

Conceptualizing Capacity Building

Capacity building can be defined straightforwardly as *a process for strengthening the management and governance of an organization so that it can effectively achieve its objectives and fulfill its mission.*^{1,2} We can, however, add depth to the definition by broadening what is meant by *capacity*. Grantmakers for Effective Organizations (GEO)³ developed a definition of effectiveness that grantees and federal, state, or local governments have adopted as a definition of capacity^{4,5}: *The ability of an organization to fulfill its mission through a blend of sound management, strong governance, and a persistent rededication to achieving results.* By merging the straightforward definition of capacity building with the GEO definition of effectiveness, a more comprehensive definition of capacity building, which will be useful to technical assistance (TA) providers, emerges:

Capacity building is an intervention that strengthens an organization's ability to fulfill its mission by promoting sound management, strong governance, and persistent rededication to achieving results.

Furthermore, having the ability to fulfill a capacity building mission means that an organization has (a) sufficient numbers of staff who possess the necessary knowledge and skills, (b) appropriate and adequate technical and management systems, (c) suitable physical infrastructure, and (d) ample financial and other resources. Thus, capacity building is not limited to training personnel or the provision of TA, but may include overhauling systems, remodeling physical infrastructure, recruiting new personnel, and improving the efficiency of the use of existing resources.⁶

Actors

Three actors are typically important when a government agency or other organization is undertaking capacity building: the target agency or organization, the funder of that agency or organization, and a TA provider. Ideally, personnel at all levels of the target agency or organization will be invested in the capacity building process and be willing to make the changes needed—this likely includes board members, managers, and the lowest level of employee.⁷ The funder must see the need for capacity building and be willing to provide sufficient financing and

¹ Beesley, A. D. & Shebby, S. (2010). *Evaluating capacity building in education: The North Central Comprehensive Center*. Paper presented at the Annual meeting of the American Educational Research Association, Denver, Colorado, May 2010.

² Connolly, P. & York, P. (2002). Evaluating capacity-building efforts for nonprofit organizations. *Organization Development Practitioner*, 34(4): 33-39.

³ Grantmakers for Effective Organizations. (2003). *Grantmakers for Effective Organizations: Theory of change*. Prepared by Steven La France and Rick Green.

⁴ Beesley & Shebby, 2010.

⁵ Wing, K. T. (2004). Assessing the effectiveness of capacity-building initiatives: Seven issues for the field. *Nonprofit and Voluntary Sector Quarterly*, 33(1): 153-160.

⁶ Wing, 2004.

⁷ Milèn, A. (2001). *What do we know about capacity building? An overview of existing knowledge and good practice*. Geneva, World Health Organization.

other support.⁸ The TA provider, as an external entity, can help at all steps, including providing training or TA and evaluating the process. It is essential, however, that the TA provider work with the target organization and the funder instead of doing the capacity building work for them.

Process

Capacity building can be seen as a change process targeted at “aligning beliefs and new or refined practices with desired growth targets” within an organization.⁹ To be effective, organizational capacity building requires deliberate and planned change. Some organizations make the mistake of training staff in new skills without carrying out the necessary follow-up to make sure those skills are being utilized appropriately.¹⁰ Others focus on training staff without addressing issues in other areas, such as an outdated computer system or a physical infrastructure that does not allow staff to implement new skills or innovative practices.¹¹ Best practices for capacity building include long-term, multi-level approaches, coaching, and feedback.^{12,13}

Importantly, with regard to the long-term nature of capacity building, funding cycles can be a challenge for organizations and government agencies receiving grant funding to effect changes. If supported by a typical five-year grant, the funding period may not be long enough to implement large-scale capacity building, yet funders may not be willing or able to finance processes that will not be completed within a given funding cycle. In a similar way, the grant cycle also may affect TA providers that receive grants for the purpose of providing TA on capacity building to other organizations, including government agencies. Additional constraints for government agencies can include existing rules and procedures established for their operations, which may limit what they can change, how they can go about changing, and even the structure of the agency.¹⁴

When designing—and evaluating—a technical assistance initiative aimed at building capacity, four dimensions of capacity building must be considered:

Types of capacity. In the field of education, change usually involves developing four types of capacity: human, organizational, structural, and material.¹⁵ Human capacity includes both the intellectual capacity (e.g., knowledge, skills) and the will (e.g., interest, patience, and persistence) to implement needed changes. Organizational capacity involves interaction, collaboration, and communication among people within the organization. Structural capacity

⁸ McKinsey & Company. (2001). *Effective capacity building in nonprofit organizations*. Washington, DC: Venture Philanthropy Partners.

