



Commonwealth Foundation

Capacity development framework

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1. Systems thinking: the complex nature of capacity development

The Foundation's capacity development framework offers a view of capacity as a complex, holistic process that takes place at different levels of the system in a web of interconnectedness. It describes open systems as human, social and political systems which evolve organically over time in ways that are characterised by unpredictability and multiple and multi-layered interactions. It also defines the stakeholder terrain at the individual, organisational and institutional levels. It identifies civic voices¹ such as civil society organisations, networks, coalitions and/or alliances and movements that should be involved in the capacity development process and the capacities that are needed. These stakeholders perform a range of functions that include developing and advocating for policy and plans, mobilising resources, performing administrative functions, delivering basic services, providing oversight, managing financial systems and implementing programmes. Thus, within systems thinking, it takes on the concept of Complex Adaptive Systems (CAS) in particular which offers a perspective...to understand how capacity develops with organisations and large systems... and takes the view that organisations and networks - whether simplex or complex - are more analogous to living organisms than they are to a machine.

2. Definition of and approach to capacity development

Capacity development (CD) may be defined as 'the process of change whereby individuals, organisations, institutions and systems strengthen their abilities to perform functions, solve problems and set and achieve their goals.' The World Bank defines it as 'a locally driven process of learning by leaders, coalitions and other agents of change that brings about changes in socio-political, policy-related, and organisational factors to enhance local ownership for and the effectiveness and efficiency of efforts to achieve a development goal.' This definition describes increasing the capacity for development as 'by extension, a process of socio-political, policy-related, and organisational change... and driven primarily by changes in how knowledge and information are applied at various levels of society - that is, by **learning**.'

In the past, reference to capacity has often emphasised individual capacity to the exclusion of organisational and institutional capacity. There is a growing awareness that human resource development alone is not the answer to capacity constraints in most organisations and institutions. In addition, this framework considers the policy, funding and supporting environment of systems in which the individuals and organisations operate. This 'enabling environment' may also need enhancement if the process and the results of CD are to be sustained.

The levels of capacity and the range of capacity development activities are depicted in table 1. The table provides **examples** of capacities within which civic voice collectives at the individual, organisational, and system level as well as examples of possible CD activities that could be considered in areas where the need for performance improvement and capacity enhancement have been identified. This is not an exhaustive list and should be enriched by the experience of the Foundation in the course of delivering its mandate.

The role of the Foundation is to facilitate and support this change process in achieving its mission and mandate to support civic voices across the Commonwealth. The Foundation adheres to the

¹ This refers to the spectrum of civic voices, which includes formal civil society organisations, coalitions, networks, alliances, social movements, less formal collectives and individual voices (Commonwealth Foundation Strategy 2017-21).

principle that the individuals, organisations and institutions involved own and manage their own CD and use methodologies that contribute to sustainability.

The aim of the Foundation is to facilitate this process by providing support at various levels of a system by following a systematic process of CD that leads to sustainability; by utilising effective CD delivery methodologies and promoting knowledge sharing and learning as an important aspect of social transformation in bringing about locally-owned changes to advance a particular development goal.

Within a human, social and political system is relational power with its multiple intersections of exclusions. As part of systems thinking the CD Framework of the Foundation takes into consideration gender and its intersectionality as an integral part of designing, planning for and implementing CD initiatives ([refer to the Foundation's gender and intersectionality guidelines](#)).

Refer to annex A for the reference document for partners on capacity development approach and process. This is a practical guide in working with partners on planning, designing and monitoring capacity development initiatives.

2.1. Cyclical process of capacity development

The process of change and development in the CD Framework of the Foundation includes four general elements. CD is viewed broadly as a developmental process that takes place over time, each element building on the one before or at times overlapping and/or the steps repeating themselves in a cyclical, spiraling manner in a response to internal and external influences. This challenges the approaches to capacity development that are tied exclusively to linear, sequential planning logic.

