework**

**a. What is the link between the enabling environment and the organizational level? Where do institutions fit in?**

The organizational level of capacity comprises the internal policies, arrangements, procedures and frameworks that allow an organization to operate and deliver on its mandate, and that enable the coming together of individual capacities to work together and achieve goals. The enabling environment describes the broader system within which individuals and organizations function and that facilitates or hampers their existence and performance. This system comprises 'institutions'. According to Douglas North, these 'are made up of formal constraints (rules, laws and constitutions),

informal constraints (norms of behaviour, conventions, and self imposed codes of conduct) and their enforcement characteristics.'

**b. What do the core issues represent?**

The core issues represent the capacity issues that UNDP's empirical evidence suggests to be most commonly encountered within and across a variety of sectors and themes. Put differently, they are the four areas where capacity change happens most frequently. They provide a comprehensive set of issues from which an assessment team can choose as it defines the scope of an assessment and against which to check the issues already identified. They can also drive the formulation of a capacity development response. Not all four will necessarily need to be analysed in any given assessment but the assessment team should at least consider all of them as it defines the scope of the assessment. They can be amended based on the needs of the client and the situation.

**c. What are functional capacities?**

Functional capacities are 'cross-cutting' capacities that are relevant across various levels and are not associated with one particular sector or theme. They are the management capacities needed to formulate, implement and review policies, strategies, programmes and projects. Since they focus on 'getting things done', they are of key importance for successful capacity development regardless of the situation. The five functional capacities that UNDP emphasizes are: 1) engage stakeholders; 2) assess a situation and define a vision and mandate; 3) formulate policies and strategies; 4) budget, manage and implement; and 5) evaluate.

**d. What are technical capacities?**

Technical capacities are those associated with particular areas of expertise and practice in specific sectors or themes. As such, they are closely related to the sector or organization in focus. The UNDP Capacity Assessment Framework can be expanded to include technical capacities as required. For example, an assessment may examine skills and systems for public financial management, or review specific disciplines such as climate change, HIV/AIDS, legal empowerment or elections.

**e. Should an assessment cover all cross sections of the UNDP Capacity Assessment Framework?**

The UNDP Capacity Assessment Framework can help structure a discussion on capacity development priorities and can be leveraged as a point of departure for a capacity assessment. But it is not a blueprint and need not be used in its entirety. During the 'mobilize and design' phase, the assessment team, together with the primary client and other stakeholders, determines the scale and scope of the assessment and selects which cross sections of point of entry, core issue and the capacity to include. The UNDP Capacity Assessment Framework can be made as 'light' or 'heavy' as the situation requires.

**3. The process for conducting a capacity assessment**

**a. How long does a 'typical' capacity assessment take?**

The UNDP Capacity Assessment Methodology should always be adapted to local needs, so there is no 'typical' assessment. How long the assessment takes depends on its purpose, scale and scope. There are examples of assessments taking just a couple of days and others taking nearly a year.

Generally, the more core issues and capacities included, the longer the assessment. The length of the process also increases with the amount of operational detail covered and the number of actors included. For example, collecting inputs from all departments in a ministry will require more time than collecting inputs from just one department.

**b. How much does it cost to conduct a capacity assessment?**

Since every capacity assessment is unique, it is not possible to provide an estimate of how much an assessment will cost. The costs will depend on the scale and scope of the assessment, its geographic coverage, and the location. Potential costs to include in the assessment budget are:

salaries of local and external experts that are part of the assessment team; renting a location for meetings & workshops; stationery; travel expenses; translation costs (if the assessment is conducted in a local language); reproduction of materials; costs for surveying or data gathering.

**c. How to determine the scope of an assessment when the assessment is supposed to set the areas of focus?**

When there is no clarity or agreement on the scope of the capacity assessment or priority areas for investment, a high-level review of all potentially relevant core issues and capacities can be useful, or a quick mapping of key challenges and priorities. This provides insights into relative capacity levels and provides the starting point for a dialogue with primary clients and stakeholders to scope the capacity assessment in more detail. Remember that such a dialogue should always be a key part of the 'mobilise and design' phase, even if there is already broad agreement on the assessment's scale and scope.

**d. Should an assessment always include both quantitative and qualitative inputs?**

Quantitative and qualitative inputs both have their pros and cons. A capacity assessment should therefore ideally generate both a quantitative ranking of capacity and qualitative information to support this ranking. During the 'mobilize & design phase', the assessment team should decide what will be feasible, based on how accessible and reliable different inputs are and how they will be used.

**e. How can a capacity assessment be conducted without access to certain data and information sources?**

The success of a capacity assessment depends in large part on the quality and availability of data & information. While a capacity assessment team should always try to build off the data & information that is already available, it should be creative in collecting additional inputs (conducting field-based interviews, leveraging representative samples, using observational techniques). The team can also design proxies for indicators for which limited or no data or information is available.

**f. What if there are no local human resources or capacities to conduct the capacity assessment?**

If at all possible, a capacity assessment exercise should be conducted by local experts, not international consultants. This strengthens ownership of the process, helps generate more insightful findings, builds commitment to results and along the way develops capacity for planning and programming. If local experts are not available, international support can be leveraged to conduct the exercise, but this should be carefully managed in terms of providing inputs and directing the outcomes. Local sponsors and stakeholders should always be involved from the outset. An ongoing dialogue between them and the international consultants should be built into the process. When using international consultants, it is recommended to pair them with national consultants as a way of strengthening national expertise and deepening the understanding of the context.

**g. How to interpret capacity assessment results?**

Once a capacity assessment has been completed for selected cross sections, the assessment team compares the level of desired capacity against the level of existing capacity. This comparison helps the team determine whether the existing capacity level is sufficient or needs improvement, which in turn helps determine where to focus the capacity development response. When interpreting the assessment results, the team should try to discern patterns in capacity gaps to identify whether a gap is consistent across a core issue or across a specific capacity.

**h. How to move from the findings of a capacity assessment to the formulation of a capacity development response?**

The interpretation of capacity assessment results discussed in question h above creates the bridge between assessment and response formulation.

**i. Who decides which capacity development responses to prioritize? Is this done before or after costing?**

It is the responsibility of the assessment team to conduct the assessment and make recommendations regarding capacity development responses, including a sense of indicators and costing. It should not, however, be the responsibility of the assessment team to prioritize recommendations. It is expected that the stakeholder/sponsor group will determine prioritization. It is suggested to keep this to the end to prevent the process from being hijacked by stakeholder interests and ensure that the responses are not based on assumptions but on actual assessment findings. The prioritization of capacity development responses is often done in tandem with the costing exercise. If the costing exercise shows that the budget envelope for capacity development is too small to cover all proposed actions, it may be necessary to re-prioritize, which may lead to another round of costing.

#### **4. Supporting Tools**

##### **a. Can an assessment be conducted without using the Excel-based Supporting Tool?**

Yes, you do not necessarily have to use the Excel-based Supporting Tool. It is just one of many ways to structure the collection of data & information and to summarize and interpret the findings of the assessment. If you do not have a computer at hand, or if you do not feel comfortable using a spreadsheet, you can just as well use a simple paper worksheet.

##### **b. What other supporting tools are available?**

In addition to this User's Guide, there are a number of other supporting tools available such as sample Terms of Reference for a scoping mission and for a national consultant, sample assessment worksheets, and sample self-assessment questionnaires. As discussed in Section IV.2, for the different thematic applications of the UNDP Capacity Assessment Methodology there are checklists, worksheets and assessment tools available.

## SECTION VII: QUESTIONS AND INDICATORS BY CORE ISSUE

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### 1. Key operational considerations

The **questions** provided in this User's Guide are intended to serve as thought-starters. Given the contextual demands of any assessment, it is expected that these questions will be adapted, added to and/or deleted, to address context-specific needs. Some questions represent a 'bundle' of questions and may need to be unbundled before being addressed. Depending on the approach the assessment team has decided to pursue – quantitative and/or qualitative – the questions will need to be adapted accordingly; for example, the more open-ended questions are appropriate for a qualitative assessment, but will need to be made more closed for a quantitative assessment. Finally, the questions are not intended to represent an exhaustive set of questions for any capacity assessment.

Illustrative questions for each cross section of point of entry, core issue and functional capacity fall in three categories:

- **Overall questions** provide a point of departure for discussion on a specific cross section of point of entry, core issue and functional capacity;
- **Additional questions** represent potential areas for exploration for a specific cross section. These may be included in a capacity assessment if the assessment team thinks it is appropriate;
- **Additional areas of exploration** are included for several cross sections. They are additional dimensions of capacity that may be explored in an assessment. They serve as thought-starters for the assessment team as it determines the scope and scale of the assessment and formulates questions to assess capacity.

References to 'authorities' at the enabling environment level should be tailored to relevant national and/or local players, as appropriate.

A team should strive to define **indicators** that are SMART: **S**pecific, **M**easurable, **A**ttainable, **R**elevant and **T**ime bound.

Illustrative indicators for each cross section of point of entry, core issue and functional capacity are found below. Similar to the illustrative questions, the indicators are meant to be illustrative of the various types of indicators (output, outcome, impact) that could be applied and need to be adapted by the assessment team. It should be noted that there is not a one-to-one relationship between the questions and indicators included here and that the indicators can be reconfigured into questions to ask during the assessment, and vice versa. The 'hierarchy' of indicators in this User's Guide is mixed:

- Some indicators are broad and qualitative, while others are more specific and easy to measure. For those that are broad or qualitative, the assessment team needs to make them SMART in the context of the capacity development effort that is being supported.
- Some indicators are applicable across many core issues; others are more targeted to specific issues. For those that are more general, the assessment team needs to make them more specific to the issues under assessment.

Each Core Issue section can be used alone or in conjunction with other Core Issue sections, depending on the scale and scope of the assessment as determined during the mobilize and design step.

## 2. Template

<b>Core Issue</b>	
<b>Context</b>	per UNDP Practice Note on Capacity Assessment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	
<b>Additional Questions:</b>	
<b>Indicators</b>	
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	
<b>Additional Questions:</b>	
<b>Indicators</b>	
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	
<b>Additional Questions:</b>	
<b>Indicators</b>	
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	
<b>Additional Questions:</b>	
<b>Indicators</b>	
<b>Evaluate</b>	
<b>Overall Question:</b>	
<b>Additional Questions:</b>	
<b>Indicators</b>	

## 3. Indicator Sources

**Arial Black:** UNDP/BDP Resource Catalogue on Measuring Capacities: An Illustrative Catalogue to Benchmarks and Indicators, September 2005

**Arial Italics Black:** UNDP Practice Note on Capacity Development, September 2006

**Arial Italics Red:** Organizational Assessment Tool, December 2005

**Arial Italics Blue:** UNDG Working Group on Capacity Development, March 2006

**Arial Italics Purple:** Other

#### 4. Questions and indicators by core issue and level of capacity

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<b>Core Issue</b>	<b>1.0 Institutional Arrangements</b>
<b>Context</b> (per UNDP Practice Note on Capacity Assessment)	Institutional arrangements refer to the policies, procedures and processes that countries have in place to legislate, plan and manage the execution of development, rule of law, measure change and such other functions of state. By its nature, the issue of institutional arrangements shows up in every aspect of development and public sector management. Whether these are ministries of finance or planning, or offices of disaster risk reduction, or whole sectors such as justice and health, the imperative of functioning and efficient institutional arrangements remains a strong driver of capacity and therefore, ultimately, performance. Also by its nature, the parameters of change within institutional arrangements often lie in all three capacity levels. Human resources management, for example, is inextricably linked at all levels – at the level of the individual, at the level of the organization/sector, and then at the level of the enabling system such as through their centrality within civil services by-laws etc...

