



RESOURCE CATALOGUE

**A Review of Selected Capacity  
Assessment Methodologies**

**Capacity Development Group  
Bureau for Development Policy  
July 2006**

No.	Name, Sponsor and Description	Comments
1.	<p><b>Capacity Assessment and Development in a Systems and Strategic Management Context. Technical Advisory Paper No. 3. BDP/UNDP. January 1998.</b></p> <p>The how-to handbook covers capacity assessment and development in the context of the programme approach. Using a systems approach, these guidelines advocate analysis at three levels: the system or enabling environment; the organisation; and the individual. SWOT analysis is recommended for the system level. Analysis of capacity gaps is recommended for the organisation and individual levels.</p>	<p>A comprehensive analytical process directly linked to programme development and implementation.</p> <p>Although the model is easy to understand, it requires a high level of management commitment; process facilitation; analytical capacity; and communications skills.</p> <p>This was UNDP's last major effort, but the model was never integrated into programming workflows. The paper is a precursor to this Practice Note.</p>
2.	<p><b>UNDP Capacity Assessment Guidelines. Draft March 1997.</b></p> <p>These guidelines are based on the framework developed by the Harvard Institute for International Development (see No. 13 below), with emphasis on the organisational level. The application of a systems approach places the organisation in the broader context. The guidelines are for assessment only and are not integrated with the programming process, though the stated goal is to support implementation of the programme approach. SWOT analysis is included to link external environment with target organisation.</p>	<p>A comprehensive and complex analytical process. SWOT introduced as an integrating methodology.</p> <p>The process relies on external consultants, making national ownership more difficult to achieve.</p> <p>Interesting as an evolutionary step in UNDP thinking.</p>
3.	<p><b>Capacity Assessment Guidelines. The Programme Approach: Assessment Levels and Methods. Thomas Hopkins for UNDP. January 1996.</b></p> <p>These guidelines attempt to operationalize the five-dimension Harvard Institute for International Development framework for capacity assessment and development in the context of UNDP's programme approach and national execution. Two tools are included: one for assessment at the "strategic level"—the enabling environment—and the other at the operational level, which in this case is for assessing the capacity of the target organisation to manage its own capacity development project.</p>	<p>A straightforward, six-step process directly linked to programme development.</p> <p>Useful questionnaire at the level of the enabling environment. May be useful for assessment at the sectoral level. Limited focus on capacities at the organisation level.</p>
4.	<p><b>Integrating Capacity Development into UNDP Programming Processes: A Model Workflow for Country Offices. CDG/BDP/UNDP. December 2003.</b></p> <p>This integrated model for capacity assessment and programming is based on a two-step approach to assessment of the enabling environment and at the organisational level (the operating environment). There is an emphasis on "go-no-go" decision-making throughout the workflow. At the organisational level, capacities to be assessed are classified in three areas: managerial, adaptive, and synergistic. Process consultation is the methodology proposed for implementation of the workflow.</p>	<p>Based on country office workflow. New assessment variables address capacity for continuous learning and adaptation and the creation of synergistic relationships with partners.</p> <p>Enabling environment assessment should be integrated into UN system processes, namely the common country assessment.</p> <p>This model should be tested in countries offices.</p>

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5.	<p><b>Capacity Building: National Approaches to Bringing about Change. UNDP Capacity 21.</b>  The complexity of current environmental management issues requires a comprehensive, multi-stakeholder approach that addresses capacity development in government, civil society and concerned organisations in various sectors. The participatory, problem-solving approach focuses mainly on issues in the enabling environment.</p>	<p>Focuses on coordination and cooperation among actors to solve problems rather than on developing capacity in specific organisations.</p> <p>A participatory process leading to programme development.</p>
6.	<p><b>CAPBUILD for Institutions: UNDP's Design Assistant for Institution Building Projects. UNDP 1994.</b>  This method is a computer program to guide the preparation of institution building projects. The companion User's Guide outlines a Feasibility Report that draws conclusions regarding political and management commitment, beneficiary demand, staff morale, support structures, and the policy framework. Once the feasibility report is agreed to, the program guides the formulators through an analysis of the organisation's capacity development needs and prepares a project to meet the identified needs.</p>	<p>The computer program standardizes the process.</p> <p>The approach reduces the process to a few key decisions; and qualification for capacity development assistance depends only on the feasibility report.</p> <p>It may be difficult to develop ownership as this assumes a separate project entity and space.</p>
7.	<p><b>Participatory Organisational Evaluation Tool. UNDP.</b>  Civil society organisations use this process and tool to assess capacity and consensus level in organisations against seven critical areas-human and financial resource management, equitable participation, sustainability of program benefits, partnerships, learning, strategic management.</p>	<p>As a self assessment exercise, this is highly participatory and inclusive, yet potentially fraught with the flaws and risks of self-assessment.</p> <p>Appropriate for organisations willing to invest the time and resources in this lengthy exercise.</p>
8.	<p><b>SACI Capacity Assessment Tool Kit. UNDP preliminary draft. Undated.</b>  The Southern Africa Capacity Initiative (SACI) sets out an approach for response to a perceived capacity crisis in several southern African countries as a result of the HIV/AIDS pandemic. The initiative aims to assist governments to maintain key functions and service delivery. The methodology of five modules addresses primarily human resources strategies and needs.</p>	<p>A novel rapid response approach to perceived capacity issues.</p> <p>Focused on human resource development issues.</p>
9.	<p><b>Rebuilding State Structures. RBEC UNDP. 2001.</b>  This paper describes the methodology for functional reviews of state institutions that was carried out in several RBEC countries. The reviews focus directly on organisational functions and seek to answer four basic questions: Which current functions are redundant and should be eliminated? Which current functions do other institutions duplicate? Which functions that should be performed are missing? How can the distribution and performance of functions be rationalized?</p>	<p>Highly focused and practical approach to capacity assessment at the organisational level. Easy to understand and implement. With some simplification, this approach has high potential for widespread application in programming.</p>