1. Consensus - increased and facilitated agreement about the need to enhance capacity in order to achieve a development goal; and about what capacities and whose capacities to develop.
2. Strengthening capacity - strengthened individual competencies and organisational processes, structures and systems.
3. Testing and application - improved application of capacities and enhanced and / or new knowledge; improved implementation of processes, structures, and systems to improve performance. This phase is where degrees of traction of strengthened capacities would be apparent and should be monitored
4. Institutionalisation - This is the stage where embedding of new systems which includes but not limited to enhanced regulatory support; culture of continuous improvement internalised; increased ability of the enabling environment to support and sustain development, legislation of policy reform, among others.

1: Consensus

The first stage of CD is to assist partners and stakeholders to assess their capacity development and institutional strengthening needs and to come to a consensus on development priorities and a plan for change as a collective (whether as organisations, coalitions, networks, alliances and social movements). Conducting self-assessment as capacity diagnostics is intrinsic to the change process that is supportive of evolutionary, adaptive design. This process should be less about analysing gaps and more about recognising strengths; supportive of self-learning that capitalises on existing strengths and opportunities.ⁱ

Building consensus among key stakeholders on the priorities and plans for CD is critical for encouraging local ownership of the process. This element of the process seeks consensus among development partners on **what capacity is needed by whom, for what purpose and how these partners will strengthen and exercise this capacity over time.**

This key element includes an assessment and analysis using an approach that provides baseline data on the current performance and existing capacity of the organisation (both strengths and weaknesses), and provides the information on which CD interventions are planned.

2: Strengthening capacity

The second stage examines how individual and organisational capacities can be enhanced through improved knowledge, personnel competencies and organisational processes, structures and systems. It assists partners in acquiring knowledge required to better design and implement systems, programs and services at the individual, organisational and institutional levels. This stage includes carrying out capacity strengthening activities such as human resource development, skills training, introduction of new systems and technologies, and improvements in policies and procedures.

A key component of this process is the strengthening of participatory mechanisms that would facilitate effective, responsive and accountable governance.

3: Testing and application

The third element of the process is to assist partners to test and apply their enhanced and / or new knowledge, skills, systems and procedures to implement new / enhanced development programs, to improve their performance and to increase effectiveness and efficiency. The Foundation will support Civil Society partners- civil society organisations and networks- to use new / enhanced skills, systems and procedures to implement new development programmes, identify and adapt good practices as an approach to applying proven and effective solutions to common or similar problems and not reinventing the wheel when it works in certain situations, and to improve the process of dialogue and interaction with stakeholders in the governance terrain.

This may involve shifts in cultures and ways of thinking, changes in work systems and procedures and enhancing management styles, among others. The strategies and approaches that can be used in this stage to help apply new capacities, implement new plans and programmes and monitor progress are on site mentoring, learning by doing, follow-on activities, peer-to-peer learning, provision of knowledge tools and assistance to mobilise resources, among others.

Stage 4: institutionalisation

The fourth element of the cyclical process guides individuals and organisations to internalise changes and processes for on-going assessment and CD. Institutionalisation requires the establishment of organisational support for the new / enhanced systems to ensure that a culture of continuous improvement and sustainability is internalised. One of the things that may take place at this process is that civic voice collectives for example will have created a culture of continuous learning and have systems in place to elicit feedback and to respond to the need for further development and improved performance. Activities in this final stage will support civic voice collectives to internalise institutional improvements to ensure their

sustainability through policy, guidelines, developing and formalising resource pools and to establish participatory mechanisms for continuous learning and improved performance. This is also the stage where policy reform may have been legislated and regulatory frameworks adopted.

2.2. Participatory capacity development methodologies

The Foundation will use participatory methodologies in the design, development, implementation and evaluation of its CD activities. Exemplary practices and lessons in CD have shown that delivery methodologies for capacity development activities are most effective when there is an emphasis on learning-by-doing, on site mentoring, locally based hands-on training approaches, broad participation of stakeholders, and direct application of new / enhanced skills to the local situation. There are also examples of successful CD that utilised public communication strategies and demonstration projects for concrete and on-site applications of skills and technology.

