



Strengthening the Organizational Capacity of Local Partners

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DREAMS Innovation Challenge Technical Brief Series

The DREAMS Innovation Challenge (2016–2019), was launched to advance the U.S. President's Emergency Plan for AIDS Relief's (PEPFAR's) commitment to reducing HIV infection among adolescent girls and young women (AGYW) in sub-Saharan Africa. Funded by the U.S. Department of State, Office of the Global AIDS Coordinator, and managed by JSI Research & Training Institute, Inc. (JSI), DREAMS IC spurred new partnerships and approaches in a multi-dimensional response to HIV prevention for AGYW ages 15 to 24 in 10 DREAMS countries: eSwatini, Kenya, Lesotho, Malawi, Mozambique, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe. Forty-six global and local organizations implemented two-year projects in six focus areas: 1) strengthening the capacity of communities to deliver services; 2) keeping girls in secondary school; 3) linking men to services; 4) supporting pre-exposure prophylaxis; 5) providing a bridge to employment; and 6) applying data to increase impact. Each brief in the series highlights results, lessons, and recommendations from each focus area and cross-cutting issues for involving new partners, and coordination of HIV-prevention efforts for AGYW.

Introduction & Background

Working with local, indigenous organizations has long been recognized as an effective way to increase country ownership and promote a sustained response to the HIV pandemic. Local nongovernmental, faith-, and community-based organizations (CBOs), and other civil society groups have been at the center of this response, often leading the way in reaching individuals and communities with sustainable strategies to mitigate and prevent HIV. Further, many of these organizations, such as networks of people living with HIV, are best able to understand, represent, and meet the needs of the populations they represent.

PEPFAR's 2019 Country Operational Planning guidance recognizes that any sustained response to the HIV epidemic needs to focus on “strengthening national and local systems and structures.” As a clear intention to transition HIV service delivery to local partners, PEPFAR has set a goal of investing 70 percent of its funding directly in local partners. Similarly, USAID's Journey to Self-Reliance is a clear mandate to direct significantly more funding to local partners. In this context, the DREAMS Innovation Challenge offers important lessons for building the organizational and technical capacity of local and other underutilized partners to contribute to epidemic control in sub-Saharan

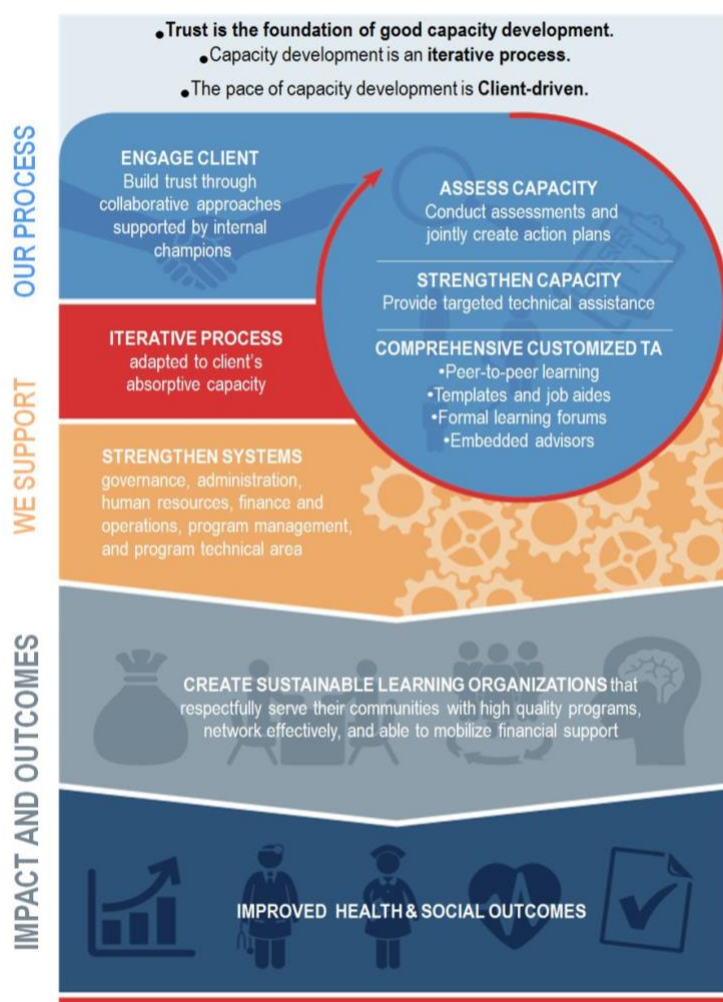
Africa. It used a Funds' Manager (FM) model to engage and support 46 diverse local and global partners to implement programs to prevent HIV among AGYW. Innovation Challenge partners included 23 (50 percent) local, six faith-based, and 10 women-led organizations, as well as private-sector companies and established international nongovernmental organizations (NGOs). These partners had 37 active third-tier sub-recipients, of which 73 percent were local organizations.