### 1.1 Institutional arrangements – Enabling environment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop policies and legal and regulatory frameworks and mechanisms that ensure multi-stakeholder participation?
<b>Additional Questions:</b>	Do authorities have the capacity to engage domestic and external stakeholders in the process of developing policies and legal and regulatory frameworks and mechanisms that ensure multi-stakeholder participation?
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) among domestic institutions to discuss formulation and implementation of the government's policy and legal framework.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between and among domestic and external stakeholders.</i></li> <li>▪ <i>Clarity of policy and legal framework to domestic and external stakeholders.</i></li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to frame, manage and interpret a comprehensive analysis of the policy and legal environment? Do authorities have the capacity to create a vision for fair and equitable policies and legal and regulatory frameworks and mechanisms?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact.</i></li> <li>▪ <i>Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to government's policy and legal framework.</i></li> <li>▪ <i>Existence of clear 'rules of the game' and safeguards that establish legitimate domestic partners and policy processes as leading on policy choice.</i></li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop policy, legal and regulatory frameworks and mechanisms?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into government's policy and legal framework.</i></li> <li>▪ <i>Existence of policy and legal framework that is independent, impartial and fair.</i></li> <li>▪ <i>Existence of long-term strategic choices on policy and legal frameworks.</i></li> </ul>
<b>Budget, Manage and Implement</b>	

<b>Overall Question:</b>	Do authorities have the capacity to develop policy, legal and regulatory frameworks and mechanisms that support an integrated approach to budgeting and implementation?
<b>Additional Questions:</b>	<ul style="list-style-type: none"> <li>Do authorities have the capacity to budget, manage and implement programmers to develop policies and legal and regulatory frameworks and mechanisms (including the capacity to monitor)?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Extent to which policy and legal framework contributes to achievement of overall goals and strategies.</li> <li>Alignment of policy and legal framework with government's mission and priorities; and managerial capacities.</li> <li>Clarity and awareness of policy and legal framework among leaders.</li> <li>Existence of monitoring guidelines, procedures etc.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop policies and legal and regulatory frameworks and mechanisms for evaluation?
<b>Additional Questions:</b>	<ul style="list-style-type: none"> <li>Do authorities have the capacity to evaluate the development and implementation of policies and legal and regulatory frameworks and mechanisms?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Existence of evaluation guidelines, procedures, etc.</li> <li>Extent to which legal profession is subject to disciplinary measures.</li> <li><i>Degree of 'rule of law,' equality of citizens, access to justice.</i></li> <li><i>Level of corruption.</i></li> <li><i>Existence of legal framework for processing complaints about public sector performance issues.</i></li> </ul>

## 1.2 Institutional arrangements – Organizational level

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop policies, frameworks and mechanisms that ensure multi-stakeholder participation?
<b>Additional Questions:</b>	<ul style="list-style-type: none"> <li>Does the organization have the capacity to lead stakeholders through the process of developing policies and legal and regulatory frameworks and mechanisms that ensure multi-stakeholder participation?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li><i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between the organization and relevant domestic and external stakeholders to discuss formulation and implementation of the organization's policy and legal framework.</i></li> <li><i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between the organization and domestic and external stakeholders.</i></li> <li>Clarity of the organization's policy and legal framework to domestic and external stakeholders.</li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to frame, manage and interpret a comprehensive analysis of the policy and legal environment? Does the organization have the capacity to create a vision for fair and equitable policies, frameworks and mechanisms?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on the organization.</li> <li>Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the organization's policy and legal framework.</li> <li><i>Existence of clear 'rules of the game' and safeguards that establish legitimate policy processes as leading on policy choice</i></li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall</b>	Does the organization have the capacity to develop policies, frameworks and

<b>Question:</b>	mechanisms that provide a consistent referent for operations?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into the organization's policy and legal framework.</i></li> <li>▪ Existence of policy and legal framework that is independent, impartial and fair.</li> <li>▪ <i>Existence of long-term strategic choices on policy and legal frameworks.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop policies, frameworks and mechanisms that support an integrated approach to budgeting and implementation?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Create a working environment free from corruption?</li> <li>• Develop and use policies, frameworks and mechanisms for evaluation?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Extent to which organizational policy and legal framework contributes to achievement of the organization's goals and strategies.</li> <li>▪ Alignment of policy and legal framework with organization's mission and priorities; and managerial capacities.</li> <li>▪ Clarity and awareness of policy and legal framework among organization's leaders.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop policies, frameworks and mechanism for evaluation?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Existence of evaluation guidelines, procedures, etc.</li> <li>▪ <i>Level of corruption.</i></li> </ul>

### 1.3 Institutional arrangements - Financial management – Enabling environment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop an MDG-based financial plan, with the involvement of domestic and external stakeholders?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Engage domestic and external stakeholders in the process of developing an MDG-based financial plan?</li> <li>• Mobilize external resources?</li> <li>• Mobilize internal resources?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between and among the government and domestic and external stakeholders on issues relating to financial resource management.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between and among the government and domestic and external stakeholders.</i></li> <li>▪ <i>Evidence of ability to satisfy and balance the financial interests of all stakeholders.</i></li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to frame, manage and interpret a comprehensive situation analysis of and to create a vision for the country's financial assets as they relate to delivering the MDGs and other international goals and commitments?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Identify and analyze the risks and rewards of potential financial decisions and weigh trade-offs in developing a financial plan?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on policies relating to financial resource management.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the government's financial resource management policies.</li> <li>▪ Awareness of future resource needs among government authorities.</li> <li>▪ <i>Accuracy of financial forecasts.</i></li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop financial policies and plans that support achievement of MDG targets in a cost-effective and sustainable manner?
<b>Additional Questions:</b>	<ul style="list-style-type: none"> <li>• Do authorities have the capacity to ensure equitable burden-sharing of financing schemes (among income groups and between national and local)?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into government's financial resource management policies and mechanisms.</i></li> <li>▪ <i>Existence of long-term strategic policy options for financial resource management.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Do authorities have the capacity to manage financial resources appropriately in the implementation of programmes and delivery of services?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Manage budgetary processes and analysis; negotiate resource allocations and trade-offs; and develop alternative funding schemes?</li> <li>• Manage inter-sectoral budget allocation processes?</li> <li>• Attain and utilize necessary resources?</li> <li>• Provide training in financial planning and management?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Government control over its own budget and financial resource policies.</li> <li>▪ Alignment of financial resources and planning budgets (including credit, where appropriate).</li> <li>▪ <i>Degree of enforcement of financial resource management policies and mechanisms.</i></li> <li>▪ Effective financial management and accounting procedures.</li> <li>▪ Use of budgets as a planning tool.</li> <li>▪ Accuracy and currency of fiscal data.</li> <li>▪ Clarity and awareness of financial resource goals and priorities among leaders.</li> <li>▪ <i>Transparency of budgeting, planning and allocation process.</i></li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to ensure, through monitoring and evaluation, proper use of financial resources?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ol style="list-style-type: none"> <li>1. Report on status of financial plan?</li> <li>2. Leverage learning networks of institutions of excellence in financial planning and management?</li> <li>3. Ensure decision-makers are accountable for use of financial resources?</li> <li>4. Systematically embed lessons learned into new programme and project design?</li> </ol>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Use of budgets as a monitoring tool. (<i>Extent to which budgets/financial targets are met</i>).</li> <li>▪ <i>Measures of effective use of operating funds (to avoid exceeding any credit limit or under-exploiting resources).</i></li> <li>▪ <i>Frequency and results of financial audits and inspections (internal and external).</i></li> <li>▪ <i>Measures of prudent and risk-conscious financial management.</i></li> <li>▪ Financial sustainability of national organizations (measured by e.g., amount of funds raised, number of organizations where at least xx funding sources contribute at least xx% each).</li> <li>▪ <i>Share of finance going through legitimate domestic institutions.</i></li> </ul>

## 1.4 Institutional arrangements - Financial management – Organizational level

Functional Capacities	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Does the organization have the capacity to engage stakeholders in the process of developing a financial plan?
<b>Additional Questions:</b>	Does the organization the capacity to: <ul style="list-style-type: none"> <li>• Mobilize external resources?</li> <li>• Mobilize internal resources?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between the organization and relevant domestic and external stakeholders on issues relating to financial resource management.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between the organization and domestic and external stakeholders.</i></li> <li>▪ <i>Evidence of ability to satisfy and balance the financial interests of all stakeholders.</i></li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to frame, manage and interpret a comprehensive financial analysis and to create a vision for use of financial resources?
<b>Additional Questions:</b>	Does the organization the capacity to: <ul style="list-style-type: none"> <li>• Conduct a cost/benefit analysis in developing its financial plan?</li> <li>• Identify and analyze the risks and rewards of potential financial decisions and weigh trade-offs in developing its financial plan?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on policies relating to financial resource management.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the organization's financial resource management policies.</li> <li>▪ Awareness of future resource needs among organizational leadership.</li> <li>▪ <i>Accuracy of financial forecasts.</i></li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop a financial plan and policies?
<b>Additional Questions:</b>	Does the organization the capacity to: <ul style="list-style-type: none"> <li>• Align financial plan with strategic objectives?</li> <li>• Introduce innovative approaches and systems of budgetary planning, e.g., multi-annual budgets?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into the organization's financial resource management policies and mechanisms.</i></li> <li>▪ <i>Existence of long-term strategic policy options for financial resource management.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Does the organization have the capacity to manage financial resources appropriately in the implementation of programmes and delivery of services?
<b>Additional Questions:</b>	Does the organization the capacity to: <ul style="list-style-type: none"> <li>• Delegate and decentralize financial responsibilities and balance them with central controlling?</li> <li>• Ensure fiscal data are up-to-date and accurate?</li> <li>• Monitor the use of financial resources?</li> <li>• Monitor cost of delivery of standard products and services?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Organizational control of budget and financial resource policies.</li> <li>▪ Alignment of financial resources with planning budgets (including credit, where appropriate).</li> <li>▪ <i>Degree of enforcement of financial resource management policies and mechanisms.</i></li> </ul>