Participatory CD methodologies are not only effective in helping civic voice collectives strengthen their skills and abilities, but they also model participatory approaches that these partners can utilise when planning their own activities beyond the technical assistance. The participation of civic voice collectives in the planning of CD activities and agreed mechanisms of communication underscores the importance of consultation and communication with partners during planning and implementation of projects. This process is described in detail in Annex A.

The Foundation recognises the critical role of on-site mentoring or coaching by local resource partners (as opposed to parachuting ‘external experts’) in ensuring and increasing the effectiveness of CD projects. This strategy moves beyond the delivery of discrete interventions towards on-going support to partners in identifying their issues, developing solution-seeking approaches to solve their problems, identifying new methods of approaching dialogue and constructive and meaningful engagement, and providing support to broadening CD initiatives. The Foundation will use this strategy to ensure that partners receive comprehensive and cohesive mentoring for ongoing CD rather than a series of disjointed ‘training’ interventions and capacity replacement approaches.

3. Essential characteristics of capacity development in the Foundation

CD in the Foundation is viewed as a comprehensive approach involving necessary and strategic stakeholders in a change process aimed at improved performance of a Civil Society network/alliance within a system or a sector. The principles that underline CD in the Foundation are characterised by the following:

- Holistic: CD builds on a vision of a well-functioning Civil Society network in the Commonwealth and takes a multi-stakeholder approach to governance and development
- Participatory: CD requires a full range of stakeholders in governance and promoting ownership of CD initiatives, which help stakeholders learn and apply the news systems, procedures and service delivery mechanisms
- Priorities-based: CD responds to the needs and priorities of Civil Society partners and promotes the **local ownership of development**. It is based on consensus reached through the assessments of needs. It relies on Civil Society partners who would champion the integration of the new capacity in the system and culture in the Commonwealth

- Culturally situated: CD respects the local culture, harnesses indigenous knowledge systems and is **not prescriptive**
- Results-based: CD encourages positive change that is articulated, planned and measurable. It promotes accountability, learning and performance, and describes sets of concrete results linked in the development process that are **unfolding over time**
- Collaborative: CD requires coordination of efforts by Civil Society, government, private sector and international agencies working together in and across the Commonwealth. This ensures that efforts are harmonised, resources are maximised and initiatives complement and build on the needs of the various sectors of governance. This also leads to the development of **partnerships**
- Analytical: CD requires strategic and analytical thinking. This includes development of conceptual frameworks and systems analyses for program design, implementation and monitoring
- Cyclical: CD supports on-going change. The process is seldom linear and often unpredictable; often spiraling up and down in terms of the different elements of the process: consensus, strengthening capacity, testing and application and institutionalisation
- Practical: CD initiatives need to be practical and useable. Successful CD provides partners with new and **user-friendly tools**
- Iterative: CD requires flexibility and creativity as well as allowance for trial and error to determine the best ways to achieve one's objectives. It is through continued, yet incremental guided practice, that the Civil Society partners gradually appreciate how the innovations being introduced can help them be more effective in delivering programs and achieving their goals. For this approach to succeed, it **requires an open and trusting relationship between partners.**

This framework resonates with 12 implications for practice on capacity development offered by the European Centre for Development Policy Management. The Foundation's work is intended to contribute to the growing discourse on capacity development.

Implications for practice

1. Retain a focus on ownership. **Ownership is critical to any capacity development process**, because change is fundamentally political. Ownership, however, cannot be taken for granted, and any change process is likely to be contested. While ownership may reflect formal authority, it can also be shaped by patterns of stakeholder motivation, volition and identity. It should be addressed as an underlying theme to be tested, negotiated, mediated, and supported throughout the process
2. Approach capacity development more as a **process of experimentation and learning** than as the performance of predetermined activities. Especially at the outset, there is need to probe and test out different interventions to see which work and which don't. Starting with 'big bets'- guesses about the ends and means of capacity development may turn out to be counterproductive and may even weaken capacity
3. **Take a more adaptive and responsive approach to design.** Recognise that good design means being clear about desired direction of change, but leaving space for adaption along the way. In highly contested areas where goals are unclear, more searching may be required before engaging in formal design. Use monitoring as a mechanism for collective learning and for adjusting priorities, techniques and activities
4. Ensure that the design process **engages local stakeholders** in the determination of needs and strategies. The process should be one of joint exploration

