FY2024.CBLD-11.CLEAN

Title	Number of organizations pursuing their own performance improvement priorities with USG capacity strengthening support.
Indicator Number	CBLD-11
Status	Edited Existing
Working Group	EG
Indicator Type	Output
Reporting Type	Integer
SPS Category	N/A: Cross-Cutting
SPS Area	N/A
SPS Element	N/A
Justification	This indicator provides a necessary output-level counterpart to the outcome-level indicator CBLD-9, 'Percent of USG-assisted organizations with improved performance.' Launched in FY19, CBLD-9 is the Agency's primary indicator for measuring organizational performance improvement, with over 80 Operating Units (OUs) reporting on it in FY22. CBLD-9 is used for learning and Congressional reporting on a variety of programming, including Local Works, New Partnerships Initiative, Feed the Future, and other programming in health, education, environment, democracy and governance, and private sector engagement (among other sectors). Additionally, it is one of the practices that counts under the new Locally Led Programs Indicator, which was developed in 2023 to track Agency progress toward the goal that by 2030, half of the Agency's programs will be locally led, creating space for local actors to exercise leadership over priority setting, activity design, implementation, and defining and measuring results. This is captured in the [FY22 Localization Progress Report](). (FY23 report not yet available.) CBLD-11 is a necessary output-level counterpart to CBLD-9 given the following considerations: Over four years of providing coaching and technical assistance to Missions on CBLD-9, indicator owners saw a major pain point emerge: Capacity strengthening takes time, and outcome-level

	results cannot be shown within the first year - and often even within the first few years - of an activity. This clashes with the Agency operating environment, in which partners and Mission staff are held accountable for indicator results. The result is an incentive to lower the threshold for "performance improvement," instead reporting on improvements in capacity (not performance) or simply reporting on implementation of capacity strengthening support. In short, this results in inflated numbers under CBLD-9. Mission staff offered a suggestion to pair CBLD-9 with an output-level indicator. This model of pairing an output-level and outcome-level indicator has been used in other programming. For example, STIR-10 (Number of innovations supported through USG assistance) is paired with STIR-11 (Number of innovations supported through USG assistance with demonstrated uptake by the public and/or private sector) The output-level indicator proposed here enables partners and OUs to demonstrate work on demand-driven organizational capacity strengthening programming before performance improvement is visible. This mitigates the pressure to report performance improvement results prematurely.
Definition	**This indicator is measured as a count of organizations pursuing their own performance improvement priorities with USG capacity strengthening support.** The unit of measure is an organization, and a single organization should only be counted once in a fiscal year (even if the capacity strengthening support was delivered in various forms or by more than one provider). Organizations can be counted in subsequent years, as long as they continue to pursue their own performance improvement priorities with USG-funded capacity strengthening support. This indicator is an output-level counterpart to the outcome-level indicator CBLD-9 (Percent of USG-assisted organizations with improved performance). Recognizing that performance improvement is a long-term process, this indicator allows OUs to report their organizational capacity strengthening programming before performance improvement results are observed. **As a counterpart to CBLD-9, the criteria for this indicator are aligned with the criteria for the CBLD-9 denominator. All OUs and partners reporting on this indicator must also report on**

CBLD-9, though it is appropriate to delay CBLD-9 reporting for one fiscal year to allow time for performance measurement to occur.

- Capacity encompasses the knowledge, skills, and motivations, as well as the relationships that enable an organization to take action to design and implement solutions to local development challenges, to learn and adapt from that action, and to innovate and transform over time.
- Organizational capacity strengthening is a strategic and intentional investment in organizations to jointly improve their performance toward achieving locally valued and sustainable development outcomes.
- Performance refers to the extent to which an actor is able to achieve its intended outcomes effectively and consistently. Capacity is a form of potential; it is not visible until it is used. Performance improvement is evidence that capacity has changed.
- Performance Improvement is a deliberate process undertaken to improve an actor's realization of their goals.
- An organization is a group of people who work together in an organized way for a shared purpose. Organizations do not need to be formal legal entities. For additional information on what entities count as "organizations," reference the updated CBLD-9 Frequently Asked Questions (FAQs) on the Local Capacity Strengthening Measurement webpage.

Indicator Criteria:

To be counted under this indicator, organizational capacity strengthening programming must meet the following three criteria:

1. **The activity intentionally allocates resources for organizational capacity strengthening.**

Description: This indicator does not capture capacity strengthening that happens as an unintended byproduct of other activities. USAID's Local Capacity Strengthening Policy asserts that organizational capacity strengthening should be an intentional, programmatic choice. As such, the

activity theory of change, award documents, work plan, or other relevant documentation reflects that resources (human, financial, and/or other) were intentionally allocated for organizational capacity strengthening.

