

**Organizational Development Impact Evaluation: Ethiopia  
Country Program  
Version 2 – Final**

**“Spider nets together, can tie up a lion.” *Ethiopian Proverb***

**Prepared by the Evaluation Team (ET):**

Lebesech Tesega, Horn Consult

Fasika Kelemework, Development Consultant

eloise burke, International Development Consultant

**2008 February 18**

## Acronyms

ABE	Alternative Basic Education
ACAT	Advocacy Assessment Tool
ACSO	Alem Children Service Organization
ADA	Amhara Development Association
AEMFI	Association of Ethiopian Micro Finance Institutes
AFD	Action for Development
AGOHELD	Abebech Gobena Hitsanat Kibkabena Limat Dirijit
ANFEA	Adult and Non-Formal Education Association in Ethiopia
ARH	Adolescent Reproductive Health
BEA-E	Basic Education Association - Ethiopia
CB	Capacity Building
CBRN	Community Based Rehabilitation Network
CAFOD	Catholic organization for Overseas Development
CDI	Constructive Dialogue Initiative
CRDA	Christian relief and Development Association
CSO	Civil Society organizations
DCA	Dan Church Aid
DG	Democracy and Governance
DQA	Data Quality Assessment
EMI	Ethiopian Management Institute
EMDA	Ethiopian Muslim Development Association
EMRDA	Ethiopia Muslim Relief and Development Association
ENSEI	Ethiopian NGO Sector Enhancement Initiative
EPRDF	Ethiopia People's Revolutionary Democratic Front
ET	Evaluation Team
FDRE	Federal Democratic Republic of Ethiopia
FSCE	Forum for Street Children Ethiopia
GEM	Girls Empowerment and Management
GO	Government Office
HDI	Human Development Index
HAPCO	HIV/AIDS Prevention and Control Organization
HAPCSO	Hiwot HIV/AIDS Prevention and Control Service Organization
HTP	Harmful Traditional Practices
IDRC-ISP	International Development Research Centre Institutional Strengthening Pilot Project
INGOS	International Non-Governmental Organizations
ISAPSO	Integrated Services for Aids Prevention and Support Organization
JeCCDO	Jerusalem Children's Development Organization
LGB	Local Government Barometer
LNGOS	Local Non-Governmental Organizations
MDG	Millennium Development Goals
MCB	Ministry of Capacity Building
MER	Monitoring, Evaluation and Reporting
MERL	Monitoring, Evaluation, Reporting and Learning
MFI	Micro Finance Institute
MOJ	Ministry of Justice

MOU	Memorandum of Understanding
MARCH	Muslim Agencies Recharging Capacity Against HIV/AIDS
NGO	Non-Governmental Organization
OCA	Organizational Capacity Assessment
OCAT	Organizational Capacity Assessment Tool
OD	Organizational Development
ODA	Oromo Development Association
OVC	Orphan and Vulnerable children
OVCCDO	Orphan and Vulnerable Children Development Organization
PASDEP	Plan for Accelerated Sustainable Development to End Poverty
PMP	Performance Management Plan
P4P	Partners for Peace
PRSP	Poverty reduction Strategy Paper
RBA	Rights Based Approach
RH	Reproductive Health
SAG	Strategic Activity Grants
SDPRP	Sustainable Development and Poverty Reduction Program
SIDA	Swedish International Development Agency
SPM	Strategic Planning and Management
SYHLA	Save Your Holy Land Association
SNNPR	Southern Nations Nationalities Peoples Region
TA	Technical Assistance
TEACH	Transforming Education for Adults and Children in the Hinterlands
TOC	Theory of Change
TORs	Terms of References
TOT	Training of Trainers
UNDP	United Nations development Program
USAID	United States Agency for International Development
WORTH	Women's Economic Empowerment Restoration
Y-CHOICE	Youth and Children with Health Options Involving Community Engagement strategy

## **Acknowledgement**

*Many people contributed their valuable ideas to this external evaluation. At the various stages of the evaluation process, the Evaluation Team held interesting discussions and had interactions with staff members of Pact Ethiopia (Management and Program staff), partners including Networks and umbrella organizations, International Organizations, Donors, consultants and others. The feedback and discussions captured during workshops were highly instrumental in validating and enriching the analysis. During the meetings, participants were always prepared to share experiences and opinions related to their relationships with Pact Ethiopia and the capacity building intervention as well as their development work.*

*The Pact Ethiopia Country Representative and management team provided important backup support during several stages of the evaluation process. Pact Global Evaluation Manager provided invaluable advice on the data collection protocol, report structure and related issues. The ET is thankful for the wholehearted cooperation and support of all involved in conducting this evaluation. A very special appreciation needs to be extended to Ato Tamiru Lega and his logistics team – they kept us moving from one point to the next!*

**Pact** is a networked global organization that builds the capacity of local leaders and organizations to meet pressing social needs in dozens of countries around the world. Our work is firmly rooted in the belief that local communities must be the driving force in ending poverty and injustice. **Impact Website.**

## **VISION**

Pact Ethiopia envisions an empowered society, in which social, political and economic rights are ensured.

## **MISSION**

Pact Ethiopia's mission is to enhance the capacity of development partners to ensure the attainment of social justice, improved economic opportunities and a peaceful co-existence. We accomplish this by:

- **FORGING STRONG ALLIANCE AND NETWORKS WITH DEVELOPMENT PARTNERS;**
- **EMPLOYING A RANGE OF INNOVATIVE DEVELOPMENT MODELS AND TOOLS WITH THE AIM OF VISIBLE REPLICATION; AND,**
- **ENHANCING ORGANIZATIONAL AND TECHNICAL CAPACITY, NETWORKING AND ADVOCACY.**

### **Pact Ethiopia Core Values:**

Integrity – Accountability – Flexibility – Transparency – Understanding - Trust & Commitment – Equity – Impartiality – Team Work – Participation – Quality -Love

**Capacity building** is a two-way process through which the skills and knowledge of individuals, groups and institutions are enhanced, and they are empowered to become more efficient, effective and sustainable in their development endeavours. **Pact Ethiopia.**

“Capacity is the essential lubricant of development, more important even than finance. One weakness of capacity within a multi-stakeholder project will often condemn the whole to failure. In the context of developing countries, the UN Development Program has defined “capacity” as “the ability of individuals, institutions and societies to perform functions, solve problems, and set and achieve objectives in a sustainable manner”. The terms “capacity building” or “capacity development” describe the task of developing levels of human and institutional capacity. Whatever the terminology, capacity building remains one of the most challenging functions of development.” *OneWorld.net: [www.oneworld.net/guides/capacity building](http://www.oneworld.net/guides/capacity_building)*

## Table of Contents

<b>1.0</b>	<b>REPORT SUMMARY .....</b>	<b>8</b>
1.1	INTRODUCTION.....	8
1.2	KEY FINDINGS .....	8
1.3	THE CONCEPTUAL APPROACH AND METHODOLOGY .....	10
1.4	THE ORGANIZATIONAL CAPACITY ASSESSMENT TOOLS AND PROCESSES .....	10
1.5	RECOMMENDATIONS .....	20
<b>2.0</b>	<b>BEST PRACTICES .....</b>	<b>22</b>
2.1	SUCCESS FACTORS FOR ORGANIZATIONAL CAPACITY BUILDING .....	22
<b>4.0</b>	<b>STRUCTURE OF THE REPORT .....</b>	<b>24</b>
<b>5.0</b>	<b>INTRODUCTION TO THE EVALUATION .....</b>	<b>24</b>
5.1	INTRODUCTION.....	24
5.2	OBJECTIVES OF THE EVALUATION.....	25
5.3	APPROACH AND METHODOLOGY .....	25
5.4	LIMITATIONS.....	27
5.5	SOCIO-ECONOMIC AND POLITICAL BACKGROUND .....	28
<b>6.0</b>	<b>FINDINGS OF THE EVALUATION.....</b>	<b>34</b>
6.1	FINDINGS RELATED TO THE OVERALL IMPACT OF PACT ETHIOPIA’S CAPACITY BUILDING ACTIVITIES .....	34
6.2	FINDINGS RELATED TO THE CONCEPTUAL APPROACH AND METHODOLOGY .....	37
6.3	PARTNER PARTICIPATION AND THE ADDED VALUE .....	41
6.4	LINKING GRANTS WITH CAPACITY BUILDING .....	44
6.5	CONTRIBUTION OF THE CONCEPTUAL APPROACH TO LONG-TERM IMPACT .....	45
6.6	PARTNERSHIP AND NETWORKING WITH OTHER SERVICE PROVIDERS .....	47
6.7	CONTRIBUTION TO POVERTY REDUCTION, MDGs AND OTHER GLOBAL AGENDAS .....	49
6.8	ORGANIZATIONAL CAPACITY ASSESSMENT PROCESS AND TOOLS .....	51
6.9	ADAPTATION OF TOOLS .....	55
6.10	COST OF OCA.....	56
6.11	INTERVENTION PACKAGES .....	56
6.12	SERVICE DELIVERY .....	58
6.13	BUILDING RELATIONSHIP .....	58
6.14	EXPOSURE VISITS.....	60
6.15	MENTORING.....	62
6.16	TRAINING.....	66
6.17	STRATEGIC ACTION GRANTS.....	73
6.18	ON SITE TECHNICAL ASSISTANCE (TA).....	76

6.19	INTERNSHIP PROGRAMS.....	77
6.20	BUILDING THE CAPACITY OF SERVICE PROVIDERS .....	77
6.21	MONITORING AND EVALUATION (M&E) .....	79
6.22	CAPACITY TO OPERATIONALIZE THE EXISTING SYSTEM .....	80
6.23	ENABLING ENVIRONMENT REVIEWS AND THE NEED FOR ADDITIONAL RESEARCH.....	82
6.24	DISSEMINATION PRACTICES.....	83
<b>7.0</b>	<b>CONCLUSIONS AND RECOMMENDATIONS.....</b>	<b>85</b>
7.1	SUMMARY OF RECOMMENDATIONS .....	90
<b>8.0</b>	<b>SUMMARY OF ANNEXES .....</b>	<b>92</b>

## **1.0 Report Summary**

### **1.1 Introduction**

Three externally contracted consultants, with a combination of sixty-five years of international development work between all three, conducted an evaluation of Pact Ethiopia's capacity building interventions over the past ten years. The Terms of Reference indicated the need to find out whether or not the capacity building intervention approach, methodology, tools used by Pact Ethiopia had made an impact on their partners and to what extent the overall approach met global standards. Using a participatory approach and methodology, over 100 individuals (staff, old and new partners, donors, like minded organizations) participated in the data collection done in Ethiopia during the month of October. On November 2<sup>nd</sup>, a selection of key stakeholders participated in a feedback session designed to validate the data collected. The data collection process included, one-on- one interviews, focus group discussions, workshops, observations, review of Pact Ethiopia documents, a selection of Evaluation Partners Pact inspired manuals, other organizational assessments processes and tools, Development Partners documents and relevant literature. The overall approach and methodology of the Evaluation Team (ET) was inclusive and began with a values clarification, accountability framework and a common understanding of the assignment between all three consultants and the three most relevant Pact Ethiopia staff members. The ET maintained regular and ongoing dialogue with Pact Ethiopia and continuously worked at building trust in the evaluation process. A zero draft report was reviewed by Pact and feedback provided to the ET. The feedback has been incorporated into the final report. The final report is qualitative and focuses on presenting the voices of the evaluation partners, enriched with the ET's analysis based on its years of experiences.

During the evaluation, the key areas examined were: the conceptual approach and methodology; the organizational capacity assessment tools and processes; service delivery to partners including the quality of training, technical assistance, etc.; building the capacity of service providers; monitoring and evaluation of Impact; and dissemination practices. The key findings are summarized and presented below along with the recommendations.

### **1.2 Key Findings**

#### **Pact Ethiopia**

Pact Ethiopia initiated the Ethiopian NGO Sector Enhancement Initiative (ENSEI) mid 1995 after signing a Cooperative Agreement with the USAID. It became fully operational after Pact Ethiopia was formally registered with the Ethiopian Government in 1996. Since 1996 Pact has focused on organizational capacity development as a means of strengthening Civil Society Organizations (CSOs') ability to perform better. The initiative's main purpose was to strengthen Ethiopian Non-governmental organizations dedicated to working with and helping people to ensure that they have a role in making decisions that affect their lives by supporting them in organizational development, targeted training and technical assistance, mentoring and

tutorial guidance for individual organizations and a program of small grants.<sup>1</sup> Pact Ethiopia's reach also includes the government and civil society as they all have the common goal of poverty alleviation. In working with local partners, Pact Ethiopia collaborates with other donors.

### **The Overall Impact of Pact Ethiopia's Capacity Building Activities**

The overall impact of Pact Ethiopia's capacity building activities has been positive. A significant amount of partners indicated that because Pact Ethiopia's approach to capacity building was different from other donors – innovative, some partners stated – it was productive. A significant amount of the evaluation partners feel that without Pact's support they would not have survived the initial challenges of moving from start-up to become a functioning entity. Pact Ethiopia's overall approach allowed partners to gain confidence, establish a track record of program implementation and in so doing access resources. During the ENSEI period, it was not only Non-Government Organizations (NGOs) and Community-based Organizations (CBOs) that matured, but as government officials worked with Pact Ethiopia in a number of ways (e.g. exposure tours) the relationships between the government and the NGO sector improved. Not only did the understanding of how to complement each other strengthen, some policies were directly affected by the work that Pact Ethiopia and its partners were able to undertake and continue to undertake.

One of the more striking examples of influenced policy is that of the change in rules and regulations for micro finance. The ET was told more than once that it was during a Pact Ethiopia organized overseas exposure visit that included personnel from the National Bank of Ethiopia, a key government decision maker, and those involved in micro finance, experienced how micro finance was regulated in other countries, that on return to Ethiopia, changes were made. The micro finance "industry" is also an example of the establishment of networks and umbrella groups. Specifically, the Association of Ethiopian Microfinance Institutions (AEMFI) started with two/three individuals. With the capacity interventions supported and facilitated by Pact Ethiopia, they are among the partners that credit their success to Pact Ethiopia's initial support. Today, the AEMFI is an established association of twenty-seven micro finance institutes that are spread throughout the country. The Association provides a range of services to its members that include technical assistance, training, networking with organizations, individuals and other networks "who share a common interest, in promoting and delivering financial services to the economically active poor."

The extent to which the results gained over the past ten years are being sustained is difficult to measure. Anecdotal stories abound from partners. At the same time the evaluation partners indicate that better strategies need to be developed in order to engage each other under the guidance of Pact Ethiopia and in so doing leverage resources, better influence policy makers and determine the best way to sustain developmental gains.

The linking of grants to capacity building interventions, ten years ago was innovative and made a significant difference to the start-up of NGOs and CBOs. This has now become the norm with some development agencies and donors. This approach continues to be valid and Pact Ethiopia has managed to maintain its approach to capacity building in its sectoral programs. The challenge is how to support capacity building independent of a specific programming initiative. The development of an organization's infrastructure is

---

<sup>1</sup> Pact Ethiopia, Ethiopian NGOs Capacity Enhancement Initiative, Needs Assessment Report, January, 1996

essential to its effectiveness and efficiency. Pact Ethiopia is working at being true to both approaches by partnering with donors and funders who see the link and the importance of sector specific projects that include capacity building.

### 1.3 The conceptual approach and methodology

During the ENSEI period, Pact Ethiopia's conceptual approach and methodology consisted of dialoguing with partners by engaging them in a participatory organizational assessment from which a package of interventions would be negotiated, agreed on and implemented. Once the Pact Ethiopia interventions were concluded, partners "graduated" from Pact. In general the package included technical assistance, coaching and mentoring, skills enhancement (e.g. how to develop and write a project proposal), governance development and building an improved Civil Society Environment through Government-NGO/CSO learning opportunities as well as linking grants to capacity building activities. Pact Ethiopia is credited with taking this holistic approach, which was new to Ethiopia and consequently faced challenges that newness brings: e.g. suspicion of the process, challenges of standards and quality delivery of interventions. Partners although involved in this continuum, did not always understand the underlying processes, and its value. Nor did they seem to understand Pact's limitations and were critical of how and when the capacity building support from Pact ended. Discussions with partners indicate a desire to re-engage (past graduates) and to continue to engage (those who are currently working with Pact) in a transformative ongoing evolving strategic alliance in a manner that builds on the overall conceptual approach. The conceptual approach is sound, tweaking based on partners' perceptions, is needed. A review of the literature on capacity building best practices indicates that Pact Ethiopia's conceptual approach is in line with global thinking on the "best practices" of capacity building: Timely, Peer-Connected, Assessment-Based, Contextualized, Customized, Comprehensive, Readiness-Based, Competence-Based.

### 1.4 The Organizational Capacity Assessment Tools and Processes

When Pact began working in Ethiopia in 1995/96, one of its first activities, in consultation with local partners, was to develop a tool that could be used to assess the capacities of potential partners. This tool is known as the Organizational Capacity Assessment Tool (OCAT). Over the years OCAT has been modified, changed and adapted by Pact to meet the needs of its projects and new partners: e.g. Bureau of Justice in Gambella Region; Advocacy, Woreda Education, and Y-Choices.

In the early years, the modification of OCAT was done systematically. Pact along with partners and the consultants who conducted the assessments met on a regular basis to evaluate the tool and the process of using the tool, which would then inform the necessary adjustments. A formal update was done in 1997. Today, Pact Ethiopia is making some attempts to keep the tool current specifically for partner needs through project driven adaptations. The ET reviewed all the tools and the areas needing improvement have been detailed in a separate document to Pact Ethiopia. In general, the tools need to be contextualized, formatted with branding in place and guides developed for the administrator and the administration of the tools.

**The processes** of administering the tool, determining the capacity interventions and their implementations received mixed reviews. All evaluation partners indicated that the assessment was useful and allowed them

to gain insights regarding their organizational capacity. In general, older partners -1996-2003 - did not own the process and felt that it was done by Pact Ethiopia for Pact Ethiopia by external consults who interpreted the process of interacting and engaging the partner based on their individual professional standard. Other partners felt that while the Consultant led the process, they were very much a part of the identification of gaps and determining the resultant interventions. Some of the partners that were involved with Pact Ethiopia - in the early years- indicated that the purpose of the assessment, the tool, theirs and Pact's role in the overall process including the use of the tool was not clearly understood nor was it clearly explained. There was therefore some suspicion regarding Pact's intent. This is understandable given that Pact was pioneering a new approach to engaging the NGO sector- a sector that was in its infancy in 1996.

On the other hand, younger partners -2003-present - see an OCA as a Pact standard mode of engagement. They are more critical of the exercise and indicate that the process of engagement and the tool needs to be updated to reflect the current NGO environment. "The indicators do not tell us anything new, we know our gaps." (Evaluation partner) While this may be true, if the process of the assessment is clear to partners, then it would be understood that known gaps being identified confirms the validity of the process and the accuracy of the tool. "The indicators do not reflect the characteristics of an organization. The tool is obsolete and needs updating." Another partner who has been exposed to other assessment tools stated this. He expressed a willingness to formally participate in review and contribute to a process of updating Pact's assessment tools.

Close examination of the tool and its various adaptations, demonstrates that it reflects the key elements of an organizational assessment. The main areas that a tool should examine are identified. But, if partners' perceptions are that the tool needs to be updated, then Pact needs to engage in a process with partners that will not only build ownership around the assessment process and tool but also provide an opportunity to learn from partners how they have adapted the tool and why, as well as what partners feel need to be changed and revised. Joint learning, shared learning can only lead to knowledge sharing and a win-win situation. Organizational assessment is followed by a package of intervention.

**The intervention packages** are established once the organizational gaps are agreed on between Pact and the partner. During the ENSEI period<sup>2</sup>, this was usually a combination of training, mentoring/coaching; exposure visits internally and externally, as well as a range of organizational development inputs. These inputs included grants that enabled the organization to establish an office by purchasing basic furniture, computer and the necessary accessories including the identification and installation of financial software- with the necessary training; key personnel (e.g. finance officer, personnel officer) with supportive operational policies and procedures documented by developing the necessary manuals. For a number of partners, the interventions were directly related to the outcome of the assessment and given the enthusiasm that most evaluation partners talk about Pact Ethiopia's role in capacity building, the ET sees a demonstration of valid interventions with most. Currently, Pact Ethiopia has maintained its support to assisting its partners with their capacity building including organizational strengthening as determined by the parameters of a specific project. Pact Ethiopia no longer has capacity building as a standalone project. Some partners argue that

---

<sup>2</sup> During the ENSEI period, the "basic" core training consisted of financial management and Peach Tree Accounting Software, SPM, PPDMER with some of not all of the following: Conflict Resolution, Domestic Resource mobilization, Leadership, Board of Development, Gender and Development, Health, TOT, facilitating and training. The Mitchell Group Inc. Final Evaluation of Ethiopian NGO Sector Enhancement Initiative. 2002.

capacity building is Pact Ethiopia's niche and that they should find ways and means of maintaining capacity building as their flagship. Pact Ethiopia is very clear about its commitment and understands the importance of capacity building in the NGO sector. Its challenge is to be able to continue to do capacity building within the limitations and context of its funding sources. An examination of current sectoral programs demonstrates capacity building being implemented by embedding capacity building activities in a project's over all delivery. In kind grants are an excellent example. The extent to which the initial package of interventions has been sustained can be seen in the examples shared with the ET by organizations that talked about the development of policies and procedures, manuals, effective administrative and financial training and in the case of Pact trained consultants (now well established and hired locally as well as internationally) who attribute the opening up of the civil society space to Pact's initial engagement.