	<ul style="list-style-type: none"> <li>▪ Effective financial management and accounting procedures.</li> <li>▪ Use of budgets as a planning tool.</li> <li>▪ Accuracy and currency of fiscal data.</li> <li>▪ Operational efficiency of organizational subsystems for financial resource management.</li> <li>▪ Alignment of scope of program or other activities with the organization's financial resources.</li> <li>▪ Clarity and awareness of financial resource goals and priorities among leaders.</li> <li>▪ <i>Transparency of budgeting, planning and allocation process.</i></li> <li>▪ Use of budgets as a monitoring tool. <i>(Extent to which budgets/ financial targets are met.)</i></li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to ensure, through evaluation, proper use of financial resources?
<b>Additional Questions:</b>	Does the organization the capacity to: <ul style="list-style-type: none"> <li>• Ensure financial and budgetary transparency?</li> <li>• Use modern financial controlling, e.g., through internal financial audits?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Measures of effective use of operating funds (to avoid exceeding any credit limit or under-exploiting resources).</i></li> <li>▪ <i>Frequency and results of financial audits and inspections (internal and external).</i></li> <li>▪ <i>Measures of prudent and risk-conscious financial management.</i></li> </ul>

### 1.5 Institutional arrangements - Human resource management – Enabling environment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop HR policies that ensure multi-stakeholder participation?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Engage domestic and external stakeholders in the process of developing HR policies?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between and among the government and domestic and external stakeholders on issues relating to human resource management.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between and among the government and domestic and external stakeholders.</i></li> <li>▪ Degree to which ministers respect the independence and professionalism of their senior civil servants.</li> <li>▪ Degree to which senior civil servants are generally expected to provide 'frank and fearless' advice to Ministers.</li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to frame, manage and interpret a comprehensive situation analysis of and to create a vision for the country's HR assets and needs as they relate to delivering the MDGs and other international goals and commitments?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Undertake analytical work, including 1) data generation and disaggregation (gender, ethnicity, age) of population and demographic trends; 2) employment trends (unemployment, underemployment, quality of life, including in work environment and their impact on sustainable development processes, migration); and 3) cross-sectoral HR supply and demand linkages?</li> <li>• Identify HR capacity gaps in policy issues relating to human resource development, including understanding and applying the internationally agreed standards and norms?</li> </ul>

<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on policies relating to human resource management.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the government's human resource management policies.</li> <li>▪ Degree to which staff needs are analyzed in the planning process.</li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop policies and strategies relating to human resource development?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into government's human resource management policies and mechanisms.</i></li> <li>▪ <i>Existence of long-term strategic policy options for human resource management.</i></li> <li>▪ <i>Existence of a collective, nationally coordinated and defended, transparent and legitimate salary supplementation scheme linked to civil service reform.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Do authorities have the capacity to leverage human resources appropriately in the budgeting, management and implementation of programmes and delivery of services?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Budget, manage and implement HR programmes and best practices for achievement of MD/MDGs?</li> <li>• Attain and utilize necessary resources?</li> <li>• Encourage innovation and initiative?</li> <li>• Monitor performance and trends in HR capacity and productivity enhancement?</li> <li>• Report on progress of MD/MDGs and HR implications?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Government control over its own human resource policies.</li> <li>▪ Alignment of human resource management programme with government's mission, priorities and managerial capacities.</li> <li>▪ Clarity and awareness of human resource goals and priorities among leaders.</li> <li>▪ <i>Transparency of human resource planning and allocation process.</i></li> <li>▪ <i>Degree of enforcement of human resource management policies and mechanisms.</i></li> <li>▪ Alignment of staff attitude and performance with overall goals.</li> <li>▪ Degree of orientation of staff at all levels toward producing results that meet overall goals.</li> <li>▪ <i>Existence of fully developed competency profiles application to all functional areas and specific levels.</i></li> <li>▪ Use of human resource management plan as a monitoring tool.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to evaluate performance and trends in HR capacity and productivity enhancement?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Leverage learning networks of institutions of excellence in human resource planning and management?</li> <li>• Ensure decision-makers are accountable for use of human resources?</li> <li>• Systematically embed lessons learned into new programme and project design?</li> </ul>
<b>Indicators</b>	<p>Accountability of staff for getting work done according to clear performance standards.</p> <ul style="list-style-type: none"> <li>▪ Job satisfaction at all levels of government.</li> <li>▪ Level of staff morale; frequency of evaluation of staff morale.</li> <li>▪ <i>Explicit integration of incentive questions as standing feature in mainstream M&amp;E.</i></li> <li>▪ Adequacy of staff in all key positions.</li> <li>▪ Staff turnover rate.</li> <li>▪ Degree to which monetary and non-monetary incentives support targeted behavior.</li> <li>▪ Adequacy and equity of compensation.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Opportunities for staff professional development and on-the-job training.</li> <li>▪ Degree to which recruitment and promotion policies provide for staff growth.</li> <li>▪ Degree to which government learns from its mistakes and staff is rewarded for confronting rather than concealing errors.</li> </ul>
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## 1.6 Institutional arrangements - Human resource management – Organizational level

Functional Capacities	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Does the organization have the capacity to engage stakeholders in the process of developing HR policies?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Create a culture of open, not hierarchical, communication and dialogue?</li> <li>• Involve employees, via dialogue and empowerment, in the design of processes?</li> <li>• Involve employees, via dialogue and empowerment, in the identification and implementation of improvement?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between the organization and domestic and external stakeholders on issues relating to human resource management.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between the organization and domestic and external stakeholders.</i></li> <li>▪ Degree to which executives (managers) respect the independence and professionalism of their senior-level managers (staff).</li> <li>▪ Degree to which senior-level managers (staff) are generally expected to provide 'frank and fearless' advice to their superiors.</li> <li>▪ <i>Employee involvement in decision-making processes.</i></li> <li>▪ <i>Employee involvement in improvement activities (e.g., suggestion schemes).</i></li> <li>▪ <i>Employee consultation and dialogue mechanisms.</i></li> <li>▪ <i>Participation in internal discussion groups, meetings with senior management or all-staff meetings.</i></li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to frame, manage and interpret a comprehensive situation analysis of and to create a vision for human resource development?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Regularly analyze current and future human resource needs, at the organizational and individual levels, in terms of knowledge, skills and attitudes?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on policies relating to human resource management.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the organization's human resource management policies.</li> <li>▪ Degree to which staff needs are analyzed in the planning process.</li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop policies and strategies relating to human resource development?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Develop clear policy containing objective criteria with regard to recruitment, promotion, rewards and assignment of managerial functions?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into the organization's human resource management policies and mechanisms.</i></li> <li>▪ <i>Existence of long-term strategic policy options for human resource management.</i></li> </ul>
<b>Budget, Manage and Implement</b>	

<b>Overall Question:</b>	Does the organization have the capacity to develop, use and improve competencies of employees?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Ensure transfer of knowledge in heavily donor-funded programmes and projects?</li> <li>• Sustain activities and results once programmes and projects are 'internalized' within government's existing programmes?</li> <li>• Align organizational, team and individual targets and goals?</li> <li>• Manage a meritocracy?</li> <li>• Monitor the development, use and improvement of employee competencies?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Alignment of human resource management programme with the organization's mission, priorities and managerial capacities.</li> <li>▪ Clarity and awareness of human resource goals and priorities among senior managers.</li> <li>▪ <i>Degree of enforcement of human resource management policies and mechanisms.</i></li> <li>▪ <i>Transparency of human resource planning and allocation process.</i></li> <li>▪ Alignment of staff attitude and performance with overall goals.</li> <li>▪ Degree of orientation of staff at all levels toward producing results that meet organizational goals.</li> <li>▪ Degree to which organizational structure meets needs of efficiency and control.</li> <li>▪ <i>Participation and success rates in training activities.</i></li> <li>▪ <i>Level and use of training budgets.</i></li> <li>▪ <i>Use of information technology by employees.</i></li> <li>▪ <i>Staff rotation within the organization.</i></li> <li>▪ <i>Efficiency of organization's processes.</i></li> <li>▪ <i>Existence of fully developed competency profiles application to all functional areas and specific levels.</i></li> <li>▪ Use of human resource management plan as a monitoring tool.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to evaluate the development and implementation of HR policy and encourage evaluation and feedback?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Use clear performance standards to ensure staff accountability?</li> <li>• Design and conduct periodic staff surveys?</li> <li>• Design, conduct and act upon upward feedback, e.g., through 360° appraisals?</li> <li>• Consult with representatives of employees, e.g., trade unions?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Accountability of staff for getting work done according to clear performance standards.</li> <li>▪ <i>Effectiveness of systems of goal-setting and performance evaluation.</i></li> <li>▪ <i>Level of employee satisfaction with goal-setting and performance evaluation processes.</i></li> <li>▪ <i>Results of evaluation and/or appraisal.</i></li> <li>▪ <i>Link between individual performance and the quality of services or products.</i></li> <li>▪ Job satisfaction at all levels of the organization.</li> <li>▪ Level of staff morale; frequency of evaluation of staff morale.</li> <li>▪ <i>Explicit integration of incentive questions as standing feature in mainstream M&amp;E.</i></li> <li>▪ Adequacy of staff in all key positions.</li> <li>▪ Staff turnover rate.</li> <li>▪ Degree to which monetary and non-monetary incentives support targeted behavior.</li> <li>▪ Adequacy and equity of compensation.</li> <li>▪ Opportunities for staff professional development and on-the-job training.</li> <li>▪ Degree to which recruitment and promotion policies provide for staff growth.</li> <li>▪ <i>Level of employee motivation (e.g., response rates for staff surveys, participation in social events, willingness to accept changes, willingness to make an extra effort under special circumstances).</i></li> <li>▪ <i>Level of employee knowledge of the organization's goals.</i></li> <li>▪ <i>Number of complaints, strikes, etc.</i></li> </ul>

## 1.7 Institutional arrangements - Additional areas of exploration

### Career Management

Does the organization have the capacity to:

- Create and apply competency profiles to all functional areas and levels?
- Align responsibilities, authorities and tasks?
- Manage career development/placement in such a way that capacities developed in one post are applicable to the next post?
- Define and implement a 'right person in a right place' policy, ensuring existing capacities are deployed in appropriate posts?

### Recruitment and Promotion

Does the organization have the capacity to:

- Develop and use recruitment and promotion policies that encourage internal and external staff growth?
- Define leadership and managerial skills, for use in recruitment?
- Align recruitment and development plans with job descriptions?
- Manage recruitment and promotion fairly?

### Incentives (monetary and non-monetary)

Does the organization have the capacity to:

- Develop and use monetary and non-monetary incentives that support targeted behavior and encourage performance / results-based management?
- Manage compensation and incentive programmes fairly?
- Develop an environment that encourages performance (e.g., free of corruption, strong governance)?

### Process Improvement

Does the organization have the capacity to:

- Identify, describe and document key processes?
- Analyze and evaluate key processes, taking into consideration the objectives of the organization and its changing environment?
- Ensure that core processes support the organization's strategic objectives?
- Manage and improve key processes?
- Identify and give responsibility to process owners for improvement?
- Optimize and adjust key processes based on their effectiveness and efficiency?

<b>Core Issue</b>	<b>2.0 Leadership</b>
<b>Context</b> (per UNDP Practice Note on Capacity Assessment)	Leadership is the ability to influence, inspire and motivate people, organizations and societies to achieve - and go beyond - their goals. An important characteristic of good leadership is the ability to anticipate (sometimes catalyze), be responsive to and manage change to foster human development. Leadership is not synonymous with a position of authority; it can also be informal and manifest itself in many ways and at different levels. Although leadership is most commonly associated with an individual leader, from a village elder to a country's prime minister, it can equally reside within a government unit that takes the lead in implementing public administration reform, or in large social movements that bring about society-wide change.

