

DEMAND DRIVEN CAPACITY DEVELOPMENT

Supporting Local Priorities with CBLD-9 in USAID/Paraguay's Local Works Program

A Paraguayan NGO set out to provide capacity development to committees of low-income women entrepreneurs. Though the NGO planned a package of support based on their own understanding of the committees' needs, the requirements of the CBLD-9 indicator triggered a reconsideration of their initial assumptions. The result? A demand-driven approach to capacity development that responded to the supported organizations' expressed priorities.

BACKGROUND

During the COVID-19 pandemic in Paraguay, strict lockdowns reduced business operations, hitting urban families especially hard. In response, Fundación Paraguaya (FP), a local NGO, submitted an unsolicited application for a "Women's Entrepreneurship and Resilience Project," aimed at improving economic opportunities for women through support for urban women's banking and savings committees. FP planned to provide business training, coaching, access to credit, and support for microfranchising to women's committees, all with the goal of contributing to strengthened economic and social resilience for women, their families, and their communities.

Working under a Fixed Amount Award (FAA) funded by the Unsolicited Solutions for Locally Led Development Program, FP began developing their plans for supporting the women's committees, drawing on their existing, pre-packaged trainings on a variety of business concepts. However, they soon noticed the CBLD-9 indicator in one of their milestones: "A report demonstrating the strengthening of 50 committees, in line with Standard Indicator CBLD-9." After review of the [CBLD-9 Performance Indicator Reference Sheet \(PIRS\)](#), FP was alarmed: this indicator required them to obtain input from the committees on their own priorities, analyze and assess gaps between actual and desired performance, select and implement solutions based on those gaps, and measure improvement along a key performance metric. Their planned package of support did not meet these requirements.



Women's Committee Members
Photo Credit: Fundación Paraguaya



A NOTE ON CBLD-9

CBLD-9 is a commonly used indicator for Local Works activities. It measures whether capacity development efforts have improved the performance of organizations receiving capacity development support. Since *capacity* is a form of potential and isn't visible until used, *performance* is key for determining if capacity has changed. To be counted for CBLD-9, organizations must undergo a capacity development process that responds to **self-defined** priorities, and must demonstrate improved performance measured by a clearly defined quantitative or qualitative metric.

With technical support and encouragement from USAID/Paraguay, FP went back to the drawing board to reimagine their support for the women's committees in line with CBLD-9. They developed a new approach: one that prioritized committees' input, tailored training and mentorship to the specific needs and goals of each committee, and used key performance metrics that resonated with committees.

THE APPROACH

The CBLD-9 indicator is defined as "Percent of USG-assisted organizations with improved performance." To count organizations in the denominator of the CBLD-9 indicator, activities must meet the indicator criteria (in blue, below). Additionally, to count organizations in the numerator of CBLD-9, an organization must demonstrate that its performance on a key performance metric has improved.

FP updated its activity to meet each CBLD-9 criterion, as follows:

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

The activity theory of change reflects a primary focus on organizational capacity development activities targeting women's committees, and resources were budgeted for that purpose. Though FP shifted its approach to be more tailored and demand-driven (see below), the activity remained focused on intentional, resourced capacity development support.

Criterion B.i: Obtaining input from the supported organization and/or any other relevant stakeholders to define desired performance improvement priorities.

The FP team has a wealth of expertise in assisting local savings groups and business associations to improve their operations and boost their profitability; as such, they felt they already had a strong grasp of what women's committees needed. However, to meet the CBLD-9 requirement of obtaining input from the supported organizations and other relevant stakeholders, FP conducted the following activities:

Visited each women's committee and conducted focus group discussions to discuss women's perceptions of their needs, and their visions for a strengthened committee. FP asked questions such as, "What needs to be done to become a strong committee?" and "How would you describe a weak committee?" to draw out women's perspectives.

Interviewed other FP staff members, asking them what a stronger committee would look like.



KEY TERMS

LOCAL WORKS

Since 2015, USAID's Local Works program has enhanced the Agency's ability to empower local actors to lead their own development. Local Works provides USAID Missions with resources, tools, and opportunities to try new development approaches that are more flexible, locally responsive, and sustainable.

UNSOLICITED SOLUTIONS FOR LOCALLY LED DEVELOPMENT

is a part of the Local Works program that sets aside funding to support sustainable and locally led programs around the world. This program is open to all USAID Missions interested in supporting locally-sourced ideas, not just Local Works Missions like USAID/Paraguay.

LOCALLY LED DEVELOPMENT

is when local actors—individuals, communities, networks, organizations, private entities, and governments—set their own agendas, develop solutions, and bring the capacity, leadership, and resources to make those solutions a reality.

These consultations challenged the team's initial assumptions about what women's committees wanted and needed.

Conducted a literature review, drawing on local and international sources. Specific research was done on the characteristics of successful savings groups, neighborhood associations and other similar groups.