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10.	<p><b>A Guide to Self-Assessment of Country Capacity Needs for Global Environmental Management. GEF and partners. September 2001</b></p> <p>The unique features of this model are 1) that the capacity demand is known in advance – namely, capacity to implement international environmental conventions, and 2) the emphasis on self-assessment at the country level.</p>	<p>Ownership is built into self-assessment process. Clear goals as a result of focus on specific capacity issues.</p>
11.	<p><b>Public Sector Management Capacity Assessment: Sierra Leone. UNDP 1994.</b></p> <p>This method attempts to further operationalize the HIID approach (see No. 13 below). Though the approach covers all the areas in the HIID methodology, there is a strong emphasis on human resources issues including such areas as skills, training, recruitment and incentives. The approach engaged government officials in a lengthy process of data collection and analysis.</p>	<p>A useful set of questions for institutional assessment.</p> <p>However, the process may be complex, lengthy and expensive.</p>
12.	<p><b>Assessment of National Execution Capacity. UNFPA. March 2000.</b></p> <p>Survey to assess the general management, technical, and financial capabilities of government and non-governmental bodies.</p>	<p>Well organised assessment process and product (survey followed by interviews). High potential for UNDG use.</p> <p>Survey includes mix of open ended and targeted questions.</p> <p>May be costly and time-consuming to conduct follow-up interviews if participants are far apart.</p>
13.	<p><b>Building Sustainable Capacity: Challenges for the Public Sector. Harvard Institute for International Development for UNDP 1994.</b></p> <p>This approach defines five levels of capacity analysis: the action environment (the economic, social and political milieu); the public sector institutional environment (the legal and policy framework); the task network (the necessary coordination of concerned organisations); the organisations themselves; the human resources of the concerned organisations. The methodology was applied on a pilot basis using key informant interviews, documentary research and organisational mapping.</p>	<p>Complex, expensive and time-consuming analytical work; externally driven potentially creating an ownership issue.</p> <p>Assumes public sector solution to underlying problems.</p> <p>Limited linkage to programming workflow and guidance on use of findings in decision-making.</p>
14.	<p><b>Institutional Self-Reliance: A Framework for Assessment. Development Alternatives, Inc. for UNDP 1989.</b></p> <p>The approach defines a generic framework for capacity assessment of public sector institutions in performing key functions. Both internal and external factors are assessed. The methodology assesses institutional formation (an organisation's current resources and operations); institutional function (its external relations and impact) and institutional condition (its effectiveness). A detailed set of variables is assessed against pre-defined indicators by reviewing documents, key informant and group interviews/observation.</p>	<p>A systematic, comprehensive and useful framework of issues at the institutional level.</p> <p>The related indicators are fact-driven, clear and easily stylized.</p> <p>Relies on external data collection and analysis; doesn't encourage review of strategy options for performance of functions.</p>