5. Invest more in **understanding context in terms of the political, social and cultural norms and practices** that shape the way the country or an organisation understands capacity, change and performance. This includes taking a historical perspective and looking beyond the formal to understand the way in which informal institutions can shape and influence patterns of behavior, and the incentive for change
6. **Analyse more comprehensively the nature of the change** that is being demanded as a basis for defining the appropriate form of support. Is it for example simple, complicated, complex or chaotic?²
7. **Conduct capacity assessment as an intrinsic part of change** process that is supportive of evolutionary design. Capacity diagnostics should be less about analysing gaps and more about recognising strengths. It can be used to engage stakeholders in a **process of self-learning that capitalises on existing strengths and opportunities**.

Annex A

8. **Give attention and recognition to less visible aspect of capacity**, such as values, legitimacy, identity and self-confidence, as well as other, non-monetary forms of motivation that may nonetheless be critical to outcomes. Determine whether and how such aspects can be supported from the outside
9. **Be more creative about options for support**, i.e. which resources and techniques to apply. Be less inclined to fall back on international technical assistance (TA) as the standard means of delivering capacity development support. Also look at a wider range of approaches to at least supplement the conventional approaches that dominate much of capacity development practice
10. **Be prepared to accept a higher degree of risk and failures as a means of encouraging learning and innovation**. Acknowledge that it is often difficult to predict beforehand what is going to work. This needs to be accompanied by better mechanisms for learning. These may challenge current approaches to M&E that can constrain the ability and motivation to learn
11. **Invest in relationship-building**. The implementation of capacity development support depends tremendously on the **relationships forged between local stakeholders and external actors**. Working relationships should be collegial, based on a shared process of problem solving and learning. This requires an investment in 'soft skills' to accompany the substantive skills that external assistance can bring to bear. It also requires a greater willingness on the part of technical assistance to understand the political, social and cultural context
12. Be more realistic about the scope of external contribution. In the end, external partners are marginal actors, as compared to the influence exerted by underlying domestic processes and forces. However, well-timed and well-placed contributions can provide significant support for local processes, even if such contributions are only marginal.

Table 1: This provides a menu of the range of capacity development activities that takes place at the individual and institutional levels

Level	Range of capacities	Menu of capacity development activities
Individual		
	Knowledge, skills, values and attitudes of members /staff	Workshops
	Knowledge, skills, values and attitudes of partners	Tailor-made training
	Certification and qualification	Conferences, seminars
		Formal education
		Study tours
		On-site coaching
		Mentoring
		Job shadowing
		Peer-to-peer mentoring
Planned and supported, learning-by-doing		
Institutional		
Work environment and motivation	Recruitment	Enhance HRM/HRD policies and plans
		Clarify job descriptions
		Improve recruitment and selection procedures
	Compensation	
	Achievement, recognition and promotion	Enhance employee incentive schemes
	Performance appraisal and HR development	Develop performance appraisal system
		Mainstream gender equality and cultural respect and understanding into organisational policies and plans
		Introduce staff feedback

		Systems
	Teamwork	Improve team work
Organisational capacity	Organisational structure	Conduct organisational review
		Plan and implement restructuring
	Tools and equipment	Upgrade tools and equipment
	Work processes	Streamline processes
		Develop operations Manuals
		Develop procedures Guidelines
		Identify and Replicate Best Practices
	Supplies and materials	
	Technology	Introduce New Technologies
	Internal communication	Enhance Performance Measurement Systems
Enhance Feedback and Systems		
Physical facilities	Improve physical layout	
Leadership and communication	Vision, goals and objectives	Clarify vision, mission and development plans
	Sectoral policies and legislation	Engage in participatory policy development
	Sectoral programs and plans	Engage in participatory development
		Support mainstreaming of poverty reduction, gender equality, cultural respect and understanding and environmental sustainability
		Support monitoring
	Performance management	Promote internal leadership and ownership
		Promote participatory communications
Civil Society-civil society network/alliance relations	Facilitate government community dialogue	

