



Frequently Asked Questions (FAQ)

CBLD-9: Percent of USG-assisted Organizations with Improved Performance

FAQ OVERVIEW

This FAQ is intended to serve as a resource to USAID staff and implementing partners on the use of the standard foreign assistance indicator for percent of *USG-assisted organizations with improved performance*. It is curated by subject matter experts from across USAID and will be reviewed and updated on a continual basis. Questions are organized by the following categories:

- **About the Agency Requirement**
- **Indicator Definition and Applicability**
- **Setting Targets and Data Quality**
- **Disaggregation and Reporting**
- **Other Technical Considerations**
- **Support Resources**

ABOUT THE AGENCY REQUIREMENT

1. Are USAID Missions required to set targets and report on this indicator?

All USAID Missions whose work includes strengthening the capacity of local organizations are “Required as Applicable” to set targets and report on CBLD-9 as part of the development of their New Partnerships Initiative (NPI) Action Plans. This means that Missions are required to submit targets for CBLD-9 in cases where an activity intentionally allocates resources (human, financial, and/or other) toward strengthening organizational capacity and undergoes a deliberate performance improvement process that is documented. While CBLD-9 is required as applicable, the Administrator’s message regarding the importance of CBLD-9 for the NPI presents an opportunity for Missions to re-examine activities that are engaging in capacity development and align their measurement practices with those outlined in CBLD-9. Thus, Missions with activities that can align their capacity development measurement practices with CBLD-9 are encouraged to set targets for FY20 and develop the documentation structures necessary to align with the indicator.

2. Are USAID Washington Operating Units required to set targets and report on this indicator?

Washington Operating Units (OUs) are not currently required to develop a New Partnership Initiative (NPI) Action Plan, but they are encouraged to set targets and report on CBLD-9 if they support activities whose work includes strengthening the capacity of local organizations.

INDICATOR DEFINITION AND APPLICABILITY

3. Where do I find the Performance Indicator Reference Sheet (PIRS) for CBLD-9?

Missions may find the PIRS for CBLD-9: percent of USG-assisted organizations with improved performance on the intranet on the [Performance Plan & Report webpage](#) (USAID only) as well as on the [NPI website](#). Staff and implementing partners are encouraged to carefully read and become familiar with the PIRS.

4. How is organization defined? What is the difference between organizations and institutions?

Whereas global development and other practitioners frequently use organizations and institutions interchangeably, social science researchers have long understood and examined organizations and institutions as different constructs. To effectively design, monitor, and evaluate USAID projects and activities aimed at organizational and/or institutional capacity development, we must understand and articulate the difference.

- An **organization** is a group of people who work together in an organized way for a shared purpose.
- **Institutions** are the social and legal norms and rules that underlie economic and social activity.

CBLD-9 is designed to measure capacity development as it applies to organizations as defined here.

5. Our activities provide technical capacity development (e.g., in supply chain management) and include targeted organizational capacity development interventions with the sole purpose of meeting the reporting or fiduciary requirements of USAID (or other donors), such as training on financial and M&E reporting. Is this indicator applicable for this type of training?

No. CBLD-9 reflects the commitment in the [USAID Acquisition and Assistance Strategy](#) that "USAID will shift from viewing successful local capacity building as an organization's ability to receive and manage federal funding directly to measuring success by the strengthened

performance of local actors and local systems in achieving and sustaining demonstrable results." The PIRS refers to a deliberate process undertaken by an organization to improve its execution of organizational mandates to deliver results for the stakeholders it seeks to serve. If the activities seek only to improve an organization's ability to meet USAID reporting or fiduciary requirements, and have no impact on the ability of an organization to deliver results to the stakeholders it serves, then other indicators may be more appropriate.

6. Our activities aim to improve organizational performance. However, these activities do not include a deliberate performance improvement process that is documented. Is this indicator applicable?

No. As indicated in the PIRS, this indicator is only applicable when an organization undergoes a deliberate performance improvement process that is documented. However, activities that are aiming to improve organizational performance are strongly encouraged to consider undergoing a performance improvement process as outlined in the PIRS and documenting that process. There is broad consensus that reflection is critical for organizational learning and growth.

SETTING TARGETS AND DATA QUALITY

7. Our Mission works with a diverse range of both formal and informal organizations to develop their capacities across different sectors. Each of these has unique capacity needs that require unique interventions. (a.) How can we monitor performance for all types of organizations using a single indicator? (b.) Because of differences among organizations and interventions, how do we conduct a data quality assessment for this indicator?