### **Service Delivery to Partners**

A part of delivering quality service to partners includes building relationships. Relationships between Pact Ethiopia and partners were initiated through formal and in some cases informal approaches. Some partners entered into partnership with Pact Ethiopia after submitting proposal for support while others were approached by Pact Ethiopia itself. Relationships were also initiated through other organizations. Pact Ethiopia has demonstrated that creating good partnership is the foundation for effective project implementation of projects and ensuing community based services. Pact Ethiopia's experience and trust based relationships with the local Civic Society Organization (CSO) sector has brought about concrete collaborative involvement with other donors; e.g. SIDA through the CSO/NGO Cooperation Program; Pathfinder, Finnish Embassy CSO support which is all aimed at providing local CSOs with financial, technical and organizational capacity support to implement effective and efficient projects on HIV/AIDS; Adolescent Reproductive health (ARH); Harmful Traditional Practices (HTP); Gender; Democracy and Governance; and Human Rights Advocacy.

Exit from the partnership allowed Pact Ethiopia to bring on new and smaller organizations to broaden the learning. However the manner of ending the partnership was not clear to all the partners. According to some partners, ending relationships or 'graduation' was not a mutual decision. Partners were not prepared to strategize for the continuation of some of the Pact supported activities. The partners are of the opinion that Pact Ethiopia's contribution in building their capacity should be a spring board that leads to another level of partnership; they emphasized the importance of building longer-term institutional relationships based on commonly identified purposes and shared responsibilities. In the view of "graduated" previous partners, the need for assessing and understanding to what extent the identified capacity gaps were filled was reflected during the debriefing workshop; clarity on characteristics of maturity; reaching common understanding of the time and mode of disengagement; flexibility; etc were suggested leading to the establishment of a disengagement framework. Even if Pact Ethiopia and partners agree that the intervention has been successful and no further capacity building interventions are needed, it is important to recognize the partners' development, the key leanings that could lead to a different level of engagement and identify the next steps.

Once there is a relationship established and an organizational assessment conducted, a range of services are delivered. These are: exposure visits, mentoring, training, grants (strategic and in-kind), on-site technical assistance and internships.

**Exposure Visits** were initiated and arranged by Pact Ethiopia for the purpose of drawing lessons on policy issues and sectoral approaches. Between 1996 and 1999, fifty-two members of CSOs and public institutions took part in different Exposure Visits.<sup>3</sup> Experience sharing visits were also arranged locally to share and learn from the different experiences of local organizations. Each visit was planned to achieve specific objectives. Visits were followed by experience sharing meetings; reports were prepared and shared among the participants and non-participants through various forums. It is important to note that each visit was carefully crafted to have a mix of key sectoral and/or government decision makers, a Pact Ethiopia staff person and representation from the relevant NGOs. This strategy contributed to building trust and understanding across the Government-NGO divide; less guarded discussions – once the confines of Ethiopia were left behind; and the genuine wish of human beings to do the best for their country emerged. The impact of exposure visits is demonstrated, for example, by the progress in the Micro-Finance sector where policies were influenced based on the overseas visits. Exposure visits were very effective and continue to be one of Pact's capacity building strategies.

**Mentoring** is one of Pact Ethiopia's innovative interventions. In Ethiopia, the concept of mentoring was spearheaded by Pact Ethiopia and appreciated by partners especially as an extension of training and also as a means of institutionalizing the capacity building intervention. The mentoring service has been instrumental in enabling the partners to undertake, for example, tailor made Strategic Planning and Management (SPM) and financial manual development processes. This helped them to focus on their mission and to think strategically beyond annual operational plans. The ET learned that the Government has adopted mentoring and is using the previous Pact Ethiopia consultants as mentors in its institutions. Through this mechanism, SPM processes have been effectively introduced, developed and practiced in both public and Civil Society institutions. Some partners are also using the Pact Ethiopia trained consultants to facilitate SPM processes. The SPM process has a rapid multiplier effect. According to one of the interviewed consultants, through their mentoring support, they trained a number of partners' staff that eventually became SPM facilitators themselves for CSOs and other organizations. The trickledown effect is very important and often not recognized as an effective contribution to building a sector or body of knowledge. It has the power of having, in this case, influencing and mainstreaming a particular way of working - the development and implementation of strategic planning management processes. This is now the norm with local NGOs as well as in the government (federal and regional) in Ethiopia. Pact Ethiopia's contribution to the establishment of this work practice is significant. Mentoring started in the ENSEI period, and continues in current programming.

**Training** has been organized for partners in a variety of topics to improve their technical and management skills. The training topics are usually outcomes of the organizational capacity assessments. This includes SPM, Program Design, Monitoring, Evaluation and Reporting (PPDMER); Financial Management and Accounting, Board Development for Non-Profit Making and others. The training was provided to different levels of the organization: program staff, technical staff, management as well as board members. Different Training of Trainers (TOT) activities have been conducted on specific topics. Ethiopian consultants were also provided with training locally and abroad to help train the local partners in various strategic and technical issues. "Pact's training and mentoring program has a practical approach and emphasizes

---

<sup>3</sup> Ethiopian NGO sector Enhancement Initiative: Final report (Attachments) USAID CA No 663-0020-A-00-5501-0 Submitted to USAID, December 2003; Attachment 1: Impact Assessment on Exposure Visits, Birhanu Birke.

institutionalizing staff capacity in planning, management and implementation of development-oriented projects.”<sup>4</sup>

The training has in general familiarized and introduced both the consultants and the NGO partners to new concepts and practices of capacity building including organizational development. Partners appreciate the training especially on SPM; PPDMER; and Board Development for Non-Profit Making. According to the partners, it has helped them think strategically, be vision and mission focused, improve their planning and monitoring practices and enabled them to work in a more systematic and organized manner. The Board Development for Non-Profit Making made it clear to their Board of Directors their roles and responsibilities, and level of accountability. The various training activities have been provided by Pact Ethiopia trained and in some cases other trained consultants. Opinions about the quality and competence of the trainers are mixed. The evaluation partners said that generally qualified trainers have been assigned though some were better than others. Pact Ethiopia currently has Program Managers that are capable of providing training to partner organizations (if necessary with systematic capacity building support). The ET believes that the staff are in a better position to provide post training follow up; give backstopping support or onsite technical assistance accordingly. Discussions with Pact staff received mixed opinions. On one hand, some indicated that their current workload did not lend itself to undertaking the training provided by external consultants to partners. On the other hand, some indicated that not only were they capable but felt that Pact needed to let staff provide the necessary training as this would contribute to building Pact's internal capacity as well working with partners in a more holistic manner.

A number of training manuals and materials have been prepared by consultants on various topics and subjects in which training has been provided. However, they need basic improvement in terms of approach, content and presentation. The ET prepared a detailed review of the manuals, which has been shared with Pact Ethiopia. Pact understands the importance of training and the role it plays in capacity enhancement, but needs to improve its implementation strategies.

**Strategic Action Grants (SAGs)** is another innovation of Pact Ethiopia. During the ENSEI period SAGs were made available to partners so that they were able to apply the training received by way of demonstrating management of staff, systems development and implementation. They were usually for \$50,000 and for one year to two years. It allowed partners to build a track record in the delivery of their core business and in managing an entity. The grants contributed to the hiring of personnel, purchase of basic office furniture, and purchase of financial software and in so doing provided the opportunity for partners to develop a track record of project management. This was critical for attracting other donors. By providing the SAGs, Pact demonstrated that they were risk takers, committed to growing the NGO sector. Some partners indicated that the grants needed to be better linked to an exit strategy, as they were not “ready” to take on the financial commitment of staff, once the SAG was exhausted. Through SAG Pact Ethiopia has demonstrated that supporting NGOs at the earliest stages of development is a risk that an INGO should be prepared to take, if indeed they are committed to capacity building. Partners are very clear that tying grants to their development was an extremely useful and important mechanism.

---

<sup>4</sup> Ethiopian NGO Sector Enhancement Initiative, Final Report (Attachments) USAID NO 663-0020-A-00-5501-0 Submitted by Pact, December 2003

**In-kind grants** are currently Pact's grant model. In-kind grants are aimed at building capacity within the specific parameters of a project. Pact, based on its current funding agreements can no longer give SAGs. The importance of in-kind grants was clearly demonstrated in the Gambella Program, where girls are being supported to attend school. The group that is being supported would otherwise not be able to attend school. This support is done through a community-school committee and affords Pact an entry point into the community. This opens the door for other related activities that contribute and build on a range of health, women's empowerment and peace building opportunities. The challenge for Pact is how to maintain project activities when funds are received on short-term project cycles. Given donors awakening to long term commitment and the necessary funds for capacity building and the private sectors heightened desire to exhibit social responsibility, the Gambella project presents an opportunity for domestic private sector resource mobilization.

**Technical Assistance (TA)** has been understood in various ways. It is sometimes conceived as mentoring. The secondment of personnel is also perceived as TA. Partners do not consistently understand the term. Onsite technical assistance has been and continues to be provided through monitoring visits. The onsite TA provided by the different Program Managers and Directors of Pact Ethiopia has been and continues to be valued and appreciated. Monitoring visits and technical backstopping support help in joint problem solving. Peer problem solving allows for shared understanding that build doable and realistic solutions that can be jointly monitored, reviewed and in so doing contribute to transformative development. In spite of this, there is a perception by partners that during the ENSEI period, there was no method that allowed follow up of the issues and recommendations discussed during the preceding visits. The evaluation partners feel that documenting and sharing monitoring reports could be a useful practice and system. Documentation strengthens institutional memory and provides evidence that learning has occurred through on site technical assistance, mentoring or other services. What partners are suggesting is viewed as a normal management practice in a number of organizations as well as a good project-monitoring tool.

**Internship Programs.** The ET did not have opportunity to hold discussions with the interns that participated in this program. However, Internship Programs are similar to personnel placements and contributed both to the organization's need for personnel and to the intern's learning. The Internship Program enabled students to be 'guest' learners as they learned and got first hand exposure through their attachment to host organizations; they were familiarized and exposed to the world of work in a real life setting. The host organizations also, according to partners, benefited from the assignment of an inexpensive personnel assignment; interns temporarily filled some of their gaps. Some Pact Ethiopia staff as well as some of the evaluation participants indicated that the Internship Program was a good programming initiative and felt that it should be continued. A number of INGOs and Donors utilize interns for a number of reasons. Generally speaking it is viewed as an affordable method to supply cost effective professional assistance to an organization, build cultural specific professionalism and provides interns an opportunity to match theory to practice. Whether or not Pact Ethiopia should resurrect this program, is difficult for the ET to comment on based on the data collected.

### **Building the Capacity of Service Providers**

The technical and mentoring skills provided for the consultants helped create organizational development services to be available locally for CSOs and public institutions specifically in introducing systematic OCA, SPM, and related processes. A consultant expressed his involvement in SPM as "a practical school of

management". There is general agreement that Pact built the capacity of service providers. How many and to what extent, is not easy to state. A number of partners as well as the consultants with whom the ET met indicated that Pact has made a significant contribution to the body of Ethiopian consultants who are able to conduct organizational assessments, facilitate organization's strategic planning and management, and assist with general organizational issues. The ET received a number of examples of consultants who have been able to start their own consulting firms based on the start-up received indirectly by Pact through learning on the job in the ENSEI days. Some partners have built and maintained a relationship with some of these consultants and the organization and the consultant have grown together professionally. Pact has maintained relationships with most of the consultants that they have worked with from their arrival in Ethiopia. In talking with Pact staff, there is a sense of dissatisfaction with the quality of work produced by some of these consultants but as the decision to retain the consultants are made at the management level, there is little they can do. Partners have indicated the need for a systematic mechanism of recruiting, selecting and quality control systems over externally contracted consultants. They have indicated the wish to be involved in the selection of consultants with whom they are expected to work. They have also suggested, as done by another capacity building provider, that given Pact's position in the capacity building niche, Pact should train its own staff and have them provide the necessary services. While this is a good suggestion Pact Ethiopia would have to access its staff workload and their capacity to undertake more tasks than they are already doing.

### **Monitoring and Evaluation of Impact**

During the ENSEI period, MERIT was the monitoring and evaluation system of Pact Ethiopia, which was embedded within the capacity building services. The system was used to input and analyze data, to track progress and performance. Different recommendations concerning the MERIT system were made during the annual enabling environment reviews, which contributed to improving the operationalization of the system. A system called Monitoring, Evaluation, reporting and Learning (MERL) has been developed through the support of Pact Global. MERL is currently being automated in Pact Ethiopia. At the same time, it would be useful to design a similar but simplified system at partners' level to interface electronic data exchange. Staff has received training on the MERL as well and as a Data Quality Assessment (DQA) and training has been provided to partners on the basics of monitoring and evaluation. Current programs have results framework in place, however, a full fledge M&E system is prepared only for two of Pact Ethiopia's HIV/AIDS programs. The course material designed to support building and running the MERL system is also explicitly for HIV/AIDS programs. It is important to make it general and applicable to all programs in order to promote efficiency and effectiveness across the sectors.

There are some challenges with operating the system as its usefulness as a management tool is not fully understood by all levels of Pact Ethiopia and partners. Most partners see monitoring and evaluation and DQA as a donor requirement not as a management tool. Therefore, MERL and DQA practices should be simplified and established at the local NGOs and CSOs level. The current system is result based and links results at different levels.

Pact Ethiopia sponsored a number of annual enabling environment reviews in order to determine the socio-political situation in the country and how it affected the NGO environment. These reviews were conducted by a combination of Pact staff and external consultants as well as involving various stakeholders. A number of useful recommendations were made during the reviews, which assisted Pact Ethiopia to monitor changes in the enabling environment closely and respond to the changing environment accordingly. A return to

conducting the enabling environment reviews would help as ex-post assessment of the situation in the enabling environment for CSOs/NGOs and to document the current situation in this regard as post election benchmark. Other additional research could also be conducted to collect information in relation to promoting good governance in the country. Between the MERL and regular external environmental scans, Pact could get informed indicators of its impact.

### **Dissemination Practices**

Pact Ethiopia does not have an articulated communication strategy for internal and external clients. It is therefore difficult to make a statement regarding its dissemination practices. However, there is an ImPact news bulletin that is published periodically and shared with partners on an ad hoc basis. The content is program driven and serves as a good medium for program updates through the eyes of visitors, Pact staff, and program participants. The December 2006, Issue 27, for example was very informative and provided pertinent information regarding issues relevant to the Gambella program. The manner in which the articles are written are easy to read and very informative. On reviewing a number of the issues, the quality, content and visuals have improved greatly. Pact defines itself as a “learning organization” and as such strives to disseminate information that leads to knowledge sharing and knowledge translation. This means that the information must be integrated by the relevant individuals (decision makers) in a manner that the knowledge is translated into policies. The relatively new media forum project is an example of Pact working – facilitating – the translating of knowledge into policy. There is a range of sector specific publications, that gives information to partners, the system and the practice of how this information is shared is not clear nor is it clear the extent of the coverage. This is an area that needs attention.

### **Contribution to the MDG**

It is difficult to make a statement regarding the extent to which Pact Ethiopia’s work contributes to the MDGs. Pact staff as well as partners has a sense of the linkages that projects have with the MDGs, but projects are not structured to be measured against the goals. The programming areas of Pact and its partners are designed to meet the needs of their communities of interest and cut across issues that directly relate to the eight MDGs. However, for a direct and articulated link between capacity building and these global agendas it is important to develop an action research in this regard. Since one of the strategic objectives of Pact Ethiopia is to “pilot and promote innovative models, tools and approaches through partnerships with the aim of adoption by a wide range of development actors across Ethiopia<sup>5</sup>”, it should try to develop a model which conceptually links capacity building, MDGs, poverty reduction, peace building and other global agendas. This requires collecting and documenting best practices and lessons learned and disseminate the models developed to be replicated for wider impact through Pact Ethiopia’s partners, Pact Global and other stakeholders.

---

<sup>5</sup> PACT ETHIOPIA INFORMATION BOOKLET. MARCH 2007.

### **Conclusions and recommendations**

A review of current global trends indicates that Pact Ethiopia's approach to capacity building is state of the art. This review included a selection of online sites, relevant publications and other INGOs approach and methodology as well as the ET's ongoing experiences in the field of capacity building. It is state of the art for a number of important reasons: 1) the work is done together with partners; 2) the capacity building that is needed is determined through an assessment; 3) agreement regarding what the capacity gaps are and how best to work at reducing the gaps is done in a manner that is encouraging; 4) the overall approach works at information sharing, knowledge sharing, knowledge translation with the intent of contributing to sustainability of an organization and consequently making a contribution to an improved Civil Society. This is an ongoing circle of managing a responsive manner of engagement. The feedback loop to Pact needs strengthening so that the areas of the circle that need tweaking are identified and receive attention. Pact and its partners need to better understand their joint roles and responsibilities in the "circle" and together determine the best way to work more strategically with each other.

Pact Ethiopia describes itself as a learning organization. Staff indicated a willingness to learn and improve programming initiatives, build theirs as well as their partners' capacity, and made a point of sharing with the ET their love for the work they do and for Pact. As a learning organization, there needs to be more work done in a systematic way that allows partners to own the processes as well as the outcomes of any OCA and the subsequent capacity building interventions in a more sustainable manner. In almost all the discussions held with Pact Ethiopia's partners, the need for better integration, sharing and ongoing evolution – managing changes in the NGO environment – was articulated. Some partners went as far as questioning the extent to which Pact by implementing donor driven projects have compromised their capacity building niche. Pact Ethiopia itself has regular internal discussions regarding the best way to maintain a balance between "project activities" and "capacity building" and by embedding capacity building into its projects has gone a long way to working on maintaining a balance. One area that should be improved is the articulation of values and the role values play in any organization's sustainability strategies. Pact understands this and has taken the time to articulate their values. In working with its partners to improve strategic alliances, this is one of the first interactions that should be addressed - the values of the group.

While the OCA processes and tools need updating, given the role Pact played in nurturing NGOs understanding regarding the importance of organizational assessments and the resultant interventions, it is clear that there is a need for Pact to review with partners how best to maximize on the partnerships formed. Without realizing it, partners have suggested some of the characteristics of a learning organization. They have talked about the need for Pact to use the joint lessons learned over the years to build strategic alliances in ways that are dictated by the responses needed to manage changing and shifting environments. The characteristics of a learning organization are presented below in Box 1.

### BOX 1

#### **Characteristics of a Learning Organization<sup>6</sup>**

- ✓ Recognises the need for change
- ✓ Provides continuous learning opportunities to its members
- ✓ Explicitly uses learning to reach its goals
- ✓ Links individual performance with organizational performance
- ✓ Encourages inquiry and dialogue, making it safe for people to share openly and take risks
- ✓ Embraces creative tension as a source of energy and renewal
- ✓ Is continuously aware of and interacts with its environment

An important feature of learning organizations is that they are organized so that learning happens at five levels.

- ✓ Individual learning team or work group learning (sharing lessons between individuals working together in permanent work groups or temporary teams)
- ✓ Cross functional learning (sharing lessons between departments or sections eg between fundraising and operational staff)
- ✓ Operational organizational learning (learning to deal with significant changes in the environment which affects the overall strategy of the organization)
- ✓ In practice there will be and should be considerable overlap between these levels.

In reviewing the components of a learning organization, Pact Ethiopia does, and can describe itself as a learning organization. No organization is perfect; there is always room for improvement and growth. At the same time, pick any of the attributes and positive statements can be made about Pact Ethiopia's efforts and in some cases solid examples given. "Embraces creative tension as a source of energy and renewal", this was demonstrated time and time again in discussions with staff as they struggle with strategies to maintain the organization's integrity while sourcing resources to fulfill its mission. "Is continuously aware of and interacts with its environment". This statement aptly describes what ENSEI was all about. For example, the regular external scans were appropriate and critical for the NGO sector in Ethiopia and as most partners have indicated should be resumed. An outstanding demonstration of this currently unfolding is Pact Ethiopia's Constructive Dialogue Initiative (Democracy and Governance Program) in which the media forum project plays the facilitating role of working with a representative group of the media and government, simultaneously, in an open forum to build better understanding of their joint roles, open up the space for media to interact with the government and vice versa and in so doing contribute to the enacting of new press laws. This kind of activity is taken for granted in places like North America, for those of us who have worked in Africa, and in Ethiopia specifically, that the forum exists - this in itself is a major achievement. This level of engagement could not and would not come about if the respective stakeholders did not respect Pact as an organization. Respect is earned through continuous ongoing interaction – relationship building and maintenance. It is this relationship that gives partners the voice to be critical of Pact, to praise, to suggest, and to demand an established space to be part of a learning organization and to find ways and means of maintaining the relationship while growing together.