## 2.1 Leadership – Enabling environment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Do authorities have the capacity to manage relations with domestic and external stakeholders inclusively and constructively?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Identify all relevant stakeholders?</li> <li>• Lead domestic and external stakeholders through the process of establishing MDG-based national development plans and poverty reduction strategies?</li> <li>• Foster ownership of capacity development policies, legislations, strategies and programmes?</li> <li>• Negotiate with domestic and external stakeholders?</li> <li>• Define and put in place inter-ministerial / inter-sector coordination mechanisms?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) among domestic institutions.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between and among domestic and external stakeholders.</i></li> <li>▪ <i>Existence of influential and outspoken champions for ownership and capacity development.</i></li> <li>▪ Government ownership of policies, goals and structure.</li> <li>▪ Ability of authorities to effectively represent the government (national or local) to external interests.</li> <li>▪ Clarity of leadership philosophy to domestic and external stakeholders.</li> <li>▪ External image of the government (national or local) (e.g., image is consistent with goals and objectives).</li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to frame, manage and interpret analysis of internal and external dynamics (at the appropriate level, e.g., market, sector)? Do authorities have the capacity to conduct long-term visioning?
<b>Additional Questions:</b>	<ul style="list-style-type: none"> <li>• Do authorities have the capacity to develop, communicate and give direction on vision, mission and values?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to government's development.</li> </ul> Clarity of mission to staff and/or members; documentation of mission.
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop integrated policies and plans linked to resources?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Formulate policies, legislations, strategies and programmes?</li> </ul>

<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into governmental functioning.</i></li> <li>▪ <i>Actionability of objectives and outputs in national and local development strategies.</i></li> <li>▪ <i>Existence of long-term strategic policy choices for capacity development.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Do authorities have the capacity to manage implementation of (national or local) plans, strategies, and programmes?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Develop and implement a system for overall management?</li> <li>• Create an environment that motivates and supports individuals?</li> <li>• Devolve decision-making to the most appropriate level?</li> <li>• Delegate operational responsibilities to the most appropriate level?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Alignment of scope of programme or other activities with government's mission, priorities and managerial capabilities.</li> <li>▪ <i>Quality of implementation of plans, strategies and programmes (e.g., effective and efficient).</i></li> <li>▪ Strength of programme delivery.</li> <li>▪ <i>Actionability of objectives and outputs in national and local development work plans.</i></li> <li>▪ Clarity and awareness of goals and priorities among leaders</li> <li>▪ Level of fiscal and operational awareness among leaders (e.g., managers can clearly describe their roles and responsibilities).</li> <li>▪ Degree of delegation of management responsibility.</li> <li>▪ Evidence of effective staff involvement and teamwork in planning and work.</li> <li>▪ <i>Nature and quality of planning, decision-making and benchmarking processes (e.g., iterative).</i></li> <li>▪ <i>Skill level of top management and middle management.</i></li> <li>▪ Depth of management.</li> <li>▪ Management style (e.g., participatory and enabling).</li> <li>▪ <i>Ethics of leaders (e.g., ethical behavior exhibited, number disciplinary cases reported).</i></li> <li>▪ <i>Receptivity of leaders to change and modernization.</i></li> <li>▪ Evidence of effective innovation and learning.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to ensure independent evaluation of medium-term target setting, planning and budgeting?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Level of awareness and understanding of program outcomes among government managers.</li> <li>▪ Measurement of programme outcomes.</li> <li>▪ <i>Degree to which M&amp;E systems and practices yield evidence-based foundation for planning, decision-making and learning.</i></li> <li>▪ Strength of national organizations (e.g., number of organizations meeting at least xx% of their targeted objectives, improvements, etc.).</li> <li>▪ Improvement in government management capacity (e.g., number of governmental units displaying improved practices, such as open and transparent financial systems, set organizational procedures, accountability, participatory decision-making, by-laws and elections).</li> <li>▪ <i>Impact on the local, national and international economy and society.</i></li> </ul>

## 2.2 Leadership – Organizational level

Functional Capacities	
Engage Stakeholders	
<b>Overall Question:</b>	Does the organization's leadership have the capacity to manage relations with key stakeholders inclusively and constructively?
<b>Additional Questions:</b>	Does the organization's leadership have the capacity to: <ul style="list-style-type: none"> <li>• Identify all relevant stakeholders?</li> <li>• Develop and maintain regular relations with political authorities of the appropriate executive and legislative areas?</li> <li>• Develop and maintain partnerships and networks with important stakeholders, e.g., citizens, NGOs, interest groups, industry, other public authorities)?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between the organization and relevant domestic and external stakeholders.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between the organization and domestic and external stakeholders.</i></li> <li>▪ Evidence of bureaucratic support for the organization's activities.</li> <li>▪ <i>Existence of influential and outspoken champions for ownership and capacity development.</i></li> <li>▪ Organizational ownership of policies, goals and structure.</li> <li>▪ Ability of management to effectively represent the organization to external interests.</li> <li>▪ Clarity of leadership philosophy to internal and external stakeholders.</li> <li>▪ External image of the organization (e.g., image is consistent with goals and objectives).</li> <li>▪ <i>Level of involvement with the community in which the organization is based through support (financial or otherwise) for local and societal (social, environmental, etc.) activities.</i></li> <li>▪ <i>Level of awareness of the impact of the organization on the quality of life of citizens.</i></li> </ul>
Assess a Situation and Define Vision and Mandate	
<b>Overall Question:</b>	Does the organization's leadership have the capacity to frame, manage and interpret analysis of internal and external dynamics? Does the organization's leadership have the capacity to develop its vision, mission and values based on that analysis?
<b>Additional Questions:</b>	Does the organization's leadership have the capacity to: <ul style="list-style-type: none"> <li>• Design and manage systematic gathering and analysis of information regarding stakeholders' needs and expectation by organizing appropriate surveys of citizens/customers, employees, society and government?</li> <li>• Design and manage systematic gathering and analysis of information about important variables, such as political, social, economic, legal, demographic and ecological developments?</li> <li>• Design and manage systematic gathering and analysis of information about internal strengths and weaknesses and external opportunities and threats?</li> <li>• Identify critical success factors?</li> <li>• Adjust its vision, mission and values; reorganize; and improve strategies and methods according to changes in the operating environment?</li> <li>• Balance 'top-down' and 'bottom-up' approaches when dealing with changes in the organization?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on the organization.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the organization's development and impact.</li> <li>▪ Clarity of mission to employees; documentation of mission.</li> </ul>
Formulate Policies and Strategies	
<b>Overall Question:</b>	Does the organization's leadership have the capacity to translate the vision, mission, value framework into strategic (medium term) and operational (concrete and short term)

	objectives and actions?
<b>Additional Questions:</b>	Does the organization's leadership have the capacity to: <ul style="list-style-type: none"> <li>• Balance mission and resources of the organization with needs and expectations of stakeholders?</li> <li>• Develop and put in place a value framework / code of conduct?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Extent to which societal changes are integrated into organizational functioning.</i></li> <li>▪ <i>Actionability of objectives and outputs of organizational strategies.</i></li> <li>▪ <i>Existence of long-term strategic policies for capacity development.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Does the organization's leadership have the capacity to establish appropriate frameworks for managing policies, legislations, strategies, programmes and projects?
<b>Additional Questions:</b>	Does the organization's leadership have the capacity to: <ul style="list-style-type: none"> <li>• Translate strategic and operational objectives into an appropriate organizational structure, with accompanying management levels, functions, responsibilities and autonomy?</li> <li>• Translate strategic and operational objectives into appropriate plans, priorities, tasks and timelines?</li> <li>• Devolve decision-making to the most appropriate level?</li> <li>• Delegate operational responsibilities to the most appropriate level?</li> <li>• Be clear in what is expected of them and what they expect from others?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Alignment of organization's scope of program or other activities with its mission, priorities and managerial capabilities.</li> <li>▪ <i>Quality of implementation of plans, strategies and programmes (e.g., effective and efficient).</i></li> <li>▪ <i>Actionability of objectives and outputs in organization's work plans.</i></li> <li>▪ Strength of programme delivery.</li> <li>▪ Clarity of goals and priorities among managers.</li> <li>▪ Level of fiscal and operational awareness among managers (e.g., staff can clearly describe their roles and responsibilities).</li> <li>▪ Degree of delegation of management responsibility to second-level managers.</li> <li>▪ Evidence of effective staff involvement and teamwork in planning and work.</li> <li>▪ <i>Nature and quality of planning, decision-making and benchmarking processes (e.g., iterative).</i></li> <li>▪ <i>Skill level of top management and middle management.</i></li> <li>▪ Level of autonomy of management.</li> <li>▪ Depth of organizational management.</li> <li>▪ Management style (e.g., participatory and enabling).</li> <li>▪ <i>Ethics of leaders (e.g., ethical behavior exhibited, number disciplinary cases reported).</i></li> <li>▪ <i>Receptivity of organization's leaders to change and modernization.</i></li> <li>▪ Evidence of effective organizational innovation and learning.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization's leadership have the capacity to design, establish and manage a system for measuring financial and operational performance of the organization?
<b>Additional Questions:</b>	Does the organization's leadership have the capacity to: <ul style="list-style-type: none"> <li>• Develop, agree upon and evaluate measurable objectives and goals for all levels of the organization?</li> <li>• Set output and outcome targets, balancing the organization's resources and expectations of stakeholders?</li> <li>• Conduct benchmarking to drive improvement?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Level of awareness and understanding of program outcomes among organizational managers.</li> <li>▪ Measurement of programme outcomes.</li> <li>▪ <i>Degree to which M&amp;E systems and practices yield an evidence-based foundation for planning, decision-making and learning.</i></li> </ul>

	<ul style="list-style-type: none"> <li>▪ Strength of the organization (meets at least xx% of its targeted objectives, improvements, etc.).</li> <li>▪ <i>Impact on the local, national and international economy and society.</i></li> </ul>
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## 2.3 Leadership - Additional areas of exploration

### Motivation

Does the organization's leadership have the capacity to:

- Encourage teamwork?
- Create environment that is conducive to achieving progress?
- Motivate and support employees to reach their goals in support of organizational objectives?
- Demonstrate willingness to change by accepting constructive feedback and suggestions for improving leadership style?
- Lead by example?
- Act as a role model?
- Develop and implement career management systems and succession planning?

### Innovation

Does the organization's leadership have the capacity to:

- Plan, manage and encourage modernization and innovation?
- Steer change process efficiently (i.e., using milestones, benchmarks, steering groups, follow-up reporting)?

### Communications

Does the organization's leadership have the capacity to:

- Develop key messages about the organization (objectives, plans, policies, procedures and performance)?
- Develop and leverage channels to communicate these key messages?
- Generate public awareness, reputation and recognition of the organization (i.e., image building)?
- Participate in professional associations, representative organizations and interest groups?