(a.) This indicator makes possible the use of best-fit tools and approaches, while allowing USAID to aggregate performance improvement across diverse organization types. Due to differences among organizations and the contexts in which they work, USAID does not expect that the same inputs will translate to the same performance change for all organizations. The purpose of this indicator is to monitor whether organizations receiving USG-assistance are improving their own performance on their own terms. It is not intended to compare the progress of one organization against another.

(b.) Because this indicator monitors whether organizations receiving USG-assistance are improving their own performance on their own terms, data quality assessments should be conducted on the process and tool that each organization chooses to use to monitor progress toward its performance objectives.

8. Many organizations require time to realize the benefits gained from capacity development interventions. How do we set targets and make this indicator useful for us on an annual, as well as a multi-year, basis?

Setting appropriate targets is an important consideration for any indicator. If organizations will require more than one year to show performance improvement, then this should be reflected in the overall activity MEL plan, i.e., years one and two may have a target of zero or no change, while years three, four, and five may have a target reflecting incremental positive change from each subsequent year. Because most USAID programming is multi-year, this will remain useful over the life of an activity. For a year when targets do not change, consider assessing whether the activity is on target based on the feedback of the benefitting organizations and their level of interest or follow-through on the actions they have planned to take. Indicator narratives should be used to explain any relevant contextual factors that affect whether an activity is on track to achieve its targets.

It should be noted that progress in capacity development is not always linear, and the context matters. Moving backward in organizational performance during a period of growth, especially rapid growth, is extremely common. A temporary decline in scores can reflect a transitional stage that is followed by improved performance as new ways of working are adopted. For example, a well run start-up can encounter significant organizational performance challenges as it transitions to a small and then a medium-sized firm. Further, organizations that use self-assessment approaches may score themselves higher at the outset, but later score themselves lower as their assessment of their own capacity becomes more nuanced or realistic.

DISAGGREGATION AND REPORTING

9. (a.) Can I report the same organization under more than one disaggregate? (b.) If no, how should I choose which disaggregate an organization falls under?

(a.) As outlined in the PIRS, only one organization type should be selected for each organization receiving USG-funded capacity development assistance.

(b.) Organization type should reflect the primary type of organization with which an organization identifies. Additional description of the mission and function of each assisted organization (such as type of services provided, role of organization in a relevant sector, etc.) should be included in the narrative.

OTHER TECHNICAL CONSIDERATIONS

10. Based on our experience, it is not easy to obtain performance data from private sector actors due to proprietary restrictions imposed on their data. What are some recommendations for using this indicator with private sector actors?

Concerns about data sharing can be addressed several ways. One of the most effective ways is to discuss data sharing rules and responsibilities and set expectations during the award negotiation phase. Another approach is to discuss and determine how the need to collect, synthesize, and analyze this indicator data can serve as a value-add to the company that goes

beyond solely meeting USAID reporting requirements. Finally, if companies are able to identify the sensitivities they have in sharing performance data for this indicator, then activities may negotiate non-disclosure agreements. Regardless of approach, effective partnership requires trust and mutual reliance among partners, so ensuring that private sector partners have the same USAID point of contact across all conversations can be beneficial.

11. What is the relationship to local systems and capacity development?

Practitioners often refer to three analytical levels for which capacity development support may be needed and/or provided: i.) individual, ii.) organizational, and iii) the enabling environment. (Institutions are just one part of the enabling environment). The term “system” often is used to refer to the interactions among these levels.

- A **system** is an interconnected set of actors (individuals and/or organizations) and the institutions that structure their interactions. “Local system” refers to the interconnected set of actors that jointly produce a particular development outcome. The “local” in a local system refers to the relevant actors in a partner country regardless of their country of origin. (Refer to the [USAID Local Systems Framework](#).)

Organizations that receive capacity development assistance from USAID are always part of a local system. CBLD-9 provides one way for USAID to report how assistance contributes to the capacity development of organizations in the context of their local system.

SUPPORT RESOURCES

12. What resources exist to help us support our colleagues and partners to adopt this indicator?

A group of technical advisors from across the technical bureaus, who have expertise in design and measurement of capacity development programming, has been assembled to provide support. Please send your support requests and/or questions about the CBLD-9 indicator to:

- CBLDSupport@usaid.gov

Support requests and/or questions about the New Partnerships Initiative (NPI) may be sent to:

- NPITechnicalSupport@usaid.gov