Overview of JSI's Capacity-Development Process

Organizations differed in many respects, requiring an adaptive-capacity building approach and process. They differed in type and level of maturity; experience with gender-responsive HIV programming; and knowledge of U.S. Government (USG) regulations, with 17 (37 percent) of partners being new to USG funding. As the FM, JSI's charge was not only to ensure that all partners could and did comply with USG requirements, but to strengthen their organizational and technical capacity to implement and monitor high-quality interventions for AGYW. To do this, JSI applied its five-step approach to organizational capacity building (OCB), as follows and shown in Figure 1.

1. Engage client, build trust. Client engagement and trust building set the stage for collaboration in

Figure 1: JSI's Capacity Development Process



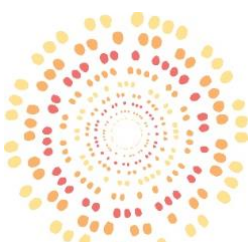
the capacity development process. JSI understands that capacity improvement can occur only when an organization expresses readiness to accept change and facilitates partner readiness by building relationships of trust. Under DREAMS, JSI deployed local finance and program managers who worked in pairs to build familiarity and develop relationships with grantee staff through frequent site visits, using mentoring and coaching techniques. While the finance managers took the lead on compliance and tracking progress on OCB goals set under the project, the monitoring and evaluation (M&E) managers attended to program and M&E system strengthening needs.

2. **Assess capacity together.** Even before issuing sub-grants, JSI engaged partners in pre-award assessments. Of the 46 organizations selected, JSI identified 25 that would benefit from a more comprehensive organizational capacity assessment (OCA). These 25 partners included 13 local organizations and 13 first-time recipients of USG funds. Using its OCA tool, JSI involved partners in a participatory process to benchmark their level of organizational capacity across the first six of seven OCA domains (see Figure 2).
3. **Develop TA action plan for capacity development.** Based on the OCA, JSI and grantees developed action plans to prioritize technical support needs to fill organizational functioning gaps. Priorities for TA were driven by partner interest and project needs (e.g., compliance with donor rules and regulations; training in gender-equity promotion). Consequently, partners were intensively supported early in the project to improve critical institutional systems such as staff time management, internal controls, and audit preparation. In Year 2, partners focused on bigger challenges—such as strategic plans and policies or investment of resources for financial software—that required board engagement and approvals. Monthly site visits by country managers and quarterly TA plan updates held both grantees and JSI accountable for progress.
4. **Customize technical assistance for capacity development.** The project used a range of capacity strengthening strategies designed to fit partners' needs, learning styles, and environments. In-person group training, webinars, and other formal learning fora supported TA needs that were common to most partners (not only those with OCA plans). Organization-specific needs (such as support for social behavior change message development or development of HIV workplace policies for implementation sites) were met through direct TA and coaching. In Year 2, JSI experimented with more of a demand-driven, blended learning approach to training, whereby partners participated in a series of webinars and had to complete homework as a requirement for participating in the next webinar and/or attending an in-person training. This approach is cost-effective, builds incremental knowledge, and helps trainees to apply learning in a concrete way.

The OCA Tool

JSI's OCA tool was developed to enable organizations to define a capacity-building improvement plan based on self-assessed need. Initially designed to measure the capacity of organizations funded by PEPFAR under the New Partners Initiative, JSI has since expanded it to assess capacity in a range of technical and organizational domains.

The tool provides organizations with a set of criteria and a process for engaging multiple levels of staff across functions. This helps them to assess their current management capacity to implement high-quality health programs; identify key assets and areas that need strengthening; and build ownership of the improvement plan.