2. **The supported organization has defined desired performance improvement priorities and identified the difference between current and desired performance.**

Description: Defining performance improvement priorities may occur in a variety of ways. This most often will take the form of facilitated formal or informal discussions, which may or may not make use of a tool (for example, the Organizational Capacity Assessment (OCA) or Strengths, Weaknesses, Opportunities, Threats (SWOT) framework). The process of determining priorities may also build on past assessments or analyses of organizational capacities conducted in other programming. No specific tool or process is required, but the performance improvement priorities must be defined by the supported organization (not by USAID or the implementing partner (IP)). (However, USAID and/or the IP will likely have a role in facilitating organizations' discussion and prioritization of their objectives.)

Priorities must reflect desired changes in performance, not changes in capacity. Changes in capacity will help achieve changes in performance, but they are not themselves changes in performance. For example:

- Improvements in a local civil society organization's ability to prepare and submit funding proposals reflects improved capacity, while actual diversification of the organization's funding sources reflects improved performance.
- Improvements in an organization's internal systems for monitoring its community-led conservation initiatives reflect improved capacity, while increasing the number of communities actively engaged in protecting their forest areas reflects improved performance.
- See Key Definitions above for additional explanation of the difference between performance and capacity.

Organizations may define the difference between current and desired performance in qualitative or quantitative terms, but it must be a clear articulation of where the organization is now (in terms of

performance), and where they want to be as a result of the capacity strengthening support.

3. **USAID, an implementing partner, and/or other stakeholders have begun implementing performance improvement solutions (i.e. development interventions) that address the supported organizations' priorities.**

Description: Performance improvement solutions may take a variety of forms, including (but not limited to) coaching, mentoring, technical assistance, training, and facilitation of peer-to-peer learning and networking. These solutions may or may not be accompanied by funding for the organization, but should not consist only of funding support. Support must have started (but does not need to be completed) to count an organization under this indicator.

These solutions must be tailored to the supported organization's own performance improvement priorities. This link between priorities and solutions should be documented (for example, in a capacity strengthening action plan).

4. **The supported organization has identified a performance improvement metric (or metrics) by which the organization will monitor and measure changes in performance.**

Description: Supported organizations, in collaboration with USAID and IPs, should select a metric (or metrics) and measurement approaches through which they will monitor and assess changes in performance. While it is <u>not</u> necessary for performance measurement to have already occurred to count an organization under this indicator, the metrics and measurement plan should be well-defined from the beginning of capacity strengthening support. Imposing metrics retroactively creates challenges for both supported organizations and USAID, and can contribute to poor data quality. Establishing a clear metric from the beginning also provides an opportunity to establish a reliable baseline.

Supported organizations (in collaboration with USAID and IPs) have substantial flexibility in selecting a metric or metrics by which performance improvement will be measured. The selected metric should align with a supported organization's performance improvement priorities, as

established in Criterion 2, above. USAID, IPs, and supported organizations should also keep the following considerations in mind:

- Metrics must capture improvements in performance, not latent capacity. See Key Definitions section above.
- It is <u>not</u> necessary to create or adopt a new tool or survey (such as the OCA or OPI) to measure performance. However, if using a tool, it is rarely appropriate to use the same tool to define desired performance improvement priorities (Criterion 2, above) versus to measure improvement. Additional explanation of this point is included in the [Guide to Distinguishing Tools Used for Local Capacity Strengthening](), available on [USAID's Local Capacity Strengthening Measurement webpage]() (https://www.usaid.gov/local-capacity-strengthening-policy/measurement).
- Whenever possible, performance metrics and approaches already being used by the local organization should be used in place of those created for the sole purpose of reporting to USAID.
- Metrics may be quantitative or qualitative.
- Measurement may occur through a variety of methods, including (but not limited to) routine business data collection, observation, surveys, or interviews.

Disaggregates:
The disaggregates for this indicator match the organization types for CBLD-9. They are:

- Number of educational institutions (higher education, secondary, primary, pre-primary) pursuing their own performance improvement priorities with USG capacity strengthening support.
- Number of research institutions (non-degree granting) pursuing their own performance improvement priorities with USG capacity strengthening support.
- Number of cooperatives (formal and registered private sector firms) pursuing their own performance improvement priorities with USG capacity strengthening support.
- Number of producer groups (informal, unregistered) pursuing their own performance improvement priorities with USG capacity strengthening support.
- Number of governmental agencies (national or subnational levels) pursuing their own

FY2024 PIRS Template for SIMR Rev. April 2024

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<td>performance improvement priorities with USG capacity strengthening support.