These consultations challenged the team's initial assumptions about what women's committees wanted and needed. FP's focus had been on business topics - how to increase sales through microfranchise, for example. The women's committees, however, placed much more emphasis on some of the "softer" aspects of performance - meeting together more frequently, developing common goals, and improving teamwork. They emphasized committee solidarity - a topic that also came up frequently in the literature review and consultations with FP staff as an essential element of a strong committee, and one that contributes to economic and social resilience. The committees also prioritized formalization, as they knew this would provide them with more power in advocating for community needs with local government and in growing their businesses.

Based on this new information, FP developed eight areas that reflect and capture the elements of a strong committee:

Teamwork: A strengthened committee is one whose members prove to be organized and work together to achieve what they set out to do as a group.

Solidarity: A committee is supportive when it carries out actions for the benefit of its members and / or with third parties in difficult situations for them.

Role of leaders: The role and fulfillment of the functions and responsibilities of the members of the board of directors is of vital importance to push the group towards the path of success.

Formalization: Formalization is linked to the growth and maturity of the group. A committee formalized is a consequence of the fact that its members agree with the objectives and it shows at the same time a medium and long-term projection.

Common goals: Committees that have a common goal are more successful.

Regular meetings: Frequent meetings allow the group to be united, that the meetings decisions are made together and are also important for planning activities and accountability.

Conflict resolution: For a committee to grow, it requires capacity in its members to solve problems. Success must be based on dialogue as a conciliatory element.

Activity log: A committee that keeps records of its meetings, activities, and decisions is a sign of their level of order and organization. Committees that demonstrate these features are more successful.

After selecting the assessment areas, FP returned to the committees to validate them. They probed their understanding of each of these areas, and asked them to describe them in their own words, updating the description of each area and the criteria for the three levels (green, yellow, and red, described in more detail below) based on committees' input. They also piloted the assessment process, asking committees how they would rate themselves in each area.

Criterion B.ii: Analyzing and assessing performance gaps (the difference between desired performance and actual performance).

To assess performance gaps in line with the prioritized areas, FP adapted its former USAID-supported “Poverty Stoplight” tool and created a new “Committee Strengthening Stoplight” version. FP mentors presented the tool to the committees, and facilitated a self-assessment of their current performance using tablets and cell phones. For each area, committees self-assigned a red, yellow, or green “stoplight” rating, based on guidance from the facilitators (FP staff who serve as mentors) of what each rating would look like in practice. In areas for which a committee self-assessed as “green,” they were able to recognize their strengths, and in areas for which they self-assessed as “red” or “yellow,” they were able to identify their performance gaps.

IMAGE 1 | Stoplight Visual



Excerpt from the Conflict Resolution section of the FP Committee Strengthening Stoplight tool, which guides users in understanding red, yellow, and green ratings.

The mentors reported that the tool format made it easily understandable for committee members—including those who are illiterate—and provided clarity to the committees regarding where they were and where they needed to go. The tool also generated enthusiasm within committees for the performance improvement process.

Criterion B.iii: Selecting and implementing performance improvement solutions (or the development interventions).

With coaching from their mentor, each committee prioritizes the indicators for which it wants to work toward a “green” rating in the following year, and elaborates an action plan to get there. A “Growth Map” template (see Image 2) facilitates this process:

- In the leftmost column, the committee writes each prioritized topic area they plan to work on
- In the second column, the committee explains why they assigned the given area a “red” or “yellow” rating (for example, the reason for a yellow rating under Teamwork in the below sample is “Lack of motivation since activities stopped due to COVID restrictions”).
- In the third column, the group commits to specific activities to change the situation. (In the Teamwork example, the group commits to return to meeting monthly and establish goals.)
- In the fourth column, the group establishes a timeline for the actions.
- In the final three columns, the committee establishes dates on which they will check in on and measure progress for each area.
- The template also includes a space for assets the group can leverage to achieve their goals.

IMAGE 2 | Growth Map

NUESTRO MAPA DE CRECIMIENTO

Nombre del Comité: Mujeres Progresistas Oficina: Itá
 Nombre de la Presidenta: Gladys García C.I.N.º: 2701286
 Nombre de la Asesora: _____ Cantidad de integrantes del Comité: 17

	Nuestras prioridades	¿Por qué no las tenemos?	¿Qué haremos para tenerlo?	¿Cuándo lo lograremos?	Seguimiento		
					Fecha	Fecha	Fecha
1	Participar de las reuniones	Falta de interés y conflictos entre miembros	Capacitación sobre la comunicación y motivación	A partir de marzo en adelante	18/02 2021	20/01 2021	11/05 2021
2	Trabajar en equipo	Desmotivación por paro de actividades	volver a activar reuniones y establecer metas	Todos los meses	20/01	20/01	11/05
3	Resolver conflictos	Desigualdad entre compañeras y falta de comunicación	Mejorar la comunicación y confianza	Reunión del grupo en marzo	20/01	20/01	11/05
4	Rotar autoridades	No había cambio de líderes	Rotación y nuevas oportunidades	En renovaciones o ante necesidad	20/01	20/01	11/05
5	Registro de actividades	No teníamos cuaderno de actas	Compra de cuaderno y establecer responsable	La primera semana de marzo	20/01	20/01	11/05

Nuestras fortalezas

- Animos de mejorar
-
-
-

Nuestras próximas metas

- Que haya un espacio de confianza para resolver peleas.
- Ser solidarias

This action planning process is centered around the committee's self-identified priorities, as well as their own solutions. Committee members focus on actions they themselves can take—rather than waiting on changes in policy, the market, or the pandemic situation.