<b>Core Issue</b>	<b>3.0 Knowledge</b>
<b>Context</b> (per UNDP Practice Note on Capacity Assessment)	<p>Knowledge refers to the creation, absorption and diffusion of information and expertise towards effective development solutions. What people know underpins their capacities and hence capacity development. Knowledge needs can be addressed at different levels (national/local/sector, primary/secondary/tertiary) and through different means (formal education, technical training, knowledge networks and informal learning).</p> <p>While the growth and sharing of knowledge is primarily fostered at the level of the individual, it can also be stimulated at the level of organizations, for example, through a knowledge management system or an organizational learning strategy. At the level of society, knowledge generation and exchange are supported, for example, through educational policy reform, adult literacy campaigns and legislation on access to information.</p>

### 3.1 Knowledge – Enabling environment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Do authorities have the capacity to engage stakeholders throughout the process of developing and managing policies and reforms for education, learning and training to promote knowledge generation and retention?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>Facilitate multi-stakeholder dialogues around knowledge generation and retention strategies</li> <li>Organize forums for the exchange of information and ideas on knowledge generation and retention</li> <li>Bring the local and that national level together to ensure an integrated, and broadly supported, response to the issue</li> <li>Organize information campaigns on the importance of education, training and learning for knowledge generation and retention</li> <li>Promote the creation of aid coordination mechanisms</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Existence and use (quality and frequency) of a platform for multi-stakeholder engagement on policies and reforms for education, training and learning.</li> <li>Use and quality of information campaigns on the importance of education, training and learning for knowledge generation and retention.</li> <li>Existence and use (quality and frequency) of aid coordination mechanisms for education, training and learning.</li> <li>Integrated national-local policy and implementation frameworks for knowledge generation and retention.</li> </ul>
<b>Assess a Situation and Define a Vision and Mandate</b>	
<b>Overall Question:</b>	<p>Do authorities have the capacity to frame, manage and interpret a comprehensive analysis of the knowledge landscape?</p> <p>Do authorities have the capacity to translate the findings of this analysis into a long-term, shared, vision for knowledge generation and retention through education, training and learning?</p>
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>Design and organize the collection and analysis of (socio-economically) disaggregated data on enrollment and completion rates at different levels of the education system?</li> <li>Design and organize the collection and analysis of (socio-economically) disaggregated data on the availability and use of vocational training?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Quality of data and analysis on different knowledge generation and retention-related indicators.</li> </ul>

	<ul style="list-style-type: none"> <li>Degree of alignment between the vision for knowledge generation and retention and the authorities' overall development vision.</li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Do authorities have the capacity to formulate policies and strategies to achieve their vision for knowledge generation and retention?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>Identify which type of education or training would be most appropriate to meet the country's knowledge vision?</li> <li>Formulate comprehensive policies and strategies for different levels of education (primary, secondary, tertiary, post-tertiary)</li> <li>Formulate comprehensive policies and strategies for vocational training?</li> <li>Identify quick-win initiatives</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Existence and quality of long-term, comprehensive policies for education, training and learning.</li> <li>Existence and quality of quick-win initiatives for education, training and learning.</li> <li>Existence, quality and use of procedures for identifying quick-win initiatives.</li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Do authorities have the capacity to mobilize and manage the necessary resources to implement their knowledge policies and strategies?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>Coordinate donor contributions?</li> <li>Draw up a comprehensive budget for all knowledge-related policies and programmes?</li> <li>Manage the budget</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Extent to which policies and programmes meet their targets within the timeframe adopted.</li> <li>Availability and size of the budget envelope for knowledge-related policies and programmes.</li> <li>Existence of a dedicated Unit for budgetary management and oversight.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Do authorities have the necessary capacity to evaluate the outputs, outcomes and impacts of their policies and strategies for knowledge generation and retention?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>Design and manage data collection and storage on relevant knowledge/education progress indicators</li> <li>Communicate the findings of their M&amp;E to relevant stakeholders</li> <li>Set indicators and benchmarks for outputs, outcomes and impacts of knowledge policies and reforms</li> <li>Create and use mechanisms to feed M&amp;E findings back into the policy process</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Availability and quality of public information on progress made on knowledge generation and retention at different levels</li> <li>Existence and quality of feedback mechanisms between M&amp;E and policies</li> <li>Availability and quality of indicators and benchmarks for outputs, outcomes and impacts of knowledge policies and reforms</li> </ul>

### 3.2 Knowledge – Organizational level

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Does the organization have the capacity to engage stakeholders throughout the process of developing and managing policies and reforms for knowledge generation and retention, through education, training and learning?
<b>Additional</b>	Does the organization have the capacity to:

<b>Questions:</b>	<ul style="list-style-type: none"> <li>• Involve management and employees in discussions on the knowledge policies and programmes of the organization</li> <li>• Engage in exchanges with other organization to benefit from the sharing of ideas</li> <li>• Promote an ongoing dialogue between management and staff on knowledge, training and learning needs</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Existence and quality (frequency, use) of a space to discuss the organization's knowledge priorities and policies for knowledge generation and retention.</li> </ul>
<b>Assess a Situation and Define a Vision and Mandate</b>	
<b>Overall Question:</b>	<p>Does the organization have the capacity to frame, manage and interpret a comprehensive stock-taking and analysis of its knowledge and training assets and needs?</p> <p>Does the organization have the capacity to translate the findings of this analysis into a long-term, shared, vision for knowledge generation and retention within the organization?</p>
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Understand the importance of knowledge and learning for the success of the organization/organizational development?</li> <li>• Understand that it has a role to play in promoting and sustaining knowledge in the organization?</li> <li>• Priorities knowledge and learning and integrate it into its organizational vision?</li> <li>• Develop competency profiles and identify what current and future knowledge/skills are required for organizational effectiveness?</li> <li>• Collect information on how other/similar organizations are approaching the issue?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ An organizational vision that recognizes and emphasizes the importance of knowledge and learning.</li> <li>▪ An up-to-date mapping of the organization's knowledge and education capacity assets and needs.</li> <li>▪ Dedicated staff responsible for knowledge/learning/training.</li> <li>▪ The existence, quality and use of competency profiles.</li> <li>▪ A mapping of the policies, programmes and activities of other/similar organizations.</li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Does the organization have the capacity to formulate strategies to achieve their vision for knowledge generation and retention?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Identify which type of knowledge or training would be most appropriate to meet its vision?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Existence and quality of an organizational knowledge/skills development strategy</li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Does the organization have the capacity to mobilize and manage the resources needed to implement their knowledge/skills development strategy?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Incorporate knowledge/skills development activities into its budget</li> <li>• Manage the budget for knowledge/skills development</li> <li>• Identify opportunities for partnership and develop partnerships</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Existence and size of a budget envelope for knowledge/skills development.</li> <li>▪ Extent to which the knowledge/skills development strategy is being implemented within the given timeframe.</li> <li>▪ Partnerships with other organizations in this area.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to evaluate the outputs and outcomes of its knowledge development/skills strategy?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Design and use feedback systems (ensure link between M&amp;E findings and decision-making processes)</li> </ul>

	<ul style="list-style-type: none"> <li>• Communicate the findings of their M&amp;E to relevant stakeholders</li> <li>• Set indicators and benchmarks for outputs and outcomes of their knowledge efforts</li> <li>• Assess changes in staff competence to fulfill their functions</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Availability and quality (comprehensiveness, frequency of use) of competency assessment frameworks</li> <li>▪ Availability and quality of indicators and benchmarks for outputs and outcomes</li> </ul>

### 3.3 Knowledge - Additional areas of exploration

#### Training

Does the organization have the capacity to:

- Develop a training plan based on current and future organizational and individual needs?
- Ensure that training and development plans are developed and monitored for all employees?
- Ensure that leadership skills are developed throughout the organization?
- Ensure that interpersonal skills and abilities to deal with customers, citizens are developed?
- Ensure that new hires are supported and assisted, e.g., through coaching, tutoring?
- Leverage modern training methods, e.g., multi-media approach, on the job training, eLearning?

<b>Core Issue</b>	<b>4.0 Accountability</b>
<b>Context</b> (per UNDP Practice Note on Capacity Assessment)	<p>Accountability exists when two parties adhere to a set of rules and procedures that govern their interactions and that are based on a mutual agreement or understanding of their roles and responsibilities vis-à-vis each other. Put differently, it exists when rights holders and duty bearers both deliver on their obligations. This manifests itself in day-to-day engagements, such as in the relationship between a service provider and a client, between a teacher and a student, between an employer and an employee, between a state and its citizens, between a provider of development aid and its recipients and so on.</p> <p>Why is accountability important? It allows organizations and systems to monitor, learn, self-regulate and adjust their behaviour in interaction with those to whom they are accountable (clients, citizens, partners). It provides legitimacy to decision-making, increases transparency and helps reduce the influence of vested interests. Accountability is therefore a key driver of development results. It includes the creation and use of space and mechanisms that engage both rights holders and duty bearers in a dialogue to monitor and steer their actions, such as through peer review mechanisms or public oversight bodies.</p>

#### 4.1 Accountability – Enabling environment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Do authorities have the capacity to develop accountability mechanisms that ensure multi-stakeholder participation?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Engage domestic and external stakeholders in the process of developing national and local accountability mechanisms?</li> <li>• Publish procedures and criteria for administrative decisions in local language(s)?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) among domestic institutions.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between and among domestic and external stakeholders.</i></li> <li>▪ Existence of 'citizen charters' (or similar undertakings) that establish the obligations of service providers and the rights of users.</li> <li>▪ Quality (e.g., open) and frequency of policy debates.</li> <li>▪ Operational nature of select committees (e.g., they meet in public; their reports are made public; they make a practice of hearing submissions from members of the public and civil society organizations).</li> <li>▪ Level of opportunity among legislators who oppose the government to express their views in the Legislature.</li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	<p>Do authorities have the capacity to frame, manage and interpret a comprehensive analysis of the accountability mechanism environment?</p> <p>Do authorities have the capacity to create a vision for robust accountability mechanisms?</p>
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to government's mutual accountability mechanisms.</li> </ul>