⁹ Harsh S. (2010). Chapter 1: Gaining perspective on a complex task: A multidimensional approach to capacity building. In S. Harsh, K. Bradley, K. Good, & J. Ross (Eds.). (2010), *Capacity building technical assistance: Change agent analyses* (pp.1-19). Charlestown, WV: Edvantia, Appalachia Regional Comprehensive Center., p. 2.

¹⁰ Fixsen, D. L., Naoom, S. F., Blase, K. A., Friedman, R. M. & Wallace, F. (2005). *Implementation Research: A Synthesis of the Literature*. Tampa, FL: University of South Florida, Louis de la Parte Florida Mental Health Institute, The National Implementation Research Network (FMHI Publication #231).

¹¹ Fixsen, D., Blase, K., Horner, R. & Sugai, G. (2008). *Taking EBPs to Scale: Capacity Building*. Presented at the PBS Conference 2008.

¹² *Ibid.*

¹³ Barrett, S., Kincaid, D. March, A. 2013. *Building Coaching Capacity*. Presented at the 2013 PBIS Leadership Forum.

¹⁴ Milèn, 2001.

¹⁵ Century, J. R. (1999, April). *Determining capacity within systemic educational reform*. Paper presented at the annual meeting of the American Educational Research Association, Montreal, Quebec, Canada.

exists independently of the people working within the organization and includes elements like policies, procedures, and practices. Material capacity includes the fiscal resources, materials, and equipment needed to meet organizational goals and implement change. The four types of capacity are interdependent, and growth in one area is dependent on growth in another.¹⁶ Consequently, while a particular capacity-building initiative might focus on one type of capacity, all four types of capacity must be “aligned and addressed” if the organization is to meet its goals for change.¹⁷

Levels of capacity. In addition to attending to the type of capacity to be developed, organizations must institute changes targeted at building different levels of capacity—information, skills, structures, and processes—if they want to ensure that the desired changes are fully implemented.¹⁸ As the organization moves through the various stages of capacity building, new information and increasingly sophisticated skills, structures, and processes are needed.¹⁹

Stages of capacity building. Based on a review of the literature, Harsh and her colleagues at the Appalachian Regional Comprehensive Center (ARCC) identified four stages of capacity building: Exploration, Emerging Implementation, Full Implementation and Sustainability.²⁰

- **Exploration.** In this stage, key actors identify the need for change; determine the desired capacity; and identify the knowledge, skills, structures, and processes that need to be in place to achieve the desired capacity. An important task during this stage is to evaluate the current capacity of the organization, possibly including staff skills, number of staff, computer and other systems, infrastructure, and other resources. The “capacity gap” is the difference between existing capacity and needed capacity.
- **Emerging Implementation.** This stage can be summarized in three steps: (1) the target organization’s employees participate in activities; (2) the employees build new knowledge, update technological or physical infrastructure, increase resources, or learn to use available resources more efficiently; and (3) the employees apply their new knowledge and utilize new systems.
- **Full Implementation.** This stage involves the integration of the new information and new skills and the refining of practices based on evaluation of the changes. During this stage, evaluations of the capacity building activities can help to inform key actors on the innovation’s impact and consequences. At this stage, TA providers may need to modify their TA approach, or changes may need to be made to the focus of capacity building activities to fully effect desired changes.
- **Sustainability.** This final stage involves “pervasive and consistent” use of the refined skills and practices. Also, the organization demonstrates the capacity and ability to analyze and modify practices for continuous improvement and for any needed refinement of the innovation.

¹⁶ *Ibid.*

¹⁷ Harsh, 2010

¹⁸ *Ibid.* These levels are based on Hall and Hord’s (2005) Concerns Based Adoption Model (CBAM).