5. **Assess changes in competency regularly.** To track changes in grantees' organizational functioning in each OCA domain, measure improvements, and adjust strategies for peak performance, JSI developed the "OCA meter." Whereas the OCA set the baseline, quarterly spot-checks using the OCA meter enabled JSI staff to verify that key policies and systems were in place and document if partners were progressing along a continuum of having robust organizational policies and practices in place. The OCA meter also highlighted common challenges that hampered improvements in overall organizational functioning – many of which are an inherent part of organizational growth and cannot necessarily be overcome in a two-year project cycle. For example, partners that did not show improved functioning in governance most often lacked a leadership and succession plan. Although JSI developed a leadership planning tool and template, not all partners were ready to start this process. Others began the process but did not complete it.

"Strenuous efforts were made during the two years of the PEPFAR grant to ensure compliance with all procedures and guidelines...these efforts were important and have become part of our own procedures and in fact strengthened organizational capacity (e.g., full HR and financial manuals, whereas before we had individual tools that were being used." -Culture Fund

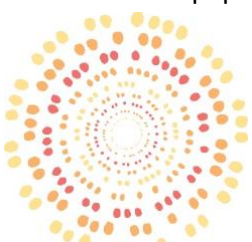
Results

In its short timeframe, the DREAMS Innovation Challenge set organizations on the path of understanding and committing to meeting critical organizational needs. Many partners capitalized on the opportunity to put critical systems in place, resulting in significant improvements in operations, including financial and human resource (HR) management systems. While the project could not meet all identified needs, and in some cases projects had to be put on hold while critical compliance issues were addressed, the result was stronger organizations across the board. **Within one year, the 25 grantees that underwent an OCA had completed 79 percent of all high-priority actions to improve organizational functioning, with an overall 88 percent completion rate by the end of the two-year project.**

Figure 2: DREAMS Innovation Challenge Grantee OCA High-priority Actions Completed over the Life of the Project

OCA domain	% of high-priority action items completed by end of Year 1	% of high-priority action items completed by end of Year 2
Governance	71	88
Administration	82	82
HR management	85	89
Financial management	76	80
Organizational management	83	85
Program management	75	78

Ultimately, the aim of capacity strengthening is to foster sustainability of organizations to implement programs and achieve results at scale. These activities must be appropriate and responsive to the population they aim to serve and able to attract continued funding from diverse sources.



While these results reflect improvements among the subset of 25 partners that had OCAs, JSI provided more than 15,000 hours of TA to strengthen the capacity of all 46 partners to monitor and evaluate their innovations; include or improve links to HIV services within non-health interventions; ensure gender-sensitive programming; and mobilize resources for sustainability and scale-up of successful interventions. Seventy percent of all TA was provided to local partners.

The grantee profiles below feature local NGOs that were first-time USG funding recipients and supported by JSI through the OCA process. They demonstrate how two years of intensive TA and coaching can help organizations make critical improvements to financial systems, governance, policies, and programming, and flow changes to their community-based partners.

Brick by Brick Uganda

Working in the high HIV-burden Rakai district of Uganda, Brick by Brick's "My Pads" program aimed to keep girls from menstruation-related absence by teaching them to make reusable sanitary pads and building safe, clean latrines and washing facilities at schools. Its baseline OCA score indicated that it was operating "at average," but lacked many critical policies, such as for procurement and fraud. Like many other partners, it also lacked child protection guidelines to ensure its program followed key principles and had response protocols. Where organizational policies and systems did exist, few staff knew of or applied them. In at least two of the OCA domains, the organization acknowledged that "staff were not equipped well enough to perform their duties". At the same time, its expertise in stakeholder engagement was "key for successful delivery of services." In its final report, Brick by Brick reported that as it had benefited greatly from the DREAMS Innovation Challenge, and documented improvements across all six domains. It reconstituted and trained its board of directors; purchased accounting software and providing training on it; introduced a



"The OCA (process) was excellent. We got to reflect where we are and where we want to go." -Brick by Brick

timesheet system; received onsite training and continuous coaching in M&E; developed a resource-mobilization plan; and institutionalized new policies to strengthen child protection and compliance with government donor standards. Its improved

organizational functioning was reflected in programmatic results: of its 10 PEPFAR indicators, Brick by Brick exceeded its life-of-project targets for six key indicators.