Formulate Policies and Strategies	
<b>Overall Question:</b>	Do authorities have the capacity to develop and manage accountability mechanisms to ensure formulation of clear and transparent policies and strategies?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Develop clear and transparent policies, legal and regulatory frameworks and mechanisms that ensure accountability (e.g., of national government, local government, policies for procurement of goods and services)?</li> <li>• Develop policies, legal and regulatory frameworks and mechanisms that actively discourage ineffective service delivery and provide public channels for redress?</li> <li>• Strengthen national and/or local accountability organizations?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Quality of mechanisms that ensure mutual accountability.</i></li> <li>▪ <i>Extent to which societal changes are integrated into government's mutual accountability mechanisms.</i></li> </ul>
Budget, Manage and Implement	
<b>Overall Question:</b>	Do authorities have the capacity to develop, manage and enforce accountability mechanisms regarding programme budgeting, management and implementation?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Budget, manage and implement programmes to develop accountability mechanisms?</li> <li>• Systematically embed lessons learned into new programme and project design?</li> <li>• Monitor the use and quality of accountability and voice mechanisms?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Alignment of mutual accountability programme with government's mission, priorities and managerial capacities.</li> <li>▪ Clarity and awareness of mutual accountability goals and priorities among leaders.</li> <li>▪ <i>Degree of enforcement of mutual accountability mechanisms.</i></li> <li>▪ Existence of mechanism (e.g., law, convention) to oblige decision-makers (e.g., members of the executive branch, civil servants) to give reasons for their decisions.</li> <li>▪ Existence of continuing efforts to streamline bureaucracy rendering it more open, efficient and user-friendly for the public.</li> <li>▪ Transparency of methods used to sell government assets.</li> </ul>
Evaluate	
<b>Overall Question:</b>	Do authorities have the capacity to develop and manage accountability mechanisms for evaluation?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Evaluate the development and implementation of accountability mechanisms?</li> <li>• Develop policy, legal and regulatory frameworks and mechanisms for receiving and processing complaints about public sector performance?</li> <li>• Comply with international agreements, frameworks, norms, standards related to public sector accountability?</li> <li>• Make budget figures publicly available?</li> <li>• Prepare and release to the general public updates on sector-relevant developments on a periodic basis either free of charge or at cost?</li> <li>• Ensure independent audits are conducted?</li> <li>• Provide access to the general public to gift and hospitality registers?</li> <li>• Systematically document good and bad practices, learn from mistakes and reward staff for confronting rather than concealing errors?</li> <li>• Make public its obligations as a service provider and the rights of its clients ('citizens' charters'), including the right to complain and the process for lodging a complaint?</li> <li>• Make timely and truthful information available to all media, without bias or preference?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Existence of clear and well understood laws, conventions, procedures and other mechanisms: <ul style="list-style-type: none"> <li>□ Conflict of interest laws, which serve as an effective barrier to members of</li> </ul> </li> </ul>

	<p>the executive and legislative branches using their positions for personal benefit or interfering in day-to-day administration.</p> <ul style="list-style-type: none"> <li>□ Election laws, barring convicted criminals from running for election.</li> <li>□ Procedures for monitoring the private interests (personal assets, lifestyle, and income) of elected officials and members of their immediate families are in place.</li> <li>□ Complaint mechanisms (whistleblower protection), and staff has confidence in them.</li> <li>□ <i>Other societal 'watch dog' functions.</i></li> </ul> <ul style="list-style-type: none"> <li>▪ <i>Effectiveness of parliamentary oversight, access to resource functions (e.g., ombudsman).</i></li> <li>▪ Readiness of the legislature to lift the immunity enjoyed by one of its members, regardless of the party to which the member belongs, when there are serious grounds for believing that he or she may be guilty of a serious criminal offence.</li> <li>▪ Receptivity to and action taken on recommendations of the Public Accounts Committee by the Executive.                     <ul style="list-style-type: none"> <li>□ The Public Accounts Committee has power to call officials (including Ministers) for questioning.</li> <li>□ As a matter of practice or requirement, the chair of the Public Accounts Committee is chaired by a Member who is independent of the government of the day.</li> </ul> </li> <li>▪ Transparency and accessibility of gift and hospitality registers to the public.</li> <li>▪ Accountability of managers for the corruption / inadequate performance of their subordinates.</li> <li>▪ Transparency of identities of civil servants.</li> <li>▪ Frequency of rotation of employees in vulnerable positions so as to periodically change their physical / functional assignments.</li> <li>▪ <i>Existence of mechanisms to register the voice of citizens and their perceptions.</i></li> <li>▪ <i>Level of citizen/customer satisfaction.</i></li> </ul> <p>Frequency of department client satisfaction surveys.</p>
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## 4.2 Accountability – Organizational level

Functional Capacities	
Engage Stakeholders	
<b>Overall Question:</b>	Does the organization have the capacity to develop accountability mechanisms that ensure multi-stakeholder participation?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Lead stakeholders through the process of developing accountability mechanisms?</li> <li>• Publish procedures and criteria for administrative decisions in local language(s)?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between the organization and relevant domestic and external stakeholders to discuss formulation and implementation of the organization's accountability mechanisms.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between the organization and domestic and external stakeholders.</i></li> <li>▪ Existence of 'customer charters' (or similar undertakings) that establish the obligations of service providers and the rights of users.</li> <li>▪ Level of opportunity among employees to express their views to management.</li> </ul>
Assess a Situation and Define Vision and Mandate	
<b>Overall Question:</b>	Does the organization have the capacity to frame, manage and interpret a comprehensive analysis of the accountability mechanism environment? Does the organization have the capacity to create a vision for robust accountability mechanisms?
<b>Additional</b>	Does the organization have the capacity to:

<b>Questions:</b>	<ul style="list-style-type: none"> <li>Design and use systems for recording and processing sector-relevant data?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact.</li> <li>Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the organization's mutual accountability mechanisms.</li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop and manage accountability mechanisms to ensure formulation of clear and transparent policies and strategies?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Existence of organizational structures of accountability to clients and constituents.</li> <li><i>Quality of mechanisms that ensure mutual accountability.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop, manage and enforce accountability mechanisms regarding programme budgeting, management and implementation?
<b>Additional Questions:</b>	<ul style="list-style-type: none"> <li>Does the organization have the capacity to budget, manage and implement programmes to develop accountability mechanisms?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Alignment of mutual accountability programme with government's mission, priorities and managerial capacities.</li> <li>Clarity and awareness of mutual accountability goals and priorities among leaders.</li> <li><i>Degree of enforcement of mutual accountability mechanisms.</i></li> <li><i>Extent to which societal changes are integrated into the organization's mutual accountability mechanisms.</i></li> <li>Existence of mechanism (e.g., law, convention) to oblige decision-makers to give reasons for their decisions.</li> <li>Existence of continuing efforts to streamline bureaucracy rendering it more open, efficient and user-friendly for the public.</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to develop and manage accountability mechanisms for evaluation?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>Evaluate the development and implementation of accountability mechanisms?</li> <li>Develop policies, frameworks and mechanisms for receiving and processing complaints about organizational performance?</li> <li>Comply with international agreements, frameworks, norms, standards related to organizational accountability?</li> <li>Make budget figures publicly available?</li> <li>Prepare and release to the general public updates on organizational developments on a periodic basis either free of charge or at cost?</li> <li>Ensure independent audits are conducted?</li> <li>Provide access to the general public to gift and hospitality registers?</li> <li>Systematically document good and bad practices, learn from mistakes and reward staff for confronting rather than concealing errors?</li> <li>Make public its obligations as a service provider and the rights of its clients (employees, customers), including the right to complain and the process for lodging a complaint?</li> <li>Make timely and truthful information available to all media, without bias or preference?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>Existence of clear and well understood policies, procedures and other mechanisms: <ul style="list-style-type: none"> <li>Conflict of interest policies, which serve as an effective barrier to members of management from using their positions for personal benefit or interfering in day-to-day administration.</li> <li>Complaint mechanisms (whistleblower protection), and staff has confidence in them.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• <i>Other 'watch dog' functions.</i></li> <li>▪ <i>Effectiveness of organizational oversight, access to resource functions (e.g., ombudsman).</i> <ul style="list-style-type: none"> <li>• Receptivity to and action taken on recommendations of external auditors.</li> </ul> </li> <li>▪ Accountability of managers for the corruption / inadequate performance of their subordinates.</li> <li>▪ Transparency and accessibility of gift and hospitality registers to the public.</li> <li>▪ Frequency of rotation of employees in vulnerable positions so as to periodically change their physical / functional assignments.</li> <li>▪ <i>Level of citizen/customer satisfaction (e.g., with the performance of the organization).</i></li> <li>▪ Frequency of department client satisfaction surveys.</li> <li>▪ <i>Adherence to published service standards (e.g., customers' charters).</i></li> <li>▪ <i>Friendliness and fairness of treatment.</i></li> <li>▪ <i>Level of responsiveness and pro-active behavior.</i></li> <li>▪ <i>Degree of flexibility and ability to address individual situations.</i></li> <li>▪ <i>Openness to change among managers.</i></li> <li>▪ <i>Range of internal indicators to measure results achieved (e.g., number of complaints received, responded to; extent of effort to improve public trust in the organization and its services or products)</i></li> </ul>
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### Inclusion, participation, equity and empowerment

<b>Context</b>	This category pertains to the capacity for inclusion, participation, equity and empowerment of individuals across all the functional capacities. It covers the systems, process and tools required to assess the vulnerability, exclusion and marginalization of peoples. It also looks at the public space for dialogue and debate, state-citizen consultation and feedback processes.
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### 4.3 Accountability - Inclusion, participation, equity and empowerment – Enabling environment

Functional Capacities	
Engage Stakeholders	
<b>Overall Question:</b>	Do authorities have the capacity to enable equitable and meaningful public participation throughout the process of creating national and/or local development plans?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Engage domestic and external stakeholders in the process of developing public engagement policies, frameworks and mechanisms?</li> <li>• Provide meaningful inputs during the formulation of development plans?</li> <li>• Create forums for consultation with external, public, private and civil institutions?</li> <li>• Ensure that civil society and the general public have formal access to and actively participate in public decision-making meetings?</li> <li>• Increase political representation and participation of marginalized and excluded peoples?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) among the government, domestic and external stakeholders on issues relating to inclusion, participation, equity and empowerment.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between and among the government, domestic and external stakeholders.</i></li> <li>▪ <i>Frequency and effectiveness of periodic publicity campaigns (in local languages) explaining the procedures and criteria for administrative decisions or processes (e.g., granting permits, licenses, bank loans, building plots, assessing taxes).</i></li> <li>▪ <i>Level of civic engagement and bottom-up influence on the policy agenda and development.</i></li> </ul>

	<ul style="list-style-type: none"> <li>▪ <i>Level of civic engagement and CSO/CBO activity.</i></li> <li>▪ <i>Degree of government support for effective functioning of CSO/CBOs.</i></li> <li>▪ <i>Existence of special and/or provisional measures to ensure partnerships with all excluded groups.</i></li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to frame, manage and interpret a comprehensive situation analysis? Do authorities have the capacity to create a vision for equitable, broad and meaningful public engagement?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Ensure equitable, broad and meaningful participation in conducting situation analyses and creating a vision?</li> <li>• Assess the benefit of strategies for the poor, disadvantaged, excluded people and to set priorities to meet their needs?</li> <li>• Assess the impact of legislation and budget allocation that target the poor, disadvantaged and excluded people?</li> <li>• Generate and use disaggregated data for disparity, gender and vulnerability analysis that feeds into national and local planning processes?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on the government's policies relating to inclusion, participation, equity and empowerment.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the government's policies relating to inclusion, participation, equity and empowerment.</li> <li>▪ <i>Adequacy of avenues to ensure equitable/broad and meaningful participation in situation analyses.</i></li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Do authorities have the capacity to ensure decentralization and encourage involvement of interested parties throughout the process of developing policies and strategies?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Develop policies that ensure decentralization and encourage involvement of interested parties?</li> <li>• Take into account norms of social inclusion and equity when formulating policies?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Quality of mechanisms that ensure inclusion, participation, equity and empowerment.</i></li> <li>▪ <i>Extent to which societal changes are integrated into government's inclusion, participation, equity and empowerment policies and mechanisms.</i></li> <li>▪ <i>Existence of long-term strategic policy options for inclusion, participation, equity and empowerment.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Do authorities have the capacity to ensure public participation in the budgeting, management and implementation of programmes and delivery of services?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Budget, manage and implement programmes that encourage public engagement, specifically poor, marginalized peoples' participation?</li> <li>• Develop service delivery action plans that delineate responsibilities among public, private and not-for-profit providers?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Alignment of inclusion, participation, equity and empowerment programme with government's mission, priorities and managerial capacities.</li> <li>▪ Clarity and awareness of inclusion, participation, equity and empowerment goals and priorities among leaders.</li> <li>▪ <i>Degree of enforcement of inclusion, participation, equity and empowerment mechanisms.</i></li> <li>▪ <i>Degree to which decentralization is political, functional (e.g., health and education at local government level is accessible to all) and fiscal/budgetary (e.g., revenues and allocation of resources for public expenditures).</i></li> </ul>