● Number of private sector firms (excluding cooperatives) pursuing their own performance improvement priorities with USG capacity strengthening support.
● Number of non-governmental and not-for-profit organizations pursuing their own performance improvement priorities with USG capacity strengthening support.
● Number of Other types of organizations (i.e. not fitting within any other disaggregate) pursuing their own performance improvement priorities with USG capacity strengthening support.

Indicator Narrative Instructions for USAID Operating Units:
When reporting on this indicator in your PPR, in the narrative box for 'Current and Future Indicator Performance Analysis' located on the FACTSInfo indicator data entry screen, the OU should summarize key aspects of the organizational capacity strengthening work and how it aligns with local organizations' performance improvement priorities.</td>
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<td>**Long Term Linkages**</td>
<td>USAID's Local Capacity Strengthening (LCS) policy establishes a vision for capacity strengthening work that starts with the local system, strengthens diverse capacities through diverse approaches, and measures performance improvement in collaboration with local actors. This indicator reflects these principles at the organizational level. It accompanies CBLD-9 (outcome-level) as an indicator for Missions to use to demonstrate short and medium-term results before longer-term organizational performance improvement can be captured.</td>
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<td>**Use Of Indicator**</td>
<td>This indicator provides a necessary output-level counterpart to the outcome-level indicator CBLD-9, 'Percent of USG-assisted organizations with improved performance.' Launched in FY19, CBLD-9 is the Agency's primary indicator for measuring organizational performance improvement, with over 80 Operating Units (OUs) reporting on it in FY22. It is used for Congressional reporting on a variety of programming, including Local Works, New Partnerships Initiative, Feed the Future, and other programming in health, education, democracy and governance, among other sectors. This new indicator will be adopted by all OUs reporting on CBLD-9, and data will be used for most of the same programmatic reporting purposes.</td>
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FY2024.CBLD-11.CLEAN

	More broadly, this indicator helps address CBLD-9 data quality issues, which will improve reporting at both the output level (via this indicator) and the outcome level (via improvements in CBLD-9 data). See the "Justification" section above for additional explanation of this point.
Data Source	Implementing partners that have been allocated USG funding to work with local organizations to strengthen their organizational capacity for increased performance, or USAID staff (in cases of direct capacity strengthening support provided by USAID staff).
FA.Gov (Indicator)	Yes
APP/APR	N/A (PPR only)
HQ Assigned OUs	The LCS Policy is applicable to all OUs. This indicator will be applicable for all OUs that report on CBLD-9, which varies slightly year-to-year based on programming.
Other SPS Linkages	This is a cross-cutting indicator, and relevant to programming in any SPS that includes organizational capacity strengthening.
Explanation	This is a cross-cutting indicator, and relevant to programming in any SPS that includes organizational capacity strengthening.

19	Sequence Number	Disaggregate Title	Disaggregate Code	Status	Reporting Type	FA.Gov
	1	Number of educational institutions (higher education, secondary, primary, pre-primary) pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11a	Existing	Integer/Number	No
	2	Number of research institutions (non-degree granting) pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11b	Existing	Integer/Number	No

FY2024.CBLD-11.CLEAN

	3	Number of cooperatives (formal and registered private sector firms) pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11c	Existing	Integer/Number	No
	4	Number of producer groups (informal, unregistered) pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11d	Existing	Integer/Number	No
	5	Number of governmental agencies (national or subnational levels) pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11f	Existing	Integer/Number	No
	6	Number of private sector firms (excluding cooperatives) pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11h	Existing	Integer/Number	No
	7	Number of non-governmental and not-for-profit organizations pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11i	Existing	Integer/Number	No
	8	Number of Other types of organizations (i.e. not fitting within any other disaggregate) pursuing their own performance improvement priorities with USG capacity strengthening support	CBLD-11j	Existing	Integer/Number	No

Indicator Owner	Name	Bureau and Office	Agency	POC Email	

	Amanda Satterwhite	IPI - Bureau for Inclusive Growth, Partnerships, and Innovation/LFT Hub	USAID	amsatterwhite@usaid.gov
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	Title:	Name:	Date:
	IPI/LFT Evidence, Learning, and Localization Lead	Danielle Pearl	4/29/24
	IPI/LFT Evidence and Learning Team Lead	Elliot Signorelli	4/23/24
	Info Copy:		
	IPI/LFT Office Director	Catie Lott	4/29/24
	Deputy Assistant Administrator Bureau for Inclusive Growth, Partnerships and Innovation	Mark Meassick	4/26/24

FY2024 PIRS Template for SIMR Rev. April 2024