		Facilitate civil society-governmental dialogue
Systemic		
Enabling environment	National/regional policies	Advocate for new or improved national policies and legislation
		Form and strengthen partnerships/ networks to address common problems
	Supporting institutions	Develop and strengthen mechanisms that link civil society organisations with government and the private sector
	Legal and regulatory Framework	
	Capacity development And Replication mechanisms	Strengthen institutions that build civil society capacity
		Facilitate civil society-governmental dialogue



Annex A: Reference guide for partners

I. Capacity development approach and process

1. The Foundation's capacity development approach

The Commonwealth Foundation's Participatory Governance and Gender Programme (PGG) is focused on capacity development for constructive engagement, underpinned by the Foundation's capacity development framework.

Constructive engagement can either take place between civic voices and governance institutions, or between civic voices engaging with each other to develop shared agendas for change, strengthening movements and coalitions to build a stronger, more collective voice to engage with governance institutions. For the Foundation, facilitating constructive engagement involves supporting the interaction of civic voices with the systems they want to transform through social dialogues, monitoring policy commitments and implementation, policy analysis and influencing, advocacy including the use of media, and access to platforms, among others.

The Foundation's capacity development process is understood as a long-term process of change in strengthening capacities, using an open systemsⁱ approach, that considers contextual specificities. Effective capacity development is a complex, holistic, cyclical, flexible and adaptable process that takes place at different levels within a (governance) system. It takes into account individual and organisational capacities in a web of interconnectedness. Capacity development in the Foundation's framework is an open, ongoing and iterative process of learning to enhance skills and knowledge, acknowledging existing capacities and local knowledge. Fundamental in the process is the aim to identify 'assets' (knowledge, skills) and strengthen these through a range of capacity development methodologies and strategies such as peer learning, mentoring, learning by doing, learning exchanges, training and pilot projects, among others. This approach embraces and encourages collective learning and reflection.

When engaging with new partners, the Foundation will conduct an exercise which aims to identify individual, organisational and collective assets and needs within the wider governance system in which partners operate in order to

- Better support partners to engage and influence governance more effectively and constructively
- Utilise their existing assets and specific contributions towards achieving agreed objectives
- Secure local ownership
- Decrease external dependency.

Capacity development spaces which may be supported by the Foundation therefore include individuals, organisations, coalitions, alliances, movements, and networks. These spaces overlap and reinforce each other and are not mutually exclusive.

Gender and its intersectionality are central to the Foundation’s approach to capacity development and support for programming, and will therefore be integrated into all capacity development processes.

2. The capacity development process

Capacity development within an open systems approach is a cyclical and iterative process, which challenges more linear approaches to capacity development. The capacity development process follows the stages below to ultimately effect changes in the governance system.

a. **Consensus**

The CD process is based on consensus. This is a facilitated agreement between the Foundation and partners which includes consensus on:

- i. The change the project is working towards
- ii. The support of the Foundation in contributing to the target change
- iii. The need to enhance capacity in order to progress towards the identified change; what and whose capacities to develop, including;
 - The identification of existing assets, strengths and capacity development needs at individual, organisational, or coalition level. For the Foundation, agreeing on expected capacity development and learning outcomes, based on the learning interests of partners (individuals and organisations) is as fundamental to success as their participation in planning their capacity development activities.
 - The development of a capacity development plan, in close alignment with the expected change the project is aiming to achieve
 - How to measure the change?

b. **Strengthening capacity**

This phase includes strengthening individual competencies and organisational processes, structures and systems towards achieving the identified change that partners are working towards. A tailored approach taking into consideration that one size does not fit all will be developed based on the capacity development requirements and assets identified in 1. above. The Foundation aims to ensure that partners receive ongoing comprehensive and cohesive mentoring, rather than a series of ‘ad hoc’ and disjointed trainings. This also means that monitoring change along the way is critical.