Evaluate	
<b>Overall Question:</b>	Do authorities have the capacity to ensure availability and accessibility of communication and feedback mechanisms in both legislative and executive bodies for citizens to be heard?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Evaluate the development and implementation of public engagement frameworks and mechanisms?</li> <li>• Develop and use indicators appropriate to excluded groups?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Existence of clear and well understood inclusion and feedback mechanisms.</li> <li>▪ <i>Existence of mechanisms to register the voice of customers and employees and their perceptions.</i></li> <li>▪ Accessibility of government departments to the media.</li> <li>▪ Availability of information.</li> <li>▪ <i>Number and quality of citizen/customer suggestions received, recorded, acted upon.</i></li> <li>▪ <i>Degree to which leadership seeks suggestions and collects ideas for improvement.</i></li> </ul>

#### 4.4 Accountability - Inclusion, participation, equity and empowerment – Organizational level

Functional Capacities	
Engage Stakeholders	
<b>Overall Question:</b>	Does the organization have the capacity to engage stakeholders in the process of developing public engagement policies, frameworks and mechanisms?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Develop and implement partnerships and networks with key stakeholders, i.e., employees, citizens, customers?</li> <li>• Create forums for consultation with external, public, private and civil institutions, e.g., consultation groups, surveys, opinion polls?</li> <li>• Ensure that the general public has formal access to and actively participate in public decision-making meetings?</li> <li>• Increase representation and participation of marginalized and excluded peoples?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between the organization and relevant domestic and external stakeholders on issues relating to inclusion, participation, equity and empowerment.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between the organization and domestic and external stakeholders.</i></li> <li>▪ Frequency and effectiveness of periodic publicity campaigns (in local languages) explaining the procedures and criteria for administrative decisions or processes.</li> <li>▪ <i>Level of effort to involve citizens/customers in the design of services or products and in decision-making processes.</i></li> <li>▪ <i>Level of civic engagement and bottom-up influence on the organization's policy agenda and development.</i></li> <li>▪ <i>Degree of organizational support for effective functioning of CSO/CBOs.</i></li> <li>▪ <i>Existence of special and/or provisional measures to ensure partnerships with all excluded groups.</i></li> </ul>
Assess a Situation and Define Vision and Mandate	
<b>Overall Question:</b>	Does the organization have the capacity to frame, manage and interpret a comprehensive situation analysis for broad and meaningful participation? Does the organization have the capacity to create a vision for broad and meaningful participation?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Enable equitable, broad and meaningful participation in conducting situation analyses and creating a vision?</li> <li>• Involve citizens, customers in the design and improvement of products and</li> </ul>

	services?
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on the organization's policies relating to inclusion, participation, equity and empowerment.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the organization's inclusion, participation, equity and empowerment policies.</li> <li>▪ <i>Adequacy of avenues to ensure equitable/broad and meaningful participation in situation analyses.</i></li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Does the organization have the capacity to ensure involvement of interested parties throughout the process of developing policies and strategies?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Develop policies that encourage involvement of interested parties?</li> <li>• Develop clear and simple policies using simple language?</li> <li>• Involve employees, customers, citizens and other stakeholders in the development of quality standards for services, products and information</li> <li>• Involve employees, customers, citizens in the design and development of information sources and channels?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Quality of mechanisms that ensure inclusion, participation, equity and empowerment.</i></li> <li>▪ <i>Extent to which societal changes are integrated into the organization's inclusion, participation, equity and empowerment policies and mechanisms.</i></li> <li>▪ <i>Existence of long-term strategic policy options for inclusion, participation, equity and empowerment.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Does the organization have the capacity to involve citizens/customers in the development and delivery of programmes and services?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Encourage employees, customers, and customers to organize themselves and support citizens' groups?</li> <li>• Ensure a proactive information policy, e.g., about their processes</li> <li>• Ensure that employees, customers, citizens are treated individually?</li> <li>• Ensure that appropriate and reliable information, assistance and support are given to employees, customers, citizens?</li> <li>• Provide accessibility of the organization, e.g., flexible opening hours, documents in both paper and electronic versions?</li> <li>• Conduct electronic communication and interaction with employees, customers and citizens?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Alignment of inclusion, participation, equity and empowerment programme with the organization's mission, priorities and managerial capacities.</li> <li>▪ Clarity and awareness of inclusion, participation, equity and empowerment goals and priorities among management.</li> <li>▪ <i>Degree of enforcement of inclusion, participation, equity and empowerment mechanisms.</i></li> <li>▪ <i>Extent of use of new and innovative ways of dealing with citizens/customers.</i></li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to ensure availability and accessibility of communication and feedback mechanisms for employees, customers and other key stakeholders to be heard?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Evaluate the development and implementation of public engagement frameworks and mechanisms?</li> <li>• Ensure transparency of the organization, including decision-making and developments, e.g., by publishing annual reports, holding press conferences, posting information on the internet?</li> </ul>

	<ul style="list-style-type: none"> <li>• Develop sound response and complaint management systems and procedures?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Existence of clear and well understood inclusion and feedback mechanisms.</li> <li>▪ <i>Existence of mechanisms to register the voice of customers and employees and their perceptions.</i></li> <li>▪ Accessibility of organization's management to the media.</li> <li>▪ Availability of information.</li> <li>▪ <i>Number and quality of citizen/customer suggestions received, recorded, acted upon.</i></li> <li>▪ <i>Degree to which management seeks suggestions and collects ideas for improvement.</i></li> </ul>

### Access to information

<b>Context</b>	A second component of this category pertains to the mobilization, access and use of information and knowledge. Attention is given to access to and use of the Internet, the role of the media, the adaptation of global knowledge to local circumstances, knowledge networking, and incentives to encourage learning.
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## 4.5 Accountability - Access to information – Enabling environment

<b>Functional Capacities</b>	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Do authorities have the capacity to engage stakeholders throughout the process of developing plans for access to information and knowledge?
<b>Additional Questions:</b>	<ul style="list-style-type: none"> <li>• Do authorities have the capacity to publish public information in local language(s)?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between and among the government and domestic and external stakeholders on issues relating to access to information and knowledge.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between and among the government and domestic and external stakeholders.</i></li> <li>▪ <i>Availability of public information in local dialects for dissemination to local users.</i></li> <li>▪ <i>Degree of effort aimed at administrative simplification (e.g., use of simple language).</i></li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to frame, manage and interpret a comprehensive situation analysis? Do authorities have the capacity to create a vision for equitable, broad and meaningful access to and provision of information and knowledge?
<b>Additional Questions:</b>	Do authorities have the capacity to: <ul style="list-style-type: none"> <li>• Conduct analyses of: intellectual property rights protection; code of conduct/ethics and regulations in information services, including privacy laws, disclosure, censorship, conflicts of interest, etc.; competition policy for information providers; licensing; media ownership; censorship; transparency and access to public records and foreign sources of information; professional regulation (of media practitioners)?</li> <li>• Conduct analysis of information and communication services industries?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on policies relating to access to information and knowledge.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the government's access to information and knowledge policies.</li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Do authorities have the capacity to ensure access to and provision of information and knowledge throughout the process of developing policies and strategies?

<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Create policies, laws and regulations on access to and provision of information and knowledge?</li> <li>• Draft laws on: intellectual property rights protection; code of conduct/ethics and regulations in information services, including privacy laws, disclosure, censorship, conflicts of interest, etc.; competition policy for information providers; licensing; media ownership; censorship; transparency and access to public records and foreign sources of information; professional regulation (of media practitioners)?</li> <li>• Develop policies, legal and regulatory frameworks and mechanisms that provide incentives for research and development activities and knowledge sharing?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Degree, quality and enforcement of mechanisms that ensure access to information and knowledge (e.g., constitutional recognition of freedom of information; state policy on public access to information in all governmental branches and units, promoting transparency in public transactions and access to public records).</i></li> <li>▪ <i>Extent to which societal changes are integrated into government's access to information and knowledge policies and mechanisms.</i></li> <li>▪ <i>Existence of long-term strategic policy options for access to information and knowledge.</i></li> <li>▪ Existence of freedom of information laws and/or procedures to ensure that members of the public can obtain information/documents from public authorities.</li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Do authorities have the capacity to ensure access to information and knowledge to support the process of budgeting, management and implementation of programmes and delivery of services?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Budget, manage and implement programmes to ensure technological, communication and information resources and networks are in place?</li> <li>• Develop and use management information systems, including statistical data systems, databases and data collection mechanisms?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Alignment of access to information and knowledge programme with government's mission, priorities and managerial capacities.</li> <li>▪ Clarity and awareness of access to information and knowledge goals and priorities among leaders.</li> <li>▪ <i>Degree of enforcement of access to information and knowledge mechanisms.</i></li> <li>▪ <i>Extent of efforts to improve availability, accuracy and transparency of information.</i></li> <li>▪ Degree to which information is shared across organizations</li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Do authorities have the capacity to ensure, through evaluation mechanisms, citizens' access to information and knowledge?
<b>Additional Questions:</b>	<p>Do authorities have the capacity to:</p> <ul style="list-style-type: none"> <li>• Evaluate access to information and knowledge?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Equity of distribution of public resources, infrastructure and facilities enabling nationwide access to information.</i></li> <li>▪ <i>Existence of system for generating internal and external feedback on effectiveness of information services.</i></li> <li>▪ <i>Degree of citizen/customer access to global knowledge (e.g., connectivity, internet access points).</i></li> <li>▪ <i>Degree of citizen/customer access to budget allocation information regarding local services, e.g., schools, clinics.</i></li> <li>▪ <i>Amount and quality of information available; transparency of information.</i></li> </ul> <p><b>Media</b></p> <ul style="list-style-type: none"> <li>▪ Censorship of the media (via an 'Official Secrets Act' or something similar; libel laws; journalist licensing laws).</li> <li>▪ Independence of the media (from government control, influence).</li> <li>▪ Credibility of the media.</li> </ul>