¹⁹ *Ibid.*

²⁰ *Ibid.*

Outcomes of capacity building. Finally, as organizations go through the capacity building process, one of three types of outcomes can occur: developmental (first-order change), transitional (second-order change), and transformational (third-order change).²¹

Developmental outcomes result from improvement of a skill or process. Transitional outcomes occur when an organization begins moving from its initial state to a new desired state. Transformational outcomes are achieved when there is a shift in culture and beliefs among members of the organization that results in significant differences in organizational structures and processes.²² TA providers must consider the kind of change the organization would like to achieve and the organizational context when selecting the targeted capacity building outcome and designing a change strategy.

As a final note regarding the capacity building process for a large system, such as all of the districts within a state, a large-scale pilot study called a *Transformation Zone* may be useful.²³ A Transformation Zone is a smaller setting to test the capacity building activities. The zone should be large enough to notice effects and encounter challenges. After the capacity building activities have been established and tested in the Transformation Zone, they can be scaled-up to other parts of the system.^{24,25}

Evaluation

Evaluation of capacity building can be challenging. One challenge relates to the difficulty differentiating between capacity building efforts and overall project activities—an evaluation of capacity building should focus on the capacity building efforts and should not be an evaluation of whether the organization is meeting its goals.²⁶ Another challenge is the dynamic and multi-dimensional nature of the capacity building process.²⁷ It may not be possible to establish a clear relationship between capacity building activities and capacity increases because of the difficulty making causal links and because external factors may affect outcomes. Furthermore, the development of assessment tools to measure abstract concepts associated with increased capacity, such as enhanced performance or organizational effectiveness, may be costly and time-consuming.^{28,29} Still another challenge is the length of time required for capacity building—the ultimate effectiveness of capacity building activities may not be determinable within a limited timeframe.

²¹ *Ibid.*

²² *Ibid.*

²³ The State Implementation and Scaling up of Evidence-based Practices Center (SISEP) has developed assessments to measure districts' and states' capacity to scale-up evidence-based practices (See Duda et al., 2013 and Fixsen et al., 2012 in the Annotated Bibliography).

²⁴ Fixsen, Blasé, Homer, & Sugai, 2008.

²⁵ U.S. Department of Education, Office of Vocational and Adult Education, *Adult Education Great Cities Summit: From Ghost Systems to Host Systems Via Transformation Zones*, Washington, DC, 2012.

²⁶ Milèn, 2001.

²⁷ Beesley & Shebby, 2010.

²⁸ Connolly & York, 2002.

²⁹ Wing, 2004.

The Appalachian Regional Comprehensive Center (ARCC) developed a multidimensional approach to capacity building to aid TA providers.³⁰ This approach considers the four key dimensions of capacity building discussed above: (1) types of capacity, (2) levels of capacity (3) stages of capacity building, and (4) outcomes of capacity building. When developing a capacity building initiative, TA providers can use this framework to determine an organization’s status in each of the four dimensions. For example, TA providers could use ARCC’s pseudo “slide rule” to identify the specific dimensions that will be targeted for capacity building (see Figure 1).

Figure 1. ARCC’s “Slide Rule” for Identifying the Capacity Building Dimensions for a TA Initiative³¹

	TYPE OF CAPACITY		Human	Organizational	Structural	Material
LEVEL OF CAPACITY	Information	Skills	Structures	Processes		
	STAGE OF CAPACITY BUILDING		Exploration	Emerging Implementation	Full Implementation	Sustainability
OUTCOME OF CAPACITY BUILDING	Developmental		Transitional	Transformational		

In the example presented in Figure 1, the TA provider has identified a need to develop *Human* capacity focused on changing *Structures* within the organization. The organization is in the *Exploration* stage of capacity building, and the targeted outcome for this particular TA initiative is *Transitional* in nature. Using this information, the TA provider can develop a management plan that specifies the goals, activities, outputs and expected outcomes of the TA initiative. Depending on the organization’s needs for capacity building across the four key dimensions, more than one specific TA initiative and corresponding management plan may be needed. In the above example, the organization’s status in the *Exploration* stage of capacity building coupled with its desire to achieve *Transitional* outcomes means that more than one TA initiative will likely be necessary.

When TA initiatives are designed in this systematic way, evaluators can use the management plans as the starting point for evaluating the success of the TA provided. Evaluators may want to develop a logic model to align with the management plan, and evaluation activities can measure achievement of the plan’s targeted short-term, intermediate, and long-term outcomes. If the TA provider did not create a detailed management plan, evaluators can work with the TA provider to create a logic model specifically for the capacity building initiative, specifying the expected inputs, activities, outputs, and expected outcomes.³² The logic model can help the evaluator and TA provider to clearly establish capacity building goals and identify and work to address any potential challenges. This logic model should focus only on the capacity building activities and should take into account those external factors that may affect outcomes.