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15.	<p><b>Effective Capacity Building in Non-Profit Organisations. McKinsey and Company. 2001.</b>  Written for non-profits, this report includes description of seven elements of organisational capacity and the McKinsey Capacity Assessment Grid, a clear and comprehensive capacity assessment tool. The grid includes a method for ranking each variable on a scale of 1 to 4, along with definitions of what each numerical level represents.</p>	<p>Easy to understand and comprehensive. Though written for non-profits, the assessment methodology could be easily adapted for use in any kind of organisation.</p> <p>A few of the variables are specific to NGOs, such as assessment of the functioning of the organisation's board, but these could easily be skipped.</p>
16.	<p><b>Institutional Capacity Analysis and Development System. World Bank 1992.</b>  Under this approach, institutional capacity assessment is integrated into WB project formulation. The results are supposed to support the determination of project inputs and activities. The analysis, which includes a checklist, identifies capacity gaps in the legal framework, organisational performance, and human resources by interviews with key informants. The assessment leads to the preparation of a working paper and an institutional development plan that is incorporated into the project.</p>	<p>Good integration of institutional capacity assessment into programming workflow.</p> <p>Oriented toward public sector solution to capacity problem.</p> <p>(Detailed tools were not available for analysis.)</p>
17.	<p><b>World Bank Institute Framework for Capacity Enhancement. (An undated matrix)</b>  The matrix provides a schematic tool for capacity gap analysis at the institutional, organisational and individual levels. Baseline capacity and constraints are identified also with a menu of intervention strategies and desired outcomes.</p>	<p>The approach is simple and easy to understand. An extrapolation of UNDP's 1998 work on gap analysis.</p> <p>Assumption that "institutional" issues can be easily resolved in the context of a project.</p>
18.	<p><b>Implementing Policy Change. USAID. 1994.</b>  The method is a process-oriented approach to organisational development based on review of an organisation's current mission, objectives and strategies in the context of the demand for its services. The method uses the tools of strategic planning and management to address these concerns, such as SWOT analysis, and to produce a strategy for action.</p>	<p>A well-integrated process-based approach, with a direct linkage of analysis to action (a capacity development project).</p> <p>Strong emphasis on process and participation to generate local ownership of change.</p>
19.	<p><b>Indicators for Capacity Development. OECD/DAC 1995.</b>  The approach provides two tools. The first sets out five sets of indicators of institutional capacity in the field of environment: collective knowledge (situation analysis and the capacity to carry it out); human resources and human resources development; policy formulation and implementation processes; policy instruments; and policies for environmental regulation. The second tool focuses on assessment of capacity at the level of the organisation.</p>	<p>The approach espouses principles for capacity development work but provides limited practical guidance and linkages to programming processes.</p> <p>Comprehensive application of both tools could be expensive and time-consuming.</p>

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20.	<p><b>From the Roots Up: Strengthening Organisational Capacity through Guided Self-Assessment. Peter Gubbels and Catheryn Koss. World Neighbors. 2000.</b></p> <p>The field guide is designed to enable self-learning and assessment of community organisations and non-government organisations. The field guide provides the step-by-step guidance and the organisation carries out its own assessment. The process is highly detailed and includes a large number of exercises to facilitate self-learning and assessment.</p>	<p>A do-it-yourself model that supports ownership of process and results.</p> <p>The detailed participatory approach requires a long time to implement, and very good documentation and analysis of process and results of various exercises would be required.</p>
21.	<p><b>Organisational Assessment: A Framework for Improving Performance. Charles Lusthaus et al. IDRC. 2002</b></p> <p>This book presents a conceptual framework and an integrated process for assessment of both the organisation and the enabling environment.</p>	<p>Excellent conceptual discussion, identification of issues, and definition of tools for assessment.</p> <p>Not integrated into a programming framework as it challenges a number of programming assumptions.</p>
22	<p><b>Common Country Assessment Framework Development Three Alternative Approaches. Dr. Patricia L. Lontoc, Asian Institute of Management. April 2003.</b></p> <p>Three methods are presented: standard SWOT, the three-phase Strategic Issues Management Approach and Decision-driven Scenario-learning. Further, the methods are illustrated using the 2000 draft CCA for India.</p>	<p>Useful as a starting point to spark discussion among stakeholders and evaluators.</p> <p>The methods are easily grasped and applied, and do not require detailed data.</p> <p>However, the frameworks are skeletal and application requires broad substantive knowledge of country issues.</p>
23.	<p><b>Capacity Assessment Tool. CARE Somalia.</b></p> <p>This is a brief questionnaire to assess capacity of an NGO/partner. The NGO/partner is assessed for management and financial practices, technical/service delivery, organisational mission and sustainability.</p>	<p>A short, simple checklist and rating format. Useful in conjunction with other tools.</p>
24.	<p><b>Guidance Note on how to do Stakeholder Analysis of Aid Projects and Programmes. Overseas Development Administration. July 1995.</b></p> <p>Sets out the rationale and method for conducting a stakeholder analysis.</p>	<p>Highly participatory and significant exercise for stakeholder relations.</p> <p>Useful in conjunction with a broader assessment exercise.</p>