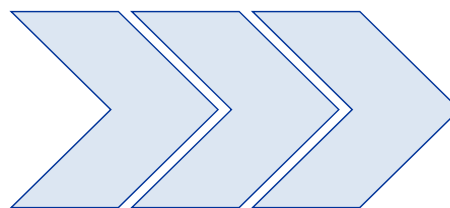
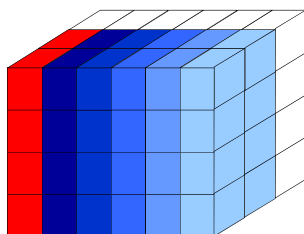


Frequently Asked Questions The UNDP Capacity Assessment Methodology



a. Capacity to Engage Stakeholders						
Assessment Questions	Ranking					Evidence
	1	2	3	4	5	
	1	2	3	4	5	
	1	2	3	4	5	
	1	2	3	4	5	
	1	2	3	4	5	

**Capacity Development Group
Bureau for Development Policy
United Nations Development Programme
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Frequently Asked Questions: The UNDP Capacity Assessment Methodology

The questions in this document have been raised by UNDP colleagues and partners during the many capacity assessment exercises and workshops that UNDP has facilitated around the world. The answers are based on UNDP's experience and research, and reflect UNDP's capacity assessment methodology.

Click on a question to view the answer.

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I. CAPACITY ASSESSMENTS

1. What are the benefits of a capacity assessment?

- UNDP's Capacity Assessment Methodology brings **rigour** to the overall process of capacity development by presenting a comprehensive set of issues and capacities for assessment and detailing a step-by-step process for conducting an assessment.
- It underscores the importance of **existing capacities** as the starting point for capacity development.
- It provides an opportunity to build a fact base and consensus for the formulation of a **capacity development response**.
- It establishes capacity **baselines** for measuring, monitoring and evaluating progress in capacity development.
- It helps **focus resources** on high-priority capacity needs.

2. What are the limitations of a capacity assessment?

- A capacity assessment is a set of activities, 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 a 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 must be adapted by the assessment team to suit the specific context.

3. Why conduct a capacity assessment?

Capacity assessments can serve a number of different purposes. 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.

The rationale for conducting an assessment affects its design, duration and cost. For example, if the objective is to get stakeholders on the same page, a full-blown assessment may not be required and a one- or two-day session may suffice. But it may take several months to identify specific capacities that block the implementation of a programme and understand their root causes.

4. 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, or formulating individual programmes or projects.

A capacity assessment can be conducted in advance to contribute to the design of a strategy, plan or programme, or can be the first phase of a programme or project to establish or confirm its direction. If a capacity assessment has not been conducted during formulation of a strategy, plan, or programme, it can be initiated during implementation (to uncover "capacity blockages") or during the review stage (to

identify ongoing capacity challenges and lessons learned in design and implementation of capacity development responses).

5. What is the “added value” of the UNDP Capacity Assessment Methodology?

The UNDP Capacity Assessment Methodology has been developed based years of development experience. It was designed using the best of our own experiences and layering in aspects of others’ approaches to complement. Its “added value” is that it:

- Emphasizes the UN/UNDP **human development** perspective;
- Focuses on those **core issues** that have been found to most often block development of capacity and when properly addressed can unleash capacity to contribute to the achievement of national development goals;
- Promotes **self-assessment**, as opposed to assessment or evaluation by third parties that are often-conditional-based;
- Builds into the process a **connection** between capacity assessment and capacity development response.

6. What are the differences between the UNDP Capacity Assessment Methodology and many other assessment methodologies?

The UNDP Capacity Assessment Methodology provides:

- **Focuses on capacity** and not, for example, on organizational design, functional roles and responsibilities, or a risk analysis;
- Emphasizes the **link between a capacity assessment and a capacity development response** and thereby sets the stage for moving beyond analysis to action;
- Establishes **indicators** for capacity development and benchmarks for measuring progress on it.

7. How can political will be addressed using the UNDP Capacity Assessment Methodology?

The UNDP approach to supporting capacity development emphasizes engagement of stakeholders as the first step of its five-step capacity development process as well as throughout each subsequent step of the process. Similarly, the first step of the capacity assessment process focuses on the mobilization and engagement of relevant stakeholders in order to build political support and commitment and/or to build upon existing political will. Stakeholders are asked to play various roles (“owner”, provider of data, management of analysis) to strengthen political support for the assessment as well as the implementation of resulting capacity development responses.

8. Where has the UNDP Capacity Assessment Methodology been used?

The UNDP Capacity Assessment Methodology has been used in 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 <http://www.undp.org/capacity/>.

9. 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.

10. Where can I 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 <http://www.undp.org/capacity/>. UNDP staff can also take the self-paced online course on Capacity Assessment that is available through the UNDP Learning Management System.