Each committee's assigned mentor provides coaching and follow-up to support the members in implementing the agreed-upon actions. Where needed, the mentor provides training, and in some cases information (for example, information about the processes committees must complete to formalize). Importantly, mentors encourage group actions and facilitate provision of information and skills where needed, but groups are ultimately responsible for making progress in the identified areas. For example, a mentor might coach committee leaders in conflict resolution methodologies, but the committees themselves are responsible for organizing meetings to discuss problems, providing space for everyone to speak, and coming to an agreement.

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Criterion B.iv: Using a performance improvement metric for which the organization will monitor and measure changes in performance.

Performance improvement is measured through committees' self-assessments using the stoplight tool and verified through a number of sources, including FP interviews with mentors, onsite observation of committee operations, and review of committee documentation (e.g. meeting minutes, activity logs).



Committee member with stoplight rating form.
Photo Credit: Fundación Paraguaya

FP counts organizations as having improved performance (the CBLD-9 numerator) when they have achieved a verified stoplight rating of “green” in all eight areas. In the first stage of this activity, FP worked with 114 women’s committees (the CBLD-9 denominator) and reported 55 committees in the numerator (48%). These 55 committees had achieved the following:

- Formally constituted and accountable authorities
- Up-to-date records of their activities
- Formalization via official government bodies
- Implementation of solidarity activities for their members and their communities
- Regular meetings
- Evidence of working as a team
- Establishment of common goals
- Implementation of conflict resolution mechanisms

The other 59 supported committees made some progress, but still had a rating of “yellow” or “red” in one or more areas, and thus were not counted in the numerator as they had not reached their targets.¹

¹ As organizational performance improvement is a long-term (and often non-linear) process, CBLD-9 allows any measured improvements in performance—even small or incremental ones—to be considered “improvement” for the purposes of counting organizations in the numerator. In this case, however, the Mission and IP chose to count as “improved” only organizations who had met their targets of achieving green in all areas of the Committee Strengthening Stoplight, as they found this to be more useful for monitoring meaningful improvement.

Women’s Committee meeting
Photo Credit: Fundación Paraguaya



REFLECTIONS FROM FP & USAID

CBLD-9 pushed FP to provide better capacity development:

While CBLD-9 served as the impetus for changing their capacity development approach, FP reported that the benefits of the new demand-driven approach went far beyond simply complying with the indicator requirements. The process of working hand-in-hand with the committees to identify priorities, assess gaps, develop solutions, and measure progress fostered a stronger, richer relationship between FP and the committees. It also created more sustainable results, as capacity development was tailored to the priorities of the supported organizations themselves. It was driven by realistic, actionable plans committees can take leadership in executing (with some external guidance). As an FP team member said, “When you listen, when it’s demand-driven, the solutions are more effective.”

The demand-driven approach was more transformational:

Strengthened committees have become development leaders in their communities. For example, the activity supported the Mujeres Luchadoras committee to establish common goals, boost solidarity, and achieve formalization through government channels. Motivated by these improvements, the group decided to address a community problem: a broken bridge which was the cause of many accidents. Leveraging their formal status, they petitioned the municipality for a tractor and other machinery to fix the bridge, and collected community contributions to help fund personnel to operate the machinery. They also set up a toll booth to raise funds to maintain the bridge in the future. The capacity development support helped empower this committee - comprised of 19 women, some of whom are illiterate - to launch this initiative, rather than waiting for the government to act.

The stoplight tool resonated with mentors and supported organizations:

FP was afraid that the mentors would perceive the stoplight tool as too much work compared to their previous work of delivering a more standardized package of training. Instead, the mentors reported that the tool facilitated their work in a helpful way, as it helped supported organizations grasp the need for support in specific areas, and generated enthusiasm for action planning. The mentors adopted the tool eagerly, and proposed expanding it to other, non-USAID activities.

Vision and adaptability were key:

The USAID/Paraguay AoR emphasized that FP’s willingness to update their approach made this a success story. The partner was able to reflect and recognize that their initial plan didn’t meet the CBLD-9 requirements, and wasn’t locally led. They also had a visionary attitude: instead of perceiving CBLD-9 as a barrier, they saw it as an opportunity, and took initiative to pilot a new, creative, approach.

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- FP TEAM MEMBER