Culture Fund of Zimbabwe Trust

Culture Fund used art and traditional forms of cultural expression to engage young women in enterprises and activities to shift harmful social and gender norms that put girls at high risk for HIV, and teen pregnancy and marriage. Its "BOMISO" (Body, Mind, and Soul) magazine and toolkit featured the creative expressions of young women advocating for social transformation. While the organization scored above-average on its OCA overall due to strong governance and management, the assessment identified some critical gaps in finance and HR systems, as well as project





A performance to challenge cultural norms that inhibit access to sexual and reproductive health services.
Photo: Culture Fund.

management. With multiple donors to report to, Culture Fund worked from individual project budgets, lacking a master budget as well as a comprehensive HR policy and manual. Culture Fund was also new to working with adolescent girls and relatively new to HIV and needed to develop standard operating procedures and guidelines for gender-mainstreaming and child protection, among other areas. By the end of the DREAMS grant, Culture Fund had a master budget and updated finance manual reflecting the Code of Federal Regulations (CFR) 200; timesheets, a resource mobilization plan, and 11 new policies spanning human resources, child protection, gender, HIV

workplace, fraud and whistleblower, and conflict of interest. Culture Fund took this a step further, flowing down policies and manuals and supporting capacity development of its eight community-based AIDS service organization partners. Leveraging its work under DREAMS and its documented improvement in organizational systems, Culture Fund secured more than \$1 million from a European donor to continue efforts in women's empowerment, HIV, and gender-based violence prevention in three of the six DREAMS districts.

"The process/approach used ensured that everyone critically looks at what the organization has in place and what needs to be improved. This allows for organizational learning and growth."

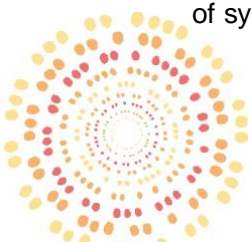
-Culture Fund final project report

Lessons & Recommendations

New and local organizations can offer innovative and culturally appropriate approaches to HIV prevention for AGYW, but often require technical and organizational capacity-strengthening to meet the rigorous expectations of donors. The following seven **lessons may help donors, implementers, and governments**, particularly those aiming to set local organizations up for success as direct USG funding recipients and implementing partners.

Dedicate time for new partners to get up to speed.

Partners had to simultaneously roll out their innovations and strengthen their organizational functioning, all within two years. One U.S.-based partner new to USG funding was a women-led network that had been housed by a fiscal sponsor. Before the sub-agreement was signed, JSI worked to register the organization as an independent state entity. Over the course of the project, JSI helped the partner to develop by-laws, establish a formal board, and an independent administrative and banking structure, all while implementing the project. The pressure to start activities upon award signature/issuance was paramount and many partners, especially those new to USG funding, were overwhelmed: "At the training, we were given a big booklet on U.S. grant guidelines and policies that we had to read, understand, and strictly abide to. Eventually, things became much easier especially with in-country TA." While the project's compressed timetable yielded rapid results in "quick win" areas, dedicate time and resources for the up-front development of systems (e.g., financial, procurement, M&E) to ensure compliance with USG and other donor



requirements, especially for new USG partners and smaller organizations. Small organizations, whether indigenous or international, need more time at start-up to plan implementation and capacity-building activities and allocate limited human resources. For example, one partner that had only budgeted 21 hours of person-time per week for a multi-country project had to restructure its budget once it realized the amount of effort required for USG compliance and reporting, country coordination, and sub-grantee oversight.

Balance the role of the manager versus the coach.

JSI had the dual charge of managing grants to partners and building their capacity to do so—acting as compliance police on the one hand and capacity coach on the other. Initially, JSI did not understand the challenge that some country-level staff had managing people in their social or tribal networks. We realized the importance of training grants managers to have a partnership/coaching mentality, focused on partnership, not policing, that can be reflected in, for example, language of partnership (e.g., using the term ‘partners’ rather than ‘grantees’). It takes time and skill to cultivate a culture of learning, adapting, ownership, accountability, and transparency. Staffing for partnership is also critical; if there is not enough staff or there is high staff turnover, there is a tendency to move toward “policing” instead of coaching.

Integrate new policies and procedures that advance organizational growth.

While JSI facilitated the process of improving organizational functioning in a way that allowed partners to master critical competencies at their own pace, partners struggled to adopt and implement improved organizational policies and practices. Indigenous and smaller international organizations lacked staffing. Some partners cited organizational culture as a barrier to change: “it was not clear to our board and management the benefits of some of the changes.” Ultimately, those building capacity have to acknowledge absorptive capacity as a necessary phase in organizational growth and that the trajectory of organizational growth will, to some extent, determine the viability of appropriate policies and procedures.