II. THE UNDP CAPACITY ASSESSMENT FRAMEWORK

1. What is the link between the enabling environment and the organisational 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.”

2. 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.

3. 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 sector or thematic area. 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.

4. What are technical capacities?

Technical capacities are those associated with particular areas of expertise and practice in specific sectors or thematic areas. 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.

5. Should an assessment cover all elements 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 elements (point of entry, core issues and capacities) to include. The UNDP Capacity Assessment Framework should be adapted as the situation requires.

III. THE PROCESS FOR CONDUCTING A CAPACITY ASSESSMENT

1. How long does a “typical” capacity assessment take?

There is no such thing as a “typical” capacity assessment, as the UNDP Capacity Assessment Methodology should always be adapted to the local context and needs. There are examples of assessments taking just a couple of weeks and others taking nearly a year.

The length of a capacity assessment depends on its purpose, scope and cost. 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. In addition, the budget allocated to a capacity assessment will affect its duration; the greater the budget, the more depth a capacity assessment may go into, the more stakeholders it may engage, the more time it may take.

2. 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 cost of a capacity assessment depends on its purpose, scope (including geographic coverage) and duration.

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; travel expenses; translation costs (if needed); reproduction of materials; costs for surveying or data gathering.

Costing a capacity assessment may evolve into an iterative process that balances scope, duration and cost. The primary client, the assessment owner and other relevant stakeholders should participate in any re-costing or re-scoping of the assessment, since it will influence the outcome of the assessment.

3. How does a capacity assessment team determine the scope of an assessment when the assessment is supposed to set the areas of focus?

A capacity assessment is driven by the development priorities as articulated in the development strategies or plans of a country, a sector or organization. As such, the scope of a capacity assessment is usually linked to and bounded by these priorities.

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 or a quick mapping of key challenges and priorities can be useful. 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.

4. Should a capacity 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.

5. How does one ensure consensus on quantitative ratings for level of desired and existing capacities?

Quantitative ratings are consolidated and averaged (weighted or not, depending on the assessment team design). In many cases, the average scores are presented to relevant stakeholders, and through participatory dialogue and information-sharing, a consensus is achieved. In some cases, quantitative ratings of existing capacities increase as evidence is shared that shows greater capacity than the group was previously aware of; conversely, quantitative ratings decrease as experiences are shared that show a policy may work in theory but work in practice.

6. 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.

7. What is the best way to interpret capacity assessment results?

Once a capacity assessment has been completed, 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 capacity development resources and how to define a 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.

8. How can one overcome “analysis paralysis”?

A capacity assessment experiences “analysis paralysis” when it gets mired in an assessment as an exercise in and of itself, not as a means to an end. A frequent result of this condition is that the results do not lead to specific capacity development responses and/or are detached from projects moving forward.

Addressing the questions “capacity for why, whom and what?” throughout the entire process (including design, analysis as well as formulation and implementation of capacity development responses) can help overcome a tendency to delink assessment from the objective of the overall capacity development effort.

9. 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.

10. When a capacity assessment is conducted at the level of the organization, how can capacity development responses emerge for the enabling environment?

Since the levels of capacity (enabling environment, organization, individual) are interdependent and complementary, it is rarely, if ever, sufficient to explore capacity assets and needs at only one level. Regardless of the point of entry, it is prudent to expand to other levels, by “zooming in” and “zooming out”. For example, if the point of entry is the organizational level, it may be necessary to “zoom out” to examine issues in the enabling environment that might affect performance. Likewise, an assessment of the enabling environment often shows that one or more organizations need a more targeted assessment.

If a capacity assessment is designed as such, it should result in identifying needs at both levels. This inter-relatedness implies that efforts to develop capacity necessarily need to take into account capacity at each level, otherwise they become skewed or ineffective.

IV. SUPPORTING TOOLS

1. Can a capacity assessment be conducted without using the Excel-based Supporting Tool?

You do not necessarily have to use the UNDP Supporting Tool. It is just one of many ways to structure the collection of data & information and to summarize and interpret the findings of an assessment. If circumstances suggest alternative methods of data collection (if there are no computers at hand, if participants prefer using paper worksheets to collect data), please pursue those.

In addition, several adaptations of the supporting tool have been developed, e.g., in the area of Procurement, Aid Effectiveness, Local Service Delivery, Disaster Risk Reduction.

2. What other supporting tools are available?

In addition to the UNDP Capacity Assessment Methodology User's Guide, several adaptations of the User's Guide and Supporting Tool have been developed, e.g., in the area of Procurement, Aid Effectiveness, Local Service Delivery, Disaster Risk Reduction. There are also sample Terms of Reference for a scoping mission and for a national consultant and sample Capacity Assessment Reports.