Monitoring and evaluation should overlap with the ongoing capacity building activities, so that adjustments can be made as needed. Multiple data sources can be useful in measuring outcomes

³⁰ *Ibid.*

³¹ Adapted from Harsh, 2010.

³² Connolly & York, 2002.

for short-term, intermediate, and long-term goals related to capacity building. Not all data collection methods will be appropriate for all capacity building efforts or projects. Some suggested methods are document reviews, observations of services, customer satisfaction surveys, in-depth interviews or focus groups with participants within the target organization, surveys of participants within the organization, focus groups or in-depth interviews with clients, and measurements of change in outputs (e.g., improvements in the relevance, quality, and usefulness of products or services provided by the organization).^{33,34} Additionally, a follow-up assessment may be conducted to compare capacity before and after the capacity building activities.

A mixed methods approach to evaluating the capacity building efforts might use different methods to measure short-term, intermediate, and long-term outcomes of the TA provided to build capacity.³⁵ For example, in a case where the capacity building efforts were almost entirely focused on training staff at SEAs, evaluators used surveys to collect immediate feedback from participants on the perceived quality, relevance, and utility of training or TA. They used data from surveys, interviews, and focus groups to measure intermediate outcomes by asking participants what they had learned and whether they perceived themselves as more capable of assisting districts and schools as a result of their new knowledge. Long-term outcomes were measured using follow-up surveys and interviews with participants to ask how participants applied the knowledge they had learned, coupled with a review of documents that would reveal results, such as meeting agendas and handouts, legislation, state program plans, and progress reports.

³³ Connolly & York, 2002.

³⁴ Milèn, 2001.

³⁵ Beesley & Shebby, 2010.

Annotated Bibliography

Barrett, S., Kincaid, D. March, A. 2013. *Building Coaching Capacity*. Presented at the 2013 PBIS Leadership Forum.

This presentation discusses the importance of coaching as part of the capacity building process and presents examples from the Florida Multi-Tiered System of Support (MTSS) Project.

Beesley, A. D. & Shebby, S. (2010). *Evaluating capacity building in education: The North Central Comprehensive Center*. Paper presented at the Annual meeting of the American Educational Research Association, Denver, Colorado, May 2010.

This paper describes efforts to evaluate capacity building by the U.S. Department of Education's North Central Comprehensive Center. The paper covers the methods, data sources, and analysis of data used in the evaluation.

Century, J. R. (1999, April). *Determining capacity within systemic educational reform*. Paper presented at the annual meeting of the American Educational Research Association, Montreal, Quebec, Canada. Retrieved from <http://files.eric.ed.gov/fulltext/ED434162.pdf>

This paper discusses capacity in the context of the reform of educational systems. It presents four types of capacity that are generally considered in educational change: (1) human capacity; (2) organizational capacity; (3) structural capacity; and (4) material capacity. The paper also presents a matrix to guide evaluation of capacity in systemic reform efforts.

Connolly, P. & York, P. (2002). Evaluating capacity-building efforts for nonprofit organizations. *Organization Development Practitioner*, 34(4): 33-39. Retrieved from http://www.tccgrp.com/pdfs/per_art_evaluating.pdf

This brief article focuses on evaluation of capacity building and makes broad suggestions for conducting such evaluations. It includes a continuum of capacity-building evaluation that includes examples of evaluation questions designed to measure capacity-building activities and short- and long-term outcomes.

Duda, M.A, Ingram-West, K., Tadesco, M., Putnam, D., Buenerostro, M., Chaparro, E. & Horner, R (2012). *District Capacity Assessment*. University of North Carolina Chapel Hill. Retrieved from https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0CCIQFjAA&url=http%3A%2F%2Fwww.signetwork.org%2Ffile_attachments%2F354%2Fdownload&ei=nvzHVO_8NPT-sATLnoEo&usq=AFQjCNHgdy1U9wb9wbHnD637kxQWeY1PGg&bvm=bv.84349003,d.cWc

This assessment tool is designed to assist school districts to implement evidence-based practices that benefit students. Additionally, the specific purposes of the DCA are to (1) assess need for capacity building at the district level, (2) plan for improving district capacity to implement evidence-based practices, (3) assess impact and improvement of capacity development efforts, and (4) assist state-wide decision-making around improvement of district capacity.