While the ET have not identified specific programs in this report, some programs were reviewed in order to gain a better understanding of how capacity building is currently embedded in Pact Ethiopia's current program implementation. The potential for far reaching impact became evident in the peace building projects in Gambella. The challenge for Pact is the sourcing of resources that will enable the various communities to continue the work started by Pact. The area has a long history of conflict that is on the

---

<sup>6</sup> Learning for Change: Principles and practices of learning organisations. Bruce Britton. Swedish mission council 5/2002 p12

mend, can Pact maintain a longer engagement, one that is not the usual donor driven short project cycle? Is this the program that would make a good test case for building an alliance with the domestic private sector? The private sector fully recognizes the need for peace as the basis for a thriving economy and this maybe worth investigating.

One of the key challenges faced by Pact Ethiopia is that of partners' ownership of the capacity building interventions processes and the sustainability of the interventions. This is not unusual. This is a perennial developmental challenge, familiar to all Development Practitioners. Time and time again partners will indicate a desire, a willingness to access assistance in developing their organization, building individuals and the organization's capacity. Pact Ethiopia as with other organizations will explain to the best of their ability what they are offering what they are capable of doing and what is expected and at the end of the day the level of organizational ownership is questionable. How can this be improved? While there are no easy answers or solutions, by responding to partners request for continuing organized engagement with Pact Ethiopia, this could be one of the first agenda items at the first meeting to review the best way to respond to the issues raised in this evaluation. Engage partners in a dialogue aimed at developing joint strategic strategies for issues that most affect the NGO sector in Ethiopia. This should be linked to an agreed to implementation plan that includes joint ongoing accountability. Is it clear to the local NGOs and CBOs of what importance their development is to Pact Ethiopia? To what extent is Pact Ethiopia's mission truly understood and viewed as mirroring and complementing theirs? Is the demand for Pact to take a leadership role based on frustrations with other organizations that purport to be leaders in the sector? All the literature reviewed as well as the experiences of the ET indicates that successful partnerships for capacity development must have joint ownership. Have a conversation.

Pact Ethiopia's model of capacity building interventions continues to be cutting edge by global standards. The challenge is to maintain a balanced portfolio of sector projects that recognize the need for overall capacity building and, therefore funds are available for capacity building in the sector as well as to the local organization's overall development. And, to be able to demonstrate its ongoing commitment to capacity building to its stakeholders in a manner that ongoing transformative changes occur for the betterment of the communities of interests.

### **1.5 Recommendations**

1. Pact Ethiopia in collaboration with Pact Global should review and update its organizational assessment process and tool by examining likeminded organizations' process and tools, and involving partners in the review process in order to have a state of the art process and tool as well as partners' buy-in that leads to ownership of the engagement.
2. Pact Ethiopia should develop a long term capacity building plan that includes assessing on a regular basis, the need for capacity building services which reflects the current needs of their partners and other NGOs.
3. Pact Ethiopia should further investigate, with an eye to increasing, the selling of its capacity building services to development partners, and by so doing use its expertise to increase its funding base. Pact Ethiopia should map out the CB providers in Ethiopia and develop a network of CB providers.

4. Pact Global should develop a research question, methodology and conduct the research, in collaboration with Pact Ethiopia that seeks to determine the direct link between the work it does and its contribution to the MDGs' and other global agendas.
5. Pact Ethiopia should convene a working group representative of partners in order to review the OCA process and OCA Tools as well as reviewing with partners the importance of organizational values in the work they do.
6. Pact Ethiopia should set a process in place that demands at minimum an annual review of assessment processes and tools.
7. Pact Ethiopia should articulate and document a standard guide that explains the different tools and how each tool should be used.
8. Pact Ethiopia should convene a meeting with past and present partners in order to brainstorm and determine the best way to formalize a relationship based on joint strategic needs.
9. Pact Ethiopia's exposure visit model should be replicated and scaled up to other Pact programs.
10. Pact Ethiopia in consultation with key stakeholders should develop, test and implement selection criteria for mentors. This could involve having mentors determine self-management guidelines that adhere to Pact's standards of excellence.
11. Assess the capacity of Pact staff to plan and deliver training as well as provide systematic follow-up with partners.
12. Based on staff assessment, budget for and enhance staff's capacity gaps.
13. Conduct an audit of each program staff's workload in order to determine realistic expectations of level of engagement with partners re training, and training follow-up.
14. Design or adopt a manual preparation guide.
15. Conduct training needs assessment of Pact Ethiopia staff in order to respond appropriately.
16. Review all manuals for correct and current/state of the art content, processes, Pact standards and branding.
17. With partners, identify and catalogue Pact-Ethiopia best practices in training along with a plan to share these in Ethiopia and Pact globally.
18. Conduct an assessment of partners' training capacity and build a joint niche for training that is cost recoverable.
19. Pact Ethiopia should document and share key discussions points with partners in order to help track changes, using the document as a point of reference for subsequent discussions.
20. Pact should design a simplified MERL system for its partners and assist partners with learning how to use the system.
21. Pact Ethiopia needs to automate the MERL system so that the staff can have more time to work on strategic issues of M&E with partners.
22. MERL and DQA practices should be simplified and established at the local NGO and CSO levels.
23. Quality control of services delivered to partners, especially as related to consultants' performance should be improved.
24. Pact Ethiopia should assess the M&E systems gap within partners and with partners identify ways and means of assisting with reducing/eliminating this gap.
25. Pact Ethiopia should resume the practice of conducting regular reviews of the enabling environment for NGOs.

## 2.0 Best Practices

Based on the evaluation, literature review<sup>7</sup> and the ET’s combined years of experiences (over sixty-five years) in development work, there is agreement that there are eight key factors that contribute to effective capacity building and are therefore considered best practices. These eight factors are presented in the left column. The right column indicates the ET’s assessment of the extent to which Pact Ethiopia has demonstrated these in their capacity building interventions and in so doing the extent to which “best practices” was implemented during the ENSEI period specifically and now in current programming activities.

### 2.1 Success Factors For Organizational Capacity Building

Success Factors/Best Practices	Pact Ethiopia’s Status
<b>Timely:</b> <i>It happens in the balanced space between actions, which are taken too slowly or too quickly.</i>	Pact Ethiopia’s capacity building interventions were timely during the ENSEI period. Currently, timeliness is driven by the availability and timing of funding.
<b>Peer-Connected:</b> <i>There are opportunities for peer-to-peer networking, mentoring and information sharing.</i>	Pact Ethiopia strives to be peer-connected. Pact has and continues to facilitate networking, mentoring and information sharing opportunities. There is room for improvement, as partners demand a higher level of being connected.
<b>Assessment-Based:</b> <i>It entails a thorough assessment of the needs and assets of the organization and its community.</i>	Pact Ethiopia bases capacity building interventions on assessments.
<b>Contextualized:</b> <i>It occurs in the larger context of other strengthening services a not-for-profit is receiving from the funder(s) and community.</i>	Pact Ethiopia capacity building interventions include an external environment scan that leads to an analysis of the enabling environment.
<b>Customized:</b> <i>Its evaluation is customized to respond to the project’s critical questions – both qualitative and quantitative.</i>	Pact Ethiopia’s capacity building interventions are customized.
<b>Comprehensive:</b> <i>There is some degree of “one-stop shopping” – assessment services, technical assistance and financial and other services.</i>	Pact Ethiopia provides one stop shopping within its mandate and works with its partners to identify other assistance.
<b>Readiness-Based:</b> <i>The not-for-profit “client” is ready to receive this specialized kind of service (i.e. not in a crisis)</i>	Pact Ethiopia’s capacity building interventions are driven by the readiness of its partners.
<b>Competence-Based:</b> <i>The capacity building services are offered by well-trained providers (both Pact staff and expert service providers) and requested by knowledgeable, sophisticated customers (not-for-profit managers and board members).</i>	Pact Ethiopia strives to offer well-trained providers to its clients. Request for assistance is from senior management level of its partners.

---

<sup>7</sup> Building Capacity in Nonprofit Organizations. Edited by Carol J. De Vita and Cory Fleming. The Urban Institute. 2001.  
 Building Capacity, Granting for Impact – Research Report. The Ontario Trillium Foundation. April 2005.  
 Arizona Nonprofit Capacity Building Initiative Best Practices Report. 2002.  
 The Evaluation Team :Experiences and Lessons learnt by working in international development.

In reviewing the eight success factors, Pact Ethiopia has performed better in some areas than others. For example, their ability to provide a comprehensive package, based on an organizational assessment that is customized is laudable. It is important to note that Pact Ethiopia's strength lies in having the courage to introduce innovative capacity building interventions as demonstrated by their linking of strategic grants to organizational development (infrastructure and soft skills development) that allowed emerging NGOs and CSOs to develop and demonstrate the ability to write project proposals, implement and manage projects and demonstrate the ability to be accountable to funders; and, in so doing established a track record that enabled them to build other funding relationships.

Capacity building is time consuming and needs patience. Once the process has begun it is never ending, evolving into ongoing transformative changes. Any organization that is true to its mission needs to be responsive to change and in so doing is continuously re-inventing itself. One of the strategies that will contribute to this process is benchmarking.

Benchmarking is the process of identifying, understanding, and adapting outstanding practices from organizations, including your own, anywhere in the world<sup>8</sup>. By benchmarking the current state of Pact Ethiopia in a particular process, identify the gaps and the challenges, and then search for best practices outside of Pact Ethiopia, Pact Ethiopia will have in place a system of continuous learning. The idea is to look for breakthroughs in practices, integrate these practices into the way in which work is done and scale up to partners and other likeminded organizations.

---

<sup>8</sup> "If Only We Knew What We Know: Identification and Transfer of Internal Best Practices". California Management Review. Vol 40. No 3. Spring 1998.

## 4.0 Structure of the report

The report is organized to reflect the Scope of Work outlined in the TORs. There are three key sections to the report. **Section 5.0** provides an Introduction to the evaluation, its objectives, approach and methodology; and, the context in which Pact Ethiopia works in Ethiopia. **Section 6.0** details the findings, conclusions and recommendations of the evaluation; **Section 7.0** presents the overall conclusions and recommendations. In response to the Terms of Reference for the evaluation, there are a significant amount of appendices; these are attached in a separate document. Note, by the very nature of the organization of this report, some of the information presented in some sections but not all, are repeated elsewhere. This is a result of the areas reviewed overlapping with each other. Where appropriate the voices of the evaluation partners are presented in order to validate the analysis presented as well as giving the reader a feeling for the interactions that took place during the evaluation.

## 5.0 Introduction to the Evaluation

**Section 5.0** of this report provides an introduction to the evaluation processes, overall approach, and methodology of the Evaluation Team; and, the socio-economic and political context in which Pact Ethiopia works.

### 5.1 Introduction

Evaluation is meant to be a mutual learning exercise that provides an opportunity to reflect on the past in order to define future directions and actions. It allows all involved and in this particular case, Pact Ethiopia and Pact Global to have a better appreciation of the good practices while improving what needs to be changed. This evaluation is external in nature, but was carried out with active involvement of various staff members of Pact Ethiopia. Staff participation in the process helps generate a better appreciation of the good practices and challenges, and enhances the ownership of the evaluation within Pact in general and Pact Ethiopia in particular.

Through a competitive process, a team of three external evaluators were contracted to carry out an evaluation of the Capacity Building intervention of Pact Ethiopia. The Evaluation Team (ET) consisted of Eloise Burke, an International Development Consultant, Canada/Nairobi, Kenya; Fasika Kelemework, Development Consultant, Addis Ababa, Ethiopia, and Lebesech Tsega from Horn Consult, Addis Ababa, Ethiopia.

## 5.2 Objectives of the Evaluation

The purpose of the evaluation is “--- to examine the conceptual approach, tools and methodologies used in capacity building by Pact Ethiopia to produce tangible, specific, long-term impact of Organizational Development of Civil Society Organizations in Ethiopia; and building human capacity to deliver Organizational Development (OD) services” and “- to contribute lessons learned on capacity building & OD programs in different contexts.” According to the TORs, this evaluation is intended to contribute to continued learning and concurrently draw lessons on good practices for sharing with Pact Programs at the global level. It is aimed at contributing improved lessons on capacity building (CB) and organizational development programs in different contexts by examining the conceptual approach, tools and methodologies used by Pact Ethiopia that are aimed at enabling Ethiopian civil societies to produce long-term impacts. **(see Annex 1 for the TORs)**

## 5.3 Approach and Methodology

The team of evaluators first met early September 2007 with the Pact Ethiopia staff that are directly responsible for the CB program in order to understand expectations, build a common understanding of the work, clarify the various levels of Pact Ethiopia’s involvement, and get to know each other in order that the group could begin the process of evolving into a team. During this meeting, the team (including Pact Ethiopia staff) arrived at a common understanding of the Terms of Reference and determined the parameters of the evaluation process and the stakeholders to be interviewed. The Pact Ethiopia Country Representative and the other staff directly involved in the CB program presented expectations of Pact Ethiopia, the Regional and Global Offices. This process was useful in clarifying expectations of each other and building the team’s values, guiding principles and standards to which the ET held each other accountable in working as a team. The ET endeavored, at all times, to work in a participatory manner with the relevant Pact Ethiopia staff.

It is worth noting that the TORs of the evaluation is quite comprehensive, detailed and in some cases overlapping questions were observed. In order to facilitate the flow of discussions, the evaluation team arranged the issues in a logical order. The ET identified generic and specific questions streamlined to the nature and type of organizations to be consulted in order to capture a better understanding of the good practices and challenges; identifying the major lessons learned, and making doable recommendations.

Accordingly, a detailed plan, methodology and division of labor within the team was finalized. Subsequently, as per the agreed methodology and schedule, primary data collection took place in October 2007. At the end of the primary data collection, a half-day validation workshop was conducted with a selection of stakeholders that included local partner organizations, international organizations, donors and Pact Ethiopia staff. The workshop was facilitated by the ET and included a presentation of the initial findings and the posing of three strategic questions. The workshop provided a rich source of information and was helpful in validating the findings. **(see Annex 2 for workplan, list of organizations and individuals who participated in the evaluation)**

The team drafted the data collection protocol taking into account the list of questions and required information indicated in the TORs and submitted to Pact Ethiopia and Pact Global for feedback. Once feedback was received, the team proceeded to work according to the workplan.

Over one hundred individuals participated in the evaluation and represented a mixture of Pact Ethiopia's partners: partners from the ENSEI period (1995/6-2003); the post ENSEI period (2003 –now; and partners who have worked with Pact throughout. Data collection sessions lasted from thirty minutes to over two hours. The time was largely driven by participants' time availability and the amount of individuals involved in the interaction. The focus of the evaluation was qualitative and the ET used qualitative and participatory methods - individual and focus group discussions and workshops. Data was collected from primary sources through open and semi-structured interviews with pertinent stakeholders; field visits to Gambella sub-office and some partners in the Amhara regions. The team also held discussions with international organizations and donors to understand their CB models, approaches and experiences. Data was also collected from secondary sources (evaluation reports, the different capacity assessment tools, training materials, operational manuals, and various reports). Some documents of partners were consulted. **(see Annex 3 for referred documents)** The ET strongly believes that the voices of the evaluation partners (EP) are important. Consequently, the voices of the EP are used to inform and ground the analysis. In this way, the anecdotes and the examples that partners used to share their opinions, and their analysis based on their perceptions are critical to the overall analysis. It is therefore important to share as much as possible without violating data collection confidentiality these voices. It is the ET's past experiences that anecdotes contribute to building evidence.

The following table provides a breakdown of the stakeholders consulted.

**Table 1 – Breakdown of Stakeholders consulted**

Type of Stakeholders	No. Of Stakeholders by Category	Amount of individuals that participated	Data Collection Tool
NGO/CBO	35	74	Group discussions; focus group
Pact Ethiopia	1	37	Group discussions; focus group
Donors/other Development Partners	7	10	One-on-one interviews; group discussions
Consultants involved in capacity building interventions	4	4	One-on-one interviews; group discussion
Government Officials	3	6	One-on-one interviews; group discussions
Former Pact Staff	1	1	One-on-one interview
<b>Total</b>	<b>51</b>	<b>132</b>	
<b>Preliminary findings Feedback Validation Workshop</b>			
NGOs		8	
Pact Ethiopia		13	
Donors/Embassy rep		2	
Govt		1	
<b>Total</b>		<b>24</b>	

*Note: group discussions followed the full one-on-one interview format and took place where the individual with whom the appointment was confirmed invited relevant staff members to participate in the interview. Also, the above information is detailed in Annex 2.*

In 2007 December, a draft report was submitted to Pact for review. The feedback received from Pact has been incorporated into the production of this final report.

The Evaluation Team would like to make it clear that this evaluation focuses on the Capacity Building Intervention of Pact Ethiopia; how it enhanced partners' capacity in effectively implementing sectoral programs or projects and not so much on partners' performance and impact of their interventions on the communities. In the case of the latter, the processes and approach as well as the time frame would have to be developed differently. The ET would like to see the key lessons learned from this evaluation applied across Pact.

### 5.4 Limitations

Despite the strong participation and commitment of all stakeholders involved in contributing to an adequate evaluation process and outcome, the following limitations are noted.

- For some respondents, it is too long ago that the capacity building intervention was undertaken with Pact Ethiopia and engaging in an external evaluation of this nature was a challenge. Responding to the specific questions posed by the ET was difficult. This implies that Pact Ethiopia should have conducted an evaluation of its approach, tools and methodologies on a regular basis- every 3 years or so – in order to receive the perspectives of partners, learn lessons and, therefore update its approach. Some partners have moved on to work with “new” partners and were somewhat challenged by the effort of isolating a Pact-led capacity intervention from others.
- In some cases, the staff (senior or technical) are no longer with the partner organizations. Some of the persons interviewed are new and have limited information about the capacity building intervention. In some organizations there is no systematically documented information on the processes and outcomes of the intervention to which the ET could refer. Even if they were still in the same organizations, some of the interviewees had limited involvement in the process or services provided to respond to the questions.<sup>9</sup>
- The ET did not have the opportunity to meet and discuss with some of the identified stakeholders, for example – interns who participated in the Internship Program and the International Institute for Rural Reconstruction (IIRR) who was involved in providing technical interventions during the initial ENSEI.
- The ET was unable to validate the good practices adapted by sector offices, for example, on Alternative Basic Education (ABE) approaches due to time limitation. However, the team believes that data provided by different partners about such practices are valid and worthy of consideration. For example, ABE gave examples of program approaches that they were exposed to, due to Pact Ethiopia support, and were therefore able to introduce and adapt better practices and program approaches into their organization.

---

<sup>9</sup> In one specific case, although Pact staff and Pact documents named an organization as being a service provider to partners, when the ET met with the organization they denied having worked with Pact. See Berke's Feb 2002 report on Impact Report on the training and mentoring in PPDME&R.

- The ET was unable to meet with the relevant government officials who would be able to give information on Pact's contribution to specific changes in Government-NGO relations and subsequent practices. This was due to a combination of the ET's timeframe and unavailability of individuals.
- Some partners complained of being asked twice by Pact to participate in what appeared to them to be the same processes. Pact Ethiopia was conducting an organizational self- assessment at the same time as this evaluation was underway. This created some confusion.
- Key Pact Global stakeholders (Head Quarters) did not respond to the ET's invitation to participate in the data collection.

### **5.5 Socio-economic and political background**

In order to appreciate the context in which Pact Ethiopia works the socio-economic and political background is presented here.

Located in the Horn of Africa, Ethiopia is a landlocked country bordered largely by the Sudan in the west, Eritrea in the North, Djibouti and Somalia in the east and north east and Kenya in the south. The political system of Ethiopia is decentralization along ethno-linguistic lines comprising of nine Regional States and two City Administrations. The Constitution assigns extensive power to Regional States to establish their own governments led by Regional Councils. The members are elected to represent the districts and the Councils; have legislative and Executive power to direct internal affairs. The Councils implement their mandate through Sectoral Bureaus. Such structure of Councils, Executives, and Sectoral public institutions is replicated to the next government structure which is the woreda.

Ethiopia is consistently positioned close to the bottom of the annual United Nations Development Program (UNDP) Human Development Index (HDI) According to the 2007-2008 Human Development Report of UNDP, Ethiopia is listed 169th out of 177 countries. It is one of the most populous countries in Africa with 77.1 million people second to Nigeria.<sup>10</sup> Being one of the nations with a high rate of natural population increase of 2.5% in Africa, the population is projected to reach 108 million by 2025.<sup>11</sup> These features pose significant challenges to the government in overcoming the hurdles of poverty and achieving the Millennium Development Goals (MDGs).