Capacity development methodologies include (amongst others):

- Learning by doing
- ‘South to South’ or peer learning
- Mentoring and coaching
- Access to platforms
- Locally based hands-on approaches, such as on-site coaching by technical advisors
- Trainings
- Learning and reflection meetings at regular intervals.

c. **Testing and application**

This phase includes strengthened individual capacities applied organisationally and /or in specific project implementation and / or specific institutional /governance processes

structures and systems. It is important to note that this phase involves adjustments, calibration and re-creation based on results of the testing of new skills or new ways of working. Application and mobilisation of knowledge demonstrates that learning is taking place.

d. Monitoring and assessing changes

This involves monitoring individual and collective learning against identified indicators. Changes may include: shifts in mind-sets and ways of thinking, ways of working, increased understanding of and application of intersectionality, strengthened advocacy capacity, etc.

As the focus of the Foundation's participatory governance and gender programme is on capacity development for constructive engagement, it is critical to assess progress towards envisaged capacity development outcomes as an integral part of achieving specific project targets and overall outcomes.

e. Institutionalisation

This phase involves internalising change at the organisational, system and governance environment. Strengthened individual capacities are demonstrating a contribution to change taking place at the governance environment and may include changes in the organisations / coalitions / alliances / movements, policy landscape, among others.

3. Partnership

The Foundation aims to be a 'critical friend,' facilitator and co-creator who accompanies the entire process, rather than a 'conventional donor'. This means it will not impose agendas, but aims to be responsive, demand-led, providing on-going support in solidarity with partners in identifying issues and solutions.

The Foundation's values are diversity, collaboration, integrity and ingenuity.

Diversity

Recognising that the plurality of people and natural environments of the Commonwealth lies at the heart of its strength, the Commonwealth Foundation will respect this diversity in fulfilling its mission. It is committed to the equality of opportunity for all, to respect for difference, and environmental sustainability.

Collaboration

Recognising that effective, responsive and accountable governance requires the inputs of all stakeholders, the Commonwealth Foundation will share the learning generated by the participation of civil society. It is committed to inspiring dialogue from the bottom up, promoting consultations, building consensus, facilitating convergence, forging partnerships and engaging diverse stakeholders in participatory governance.

Integrity

Recognising that intergovernmental organisations are publicly funded and answerable to their member states, the Commonwealth Foundation will act in a thoroughly transparent manner in all its undertakings. It is committed to demonstrating accountability to both governments and civil society. It pursues its mission with commitment, discipline and rigour.

Ingenuity

Recognising the scale and scope of the challenges facing Commonwealth people, their organisations and natural environments, the Commonwealth Foundation acknowledges the requirement to be innovative in its responses. It is committed to acting as a catalyst that brings stakeholders together to generate creative and innovative solutions and promote thoughtful analysis and learning.

II. Capacity assessment and development plan

To help plan for and achieve the change you want to see, it is important to assess existing capacities and what specific capacities require strengthening.

1. Self-assessment

1.1. Identification of strengths and assets

- What specific skills, capabilities, expertise and knowledge do you as an individual / as an organisation / coalition have?

1.2 Identification of capacity development needs and learning interests

- Which capacities do you need and at what level? (individual, coalition / network, organisation, community, institutions)

2. Planning for change: How and by whom will these capacities be strengthened over time?

Examples of potential changes in capacity could be:

- Increased understanding and application of intersectionality in your programming
- Strengthened advocacy or campaigning capacity
- Changes to your ways of working (needs to be further defined)
- A shift in mind-sets and ways of thinking
- More collaboration amongst women's organisations on specific issues of concern
- More knowledge of the policy process in a specific area of interest

Capacities to be strengthened	Whose? At what level?	How?	By whom?	By when?
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3. Measuring changes in capacities

4. How do you measure progress towards the change you want to achieve at individual and collective levels?

Capacity to be strengthened	Whose?	Targets and Indicator of change	Baseline	End Year 1
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