

## **Summary of Recommendations to USAID On Local Capacity Development**

(For full details see Section 10 of the main report)

### **Review of the research**

- Sponsored by USAID through Fhi360 and MSI's Capable Partners Program.
- Twenty months of research involving
  - a study of USAID's history of CD efforts
  - a literature review of over 250 items
  - field research in nine countries, with 325 organizations interviewed
  - interviews with 70 Mission personnel in nine countries
  - Ecosystem mapping in two countries (Nepal and Tanzania) undertaken by Root Change
- Products:
  - Main report
  - Ten Guidelines
  - Fifteen case studies
  - Nine country reports
  - Literature library on line
  - Website ([www.developmentiscapacity.org](http://www.developmentiscapacity.org))
  - Historical study of USAID's history of CD work
  - Root Change report
  - Report on USAID's Human Resources challenges

### **Key Principles**

- Stronger institutions and organizations are the keys to sustainable development and country ownership.
- Outsiders can advise but local actors need to define their own capacity needs.
- Working ourselves out of job is the long term goal.

### **Strategy**

- Missions need the resources to do deeper and better cultural and contextual homework.
- USAID for Local Solutions needs to focus on the question of capacity for whom and for what?
- A Wholesale approach to working with local partners is likely to be more appropriate given current management capacity than a retail approach, though retail is possible in selected Missions.

- Wholesale should not mean replicating the contracting system at the local level but instead indirect enabling environment support including positioning the Mission as an intermediary in the local ecosystem.
- In a retail approach a delimited “skunkworks” might be tried with a small number of Missions in order to experiment with flexible, iterative and learning approaches to engagement with local organizations.

### **Resources**

- USAID’s human, organizational and intellectual resources need to be more closely aligned with Forward
- Job descriptions and work objectives need to emphasize relationship-building personality traits
- Orientation and professional development on development history and theory needs to be provided for all incoming staff including political appointees.
- Consider reinstating the Development Studies Program or some variant of a continuing education program on development.
- Deployment of staff in Missions needs to allow for (and incentivize) longer-term posting and take language skills more into account.

### **Measurement**

- Reduce the emphasis and reliance on check-the-boxes tools and frameworks such as the OCAT. (see Main report for details).
- More appropriate (real world linked) measures are needed to assess local capacity, in line with Capacity 2.0 and not just 1.0.
- Introduce/experiment with qualitative approaches to measuring capacity development (e.g. in depth examination of changes in organizational “character” and “culture.”)

### **New LS Approaches**

- The pedagogy of capacity development needs to embrace horizontal (peer-to-peer) approaches to CD and move away from standard training.
- USAID should amplify support for all forms of knowledge exchange (study tours, cross visits, twinning, secondments) and create rigorous systems for ensuring value.
- New funding approaches (and the revival of some old ones such as matching grants) need to be developed and tried, including core support and “basket” (pooled) funding with other donors.
- The priority should be the development of local organizations in their own right rather than as agents or instruments of USAID projects.
- Risk needs to be redefined in terms of impact and sustained change and not just money.

- More experiments needed in mitigating risk through bond mechanisms, and other ‘skin in the game’ approaches.

### **The Enabling Environment**

- Invest more in research on legislation affecting CSOs, as well as regulation, registration and certification. Use development AND diplomatic tools (Embassy) to encourage partner governments to broaden CSO space.
- Invest more in creating/improving supportive institutions for CSOs (networks, apex institutions, etc.)
- Invest in research on local philanthropy
- Invest in research on greater diaspora involvement in CD

### **The Culture of USAID**

- Foster/reinforce listening, learning and the admission of failures.
- Foster respectful more clear communication with local organizations.
- Encourage space for honest differences and admitting and learning from mistakes.