The country has made the transition to a free market economic system with decentralization as the strategic tool for poverty reduction. Two phases can be noted as the major efforts of the Government of Ethiopia's (GoE's) decentralization process; the first phase is predominantly related to the formation of ethnic based regional governments as a means to pursue equitable development which is the policy of "balanced and regional progress".<sup>12</sup> The Government initiated the second phase of decentralization in 2002/03, devolving

---

<sup>10</sup> Human Development Report of 2007-2008 (2007/2008 Human Development Index rankings).

<sup>11</sup> Ibid

<sup>12</sup> Federal Democratic Republic of Ethiopia, Report on the Development of Education in Ethiopia, to the UNESCO Forty-seventh session of the international conference of Education, 8 -11 December 2004, Geneva, Switzerland. July 2004.

some controlling power to the woredas and municipal level structures. Initially this phase was introduced in four of the largest regions - Tigray, Amhara, Oromiya and Southern Nations, Nationalities and Peoples State (SNNPS). Though it is beyond the scope of this evaluation to discuss the details of the decentralization processes and strategies, it is worth noting that the Sector Wide Approaches (SWAs) focusing on Education, Health and Transport sectors are governed by single sector, multi-donor development plans. In spite of the decentralization process and ensuing strategies, the economic and social institutions of GoE are in need of significant capacity to discharge their responsibilities and to implement and coordinate the Plan for Accelerated and Sustainable Development to End Poverty (PASDEP). Notwithstanding the propensity for conflict in the Horn of Africa, conflicts have not been uncommon in the east, west and north, the latter being the boarder conflict with Eritrea. The potential for internal conflict in Ethiopia is thus believed to be quick to ignite in some parts of the country because of internal and external factors.

### **Evolution of Civil Society in Ethiopia and their operational Environment**

The engagement of national Civil Society Organizations in development has a relatively short history in Ethiopia. Traditional associations like Idir, and other forms of associations (maheber) have however, been playing an important role in mutual self help activities in times of festivities and difficulties (funerals in particular) for a long time. Meeting economic needs and providing services is a common feature of many mutual assistance groups, and also of broad-based community organizations.<sup>13</sup> Professional associations and trade unions like Teachers' Associations emerged in the pre1970 are to fight for their professional and political rights. It is the mid 1980's famines that sparked the arrival of numerous international NGOs in Ethiopia. "The origin of the modern organized civil society sector in Ethiopia is embedded in a network of emergency food relief and supply-oriented NGOs associated with the droughts of 1973-74 and 1984-85."<sup>14</sup>

"Ethiopian LNGOs tend to be small in membership size, and may be categorized in terms of their service as development, humanitarian, charity, faith-based, professional, or in terms of their origin (ethnic), or in terms of their aims such as advocacy and human rights.<sup>15</sup> Their engagement varies between service delivery (which accommodates the largest number of NGOs) to Human Rights and Advocacy. They may be distinguished by sector, capability, and location (national, regional, woreda).

The number of local NGOs increased from a handful of organizations in the 1990's to 246 in 2000. In January 2001, there were approximately 910 Associations registered under the Ministry of Justice of which approximately 135 are international NGOs.<sup>16</sup> This number indicates only those CSOs with operational mandate nationwide. CSOs/NGOs, which operate at regional level, are registered in the Regional States. In a CRDA commissioned study in December 2006, it is stated that there are currently more than 1,200 registered NGOs and several thousands CBOs. Unofficial reports indicate that the recent number of NGOs registered under the Ministry of Justice is over 3,500.

---

<sup>13</sup> INTRAC, For The World Bank: Building Capacity in Ethiopia to Strengthen the Participation of Citizens' Associations in Development: A Study of the Organizational Associations of Citizens; Ann Muir, 28<sup>th</sup> June 2004

<sup>14</sup> Enhancing Civil Society Organizations and Women's Participation in Ethiopia: A Program Design for Civil Society and Women's Empowerment August 6, 2004 Final Report, Anita Spring, MSI Bob Groelsema, USAID

<sup>15</sup> Ibid

<sup>16</sup> The Ethiopian Civil Society Phenomenon: The Prospects for Democratic Governance; A Paper presented at the Participatory Development Forum Third International Conference on "Participating to Create a Different World: Shaping Our Own Future", held at the University of Ottawa, Ottawa, Canada from 14-17 August 2005. Akalu Paulos, July 2005

The socio-economic and political landscape has not always provided an enabling environment for NGOs to work in Ethiopia. The constraints for Civil Society engagement in the socioeconomic and political arena partially derive their roots from previous political systems where they were not encouraged to provide space to influence Government policies and decisions. However, the space was slowly opening in the early 1990s with the change of government. The Ethiopian Peoples Revolutionary Democratic Front (EPRDF) led government still doubted NGOs. Sensitivity surrounded issues considered political by the government. CSO/GOE relations and perceptions towards each other were not positive. Since NGOs are heavily dependent on external resources, GOE questions their legitimacy to speak on behalf of the poor except those institutions that are ethnic based Development Associations. Those organizations with advocacy objective or promoting Rights Based Approaches (RBA) are many times not in agreement with the government's political sensitivity; they are considered to be working outside their mandate of service delivery.

Local NGOs went through lengthy procedures for registration with the Ministry of Justice (MOJ), a legal requirement for NGOs and CBOs that is based on the 1960 Civil Code of Ethiopia. NGOs involved in advocacy face more difficulties than developmental and humanitarian NGOs. Umbrella organizations had similar difficulties to register as a Network; for example, Basic Education Association – Ethiopia (BEA-E) had to be registered as a single NGO and not as a Network. International organizations and donors however, encourage and support efforts in removing the development constraints of NGOs and CSOs to be able to contribute not only to the socioeconomic development of the nation but also as alternative voices to policies and decisions.

In general, the Government of Ethiopia appears accepting of the roles NGOs play in development. At the same time, the attitudes of NGOs towards the government appear to be changing. The NGOs recognize the need to work closely with the government. The Poverty Reduction Strategy Paper (PRSP) and the subsequent Millennium Development Goal (MDG) operational activities also indicate the need for the involvement of CSOs in the implementation, monitoring and evaluation of the programmed activities. In December 1998, in the context of implementing the multifaceted national and sectoral programs, the government prepared a framework for a capacity building program derived from the goals outlined in the Sustainable Development and Poverty Reduction Strategy (SDPRP). In order to strengthen the government's ability to achieve the development objectives, the National Capacity Building Program indicates the need for “--- institutional capacity of public, private and Civil Society, in discharging their respective role in the democratization process” and thus “ensure Civil Society institutions and media to play their part in the democratization process---.”<sup>17</sup> This direction, many development partners believe, has provided more openings for Civil Society Organizations to be actively involved in the implementation and monitoring of the Plan for Accelerated and Sustainable Development to End Poverty (PASDEP). However, the CSO draft of the Ministry of Capacity Building (MCB), that proposes a CSO Capacity Building Program issued in May 2004, suggests increased government control, creation of CSO structures similar to government, funding through the MCB, and activities controlled by the MCB.<sup>18</sup>

---

<sup>17</sup> *Ethiopia: Sustainable Development and Poverty Reduction Program*, Federal Democratic Republic of Ethiopia (FDRE) Ministry of Finance and Economic Development (MOFED) July, 2002 Addis Ababa Ethiopia

<sup>18</sup> *Enhancing Civil Society Organizations and Women's Participation in Ethiopia: A Program Design for Civil Society and Women's Empowerment* August 6, 2004 Final Report Anita Spring, MSI Bob Groelsema, USAID

NGOs, including Pact Ethiopia, coordinated the process of improving government/NGO relationships after which they agreed on a Code of Conduct that guides them to have clarity of purpose and transparency of action; demonstrate professionalism and have a common language and practice of self-governance; develop relationship between government and NGOs so that NGOs can contribute to policy making, etc. This has contributed to improving the attitudes towards each other. With the conscious organization of experience sharing and consultation processes, in which Pact Ethiopia played a significant role, the relations got relatively better. This improvement in relations contributed to expediting the NGO registration process. The renewal period of legal certification was extended from every year to every three years. Currently, the draft law is a pending bill with expectations that it will be debated in parliament this fiscal period. While CSOs participated in the previous drafts and were given opportunities to comment as well as participate in the drafting process, CSOs had no engagement at any stage in this current drafting process.

NGO legislation should be understood in the context of a participatory democracy that allows NGOs to operate and contribute to democratic values and good governance. In addition to the NGO legislation stalemate, the long awaited press law which is not yet sanctioned and combined with the government's control over information and media has made the government vulnerable to many critics. Pact Ethiopia is helping to facilitate the roll out of the press law by assisting with organizing stakeholders meetings. The government has made the draft available to stakeholders for review. The re-election of EPRDF in the highly contested 2005 elections has reduced the space for CSOs' role to engage in influencing and advocating for policy and practice of the government. Some say that as long as the debate about an enabling legislative framework for NGOs is unresolved, the relationship between government and CSOs will remain lukewarm.

### **Pact Ethiopia**

Pact Ethiopia initiated the Ethiopian NGO Sector Enhancement Initiative (ENSEI) mid 1995 after signing a Cooperative Agreement with the USAID. It became fully operational after Pact Ethiopia was formally registered with the Ethiopian Government in 1996. The registration process delayed the commencement of the capacity building program by one year. This affected the achievement of the intended CB results of local NGOs and forced the request for a bridge extension from its donor - USAID.

Since 1996 Pact has focused on organizational capacity development as a means of strengthening CSOs' ability to perform better. The initiative's main purpose to strengthen Ethiopian Non-governmental organizations dedicated to working with and helping people to ensure that they have a role in making decisions that affect their lives by supporting them in organizational development, targeted training and technical assistance, mentoring and tutorial guidance for individual organizations and a program of small grants.<sup>19</sup> Its reach was not limited to the NGO sector only. Its efforts addressed "--- the civil society and government, as both strive for a similar goal - poverty alleviation."<sup>20</sup> Pact collaborates with other donors in its work with local partners.

ENSEI was fundamentally a Capacity Building program aimed at improving the service delivery, influencing and relational practices of partners. "ENSEI seeks to strengthen the Ethiopian community of non-governmental organizations (NGOs). The purpose of the project is to strengthen and improve the

---

<sup>19</sup> Pact Ethiopia, Ethiopian NGOs Capacity Enhancement Initiative, Needs Assessment Report, January, 1996

<sup>20</sup> Pact Ethiopia, Brochure

institutional capacity of NGO and umbrella/support organizations in Ethiopia to address the needs of targeted sectors: rural development and food security; democracy and governance/human rights; education; street children and orphans; and health. The key objectives are: 1) improved enabling environment for NGOs. 2) Improved NGO capacity for service delivery; 3) increased civil society participation in public policy formulation and review; and 4) formal and informal umbrellas/networks established.” The Mitchell Group Inc. Final Evaluation of ENSEI 200? Unclear photocopying. The partners encompass a broad range of CSOs including youth and women’s associations, Networks working in specific or integrated programs; as well as Government. The selection process of partners acknowledges mainly the needs of young and innovative organizations (stages of evolution) that had relative difficulty in self-diagnosis, formulating clear and measurable objectives and negotiating assistance through the market. The larger NGOs enjoy credibility; are knowledgeable about securing grants and donors are generally responsive to such organizations. The smaller and newer NGOs have less credibility and it is more difficult for them to access funds.<sup>21</sup> In view of this Pact Ethiopia has shifted away from ‘betting on the strong’ and considered organizations which were in an early stage of organizational evolution. The Capacity Building intervention envisages that partners understand their strengths and limitations based on which interventions or actions are negotiated with the respective partners to improve their ability to effectively implement programs. These organizations included individual and umbrella groups working on four sectors: Rural Development and Food Security; Democracy, Governance and Human Rights; Health and HIV/AIDS; Education; Orphans and Street Children.

Pact Ethiopia started ENSEI at a sensitive time. There were flashing tensions and anxiety between the Government and the NGO sector. Thus, Pact Ethiopia engaged in a process that contributed to creating and expanding an enabling environment to improve NGO/GO relationships with enhanced participation of CSOs and Government. It facilitated different information sharing mechanisms of all stakeholders including dialogue on the role of CSO, involving the media to promote CSO role and engagement in development, exposure visits on NGO/government relations and sector specific approaches, etc. Pact Ethiopia continued working with legally registered CSOs that were in various stages of development.

It is important to understand that during the ENSEI period, capacity building was one project with overarching capacity development categories available to all partners. At the same time Pact Ethiopia worked in five sectors, provided grants, technical training and support.

Towards the end of the ENSEI period, Pact Ethiopia made a strategic decision to focus more on various sector specific projects. Now, there are thirteen projects with specific and defined capacity development, where depending on the need of the project a range of capacity building interventions are provided from OD to technically focused capacity development interventions. This strategic decision was made based on a combination of factors. Some of these factors include, but were not limited to; accessing sector specific funds, responding to partners’ programming needs, and Pact’s analysis of where their expertise was best invested, utilized and maximized. Realizing the importance of capacity building, projects have been designed to retain the elements of capacity building. For example, the projects in Gambella have built-in capacity building components designed to assist local partners in growing their organization as well as working towards better delivery of project activities. Combinations of building/strengthening soft skills as well as organizational development are implemented.

---

<sup>21</sup> PACT/Ethiopia, Ethiopian NGOs Capacity Enhancement Initiative, Needs Assessment, January 1996

It is not always easy to “see” capacity building in the implementation of projects. Visualize the following scenario. A partner comes to the Gambella staff with an idea for a project. Staff sits with the partner and through discussions, probing, demonstrated understanding of the context in which the idea is being formulated, assist with the development of a relevant viable project that contributes to building peace. This is done through education projects (e.g. support to young women in school); support for income generating activities (e.g. cooperatives that include the two main ethnic groups in the area who would not usually choose to work with each other); and through it all a contribution is made to building peace in the area. This represents one of the newer Pact Ethiopia projects – Peace Building. The combination of sector projects with capacity building embedded is relatively new for Pact.

Pact Ethiopia is in the forefront of development approaches. In the past three or so years, donors including Foundations have realized that projects have a far better chance of achieving their intended results if there is support for and investment in capacity building at all levels of an organization. Pact has realized, some time ago that for an organization (NGO, CBO) to deliver its mission, its infrastructure must be solid, well trained knowledgeable staff armed with appropriate technical skills are essential.

Pact continues its capacity building interventions with its partners in the areas of Education; Health; Women’s Empowerment; Democracy, Governance and Peace Building; and Livelihoods. Partners’ level of understanding regarding Pact Ethiopia’s state of programming evolution is limited. Partners feel that Pact has moved away from capacity building, to implementing donor driven sectoral projects. It is Pact’s obligation to demonstrate the fit between capacity building and project activities.

In striving to maintain a balanced project implementation approach, Pact has recently created a new unit – the Capacity Building Unit. It is envisaged that the Unit will pull together and coordinate all aspects of capacity building with a foci on organizational and technical development. Given the recent and current realization by donors that capacity building goes hand in hand with sector specific project implementation, there is reason to believe that Pact Ethiopia should be able to attract donors who are willing to fund capacity building activities.

## 6.0 Findings of the Evaluation

This section of the report presents the findings of the evaluation. In presenting these findings the voice of the evaluation participants are shared with the reader so that one is able to get, as much as possible, a sense of the qualitative and thoughtful discussions that unfolded during the interactions with the ET.

*“...They have done a tremendous job in building the NGOs in this country. Some of the NGOs would not have existed (now) if Pact had not assisted them. Pact has contributed to NGOs sustainability. They (the NGOs) have been given the opportunity to examine themselves and make themselves more relevant to their constituency.”*

*“To measure what Pact has done is not possible, we are the baby of Pact.”*

*“Pact’s innovative approach is different from the classical donor approach and this has contributed to our development.”*

*“Our partnership with Pact is not that old, and so it is difficult to talk about impact.”*

*“I know so many NGOs started by Pact, by now they are very good.”* **Evaluation partners**

The depository microfinance institutions in Ethiopia were created as a result of an enabling legislation issued by government (microfinance law proclamation No 40/96). Our members are focused on delivering financial services that meet the needs of the poor and assist them in their struggle to alleviate their poverty. Since their inception, the microfinance institutions in Ethiopia have shown remarkable and dramatic growth, particularly in terms of outreach. As of Dec. 2006, the 27 microfinance institutions registered under the NBE (National Bank of Ethiopia) had an active loan portfolio of about Birr 2,190,158, 748 delivered to 1.5 million active clients. They mobilized about Birr 816,612.812. The clientele served by the MFIs in Ethiopia are mainly the rural poor. Our members also seek to develop operational and financial sustainability, through prudent management in areas such as: sound portfolio supervision and safety of savings and by the utilization of excellent financial information. Through these actions our members seek to offer the poor secured and sustained support. (Source: AEMFI pamphlet shared with the ET, 2007 Oct)

### 6.1 Findings Related to the Overall Impact of Pact Ethiopia’s Capacity Building Activities

The overall impact of Pact Ethiopia’s capacity building activities has been positive. A significant amount of partners indicated that because Pact Ethiopia’s approach to capacity building was different from other donors – innovative, some partners stated – it was productive. The perception of some of Pact Ethiopia’s partners is reflected in how they choose to express their thoughts. For example, the perception that Pact “started” an organization demonstrates the level of effort that Pact Ethiopia exercised in its facilitation of processes that enable an organization to move along the development continuum. While it is clear that Pact did not *start* any organizations, a significant amount of the evaluation partners feel that without Pact’s support they would not have survived the initial challenges of moving from start-up to become a functioning entity. Comments made by partners that use expressive language need to be understood in this context.

Pact Ethiopia’s overall approach allowed partners to gain confidence, establish a track record of program implementation and in so doing access resources. It was not only NGOs and CBOs that matured, but also

government officials, by working with Pact Ethiopia in a number of ways (exposure tours), the relationships between the government and the NGO sector improved. Not only did the understanding of how to complement each other strengthen, some policies were directly affected by the work that Pact Ethiopia and its partners were able to undertake and continue to carry out.

One of the more striking examples of influenced policy is that of the change in rules and regulations for micro finance. The ET was told more than once that it was during a Pact Ethiopia organized overseas exposure visit that included personnel from the National Bank of Ethiopia, a key government decision maker, and those involved in micro finance; were involved in experiencing how micro finance was regulated in other countries, that on return to Ethiopia, changes were made. The micro finance “industry” is also an example of the establishment of networks and umbrella groups. Specifically, the Association of Ethiopian Microfinance Institutions (AEMFI) started with two/three individuals. At their start-up, with the capacity interventions supported and facilitated by Pact Ethiopia, they are among the partners that credit their success to Pact Ethiopia’s initial support. Today, the AEMFI is an established association of twenty-seven micro finance institutes that are spread throughout the country. The Association provides a range of services to its members which, include technical assistance, training, networking with organizations, individuals and other networks “who share a common interest, in promoting and delivering financial services to the economically active poor.”

Pact-Ethiopia’s approach to building strategic alliances and organizational support that includes capacity building of partners is a demonstration of current global thinking and working in the development sector.<sup>22</sup> A number of major donors are coming together to join resources and expertise to build, enhance and support institutional capacities with the renewed realization that the identification of needs and determining and implementation of the solutions is best done by indigenous organizations. One of the areas that Pact Ethiopia has realized the importance is that of using the results of community projects to influence the policy makers and consequently have policies changed or improved. Also by working with donors who contract Pact to implement their programs there is synergy developed that can only bear good results for all stakeholders.

*Capacity building means:*

- ✓ working with development partners to enhance their soft skills within the context of adult education principles which recognizes that we all bring invaluable life experiences to the table and by sharing all our abilities are enhanced.
- ✓ improving the infrastructure of an organization – its governance with supporting policies, procedures, technical know-how and opportunities for personal growth and development.
- ✓ assisting organizations to understand articulate and see the relationship between their values, mission, strategic objectives and delivery/implementation of their core business.

*Capacity building is:*

- ✓ overarching, integrated, embedded in all of an organizations work. It touches on all levels of governance; it is ongoing and transformative in nature.
- ✓ recognizes that relationship building is central to all interventions.
- ✓ recognizes that relationship building encourages joint ownership of processes and outcomes that include learning that turns information into knowledge (eeb)

Donors are realizing that Pact Ethiopia’s knowledge of local NGOs and CBOs, the relationship built up between Pact and most of their partners, demonstrates the essence of any good project delivery, and donors want to be party to successful projects. Those of us who work in the development field have long recognized that the implementation of a good project is only as good as the quality of relationships between the relevant stakeholders; as a good relationship allows for inclusive solutions. Donors are now coming to

---

<sup>22</sup> Recently an IDRC funding partner made a commitment to working with a number of partners for a minimum of ten years in capacity building.

their senses after years of mostly short-term commitments to addressing communities' issues. Donors work with Pact in a variety of relationships. For example, donors contract Pact to conduct the organizational assessment of a potential partner as part of their engagement strategy. This recognizes Pact Ethiopia's expertise in the area of organizational assessments, and the subsequent identification of gaps and follow through on possible solutions required.