“We had a chance to build policies and also had a chance to practice these policies. When we applied to another donor, we passed with no conditions as the majority (of policies) were in place.”

-Afya Mzuri, Zambia

Capacity building takes time, early board

engagement, and continuous mentoring. Partnership and capacity building with indigenous organizations requires a period of engagement and longer-term approaches to yield the dividends of locally owned development programs. The project’s prioritization of rapid results on a very short timeline conflicted with the realities of local partners, particularly those in unstable or unfavorable operating environments. Engaging boards early in understanding why compliance should matter to their organization, and understanding the broader benefits, is a critical step that may be skipped in the push for rapid results. Further, newly acquired skills and policies require a “practice” period; only through implementation can organizations fully adapt and incorporate long-term policies and improved practices. Continuous mentoring is critical for organization-wide change to take hold.

Integrate capacity to implement gender-sensitive HIV programming into organizational capacity building.

Innovation Challenge partners included non-health focused organizations from education, agriculture, technology, business, and workforce development sectors that were new to HIV



programming, and/or new to working with AGYW. Not all had considered in their project design how gender norms—such early pregnancy and marriage and the fact that a large proportion of beneficiaries need spousal or parental consent to participate—would affect the uptake of their programs. The capacity to integrate HIV and sexual and reproductive health information, provide or link beneficiaries to evidence-based HIV interventions and services, and deepen capacity for gender-sensitive design and implementation are as critical as having a fully compliant financial system and robust M&E functions. The DREAMS Innovation Challenge underscored the importance of expanding the boundaries of OCB to ensure that gender-equity promotion and “do no harm” principles, for example, are assessed, strengthened, and operationalized.

Build confidence and self-efficacy of female leaders at all levels.

The majority of OCB efforts focus on the skills and abilities to implement key tasks in core areas of functioning: governance, financial management, human resources, etc. As in-person training is one of the most common methods used to build capacity, it is usually individual staff whose skills are strengthened and who go on to train other colleagues and/or develop organizational policies. However, projects often miss the opportunity to coach and mentor those who've received capacity-building training to develop their leadership, advocacy, and management skills to become leaders within their organizations and the HIV sector in their country and region. Beyond investing in individuals, JSI fostered the self-efficacy of several women leaders of local NGOs. This mentoring flowed down, empowering a new generation of young female staff, and providing role models for a number of AGYW who emerged as youth leaders. For example, the executive director of the Bar Hostess Empowerment Programme became a key player in the national roll out of pre-exposure prophylaxis in Kenya, and one of her staff was awarded a fellowship with Advocates for HIV prevention to end AIDS. One beneficiary from Kenya, trained by the African Center for Women and Information and Communication Technology to become an auto mechanic, emerged as an exceptional spokesperson for the life-changing effects of such girl-focused programs. Organizational capacity-building efforts must focus on cultivating such leaders and involve their beneficiaries, for lasting institutional change.

Balance internal and external facing capacity development

Organizational capacity building approaches typically to focus on strengthening internal processes, systems, and capacities. However, organizational growth often hinges on the ability to function within a highly competitive funding and operating environment, to coordinate and develop partnerships with other organizations. HIV-prevention, care, and treatment demand an integrated, holistic approach that is sensitive to the multiple vulnerabilities of AGYW. When new, often smaller partners emerge, they should seek partnerships and linkages; and existing players should include new partners in referral systems, and policy and practice meetings. This will enable smaller partners to fill gaps and provide more comprehensive services.

The capacity to participate in external fora to communicate success and what sets an organization apart is an important asset for NGO leaders in particular. Under the DREAMS Innovation Challenge, individual organizational staff and AGYW beneficiaries alike gained confidence as they added their voices and perspectives in county and country coordination meetings and technical working groups. Several staff presented the results of their grant activities on the global stage, at international and regional HIV and AIDS conferences and other global health fora.

As a result of a participatory OCA process, blended capacity strengthening approaches for developing needed skills, systems, practices and policies, and on-site coaching, DREAMS



Innovation Challenge partners are now implementing more technically sound interventions and have better systems in place. They also have heightened confidence in identifying and approaching donors than they did at the beginning of the project.

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