Fixsen, D. L., Blase, K. A., Duda, M. A., & Horner, R. (2012). *Assessment of State Capacity for Scaling up Evidence-Based Practices. State Capacity Assessment (SCA)* University of North Carolina Chapel Hill. Retrieved from http://www.signetwork.org/file_attachments/353/download

This assessment tool is designed to guide action planning for improving or sustaining state capacity for effectively implementing evidence-based programs and other innovations in education. The specific purposes of this assessment tool are to (1) provide a State Management Team with a regular measure of the state capacity for implementation of evidence-based practices, and (2) provide a structured process for the development of and State Capacity Action Plan

Fixsen, D., Blase, K., Horner, R. & Sugai, G. (2008). *Taking EBPs to Scale: Capacity Building*. Presented at the PBS Conference 2008.

This presentation provides a general discussion of the processes of implementation, capacity building, and scaling-up. The presentation does not provide specific examples.

Fixsen, D. L., Naoom, S. F., Blase, K. A., Friedman, R. M. & Wallace, F. (2005). *Implementation Research: A Synthesis of the Literature*. Tampa, FL: University of South Florida, Louis de la Parte Florida Mental Health Institute, The National Implementation Research Network (FMHI Publication #231).

This document includes a comprehensive literature review on implementation science, including best practices for implementation.

Grantmakers for Effective Organizations. (2003). *Grantmakers for effective organizations: Theory of change*. Prepared by Steven La France and Rick Green.

This is primarily a marketing document for GEO. It offers a definition of “effectiveness” that has been adopted by others (Wing, Beesley & Shebby) as a definition of “capacity.”

Hall, G., & Hord, S. (2005). *Implementing change: Patterns, principles, and potholes* (2nd ed.). Boston: Allyn & Bacon.

This book provides a detailed and research-based discussion of practical methods of understanding, evaluating and facilitating the change process within the context of the Concerns Based Adoption Model.

Harsh S. (2010). Chapter 1: Gaining perspective on a complex task: A multidimensional approach to capacity building. In S. Harsh, K. Bradley, K. Good, & J. Ross (Eds.). (2010), *Capacity building technical assistance: Change agent analyses (pp.1-19)*. Charlestown, WV: Edvantia, Appalachia Regional Comprehensive Center. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download;jsessionid=9BF9F15FDB4F542F52E043841D046A71?doi=10.1.1.456.7024&rep=rep1&type=pdf>

This chapter discusses Appalachia Regional Comprehensive Center’s multidimensional approach to capacity building, which includes four key dimensions: types of capacity, levels of capacity, stages of capacity building, and outcomes of capacity building. The approach provides a framework TA providers

can use to determine an organization's status in each of the four dimensions and then to identify the specific dimensions to be targeted for capacity building.

McKinsey & Company. (2001). *Effective capacity building in nonprofit organizations*. Washington, DC: Venture Philanthropy Partners.

This report provides several case studies for capacity building by different nonprofit organizations, ranging in size and funding. Some of the case studies are for education-related organizations. There is not much discussion of evaluating capacity building.

Milèn, A. (2001). *What do we know about capacity building? An overview of existing knowledge and good practice*. Geneva, World Health Organization.

This report provides a good overview of capacity building, although many of the specific recommendations are geared to the health sector in developing countries.

U.S. Department of Education, Office of Vocational and Adult Education, Adult Education Great Cities Summit: From Ghost Systems to Host Systems Via Transformation Zones, Washington, DC, 2012.

This report provides a general discussion of implementation in a large system, using a "Transformation Zone" as a pilot study before scaling-up. The report does not provide specific examples but suggests a general framework for capacity building.

Wing, K. T. (2004). Assessing the effectiveness of capacity-building initiatives: Seven issues for the field. *Nonprofit and Voluntary Sector Quarterly*, 33(1): 153-160.

This article addresses general concerns about and suggestions for evaluation of capacity building. The article is largely theoretical, and does not provide specific examples.

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