Donors have also contracted Pact to act as implementers in the delivery of some projects. This recognizes Pact Ethiopia's ability to bring to the table a rich mixture of knowledge of the local environment as well as expertise in a range of areas of capacity building. But more importantly, it demonstrates recognition that Pact Ethiopia understands the worth and value of relationships as the base of good development work and strives to maintain these relationships. Although some partners are critical of the state of the relationship, relationships are reciprocal and any partner can engage Pact at any time. The attitude of waiting on Pact to initiate ongoing interactions does not support the notion of established relationships.

The extent to which the results gained over the past ten years are being sustained is difficult to measure. Anecdotal stories abound from partners. These stories are supported by evidence: self-employed consultants; better operations management; and improved governance. At the same time the evaluation partners indicate that better strategies need to be developed in order to engage each other, under the guidance of Pact Ethiopia, and in so doing leverage resources, better influence policy makers and determine the best way to sustain developmental gains.

The linking of grants to capacity building interventions, ten years ago was innovative and made a significant difference to the start-up of NGOs and CBOs. This has now become the norm with some development agencies and donors. This approach continues to be valid and Pact Ethiopia has managed to maintain its approach to capacity building in its sectoral programs. The challenge is how to support capacity building independent of a specific programming initiative. The development of an organization's infrastructure is essential to its effectiveness and efficiency. Pact Ethiopia is working at being true to both approaches by partnering with donors and funders who see the link and the importance of sector specific projects that include capacity building.

In general Pact Ethiopia's conceptual approach is sound. Improvements need to be made in order to improve the links between the concept and implementation. Improvements need to be made based on *the perceptions of partners* that Pact is compromising its capacity building niche by focusing on sector specific programming, and by not conducting timely updates of the OCA processes, and by not building an Alumni of partners. This perception is fueled by a combination of factors. Some partners' involvement with Pact is no longer what the partner wants it to be; some have had challenges with the consultants assigned to work with them; and some used the opportunity of the evaluation to vent on a range of issues, some of which were not necessarily the business of the OD evaluation but touched on other areas of Pact Ethiopia. When partners were challenged to explain their statements and to give examples of their perceptions, the examples were not always detailed. Discussions with Pact Ethiopia indicated an open door policy, in general good relationship with most partners with the expectation that feedback would be given to Pact based on the relationships established over the years. Most partners argue for an established mechanism that allows feedback on a regular basis to Pact in general, and specifically to review how best to grow the relationship. Formal feedback meetings were in place in the past, but have not been maintained for one reason or the

other. It would be good if a partner felt strongly enough about the need to meet with Pact to take the initiative and call a meeting rather than “waiting” on Pact to take the lead.

Partners feel strongly that Pact’s role in building capacity of the NGO sector is essential and valuable and that Pact should pay attention to strengthening their internal capacity in order to be a “center of excellence” for capacity building in Ethiopia. In seeking to understand what internal capacity needed building, stakeholders made general statements about Pact Ethiopia’s performance in some programming areas. Comparisons were made to how other organizations were conducting their work, with some specific reference to organizational assessments and the subsequent support given.

It seems that Pact Ethiopia’s work in specific sectors and the continuation of capacity building is not fully understood. Some evaluation partners insisted that with capacity building being Pact’s expertise, it was felt that staff needed to have their overall expertise in areas of capacity building enhanced. These are the perceptions of the Evaluation partners. Pact staff indicated that in general they felt up to the task of working with partners, as they were confident in having the necessary skill sets complemented by ongoing training.

While Pact is clear about its conceptual approach and its implementation strategy, a strategy that includes engaging partners at all stages of determining the range of capacity interventions. Pact Ethiopia’s level of efforts, as understood by some partners of Pact’s program/project strategies, are limited. This is not unusual as the saying goes “ you can’t please all of the people all of the time” and very often opinions are formed on different interpretations of official and unofficial information. There needs to be a way in which Pact Ethiopia can demonstrate to its partners that they have not neglected capacity building but have embedded it into sectoral projects and are building strategies regarding how best to maintain a balanced approach that maintains Pact’s integrity. The ET suggested to partners that they should take their specific concerns to Pact Ethiopia based on the ET’s observation that concerns would be listened to.

## **6.2 Findings Related to the Conceptual Approach and Methodology**

During the ENSEI phase of Pact Ethiopia, the conceptual approach of its capacity building intervention demonstrated the elements of participatory capacity assessment. Pact Ethiopia worked with its partner organizations, defining, negotiating and facilitating the implementation of capacity building interventions, measuring outcomes and impact and “graduation”. In addition to this, linking grants with capacity building complements the approach. Pact Ethiopia’s general approach involved engaging partners in a capacity building process that involved facilitating an organization assessment, and based on the joint analysis of the assessment capacity building interventions were determined. These included a range of agreed interventions that included organizational development. Now Pact Ethiopia works more on specific projects that are tied to specific sectors (Education, Women’s Empowerment, Health and HIV/AIDS, Democracy, Governance and Peace-building, Livelihoods) while maintaining its conceptual approach.

The OCA process was and is as important as the outcome of the process arrived at by employing the OCAT. The process encourages joint learning, sharing of knowledge, building a body of knowledge based on common understandings, and shared realities. When applied in a manner that allows partners to see and appreciate its value, it is an empowering process that allows an organization to see for itself its strengths and how best to maximize on these while working on closing organizational gaps.

Organizational capacity assessment is an important first stage in the conceptual approach and it is performed using the OCAT, a tool designed by Pact Ethiopia. OCAT has seven components with sub-elements mainly dealing with the organizational capacity and the external environment which determine the overall organizational performance. OCAT is a well-known tool adapted by many organizations and it is designed to be modified for each measurement situation<sup>23</sup>. Incorporating experience from ENSEI, Pact Ethiopia adapted the OCAT to be used for the different projects it is currently running. The adapted tools include ACAT, P4P, WOCAT, OCA for Y-CHOICES and JSAA (**see annex 5 for copy of the assessment tools**) all of which share the basic components of OCAT with some extended elements to complement them based on the nature of the respective partners.

Assessment of organizational capacity using these tools helps to indicate the strength and weakness of the partner organization, enabling a gap analysis to be done leading to the design of interventions and measurement of changes following the implementation of capacity interventions. Accordingly, the major purpose of the OCA process is "...serving as diagnostic instrument to determine the stage of organizational maturity and specific changes needed to strengthen an NGO and establish a baseline measure of the existing structure and capability<sup>24</sup>" to enable monitoring of results due to capacity building interventions. OCAT serves the multiple purposes of data collection, analysis and presentation. It provides baseline data and serves as a benchmark for the organization.

The OCA process is designed to be participatory, to build capacity of partners in self-assessment, and monitor the results of capacity building interventions so that they can be effective and efficient. Pact Ethiopia's OCAT consists of organizational parameters which help to measure both the capacity and performance of the partner organization. As one executive director of Pact Ethiopia's partner organization indicated, "...the tool basically addresses the necessary organizational characteristics", it focuses on issues of organizational capacity and gives a snap shot of existing performance at any given period of time.

However, comparison of OCAT with other similar tools indicates that it lacks some elements related to organizational infrastructure, focusing on delivery of quality programs and monitoring and evaluation systems of the organization including availability and operationalization of results framework, performance management plan and other essential elements of monitoring and evaluation. This indicates some limitation between the conceptual approach and the tool used in the assessment of organizational capacity. Accordingly, Pact Ethiopia needs to update the components of the tool to reflect current developments in organizational capacity assessment. Some of the current tools reviewed have included specific areas of review to include for example under the Organization's Resources: team development/conflict resolution, management conduct, work organization, diversity and so forth.

---

<sup>23</sup> 2000. USAID CENTER FOR DEVELOPMENT INFORMATION AND EVALUATION. RECENT PRACTICES IN MONITORING AND EVALUATION. NUMBER 15.

<sup>24</sup> PACT. 1997. ASSESSING ORGANIZATIONAL CAPACITY THROUGH PARTICIPATORY MONITORING AND EVALUATION

Once the organizational assessment is analyzed, a range of capacity interventions are negotiated with the partner and an implementation plan drawn up. The Pact Ethiopia capacity interventions are designed to assist the organization to reduce if not eliminate the gaps identified that were doable **within Pact's mandate**. In general the foci were on core functions that would enable the organization to perform better – regardless of the stage of development of the organization. The Mitchell Group Inc. final evaluation of Ethiopian NGO Sector Enhancement Initiative conducted in 2002 identifies core training as: participatory project design, monitoring, evaluation and reporting (PPDMER), financial management and peach tree accounting software, strategy planning and management (SPM) with some NGOs also receiving as a part of their core training - NGOs conflict resolution, domestic resource mobilization, leadership, board development, gender and development, health, training of trainers, and facilitators training.

Most if not all the Evaluation partners that received Pact Ethiopia supported core training, were able to demonstrate the institutionalization and sustainability of some of the key interventions. In general, the financial management and peach tree accounting software are well integrated into how organizations are operating; PPDMER and SPM have been lauded by some partners. Leadership and board development was also rated as being useful and contributing to the organization's development. With Pact Ethiopia's support, the development of operational manuals (finances, personnel, administration etc) was done and noted as a key factor in supporting the development of organizations. The other core training and interventions received mixed reviews.

The OCAT was instrumental in measuring the growth and development of Pact's partners. This was done by an organization being "re-OCATED". By using the same process, progress was measured and an indication of the level of improvement and growth could be easily seen with the first OCAT providing the benchmark. progress. Documentation indicates that a number of the organizations that participated in the OCA processes during the ENSEI period were re-OCATED.

One of the key and most successful interventions was that of linking grants to capacity building. By providing grants to emerging organizations, there was an opportunity for organizations to demonstrate the capacity to manage funds, always a concern of donors and funders, develop a track record of all aspects of project management, and build confidence in their ability to dialogue with all levels of development partners.

During the ENSEI, the most contentious issue with the capacity building interventions is that of the timing of "graduation". Pact Ethiopia indicated that they shared clarity of timelines for working with organizations. Some of the evaluation partners claimed that severing the capacity intervention was not within their control, some felt that more time should have been given to them; graduation was not negotiated and so forth. Others seem to be aware of Pact's commitments and limitations in the sense that their resources were finite and that Pact was not in a position to make available anymore resources to the organization.

Technical assistance was provided in the form of mentors, and a range of specific training. Some partners were happy with the quality of assistance; others were critical of what was offered and how it was offered. There is no accounting for an organization's (read human beings) willingness to accept information and turn it into knowledge that is used and in so doing engage in transformative processes that contribute to their organization performing better. The organizations that absorbed the support provided by Pact Ethiopia have

developed into organizations that are working well at fulfilling their mandate, growing their core business and are mostly the ones that want to or have stayed engaged with Pact. They have developed other relationships and are continuing to grow their organization. Also, the organizations that have maintained the initial staff and or senior managers are the ones that have demonstrated good levels of organizational growth. This is a common feature of organizations where the institutional memory resides in individuals more so than in systems, and documented practices. In the case of the organizations that have sustained and grown the Pact supported interventions, it is a mixture of both – systems in place and continuous leadership. Partners' observations about the need to stay engaged with Pact comes from a place of realizing that there is power in communities of interest forming a force that represents the civil society voice that is much needed in any society, and important for them specifically in the Ethiopian context where the space for civil society institutions continue to be developing.

Some partners suggested that once the OCA was completed, Pact provided a set menu and that in their opinion it did not matter what the OCA revealed. While they are entitled to their opinion, it is not that Pact Ethiopia had preconceived solutions, but rather in the field of capacity building, one cannot grow an organization without its basic infrastructure being solid. An organization may not necessarily know what it does not know; an organization that thinks it is well developed is often annoyed and surprised to find out that yes, policies and procedures; strategic plans and so forth are critical to managing effectively. In this respect there is a menu for the development and growth of an organization. Pact Ethiopia provided the opportunity through the organizational assessment to enter into dialogue with an organization about their choices from the menu and the implications of choices taken or not.

In addition to this, organizations do not exist in a vacuum, there are socio-cultural, economic, infrastructure related, ecological, technological and political environments<sup>25</sup> which affect their organizational capacity and performance. Pact Ethiopia has a number of partners ranging from community organizations (in case of Gambella) to local NGOs/CSOs and GOs with different environments and with various needs for capacity building. The conceptual approach needs to demonstrate to partners the consideration of these variations and relevant response. For this purpose, Pact Ethiopia needs to review its approach to engaging partners in the capacity building intervention processes in a manner that it is abundantly clear, *from the partner's perspective*, what is being undertaken. The initial OCA and the OCAT was developed in close consultation with thirty-three initial partners. It is therefore assumed that it was developed in the Ethiopian context. Evaluation partners who are arguing for its review are a combination of "older" and "newer" partners. In the recent past, they have been exposed to different processes and are now in a position to compare different types of organizational processes. There is value in involving partners in a review process of the Pact designed OCA in order to sort out the observations and enhance Pact Ethiopia's OCA processes and subsequent menu of interventions. It is interesting to note that some of the partners that indicate a need for improvement also indicate that they have adapted the process and the tool to use with their partners. It is not clear the extent to which the altered OCA is shared with Pact Ethiopia. A review would provide an opportunity to share and learn from each other.

Based on the experiences of the ET and review of other practices, Pact Ethiopia has strived to and continues to strive at remaining current in its conceptual approach by adapting to the Ethiopian environment

based on its analysis of the culture, state of development, political environment, in short the extent to which there is an enabling environment for development work.

### 6.3 Partner Participation and the Added Value

Participation and ownership are the major principles of Pact Ethiopia's capacity building approach. Based on this, the involvement of partners in the capacity building continuum starts with the commencement of relationship and this participation conceptually continues through the consecutive stages. The nature of how the relation begins and is built is discussed in detail throughout the report.

Organizational capacity assessment is a learning process, it is important to increase and standardize participation of partner organizations throughout all the stages: the planning, data collection, analysis and feedback. Based on this, it is important to determine and make clear the following points among all involved prior to the commencement of the assessment process. Identify and make clear the central purpose of the assessment; the time and budget; (concept of) the overall approach; and how to communicate and use the information<sup>26</sup> It is also important to indicate these in a written Memorandum of Understanding (MOU) to clearly indicate the intention for easy and effective communication among the parties. Making this MOU part of the contractual agreement with the consultants would also help them to give equal, if not more, attention for the process so that partners can learn during the process and also real capacity gaps will be identified to design need based services.

In addition to this, creating awareness on the above four areas would help to standardize the process and establish consensus at the beginning in order to keep the process on track and increases the capacity building element of the assessment for the main reason that accountability and learning are important elements of such organizational capacity assessment. It would also help to get valid findings and reduce measurement bias which is inherent in the tool itself, as some partners perception is that the consultants who facilitated the process were not always objective. The ET pointed out to the partners that if it was their process that was being *facilitated by Pact*, and they owed it to themselves and Pact to take this matter up with Pact. This perception led to some partners not fully understanding the intent and the potential value of the exercise. This led to misconceptions on the purpose of the assessment and expectations developed compromised the product of the assessment. During discussion with partners, both "older" and "newer", the OCA was perceived to be investigative and contributed to poor participation of partners and limited awareness creation of its potential for growing their organization. Participants mentioned giving high or low scores depending on which they thought would get them Pact support and protecting the organizational image.

Different factors contributed to the methodological challenges of OCAT including the lack of a well-illustrated methodological guideline to conduct the process as the existing handbook lacks sections? which guides the preparatory stage of the process in a participatory way in order to secure consensus and commitment early

---

<sup>26</sup> IDRC. 2002. ORGANIZATIONAL ASSESSMENT. A FRAMEWORK FOR IMPROVING PERFORMANCE.

with the partners. The other factor is limited exposure of consultants to the tool and the process especially during the earlier OCAs conducted. "Limited exposure" is an understatement. Prior to Pact Ethiopia's introduction of the concept of organizational assessment in Ethiopia, it was unheard of. This was a huge learning curve for the "to be" consultants that were trained by Pact to do this work. Their understanding, and work styles within the principles of adult education were developed as they themselves engaged in the processes. The consultants with whom we met were themselves the first to speak of their learning curve and the subsequent value of the Pact Ethiopia introduced approach to working with organizations.

The OCA processes have been in operation since 1996 with a onetime formal revision of the OCAT in 1997. This calls for updating the tool based on current development in assessment of organizational capacity. Components of the tool need to be reorganized to include new elements and sub-elements. Structure of the OCAT handbook should be more elaborative and should give emphasis to the methodological aspects of organizational capacity assessment. It should include pre-assessment activities with a focus on ensuring genuine client participation with the aim of encouraging ownership of all the processes.

One of the key challenges faced by Pact Ethiopia is that of partners' ownership of the capacity building interventions processes and the sustainability of the interventions. This is not unusual. This is a perennial developmental challenge, familiar to all Development Practitioners. Time and time again partners will indicate a desire, a willingness to access assistance in developing their organization, building individuals and the organization's capacity. Pact Ethiopia as with other organizations will explain to the best of their ability what they are offering what they are capable of doing and what is expected and at the end of the day the level of organizational ownership is questionable. How can this be improved? While there are no easy answers or solutions, by responding to partners request for continuing organized engagement with Pact Ethiopia, this could be one of the first agenda items at the first meeting to review the best way to respond to the issues raised in this evaluation. Engage partners in a dialogue aimed at developing joint strategies linked to an agreed to implementation plan that includes joint ongoing accountability. Is it clear to the local NGOs and CBOs of what importance their development is to Pact Ethiopia? To what extent is Pact Ethiopia's mission truly understood and viewed as mirroring and complementing theirs?

All the literature reviewed suggested that successful partnerships for capacity development must have joint ownership. "Ownership is promoted when activities contribute to the missions and strategies of the organizations involved. The partners valued working together because they were working towards similar long-term goals in similar ways. Of course, a link to organization's mission and strategy is not enough. True feelings of ownership and commitment also require direct involvement in the design and execution of capacity development activities."<sup>27</sup>

---

<sup>27</sup> Evaluating Capacity Development. Experiences from Research and Development Organizations around the World. Pg. 73. Douglas Horton and others. ISNAR, IDRC, CTA. 2003.

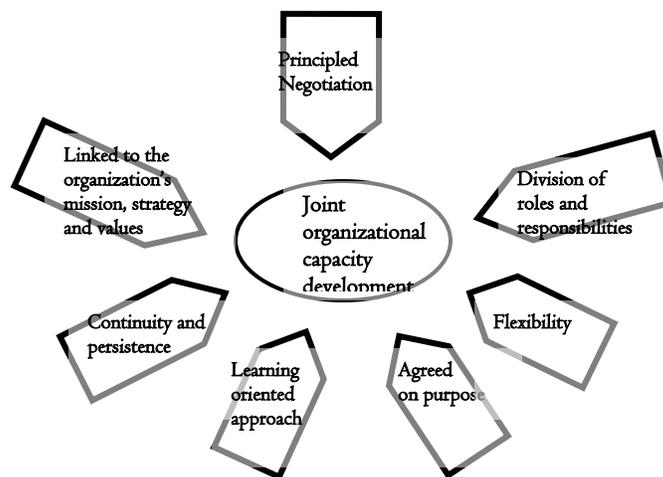


Table 2 – Description of Elements of Successful Partnerships for Capacity Development<sup>28</sup>

Element	Description
<b>Link to organizations mission, strategy and values</b>	A partnership should contribute to each organization’s mission and be consistent with its strategies and values.
<b>Clear purpose and intent</b>	Each organization should determine why the partnership is useful to the achievement of its goals. Discussing the purpose upfront is important, as incorrect assumptions may lead to later disagreements and conflicts
<b>Clear division of roles and responsibilities</b>	Each organization needs to take responsibility for its own development in capacity development, the partners need to play different roles and perform different tasks. Power imbalances in international partnerships make it especially important to negotiate and define roles and responsibilities.
<b>Principled negotiation and joint decision-making</b>	Principles should be established for the relationship prior to action. Ownership is promoted when all parties are actively involved in decision-making.
<b>Openness to learning and change</b>	Learning is at the heart of capacity development and it needs to take place in all participating organizations not just in the “beneficiary” organization. In an environment of mutual trust, monitoring and evaluation can promote learning.
<b>Continuity and persistence</b>	Capacity development is a process, which requires time resources, and persistence. While persistence does not guarantee progress, it has a high payoff in most capacity development efforts.
<b>Flexibility</b>	Relationships need to change over time as conditions and issues evolve. All partnerships end at some point and plans for phasing out should be anticipated.