	<ul style="list-style-type: none"> <li>▪ <i>Quality of the media</i> (e.g., publication of stories critical of the administration, quoting opposition politicians).</li> <li>▪ Level of competition within the media (print, television, radio).</li> <li>▪ Existence and enforcement of anti-monopoly laws.</li> <li>▪ Growth of independent media sector (including internet, informal journals, newsletters).</li> <li>▪ Rights of foreign press relative to domestic press.</li> <li>▪ Transparency of non-media business interests of media owners.</li> </ul>
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#### 4.6 Accountability - Access to information – Organizational level

Functional Capacities	
<b>Engage Stakeholders</b>	
<b>Overall Question:</b>	Does the organization have the capacity to enable a free flow of knowledge and information among partners and across networks?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Engage stakeholders in the process of developing policies, frameworks and mechanisms to ensure access to information and knowledge?</li> <li>• Publish public information in local language(s)?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence and effectiveness of dialogue mechanisms (and other links as appropriate) between the organization and relevant domestic and external stakeholders on issues relating to access to information and knowledge.</i></li> <li>▪ <i>Quality (e.g., transparent, participatory, engaged, respective) and frequency of dialogue between the organization and domestic and external stakeholders.</i></li> <li>▪ <i>Availability of public information in local dialects for dissemination to local users.</i></li> <li>▪ <i>Degree of effort aimed at administrative simplification (e.g., use of simple language).</i></li> </ul>
<b>Assess a Situation and Define Vision and Mandate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to frame, manage and interpret a comprehensive situation analysis of the environment relating to access to and provision of information? Does the organization have the capacity to create a vision for equitable, broad and meaningful access to information and knowledge?
<b>Additional Questions:</b>	n/a
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ Quality of analysis of environmental influences (at the appropriate level, e.g., market, sector) and their relative degree of impact on policies relating to access to information and knowledge.</li> <li>▪ Quality of action taken as a result of 'critical events' analysis of opportunities and threats of most significance to the organization's access to information and knowledge policies.</li> </ul>
<b>Formulate Policies and Strategies</b>	
<b>Overall Question:</b>	Does the organization have the capacity to put in place a policy and blueprint (long-term and strategic goals and plans) for information, knowledge and communications?
<b>Additional Questions:</b>	Does the organization have the capacity to: <ul style="list-style-type: none"> <li>• Develop an information and knowledge management policy covering content and content architecture, infrastructure, human resources, budget and processes, including information and knowledge creation, storage/archiving, quality management, strategic utilization, security and dissemination?</li> <li>• Develop a policy to integrate information technologies in accordance with strategic and operational objectives?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence of organizational policy and blueprint for information, knowledge and communications.</i></li> <li>▪ <i>Transparency of organizational policies and code of ethics in information</i></li> </ul>

	<p><i>management.</i></p> <ul style="list-style-type: none"> <li>▪ <i>Existence of long-term strategic policy options for access to information and knowledge.</i></li> <li>▪ <i>Degree, quality and enforcement of mechanisms that ensure access to information and knowledge.</i></li> <li>▪ <i>Extent to which societal changes are integrated into the organization's access to information and knowledge policies and mechanisms.</i></li> </ul>
<b>Budget, Manage and Implement</b>	
<b>Overall Question:</b>	Does the organization have the capacity to provide technological, communications and information resources and networks required for the development and delivery of programmes and services?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Budget, manage and implement programmes to ensure technological, communications and information resources and networks are in place?</li> <li>• Use an information and knowledge management system?</li> <li>• Ensure accessibility and utility of the organization's information services to clientele including disadvantaged groups?</li> <li>• Ensure adequacy of personnel skills in electronic access to and management of information?</li> <li>• Ensure that all employees have access to the knowledge relevant to their objectives and tasks?</li> <li>• Ensure the accuracy, reliability and security of information?</li> <li>• Develop and use internal channels to spread information throughout the organization, e.g., internet, newsletters, illustrated magazines?</li> <li>• Ensure that externally available information is processed and used effectively?</li> <li>• Present information in a user-friendly manner?</li> <li>• Ensure that knowledge of employees leaving the organization is retained?</li> <li>• Apply the appropriate technology to the management of tasks; the management of knowledge; learning and improvement activities; interaction with stakeholders and partners; development and maintenance of internal and external networks?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence of organizational information and knowledge management system covering content and content architecture, infrastructure, human resources, budgets and processes, including information and knowledge creation, storage/archiving, quality management, security and dissemination.</i></li> <li>▪ Alignment of access to information and knowledge programme with the organization's mission, priorities and managerial capacities.</li> <li>▪ Clarity and awareness of access to information and knowledge goals and priorities among organizational leadership.</li> <li>▪ <i>Degree of enforcement of access to information and knowledge mechanisms.</i></li> <li>▪ <i>Extent of efforts to improve availability, accuracy and transparency of information.</i></li> <li>▪ Extent to which information is shared openly within the organization.</li> <li>▪ Level of access to technological resources needed to operate efficiently.</li> <li>▪ <i>Adequacy of personnel skills in electronic access to and management of information.</i></li> </ul>
<b>Evaluate</b>	
<b>Overall Question:</b>	Does the organization have the capacity to ensure, through evaluation mechanisms, access to information and knowledge for all stakeholders (e.g., employees, customers)?
<b>Additional Questions:</b>	<p>Does the organization have the capacity to:</p> <ul style="list-style-type: none"> <li>• Evaluate access to information and knowledge?</li> </ul>
<b>Indicators</b>	<ul style="list-style-type: none"> <li>▪ <i>Existence of system for generating internal and external feedback on effectiveness of information services.</i></li> <li>▪ <i>Degree of customer access to organizational knowledge.</i></li> <li>▪ <i>Amount and quality of information available; transparency of information.</i></li> </ul>

## **4.7 Accountability - Additional areas of exploration**

### **Judiciary**

Do judges have the capacity to:

- Exercise jurisdiction to review the lawfulness of government decisions? If so, are these powers used? Are decisions respected and complied with by the government? Is there a perception that the Executive gets special treatment, be it hostile or preferential? Do the judges have adequate access to legal development in comparable systems elsewhere?

Do authorities have the capacity to:

- Ensure that members of the legal profession make sufficient use of the courts to protect their clients and to promote just and honest government under the law?
- Ensure access to the courts is as open and simple as it can be?
- Ensure that legal requirements are not unnecessarily complicated?
- Ensure that appointments to the senior Judiciary are made independent of other arms of government?

### **Local Government**

Do authorities have the capacity to:

- Ensure that government is democratically accountable?
- Ensure that government is subject to independent audit?
- Ensure that meeting of local bodies are held in public unless there is a legal basis for being restricted?

## **ANNEX I: SELECT REFERENCES ON INDICATORS**

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### **UN / UNDP**

Balanced Scorecard, UNDP, January 2006.

“Enhancing the UN’s Contribution to National Capacity Development: Initial Guidance for UNCTs,” Working Group on Capacity Development, UNDG, March 2006.

“Handbook on Monitoring and Evaluating for Results,” Evaluation Office, UNDP, June 2005.

“Measuring Capacities: An Illustrative Catalogue to Benchmarks and Indicators,” Capacity Development Group, UNDP, September 2005.

Millennium Development Goal Indicators.

Organizational Capacity Assessments: A Toolkit for the Public Sector, Capacity Development Group, UNDP, December 2005.

UNDP, CDG (2007) Practice Note on Capacity Development

“UNDP-UNICEF Workshop on Planning and Monitoring of Capacity Development: Final Report,” UNDP and UNICEF, November 1999.

“Using Indicators to Measure Impact and Performance for Capacity Development and Mainstreaming in Sustainable Land Management Projects,” UNDP-GEF, Draft, May 2006,

<http://www.undp.org/gef/05/monitoring/policies.html>

### **Other Organizations**

“Outcome Mapping: The Challenges of Assessing Development Impacts,” IDRC, 2001.

[http://www.idrc.ca/en/ev-26586-201-1-DO\\_TOPIC.html](http://www.idrc.ca/en/ev-26586-201-1-DO_TOPIC.html)

“Review of the DAC Principles for Evaluation of Development Assistance,” OECD/DAC, 1998.

<http://www.oecd.org/dataoecd/63/50/2065863.pdf>

“Ten Steps to a Results-Based Monitoring and Evaluation System,” World Bank, 2004. (Jody Zall Kusek and Ray C. Rist)

[http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2004/08/27/000160016\\_20040827154900/Rendered/PDF/296720PAPER0100steps.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2004/08/27/000160016_20040827154900/Rendered/PDF/296720PAPER0100steps.pdf)

## ANNEX II: ADDITIONAL UNDP CAPACITY DEVELOPMENT RESOURCES

### Theoretical and Case Study Publications

- Capacity for Development: New Solutions to Old Problems
- Developing Capacity through Technical Cooperation
- Ownership, Leadership, and Transformation: Can We Do Better for Capacity Development?
- Action Brief on Capacities for Integrated Local Development
- Action Brief on Brain Gain
- Action Brief on Ethics and Values in Civil Service Reforms

### Practice Notes

- Practice Note on Capacity Development
- Practice Note on Capacity Assessment

### Concept Notes on Core Issues

- Institutional Reform and Change Management: Managing Change in Public Sector Organizations
- Incentive Systems: Incentives, Motivation and Development Performance
- Leadership Development: Leading Transformations at the Local Level
- Knowledge Services and Learning
- Mutual Accountability Mechanisms: Accountability, Voice and Responsiveness
- Multi-Stakeholder Engagement Processes

### Practice Notes on Capacity Development Applications

- Practice Note on Supporting Capacities for Integrated Local Development
- Practice Note on Capacity Development during Periods of Transition

### Concept Notes on Capacity Development Applications

- Capacity Development and Aid Management
- Procurement Capacities

### Resource Guides and Tools

- UNDP Capacity Assessment User's Guide and Supporting Tool
- A Review of Selected Capacity Assessment Methodologies
- UNDP Procurement Capacity Assessment User's Guide and Supporting Tool
- Guide on UNDP's Role in a Changing Aid Environment: Direct Budget Support, SWAps & Basket Funds
- Leadership for Human Development
- Toolkit on Localising the MDGs
- Toolkit on Private Sector Development
- UNDP-LEAD Leadership Modules
- Resource Catalogue on Measuring Capacities: An Illustrative Guide to Benchmarks and Indicators
- Resource Catalogue on Capacity Development
- Manual for a Local Sustainable Development Strategy Formulation
- CSO Capacity Assessment Tools
- Applying a Human Rights-based approach to Development Cooperation and Programming

### Training materials (for UNDP Staff)

- Self-paced online course on Capacity Development (available through the UNDP Learning Management System)
- Self-paced online course on Capacity Assessment (available through the UNDP Learning Management System)

### Networks

- Capacity Development Network and Community of Practice

### Capacity Development Websites/Knowledge Spaces

- External Website: <http://www.capacity.undp.org>
- Internal Workspace: <http://content.undp.org/go/topics/capacity>
- Capacity.org: [www.capacity.org](http://www.capacity.org)