Pact Ethiopia needs to have an honest dialogue with its partners regarding their perception of each other. Is Pact Ethiopia seen as a “partner” by its partners or a benevolent donor/funder? There seems to be a continuum of perceptions of who and what Pact Ethiopia is/ represents. This too is normal in the field of development. It is not “a bad thing”; it’s an opportunity for ongoing growth and transformative relationships that are flexible and responsive to the NGOs and Pact Ethiopia’s needs. Push and pull. Very often an organization like Pact, based on previous experiences can detect the direction of an organization’s growth and “knows” what needs to be done. The trick is often in the timing, mentoring and coaching in a manner that allows the organization to come to its own realization of its developmental status, take ownership for what needs to be done and get on with it. This takes long-term commitment, persistence and ongoing

<sup>28</sup> Evaluating Capacity Development. Experiences from Research and Development Organizations around the world. ISNAR. IDRC. CTA.2003. pg 73-74.

engagement with the organizations thus allowing for ongoing analysis between the organizations and a living strategy for the interventions.

**Recommendation:**

Pact Ethiopia in collaboration with Pact Global should review and update its organizational assessment process and tool by examining likeminded organizations' process and tools, and involving partners in the review process in order to have a state of the art process and tool as well as partners' buy-in that leads to ownership of the engagement.

## 6.4 Linking Grants with Capacity Building

Pact Ethiopia's capacity building approach is conceptually linked with grants to enable partner organizations to be innovative and demonstrate their potential to apply new skills and practices. During the ENSEI period a number of partner organizations received Strategic Action Grants (SAGs) in the form of commodity, activity and personnel grants. Grants are also part of the current Pact Ethiopia programs. These are in-kind grants and while structured differently from the SAG they contribute to capacity building of emerging organizations, marginalized individuals and communities. This strategic link assisted the partners especially at their earlier stage of establishment to hire personnel to run their programmatic and financial activities. Commodity grants enhance their efficiency and make them operationally ready to work with Pact and other partners. In addition to this, the activity grants assisted a number of organizations to be innovative with new projects undertaken in the five sectors of operation including grain banks, girls' education support and urban gardening to support HIV/AIDS victims.

### **A Success Story**

*Hundee is a local NGO established in 1995. In 1996/97 Hundee submitted a small project proposal to Pact Ethiopia to pilot a community managed grain bank project in Sululta Woreda, a suburb to the North of Addis Ababa and received a 1 year activity grant from ENSEI Project Strategic Action Grant.*

*Using the grant, Hundee organized members of the community into grain marketing groups, where they purchased grains at the time of harvest and sold during scarcity seasons. Through the grant from Pact Ethiopia, Hundee supported the community to construct stores and purchase grains to run the business.*

*During the completion of the grant period, Hundee together with the community was able to demonstrate the grain bank approach to Pact Ethiopia and other donors. This assisted the organization to attract other donors and expand this intervention. Currently Hundee specialized in community grain bank and it is the largest program in the organization with 120 community grain banks in 16 different Woredas. It has also multiple donors.*

*Hundee is also one of the partners of Pact Ethiopia to implement the Women Economic Empowerment Restoration program (WORTH), which assisted it to change the attitude of the staff, and operational experience of the organization to move from donor based projects to community-financed interventions.*

The conceptual link between grants and capacity building interventions was and is an innovative aspect of Pact Ethiopia's approach. During ENSEI it provided partners with the opportunity to explore their potential, expand and fine tune their programmatic areas accordingly. It also assisted them to build a good image which enabled them to attract more donors and diversify their financial base. Hundee is but one example that was shared with the ET. The Association of Ethiopian Microfinance Institutions (AEMFI) related their start-up and successful growth to Pact and its innovation of linking grants to capacity building. The linking of

grants to capacity building continues to be one of Pact Ethiopia's key strategies. This was confirmed in discussions with "newer" partners.

## **6.5 Contribution of the Conceptual Approach to Long-term Impact**

The capacity building conceptual approach of Pact Ethiopia especially during the ENSEI period was stronger and sustainable. As a result of this, Pact Ethiopia provided practical and high quality capacity building services and is still known as a capacity building service provider in the country. This is confirmed through review of previous evaluation reports and consultation with various partners. Though overall impact evaluation of Pact Ethiopia's capacity building intervention is beyond the scope of this evaluation, the ET observed and discussed the contribution of Pact Ethiopia's capacity building interventions through changes in organizational performance, established systems and structures and diversified financial base of partners.

Organizations, both international and local were almost exclusively focused on food security and emergency/humanitarian support. Organizational development and capacity building were new; Pact was new in Ethiopia and brought with it a new approach to work with NGOs and CBOs. Approximately twenty-five local partners were involved in the initial OCA development and did participate in undertaking assessments with or for Pact. In the initial stages, Pact staff were always paired with consultants in conducting the OCA, until the consultants "pool" had enough job experience to take it on themselves. Some consultants were better than others. Through their participation in the process, partners and consultants gained understanding of the need and the value of conducting self-assessments. However, their capacity to use the tool is limited. This is mainly attributed to the limited capacity building element of the process as practiced by most of the consultants which is linked to poor participation of partners during the process and also high staff turnover of partners. OCA as a process was also not focusing on establishing systems for self-assessment.

Pact also contributed to the capacity building of local OD service providers. It provided considerable input in the form of training and learning by doing; as one of the service providers indicated, "Pact Ethiopia was a practical school of management". These consultants provided considerable OD service to NGOs, CSOs, donors and GOs and contributed significantly to the sector. Pact Ethiopia's OCA and OCAT is now used by different donors as well as the Pact Ethiopia trained consultants who gave the ET examples of work they do (e.g. development of a number of strategic plans for government offices and NGOs) using the knowledge they received from Pact Ethiopia. (See also Service Delivery)

Innovative programmatic approaches of Pact Ethiopia's recent programs being implemented in partnership with local NGOs contributed substantially to change the attitude of their staff and operational experience of their organization. In working with the community in a participatory way and working with limited resources, helped the partner organizations to move from fund based to community owned interventions.

However, the current capacity building approach of Pact Ethiopia is focused more on program based technical areas with capacity building services embedded within. Though such an approach has a significant

contribution to deliver technical results, their contribution to build organizational capacity and institutionalize systems and structures for long-term impact is minimal. This is because capacity building is a process and needs a systemic and holistic approach; it needs a long term and interactive partnership, not project based intervention. Pact Ethiopia recognizes this but like most organizations has its limitations. They no longer have the flexibility to provide capacity building as a standalone project. With this recognition, the Capacity Building Unit, which is relatively new, is charged with finding ways and means of meeting the demands placed on Pact by partners for assistance on long-term systems and structures. Pact Ethiopia continues to provide training and mentoring to many partners. Given Pact Ethiopia's commitment and understanding of the empowerment that capacity building releases, it is vigilant in its search and exploration of strategies that makes it possible for it to work with its partners in a sustainable manner. During the ENSEI period, Pact Ethiopia's approach to capacity building of partner organizations and ensuring sustainable results to their constituencies was considerable. Therefore, developing a long-term plan including assessment of the need for capacity building services periodically as needs are changing over time and designing of interventions based on the needs is necessary.

**Recommendation:**

Pact Ethiopia should develop a long term capacity building plan that includes assessing on a regular basis, the need for capacity building services which reflects the current needs of their partners and other NGOs.

## 6.6 Partnership and Networking with Other Service Providers

One of the strategic objectives of Pact Ethiopia is to “foster partnership in attaining national, regional and global development endeavors<sup>29</sup>”. Pact Ethiopia established partnerships with different local NGOs, CSOs, GOs, donors and other international NGOs. These partnerships vary from provision of capacity building services to sharing and learning on how capacity building services are designed and implemented to implementing donor programs.

Other organizations are also working on capacity building of local NGOs/ CSOs in Ethiopia using a similar or a different approach. In some cases the organizations use a similar tool mainly by adopting Pact Ethiopia’s approach and are supporting similar assessment with the partner organizations to conduct OCA and deliver capacity building services. The Association of Ethiopian Microfinance Institutions was one of the organizations that indicated that they were using the Pact adapted OCA with their constituency. This gives room for Pact Ethiopia and the organizations to coordinate efforts to avoid duplication and improve efficiency. Therefore, it is important to map capacity building efforts with in the country and create a collaborative and synergetic relationship. Pact Ethiopia can also work with other similar organizations to facilitate the establishment of capacity builders network to learn from each other by sharing experience (this could be in the form of discussion forums or e-mail groups to share and sharpen capacity building efforts in country) and most importantly to create a collaborative not a competitive environment.

The government of Ethiopia has designed a strategy for CSOs’ capacity building that focuses on three areas. These are creating and enabling institutional environment that includes legal and regulatory conditions, resource mobilization and engagement in public policy processes; building partnership to jointly govern a trust fund to oversee the program as a whole and to finance the capacity building initiative; building the capacity of CSOs themselves by addressing weaknesses in governance, administrative, managerial and technical capacities of CSOs.<sup>30</sup> NGOs have been critical of this strategy in that the strategic constraints – lack of an enabling environment and institutional capacity – imply that the tasks be entrusted to their legitimate owners. The strategy needs to take into account the respective roles, and therefore needs to be revised in terms of delineating the roles and responsibilities of the government and CSOs. The NGOs reiterated that the responsibility of the government is to take all necessary measures to reverse hegemonic tendencies and improve the legal and institutional environment to allow the free growth of CSOs and enhance their contribution to the overall development of the country.<sup>31</sup>

Though government is also working on building the capacity of local NGO’s/ CSO’s, the role of NGOs in providing capacity building services is also crucial. Organizations like Pact Ethiopia, Christian Relief and Development Association (CRDA), Netherlands Development Organization ( SNV), and others should continue to operate in this environment. NGO capacity building can only be better supported within the

---

<sup>29</sup> PACT ETHIOPIA INFORMATION BOOKLET. MARCH 2007

<sup>30</sup> Civil Society Organizations Capacity Building Program Design, draft document prepared by the Federal Ministry of Capacity Building. May 2004.

<sup>31</sup> Preliminary observations on the Ministry of capacity Building Draft Program Entitled “ *Civil Society Organizations capacity Building Program*”

sector, not to be influenced by GO agendas. However, it is still important to collaborate among these NGOs and advocate for an enabling environment for NGOs and CSOs and together work on capacity building.

There are also other types of organizations working on capacity building in Ethiopia, which have the resources but lack the capacity to provide services for their partners. Pact Ethiopia established a small project based relationship with such organizations with the objective of providing capacity building services for their partners (Example, Finland Embassy in Addis Ababa). Such relation with organizations which 'buy' capacity building services that Pact Ethiopia possesses, if planned based on the demand on market, gives Pact Ethiopia the opportunity to replicate its successful experiences in capacity building (including organizational development) and diversify its financial base and ensure sustainability. It also ensures delivery of demand driven capacity building services. Currently, Pact Ethiopia receives approximately eighty percent of its funds from USAID with the remaining twenty percent from the Nike Foundation, the Packard foundation and SIDA. The potential for Pact Ethiopia to build a sustainable financial base through providing capacity building services needs to be aggressively explored. Most of the evaluation partners, at the end of the day their analysis of what Pact Ethiopia brings to the table involves capacity building. Some partners feel strongly that Pact Ethiopia should focus on this niche. To what extent this is viable for Pact Ethiopia is a decision that only Pact can make. But, given the funding realities of the world of development, unless Pact Ethiopia can sustain itself through different types of resource mobilization, Pact may have no choice but to support capacity building by implementing projects that have capacity building imbedded. Establishing partnerships with the private sector may provide an answer to this challenge.

The other form of partnership is with "graduated" partners who use to receive capacity building services from Pact Ethiopia. As the demand for capacity building for such organizations is changing, they can also benefit from Pact Ethiopia interventions to satisfy their new demand. This could be done on a cost-sharing basis. For this purpose, however, Pact Ethiopia needs to review its modus operandi and focus on need based services. Moreover, the current partnership with former partners to implement Pact Ethiopia's current projects is an important type of relationship and it should further be exploited. Defining new ways of engagement, both with former partners and others, including the private sector is also essential. More and more organizations are developing partnerships with the private sector both national and international, as the corporate world seeks avenues to deliver their social responsibility. For example, the banking sector is a strong supporter of education for the girl child, community based income generating activities as well as HIV/AIDs programs. While this approach to resource mobilization may not be as well developed in Ethiopia as in other parts of the Continent, there is no reason why Pact Ethiopia cannot maintain its pioneering spirit and aggressively pursue the private banks for a range of resources.

Generally, Pact Ethiopia works in principles of partnership and different organizations demand the services it provides. However, it needs a sound networking policy with clear and articulated results including sharing and learning, replicating successful models and securing financial sustainability. The funding crisis in 2003 was due to lack of diversification of funding. The crisis provided an opportunity for Pact Ethiopia to begin the process of diversification and there is an indication that new business development is underway. Currently, Pact Ethiopia's projects are beyond their halfway point and it is important to look for such business development options to continue the provision of capacity building service. Also, in looking for business opportunities, Pact should map out the CB providers in Ethiopia in order to coordinate efforts leading to a network of CB providers. This would provide an opportunity to learn from each other, create a collaborative

environment and synergetic relationship. Efficiency would be improved, as duplication of efforts would be minimized. This attempt at coordination could be initially explored by the new Capacity Building Unit at Pact Ethiopia, with sharing of the implementation of the roadmap with all who participate in coming together to form the network.

**Recommendations:**

Pact Ethiopia should further investigate, with an eye to increasing, the selling of its capacity building services to development partners, and by so doing use its expertise to increase its funding base. Pact Ethiopia should map out the CB providers in Ethiopia and develop a network of CB providers.

## **6.7 Contribution to Poverty Reduction, MDGs and other Global Agendas**

“The importance of capacity building in developing countries is illustrated by its presence as a separate budget line in formal costings of the Millennium Development Goals (MDGs) presented to the 2005 UN “Millennium+5” summit in New York. ... This report prepared by the Millennium Project pointed to the need for a wide range of capacity building interventions. It called in particular for “massive” human resource training programs for community-based and local government workers involved in areas such as water, agriculture, nutrition and health. Strengthening public sector delivery with adequate staffing and remuneration was a recurrent theme of the report, as was advocacy of the use of media technologies such as e-learning and community radio.”<sup>32</sup> This article goes on to argue the need for capacity building across all sectors and all levels of government and the need for NGOs and CBOs to be more sustainable in the work they do as it is at this level that community needs are known, met and feedback can be made to the higher level decision makers.

Pact Ethiopia demonstrates an understanding of the role and importance that its local partners play as they (and Pact) struggle with the community based issues of, for example, education, health, women’s empowerment, seeking solutions and assisting with strategies to inform and work with the decision makers at all the different levels of government as well as networking nationally and internationally. In responding to questions geared to elicit the degree to which the work being done relates to the Millennium Goals, it was clear that while most evaluation partners, including Pact Ethiopia staff, had a sense of the linkages that projects had with the MGs, projects are not structured to be measured against the MGs. They are however, cognizant of the MGs and the framework which they provide for donors and funders who are making conscious efforts to work towards making the goals a reality with the realization that there is ongoing debate across sectors regarding the attainability of the goals.

In line with the principle of capacity building as a means and an end to development, Pact Ethiopia implemented its interventions to build the capacity of its partners, working in five different sectors<sup>33</sup> during the ENSEI period and in their current programming themes – all related to the MDGs in Ethiopia. This helped and continues to assist the partners to deliver better services to their constituencies, which by itself

---

<sup>32</sup> <http://www.oneworld.net/guides/capacity> building

<sup>33</sup> Rural development and food security, democracy, governance and human rights, education and orphans, Health and HIV/AIDS and street children

contribute to the realization of the mission of the partner organizations. The services that these organizations are providing within these sectors have a direct link to poverty reduction; peace building and the MDGs. Discussions held with partners and Pact staff indicates that in their opinions a contribution is being made to the MDGs and other global agendas. Capacity building interventions of Pact Ethiopia are based on certain outcomes with far reaching contributions to poverty reduction through building the capacity of its partner organizations. Pact Ethiopia is also working with NGOs, CSOs and community groups in education, HIV/AIDS, Micro-finance and other cross cutting issues which has a direct contribution to the achievement of the MDGs<sup>34</sup>.

However, for a direct and articulated link between capacity building and these global agendas it is important to develop an action research in this regard. Since one of the strategic objectives of Pact Ethiopia is to “pilot and promote innovative models, tools and approaches through partnerships with the aim of adoption by a wide range of development actors across Ethiopia<sup>35</sup>”, it should try to develop a model which conceptually links capacity building, MDGs, poverty reduction, peace building and other global agendas. This requires collecting and documenting best practices and lessons learned and disseminate the models developed to be replicated for wider impact through Pact Ethiopia’s partners, Pact Global and other stakeholders.

**Recommendation:**

Pact Global should develop a research question, methodology and conduct the research, in collaboration with Pact Ethiopia that seeks to determine the direct link between the work it does and its contribution to the MDGs’ and other global agendas.

---

<sup>34</sup> The eight MDGs are (1) Eradicate extreme poverty and hunger by 2015, (2) Achieve universal education by 2015, (3) Promote gender equality and empower women,(4) Reduce Child Mortality, (5) Improve maternal health, (6) Combat HIV/AIDS, malaria and other diseases, (7) Ensure environmental sustainability, (8) Develop global partnership for development.

<sup>35</sup> PACT ETHIOPIA INFORMATION BOOKLET. MARCH 2007.

## 6.8 Organizational Capacity Assessment Process and Tools

An organizational capacity assessment process is designed to engage an organization in a conversation, a dialogue about the nature of its governance, delivery of its core business, its values, its policies and procedures, systems and how together they all interact and interface in meeting the organization's mission. The process is meant to be friendly, inclusive while recognizing that within any organization there is and will be diversity of understanding, levels of competencies and in general competing interests. Once there is agreement that an organization will conduct, embark on an assessment, the process is as important as the interventions and the outcomes. The process allows staff to better understand their organization, its role in society as well as their role in the organization and the organization's contribution of its community of interests. Pact Ethiopia introduced this new concept to NGOs and CBOs in Ethiopia: the process as well as the tool, and the range of possible solutions to reduce the gaps identified through the assessment.

Organizational capacity assessment tools are designed to gather information about an organization's capacity to conduct its core business. There are over one hundred variations of organizational assessment tools. Needless to say, the design of a tool is driven by the level of expertise of the designer, the context in which the tool will be used and what kind of information will the assessment focus on. However there are some usual areas that are examined. These are: **Legitimacy**: legal, ownership, public/community/social sanctioning, participation; **Leadership**: governing and management bodies' policies and goals, strategic thinking, planning and management; **Management and Administration**: organizational structure and systems, management plans and policies, decision-making processes and procedures, risk management, safety at work, documentation, management of information, capacity development, performance assessment; **Organization's Core Business**: program development, organization's customer; **Organizational Resources**: Human resource - recruitment and retention, compensation, development; Non Human Resources – Procurement and Control, Facilities, Tools, Equipment and Infrastructure, Financial – budgeting, accounting, financial management; **External environment**: Institutional linkages, Host Government, Public.<sup>36</sup> Each of these has a number of subsets that guide the depth of the assessment. This is but one example. A number of tools were reviewed, while they were organized in different ways, they all had in common the examination of the elements identified above. These are the basic elements of an organizational assessment. Pact Ethiopia's OCAT contains the elements of an organizational assessment tool. While Pact's tool is not organized exactly as described above, the key areas are represented.

A significant amount of the evaluation partners indicated that they felt the tool (as well as the overall process) needed to be improved. One partner described the tool as being obsolete. The ET does not agree with this partner's assessment, but it is important to hear the voice of all partners, including those in the minority, find and allow the space for engaging in dialogue that bears better understanding of processes and tools as well as learning from each other.

---

<sup>36</sup> IDRC: Institutional Strengthening Pilot Project facilitated organizational self-assessment tool. Eastern and Southern Africa Regional Office. Nairobi.

The OCA process is intended to be participatory with the organization identifying its gaps and determining the interventions necessary to reduce if not eliminate the gaps. During the data collection the ET asked questions and had discussions regarding whether or not the partner had participated in a Pact Ethiopia-led organizational assessment, what was the process, how did they feel about the process and its outcome? Questions sought to establish the extent to which assessment identified their capacity gaps and the subsequent interventions.

When Pact began working in Ethiopia in 1995/96, one of its first activities was to develop a tool that could be used to assess the capacities of potential partners. This tool is known as the Organizational Capacity Assessment Tool (OCAT). Over the years OCAT has been modified, changed and adapted by Pact to meet the needs of its projects and new partners. The tools shared with the ET were: Organizational Capacity Assessment Tool, (OCAT); Capacity Assessment Tool Gambella Region: Bureau of Justice, Security and Administrative Affairs; The Advocacy Capacity Assessment Tool (ACAT); Partners for Peace (P4P) Organizational capacity assessment Tool; Woreda Education Organizational Capacity Assessment Tool (WOCAT); and, Organizational Capacity Assessment – Y Choices 2005, Statement of Excellence. In the early years, the modification of OCAT was done systematically. Pact along with partners and the consultants who conducted the assessments met on a regular basis to evaluate the tool and the process of using the tool, which would then inform the necessary adjustments. A formal update was done in 1997. Pact Ethiopia is making some attempts to keep the tool current specifically for partner needs through the adaptations outlined above.

The ET reviewed all of the tools named above and have shared a detailed feedback directly with Pact Ethiopia. In general, all the tools need to be presented in a manner that allows its intent, purpose and outcome to be clearly understood and shared with the potential partner. This can be done through an orientation to the OCA that includes a review of the tool how it is used and why and so forth. The tools are “naked”. If there is an introduction that explains and guides its use, and forms a part of the “format”, the ET did not see this. An introduction to the tool is essential. In addition to this, an introductory phase, which “sets the tone”, is important to make both sides ready for the assessment.

As indicated earlier, the evaluation participants covered a range of partners and so it is not surprising that the responses to questions regarding the OCA are wide ranging. This is best illustrated by the response received during the feedback session held on November 2<sup>nd</sup>. Two partners had two distinctly different OCA experiences. These experiences are summarized below in the Table.

**Table 3: Partners’ OCA Experience**

<b>Partner One</b>	<b>Partner Two</b>
Received a letter from Pact indicating that the OCA was going to be done	Participatory: involved in determining when OCA would take place
OCA conducted by Consultant	OCA conducted by Consultant (trained and mentored by Pact)
Rating by Consultant	Rating by Consensus
Consulted on draft	Stepping stone for additional support including Pact
Identification of improvement areas (low rating)	

To a certain extent this represents the typical responses received by the ET. Pact staff found this feedback informative because to the best of their knowledge the OCA processes should all be described in the manner that Partner Two stated. It is difficult to explain this discrepancy, as both partners have been involved with Pact Ethiopia for some time. What both partners and all evaluation partners have in common is an externally contracted consultant conducted the OCA. Discussions with Pact Ethiopia indicate that in the very early days of ENSEI consultants worked in teams with Pact staff in the OCA. While acknowledging this, evaluation partners mostly mentioned and focused on the consultants, indicating that the quality of the process was driven by the consultant's own professional standards. A Pact articulated standard and joint quality control mechanism of partners and Pact Ethiopia were not and are not in place. There is a sense of what the standards should be, but this needs to be articulated with the relevant individuals having knowledge of the standards and agreeing to an implementation strategy. The development of standards for capacity building interventions within the Ethiopian context is an activity that the much clamored for improved interactions with Pact's "graduated" and current partners could certainly work on together.

All evaluation partners indicated that the assessment was useful and allowed them to gain insights regarding their organizational capacity. In general, older partners -1996-2003 - did not own the process and felt that it was done *by* Pact Ethiopia *for* Pact Ethiopia *by* external consultants who interpreted the process of interacting and engaging the partner based on their individual professional standard. Other partners felt that while the Consultant led the process, they were very much a part of the identification of gaps and determining the resultant interventions. Some of the partners that were involved with Pact Ethiopia - in the early years- indicated that the purpose of the assessment, the tool, theirs and Pact's role in the overall process including the use of the tool was not clearly understood nor was it clearly explained. There was therefore some suspicion regarding Pact's intent. This is understandable given that Pact was pioneering a new approach to engaging the NGO sector- a sector that was in its infancy in 1996. Because some of the partners were not sure of how the scores would be interpreted by the consultant, attempts were made to manipulate the scores in order to make sure that there were capacity gaps that hopefully Pact would assist with responding to.

On the other hand, younger partners -2003-present - see an OCA as a Pact standard mode of engagement. They are more critical of the exercise and indicate that the process of engagement and the tool needs to be updated to reflect the current NGO environment. "The indicators do not tell us anything new, we know our gaps." (Evaluation partner) While this may be true, if the process of the assessment is clear to partners, then it would be understood that known gaps being identified confirms the validity of the process and the accuracy of the tool. "The indicators do not reflect the characteristics of an organization. The tool is obsolete and needs updating." Another partner who has been exposed to other assessment tools stated this. He expressed a willingness to formally participate in review and updating Pact's assessment tools.

Close examination of the tool and its various adaptations, demonstrates that it reflects elements of an organizational assessment. The main areas that a tool should examine are identified. But, if partners' perceptions are that the tool needs to be updated, then Pact needs to engage in a process with partners that will not only build ownership around the assessment process and tool but also provide an opportunity to learn from partners how they have adapted the tool and why as well as what partners feel need to be changed and revised. Joint learning, shared learning can only lead to knowledge sharing and a win-win situation.

Pact Ethiopia feels that there has always been a win-win situation as the tool was a participatory development and implementation especially for older partners where approximately twenty-five of them were involved in designing the OCA itself. What then has changed, if in fact anything has changed? As usual, hindsight is a wonderful teacher and critic. Is it that the partners that strive for an improved OCA are now better informed about organizational assessment processes? To what extent have they been exposed to different processes and different ways of interaction during an assessment process? Evaluation partners shared this opinion with the ET. Pact Ethiopia states this opinion is contrary to the findings of other evaluations. The ET has no scientific explanation for this difference and presents the information purely in the spirit of openness with the genuine intent of making available to Pact Ethiopia all the information shared with the ET that has informed this evaluation.

Organizational assessment can be viewed as a threat, intimidating, or an opportunity. The view is determined by the lens. The lens are colored by individuals' and consequently an organization's understanding of the worth of an assessment in assisting with its ability to deliver its mission. While organizational assessments are no longer "new" to Pact Ethiopia's partners, the time is ripe for building a deeper understanding of its worth and value in the field of development work. As part of this understanding there is need to include an explicit statement regarding the role that an organizational assessment plays in transformative changes. It is assumed that the result of an assessment will lead to some changes (read capacity building interventions) but the extent to which the prescribed changes are expressed in anticipated results, which are linked to an organization's mission, is not always clear.

Also, very often overlooked is the role of, and the need for the articulated and documented organizational values, expected staff behavior aligned with the stated values and a subsequent accountability framework. This is completely different from human resources (HR) policies and procedures. HR policies are, like all other policies, they are informed by the values of an organization. Capacity building interventions can and will only be as successful and sustainable when they are grounded in the understanding of the values of the organization. Values are the foundation of an organization. This is often overlooked. While Pact Ethiopia has articulated and documented its values and strives to "walk the talk", not all partners have done this. The importance of values can be and should be explored as a part of the reviewing and improvement made to the OCA process.

### **Recommendations:**

- 1 Pact Ethiopia should convene a working group representative of partners in order to review the OCA process and OCA Tools as well as reviewing with partners the importance of organizational values in the work they do.
- 2 Pact Ethiopia should set a process in place that demands at minimum an annual review of assessment processes and tools.
- 3 Pact Ethiopia should articulate and document a standard guide that explains the different tools and how each tool should be used.

### **Ownership of the OCA Outcome**

Once an assessment was completed and the interventions agreed on, in spite of the comments made about the OCA, all partners indicated that the Pact Ethiopia led assistance with the development of financial

systems, human resource management and related manuals were invaluable and contributed greatly to their start-up and organizational growth. Most if not all the partners continue to use the organizational manuals that were introduced to them by Pact Ethiopia. Some, not all have revised and updated these manuals, but the Pact Ethiopia assisted manual remains the foundation on which they built. At this level, there is ownership around the organizational processes that these manuals and their subsequent use contribute to. (These are personnel manuals, financial manuals and general operations manuals that Pact Ethiopia provided the template.)

Some partners indicated that a second OCAT gave them a sense of their progress. Not all of the sixty-seven organizations<sup>37</sup> that Pact Ethiopia currently works with have been “re-OCATed”. Some have been “re-OCATed” by other organizations, others with Pact Ethiopia. One partner indicated that the assessment tool of another organization was more qualitative, not dependent on scores, and thus better fitted to an organization’s self-assessment. In his opinion, scores and scoring took away from qualitative discussions. The ET’s review of the “re-OCAT” reports suggests a genuine effort to capture progress and demonstrate the organization’s movement along the path to improvement. Based on the work done by the ET in capacity building, specifically OCAs, the usage of scores are not encouraged as scoring can be divisive and counterproductive. A process that builds consensus around the quality and level of improvement in specific areas that is needed is less contentious. However, there are those who will insist that scores are a good measurement of comparing an organization’s baseline to improvements made at a later time.

### 6.9 Adaptation of tools

The OCAT has been used as the “mother” of all assessment tools and adapted to suit the specific need driven by the geographical location, level of literacy and understanding of organizational dynamics as well as the sector in which an assessment is deemed necessary. In Gambella, for example, while it was clear to Pact Ethiopia what processes had been in place with their partners, it was not clear to the partners. “Someone else was here not so long ago with a questionnaire and we filled it out. We are still waiting on the results. Did you come with something else?” asked a partner. (The ET saw the letter that was sent out to the partner regarding the purpose of the visit. Having made this comment, the partner went on to wax eloquently about the good work that Pact was doing in peace building and conflict resolution!) The various adaptations of the mother tool have been driven by Pact’s ability to quickly analysis a situation, and use the initial tool as the guide for crafting a new tool. For example, *Partners for Peace (P4P) Organizational capacity assessment Tool* strives to capture the areas that need to be explored and is a good example of how the mother tool can be adapted. The extent to which the ‘adapted tool’ best meets the needs of the intended environment is best examined with the various communities of interests. The need for a working group of relevant partners and Pact Ethiopia to review the tools has already been stated and need not be repeated here. It should be noted that the process of using the tool and who administers it is as important as the tool itself. A working group/task force by working together on the OCA will contribute to building more buy-in and ownership as well as gain a better appreciation for the value of the OCA. It is important that the value of the OCA is recognized as a critical process for the development and enhancement of an organization-

---

<sup>37</sup> The number of partners over the years is not consistent in the various documents.

regardless of its state of maturity. Without conducting an organizational assessment it is difficult to determine and confirm where and what gaps are present within an organization. “If you don’t know where you are going, how will you know when you get there?”

### 6.10 Cost of OCA

Both Pact Ethiopia staff and partners commented on the length of time that it takes to conduct an OCA. This is not unusual and, therefore needs to be factored into OCA at all times. While the OCA is the primary business of the individual charged with conducting it, this is not the case for the organizations. The IDRC<sup>38</sup> experience has demonstrated that organizations are “busy” with other work: chasing funds to survive, fighting different types of fires and so forth. Unless the leadership of an organization has the ability to appreciate the value of an OCA and demonstrates this understanding to staff, it is a lengthy process. The ET is not aware of any mechanisms that can shorten the process other than the tone set by the organization’s management team and their demonstrated commitment to an important process. Our experience indicates that this is always a challenge of an OCA.

The ET believes that the OCA process and tool provides Pact Ethiopia with not only an entry point for engaging potential partners but if the process is managed in a participatory manner, a good working relationship can be established and in most cases was established – states Pact and confirmed by some of the partners.

Discussions held with other organizations that conduct organizational assessments suggested that Pact Ethiopia would have better control and ownership over the assessment processes if Pact Ethiopia conducted the assessments themselves instead of contracting it out to external consultants. While Pact Ethiopia is adamant about its staff being involved in the OCA processes, in the beginning of its implementation, the evaluation partners’ comments mostly focused on the consultants and *their* perceptions of the quality of interactions. Staff and staff’s role in the process was mentioned not in the conducting of the assessment but in providing lack of quality control of the process.

With the recent introduction of a capacity building unit at Pact Ethiopia, perhaps the Unit could consider ways and means of improving joint ownership of the OCA. While the ET’s TORs did not include a review of Pact as an organization, it was in the team’s interest to understand the organizational structures and, therefore the ET is aware of this new unit with its mandate being defined.

### 6.11 Intervention packages

Once the OCA had identified the organizational gaps, Pact Ethiopia in consultation with the NGO/CSO determines the kind of intervention that is appropriate. During the ENSEI period<sup>39</sup>, this was usually a

---

<sup>38</sup> During the IDRC ISP, given its participatory process, in one case it took up to 6 months to have an assessment completed.

<sup>39</sup> During the ENSEI period, the “basic” core training consisted of financial management and Peach Tree Accounting Software, SPM, PPDMER with some of not all of the following: Conflict Resolution, Domestic Resource mobilization, Leadership, Board of

combination of training, mentoring/coaching; exposure visits internally and externally, as well as a range of organizational development inputs. These included grants that enabled the organization to establish an office, by purchasing basic furniture, computer and the necessary accessories including the identification and installation of financial software- with the necessary training; key personnel (e.g. finance officer, personnel officer) with supportive operational policies and procedures documented by developing the necessary manuals. For a number of partners, the interventions were directly related to the outcome of the assessment and given the enthusiasm that most evaluation partners talk about Pact Ethiopia's role in capacity building, the ET sees a demonstration of valid interventions.

Currently, Pact Ethiopia has maintained its support to assisting its partners with their capacity building including organizational strengthening as determined by the parameters of a specific project. Pact Ethiopia no longer has capacity building as a standalone project. Some partners argue that capacity building is Pact Ethiopia's niche and that they should find ways and means of maintaining capacity building as their flagship. Pact Ethiopia is very clear about its contribution and the importance of capacity building in the NGO sector. Its challenge is to be able to continue to do capacity building within the limitations and context of its funding sources. An examination of current sectoral programs demonstrates capacity building being implemented by embedding the activities in a project's over all delivery. In kind grants are an excellent example of how capacity building is currently undertaken.

Some of the partners involved during the ENSEI period had mixed reactions to the intervention packages resulting from the capacity assessment. A number of the evaluation partners indicated that they felt that the interventions were generic, regardless of the assessment findings. Although this was a comment often repeated, all partners indicated that overall the assessment was useful, helpful, and allowed them to begin a relationship with Pact Ethiopia. Interventions also allowed partners to develop a more direct relationship with their constituency base in the communities thru providing PPDMER and in conducting community project based base line assessments to better understand community priorities and needs before writing any proposal funding.

The extent to which the package of interventions has been sustained can be seen in the examples shared with the ET by organizations that talked about the development of policies and procedures, manuals, effective administrative and financial training and in the case of consultants (now well established and hired locally as well as internationally) who attribute the opening up of the civil society environment to Pact's initial engagement.

This clearly demonstrates that in spite of some of the criticism (observations?) of the package being "generic", the OCA resultant activities were timely, appropriate and contributed to the development and growth of the partner organizations specifically and contributed to the development of the NGO sector in general. There is a sense of missing the intensity and closeness that must have emanated from being in the forefront of a new way of working that comes across. Perhaps, this is part of what is fuelling the "Pact Ethiopia must, should do" talk. Given that Pact, is an organization that works globally, there must be an organizational understanding of the stages that groups of individuals (and by default organizations) working

together go through and the strategies necessary for ongoing relationship building. The passion of the ENSEI period needs to be re-ignited with partners –old and new, together building transformative changes that sustains the relevance of the work done in the NGO, CSO sector. Whether or not Pact Ethiopia agrees, most partners see Pact as one of the leaders in the field of contributing to building a viable NGO sector. In general, the assessment done by the evaluation partners have been done based on their overall assessment of the work that Pact Ethiopia has done in the past and is currently doing.

Work has been done on what is considered to be effective capacity building therefore the best practices in the field. The eight core components of capacity building are: comprehensive, customized, competence-based, timely, peer-connected, assessment-based, readiness-based, contextualized. Pact Ethiopia demonstrates working with these concepts and a review of Pact Ethiopia “status” is discussed under the “best practices” section of this report. While not expressing the work that it did with partners during the ENSEI period and that it is currently doing has conducted its capacity building interventions with these eight core components in mind. On all eight areas, we have already observed the mixed opinions of the evaluation partners and maybe even on implementation.

## 6.12 Service Delivery

Depending on the level of development or growth, NGOs and CBOs in Ethiopia require a wide range of capacity building services to strengthen their skills, expertise, resource mobilization, facilities and equipment. In particular nascent and emerging organizations are in need of developing systems, policies, procedures, structures, besides those mentioned above. The needs of better established CSOs may be different compared to young organizations, for example, expansion, consolidation etc. In both cases they are in need of access to capacity building services. In view of this, Pact Ethiopia’s intervention in OD services for NGOs and CBOs has been instrumental in enhancing the organizational capacities of partners.

This section of the report focuses on the various aspects of the services delivered by Pact Ethiopia to its partners. The ET believes that before one reviews the services, it is necessary to examine partners’ perceptions of how they came to receive services from Pact.

## 6.13 Building Relationship

*“The initial assessment of our capacity, the credit goes to Pact.”*

*“The weakness of Pact is that after they terminate support, they do not stay in touch.”*

*“We approached Pact in 1998 with a proposal after knocking on several NGOs’ doors. Pact came to visit us after we approached them. The beginning of the relationship was the OCAT.”* **Evaluation participants**

Relationships between Pact Ethiopia and partners were initiated through formal and in some cases informal approaches. Some partners entered into partnership with Pact Ethiopia after submitting a proposal for support while others were approached by Pact Ethiopia itself. Relationships were also initiated through other

organizations.<sup>40</sup> Conducting an OCA is a process necessary for partners interested in understanding their capacity and limitations in order to determine the capacity building interventions that are possible to be facilitated and supported by Pact Ethiopia. Once the OCA is accomplished, consecutive capacity building services will be negotiated and determined. A 're-OCA' process is part of the standard process to see progress of the initial services delivered before the partners graduate. The OCA tools and processes are discussed in detail in subsequent sections of the report.

In the beginning, engaging in relationship was not always straightforward with some partners. There were uncertainties among some organizations as to why Pact Ethiopia was interested to identify or understand their internal organizational limitations. Despite this, over time, the partners demonstrated understanding of Pact's approach, methods and contribution to their capacity building. In general the relationships with partners were explained as positive; "based on equal footing" or expressed as being "parent-child" in nature by some partners. Some partners, especially those in their early stage of organizational development strongly value their relationship with Pact Ethiopia. They acknowledged the 'risk taking' quality of Pact Ethiopia to engage in a systematic process including grant making while INGOs would generally, require well-established organizations with some level of organizational capacity to initiate relationships.

Pact Ethiopia has demonstrated that creating good partnership is the foundation for effective project implementation of projects and ensuing CB services. Pact Ethiopia's experience and trust based relationships with the local CSO sector has brought about concrete collaborative involvement with other donors; e.g. SIDA through the CSO/NGO Cooperation Program; Pathfinder, Finnish Embassy CSO support which is all aimed at providing local CSOs with financial, technical and organizational capacity support to implement effective and efficient projects on HIV/AIDS; Adolescent Reproductive health (ARH); Harmful Traditional Practices (HTP); Gender; Democracy and Governance; and Human Rights Advocacy. The relationship with Sida was developed over a period of time, approximately two years, before any agreement or funding was developed with Pact Ethiopia. The Finland Embassy work began in 2002/3; Pathfinder in 2003; and OCA work with TroCaire in 2006/7.

Exit from partnerships was sought to allow Pact Ethiopia to bring on new and smaller organizations to broaden the learning. However, the manner of ending the partnership was not clear to all the partners. According to some partners, ending relationships or 'graduation' was not a mutual decision. The partners not were they prepared to strategize for the continuation of some of the Pact supported activities. The partners are of the opinion that Pact Ethiopia's contribution in building their capacity should be a spring board that leads to another level of partnership; they emphasized the importance of building longer-term institutional relationships based on commonly identified purposes and shared responsibilities. Continuing relationships with Pact Ethiopia should not only be a subcontracting arrangement but also in the current project-oriented partnership. During the debriefing workshop participants reflected that Pact Ethiopia could continue supporting local organizations to design a system of experience sharing and Network of partners; working groups could be established on issues that require joint efforts; co-financing arrangement could be considered; initiating a Pact Ethiopia partners' Alumni; finding center of excellence or good practices and working with them on those areas; etc. Pact Ethiopia could also prepare potential local partners to take over its role of the local capacity building interventionist.

---

<sup>40</sup> Packard foundation has been a means of linking SYHLA with Pact.

In the view of “graduated” previous partners, the need for assessing and understanding to what extent the identified capacity gaps were filled was reflected during the debriefing workshop; clarity on characteristics of maturity; reaching common understanding of the time and mode of disengagement; flexibility; etc were forwarded. Even if Pact Ethiopia and partners agree that the intervention has been successful and no further capacity building interventions are needed, it is important to recognize the partners’ development, the key learning that could lead to a different level of engagement and identify the next steps.

**Recommendation:** Pact Ethiopia should convene a meeting with past and present partners in order to brainstorm and determine the best way to formalize a relationship based on joint strategic needs.

Once relationships are initiated, different types of negotiated services are delivered based on the organizational capacity assessment as discussed below.

### 6.14 Exposure Visits

*“In Tanzania we learnt how networks are organized and how they support each other. For example, the development of thematic programs. Ideas concerning the development of materials. How to do press releases. How to move from service delivery to knowledge sharing.”*

*“The exposure to leadership in other places was critical. They were exposed to lobby and advocacy, how to develop a network, and the nature of Government – NGOs relationships.” **Evaluation participants.***

Exposure visits were initiated and arranged by Pact Ethiopia for the purpose of drawing lessons on policy issues and sectoral approaches. Between 1996 and 1999, fifty-two members of CSOs and public institutions took part in different Exposure Visits.<sup>41</sup> Experience sharing visits were also arranged locally to share and learn from the different experiences of local organizations. Each visit was planned to achieve specific objectives. Such visits were followed by experience sharing meetings; reports were prepared and shared among the participants and non-participants through various forum. It is important to note that each visit was carefully crafted to have a mix of key sectoral and/or government decision makers, a Pact Ethiopia staff person and representation from the relevant NGOs. This strategy contributed to building trust and understanding across the Government-NGO divide; less guarded discussions – once the confines of Ethiopia were left behind; and the genuine wish of human beings to do the best for their country emerged.

Exposure Visits have shown quick results in some sectors; they have lead to tangible outcomes in terms of, for example:

- In influencing organizational decisions to adopt and implement new approaches
- Contributing to improvements in GO/NGO relations; this is particularly true for the period prior to the 2005 elections.
- Easing registration processes; renewal of registration period has been extended from one year to three years even though there may be other contributing factors.

---

<sup>41</sup> Ethiopian NGO sector Enhancement Initiative: Final report (Attachments) USAID CA No 663-0020-A-00-5501-0 Submitted to USAID, December 2003; Attachment 1: Impact Assessment on Exposure Visits, Birhanu Birke.

Among the notable and tangible attributes of the Exposure Visits is the influence on Micro-Finance Institutes (MFI) and Education, particularly Alternative Basic Education (ABE). The ET found that the lessons learned from the Latin American Micro-Finance Institutions lead to the understanding by MFI staff that interest rates should be decided in the light of financial sustainability of the organizations in order to enable them to continue providing services not to lessen the economic burden on the poor loaners.<sup>42</sup> Pact Ethiopia's support, according to the contacted MFI, has also enabled it to increase its average loan size and has benefited the able and productive poor to improve their businesses in the target area. An assessment report conducted on AEMFI members showed that exposure visits both locally and abroad have enabled members of the Association of Ethiopian Micro Finance Institute (AEMFI) to be exposed to good practices in the field of Micro Finance.<sup>43</sup> The Exposure Visits on ABE programs to Bangladesh and other countries have similarly enabled some partners to review and adopt their approaches to Non-formal Education. The results of these experiences lead to the development and implementation of policies and procedures within the Ethiopian context and were adopted by the respective Regional Education Bureaus. This allowed a considerable number of out of school children to access basic education.<sup>44</sup> By and large the objectives of the Exposure visits have been achieved with considerable effects.

Exposure visits, well planned with clearly defined strategic objectives, and anticipated outcomes that drive the professional and organizational mix of the exposure visit team are powerful strategies of affecting attitudes, demonstrating new approaches, sharing and providing information that subsequently can influence new directions of development for the visiting team as well as the hosts - but more importantly the visitors. Pact Ethiopia's formula of mixing decision makers (government officials) with program implementers (civil society) and facilitators (Pact Ethiopia) along with choosing the 'right' country (well known for its expertise and demonstrated best practice in a specific sector) to visit is a winning formula. All partners involved in exposure visits lauded the value and contribution of the exposure visits to the development of their sectoral area of work both in professionalism, expertise and relationship building within and across the communities of interest.

**Recommendation:** Pact Ethiopia's exposure visit model should be replicated and scaled up to other Pact programs.

---

<sup>42</sup> The reason for opting for low interest rate was in order not to put economic burden on the poor loaners while those in support of high interest rate were concerned about the financial sustainability of the institution.

<sup>43</sup> Pact Ethiopia, NGO sector Enhancement Initiative: Impact Assessment Conducted in all of Pact's Partner Organizations in Microfinance sector; Tsehay Tsegaye, Itana Ayana

<sup>44</sup> The Evaluation Team could not validate this from the concerned BOE due to time limitation.

## 6.15 Mentoring

*“at times we were mentoring the mentor”*

*“We had a very good mentor, we continue to use him on our own today.”*

*“There was no feedback mechanism for letting Pact now that the mentor was not effective. We were not involved in the selection of the Mentor.”* **Evaluation participants**

An innovative element of Pact Ethiopia’s CB intervention is the mentoring. Mentoring is generally defined as a process that allows a specialist in a particular field to have an “understudy” work closely with the specialist in a clearly defined program of activities – formal and informal. This can include scheduled feedback sessions, regular meetings to work together and/or review tasks necessary for the successful completion of a job. Sometimes the terms mentoring and coaching are used interchangeable.

In Ethiopia, the concept of mentoring was spearheaded by Pact Ethiopia and appreciated by partners especially as an extension of training and also as a means of institutionalizing the capacity building intervention. The mentoring service has been instrumental in enabling the partners to undertake, for example, tailor made SPMs and financial manual development processes. This helped them be focused on their vision and mission and to think strategically beyond annual operational plans. The mentoring has enabled the organizations to do self-reflection; understand and identify their capacity gaps and realize that changes in the external environment often influence their organizations.

The mentoring period varied depending on the subject and area of organizational foci. It ranged between one and three months and is assumed to be sufficient according to the partners. Consultants however, think that it is a time consuming process, which sometimes took double the planned period, and required patience and understanding of the partners’ level of understanding. According to them, they had to harmonize the pace with that of the partners’ to be mentored. In spite of that, most partners, and the consultants who participated in the evaluation indicated that the process went smoothly.

One of the unique mentoring services consistently mentioned by partners is the practical training and ensuing application of the Peach Tree Accounting Software and development of financial manuals. Based on a quick assessment of selected NGOs, customized training material, and a manual were developed. Consequently the Peach Tree Software was established into the partners’ system. The package has been instrumental in setting up sound and computerized financial system and developing tailor-made financial manuals. Partners could close their accounts timely and accurately. This enabled the participating NGOs to practice transparent, accountable and responsible accounting system; earn credibility and encouraged donors to finance proposals submitted by those NGOs. Moreover, it enabled them to fulfill one of the government’s key requirements. The accounting system and software installation had eventually a snowball effect in the country as non-partners and even public institutions now use Peach Tree.

According to some of the evaluation partners, though this package improved their financial system and management, other software options were not explored. According to them, it has taken a long time and effort to customize the software. Besides, the Peach Tree Accounting Software can be used for financial

purposes only and not for narrative reports, an area that some partners suggested to be introduced in the future. On the other hand, Pact Ethiopia is very clear about the process of selecting, consulting partners, in the selection of Peach Tree. Pact states that software options for financial management was extensively reviewed and assessed and that this is how Pact Ethiopia determined that Peach Tree would be the best option for their partners.

The selection of the Peach Tree accounting software is another example of mixed understanding of how and why capacity interventions were determined. This also demonstrates different levels and degrees of the nature of interaction with Pact Ethiopia based on the time of beginning to work with Pact Ethiopia. There is no doubt that Peach Tree meets accounting functions, and that it was among the best options in 1996. At that time, given the emerging and evolving state of the NGO sector, Peach Tree was a good choice. Newer partners with more experience, different ways of thinking about how Pact should demonstrate its partnering, are the ones suggesting that Peach Tree is not the best choice.

Based on the ET's experiences and work with NGOs and Donors since 1974, the financial reporting requirements for the NGO sector continues to change and continues to become more demanding as the level of accountability for funds received from donors and funders require more programmatic details. A system that allows for a range of different types of reporting, including a narrative is more state of the art. It is the ET's experience that Peach Tree is considered a good basic system by highly skilled accountants and financial officers, but not one that they would use for financial management of an NGO. Some small to medium size NGOs have used Peach Tree and report significant challenges in generating the kind of reports needed and required by an international partner thereby creating unnecessary tension between them.

More and more partners are developing systems that interface seamlessly with them and their partners. With financial management being such an important part of any organization's integrity and recognizing that NGOs situated in any country in Africa are in the stereotypical position of being easily suspected for mismanaging funds, the best possible financial management system must be a priority. This is a sensitive issue, but that does not mean that it should not be voiced, and by so doing appropriate action determined that assists with African NGOs working towards building a culture of transparency and accountability. As an exercise in ownership, Pact Ethiopia could ask their partners to research and suggest to Pact what financial management software is currently considered state of the art for NGOs in Ethiopia.

Pact Ethiopia indicates that review meetings were conducted with partners on the services provided by the mentors. Debriefing sessions were also carried out with the consultants at the end of the mentoring period. Processes and results were discussed and reports submitted to Pact Ethiopia by the consultants. These, according to Pact Ethiopia were used as feedback mechanisms. But how far this was practiced consistently and involved partners was not clear to the partners.

The ET learned that the Government has adopted mentoring and is using the previous Pact Ethiopia consultants as mentors in its institutions. Through this mechanism, SPM processes have been effectively introduced, developed and practiced in both public and Civil Society institutions. Some partners are also using those consultants Pact Ethiopia initially assigned to facilitate subsequent SPM processes. The SPM process as well had a rapid multiplier effect. According to one of the interviewed consultants, through their

mentoring support, they trained a number of partners' staff that eventually became SPM facilitators themselves for CSOs and other organizations. The trickledown effect is very important and often not recognized as an effective contribution to building a sector or body of knowledge. It has the power of having, in this case, influencing and mainstreaming a particular way of working-the development and implementation of strategic planning management processes. This is now the norm with local NGOs as well as in the government (federal and regional) in Ethiopia. Pact Ethiopia's contribution to the establishment of this work practice is significant.

In the TORs, specific reference was made to mentoring in Gambella where the projects are designed under the peace building platform<sup>45</sup>. Consequently the ET raised the issue of mentoring with the Gambella staff. This was met with puzzlement, as staff indicated that contracted external mentors have not been involved with the Gambella program, a system that was employed during the ENSEI period. The Gambella program staff performs the tasks of mentors. The level of mentoring is basic and fundamental. It ranges from project proposal development to regular interactions with partners as strategies are sought to encourage projects and activities designed to build and sustain intercommunity enterprises and dialogue which in turn contributes to peace building. E.g. a partner may come to the staff with an idea drafted or to be discussed. Through the process of probing and discussion a project proposal may and can emerge. This is a part of the way work is done in this program. It is not necessarily documented. Gambella staff are beginning to realize that there needs to be some form of documentation of their mentoring processes as it contributes to Pact's institutionalization and mentoring "tool kit" and that without documentation of the processes used, it is easy to confuse the current mentoring approach to that previously employed during the ENSEI period. Community based evaluation partners in Gambella were very clear about the high quality of Pact Ethiopia's level of effort, commitment and contribution to peace building strategies. With the program being relatively new, it provides a very good opportunity for Pact Ethiopia to monitor its impact in a systematic manner. Mentoring is one of those concepts that is bantered about without anyone checking that we are all talking about the same thing. The manner in which the Gambella staff strive to implement mentoring needs recording, in order that it is better understood.

During the ENSEI period, mentoring was instrumental in providing one-on-one support, with the mentoring process and practice dependent mostly on individual consultants. Clearly defined and well-articulated standards or a well-established system that facilitated quality control in terms of the processes and outputs were limited. Without these, it is challenging for adaptations or improvement to be made. Evaluation partners indicate that they were not involved in selection of mentors or in any quality control mechanism. The process has been based on trust between Pact and the mentors instead of an active tripartite engagement to manage and improve the processes and outputs. It is also important to set up a joint quality control and accountability framework between partners and Pact Ethiopia that would contribute to regularly assessing the quality of the services the mentors provide and to use the results of the process in the consecutive selection of mentors. Pact Ethiopia indicates that Pact staff managed mentors and that partners knew which Pact staff member was attached to their project. There was an expectation by Pact that partners

---

<sup>45</sup> Pact. Program for Restoration of Community Stability in Gambella Cost Extension Proposal. June 2006. Addis Ababa.

would call should there be a need to discuss the performance of their mentor. While this makes perfect sense, for one reason or the other not all partners were comfortable enough to call Pact with their concerns.

Mentoring is a key capacity building method. Individuals' abilities are enhanced not only through demonstration of knowledge, sharing of information and skills improvement but most importantly through modeling. More emphasis needs to be placed on modeling both directly and indirectly. ("Do as I say, but not as I do." The consequences of this philosophy continue to hold true today.) It is important to have all stakeholders discuss what in their opinion and in their experiences will work best for holding mentors accountable. The partners that have adapted Pact Ethiopia's capacity building interventions are in the best position to share with Pact, what they have done to improve on what they perceived as challenges in Pact's approach and delivery. Mentoring is no different. How do they conduct mentoring and what is their selection, performance management and accountability framework?

**Recommendation:**

Pact Ethiopia in consultation with key stakeholders should develop, test and implement selection criteria for mentors. This could involve having mentors determine self-management guidelines that adhere to Pact's standards of excellence.

## 6.16 Training

*" We were told to send trainees for PPDMER by letter, but all relevant staff had training on the subject by the Ethiopian Management Institute and other organization which recruited consultants from Kenya, however we sent someone just to keep our good relationship: training need assessment is important."*

*"Every project has its own training: we received financial management training for five days; Y-Choice and so forth."*

*"Trainers and manuals are outdated. The training is too short...3 to 5 days is not enough for a TOT." **Evaluation Participants.***

Training has been organized for partners in a variety of topics to improve their technical and management skills. Some of the training topics are outcomes of the organizational capacity assessments. This includes SPM, Program Design, Monitoring, Evaluation and Reporting (PPDMER); Financial Management and Accounting, Board Development for Non-Profit Making and others (**See annex 5**). The training was provided to different levels of the organization: program staff, technical staff, management as well as board members. Different TOT activities have been conducted on specific topics. Ethiopian consultants were also provided with training locally and abroad to help train the local partners in various strategic and technical issues. "Pact's training and mentoring program has a practical approach and emphasizes institutionalizing staff capacity in planning, management and implementation of development-oriented projects."<sup>46</sup>

The technical and mentoring skills provided for the consultants helped create organizational development services to be available locally for CSOs and public institutions specifically in introducing systematical OCA, SPM, and related processes. A consultant expressed his involvement in SPM as "a practical school of management". He told the ET that after failed attempts of the government to bring in expatriate consultants to facilitate SPM for the different regions, he was contracted to facilitate SPM in all regions.

The training has in general familiarized and introduced both the consultants and the NGO partners to new concepts and practices of capacity building including organizational development. Partners appreciate the training especially on SPM; PPDMER; and Board Development for Non-Profit Making. According to the partners, it has helped them think strategically, be vision and mission focused, improve their planning and monitoring practices and enabled them to work in a more systematical and organized manner. The Board Development for Non-Profit Making was (according to some partners) unique in that it made it clear to their Board of Directors the government's requirements pertaining to their roles and responsibilities, and level of accountability.

As a standard practice, each training program has been evaluated at the end. (**see annex 5 for the evaluation checklist**) This is useful for the purpose of corroborating whether the training has been satisfactory to the participants but not beyond. An end of program evaluation does not indicate if the training was the right one for a particular situation of the partner organizations; and, if it is practicable and able to influence the partners' functioning, with the exception of the accounting and financial management training, which were accompanied by mentoring support. While partners indicate that there were no action plans

---

<sup>46</sup> Ethiopian NGO Sector Enhancement Initiative, Final Report (Attachments) USAID NO 663-0020-A-00-5501-0 Submitted by Pact, December 2003

dedicated to ensure the practical application of the acquired skills or lessons learned through the training, Pact Ethiopia states that each training program included action plans and that follow-up and follow-through is the challenge. The truth lies in a combination of both statements. One of the ET has designed and delivered training programs, including TOT for over thirty years. Based on her experiences, a significant amount of “trainees” seem to think that the development of an action plan is an academic exercise and only that; while others see action plans as an honest opportunity to put into action the learning acquired only to get back to their workplace and be overwhelmed with either lack of support for the outcome of the training and its possibilities, or volume of work that demands “business as usual” activities.

One of the strategies that have worked has been to have a commitment from the highest level of the organization to the training and planned follow-up sessions by the trainer which is agreed to and built into the organization’s monitoring and evaluation framework at best and at a minimum included in both the trainer’s and the trainees workplan over the life of the project. Usually, the individuals who have received training use this support to advocate for the necessary resources (time, changes in work schedule etc.) that will provide a more enabling environment. Another strategy has been to seize the opportunity of the trainees being together with a common interest, to incubate an informal professional support group that assists each other with working on integrating the new learning into new work habits and improved knowledge. These two strategies are suggested to Pact Ethiopia as the ET is not aware of either of them being applied by Pact with its partners. The ET has used both strategies successfully.

As part of the normal practice, review meetings were held after training with partners. While these practices are appreciated, partners felt that a more systematic feedback mechanism would be needed that documents the good practices, processes and future improvements to enhance learning. This is essential if Pact wants to identify, document and share its best practices within Ethiopia and with Pact Globally.

As indicated earlier, the various training activities have been provided through Pact Ethiopia trained and in some cases non trained consultants. Opinions about the quality and competence of the trainers are mixed. The evaluation partners said that generally qualified trainers have been assigned though some were better than others. Pact Ethiopia currently has Program Managers that are capable of providing training to partner organizations (if necessary with systematic capacity building support). The ET believes that the staff are in a better position to provide post training follow up; give backstopping support or onsite technical assistance accordingly. Discussions with Pact staff received mixed opinions. On one hand, some indicated that their current workload did not lend itself to undertaking the training provided by external consultants to partners. On the other hand, some indicated that not only were they capable but felt that Pact needed to let staff provide the necessary training as this would contribute to building Pact’s internal capacity as well working with partners in a more holistic manner. The scope of this evaluation does not include an assessment of staff’s training capacity or a review of their workload. But, if there are staff that feel they are capable of delivering training to partners in addition to their current workload, Pact Ethiopia management and relevant decision makers should as a matter of maximizing its efficiency in qualitative service delivery explore this option in more detail.

One of the challenges of partners in practicing the skills and concepts learned is related to the frequent turnover of the trained staff. There is no doubt that in terms of the broader context, the training has contributed to building the human capital of Ethiopia. On the other hand, in the absence of established

learning and sharing mechanisms, the partners could gain more from the training in terms of improving their organizational functioning.

Evaluation partners indicate that training like the Board Development for Non-Profit Making was timely and pertinent, it is not shared with the other members in most cases except the documents provided during the training. The lack of systematic documentation of the good practices is thus one of the factors contributing to the inability to maintain the organizations institutional memory.

A number of training manuals and materials have been prepared by consultants, on various topics and subjects in which training has been provided. However, they need basic improvement in terms of approach, content and presentation. The ET prepared a detailed review of the manuals, which has been shared with Pact Ethiopia.

The following are the key limitations related to training that need further improvement. These observations stem mainly from the ENSEI period:

- Some training manuals have questionable messages and information and need to be updated. While some of the manuals clearly indicate the audience for which they are prepared; group and individual exercises; and guide the trainers and mentors who are to use them, others are not consistent with this style. This is apparently due to lack of guidelines as to what standard and presentation the manuals should follow. Moreover, not all have been pre-tested before they were widely used. Pact Ethiopia indicates that some manuals were initially tested, e.g. PPDMER, Gender mentoring. In general, the design, approach and presentation of the manuals vary according to the producers' intent and capacity.
- Some of the manuals do not follow a step-by-step outline of what the participants are going to learn and what practices or lessons trainees will be able to apply to their jobs; and how to apply these. Training manuals should have content as well as exercises as much as possible with background or additional reference materials; charts and graphs could be included to enrich and elaborate the messages. In some cases illustrations and the text presentations do not reinforce each other.
- As indicated by the evaluation partners, training manuals must be suited to the audiences' needs in terms of content, approach, language, and layouts so that they guide the users and facilitate effective training process.
- As expressed by the evaluation partners, the contents of some topics were not contextualized or adopted to the audiences' situation. Some trainers provided training designed to fit elsewhere.
- The length of training period was short and ranged between 1 and 5 days in most cases. This was not sufficient to impart reasonably adequate skills to improve work. Training can contribute to capacity building if it enables participants to grasp new skills, which is possible with a reasonable duration of training time. Based on principles of Adult Education, a facilitators' or Training of Trainers training would require a minimum of ten days to begin the practice in becoming reasonably good trainers or facilitators and to develop the practice and confidence to train others.

A one-day TOT workshop is not considered training for TOT. It at best provides an orientation to TOT.

- Skills that trainees should be able to demonstrate by the end of the training session and the required performance standards only can dictate the time and duration, amount of knowledge and skills to be transferred. A good training plan must be geared to help the trainees produce specific results, which in turn, directly contribute to results needed by the organization.<sup>47</sup> This means that the purpose of the training and the immediate return to the organization as well as the individual need to be thought of in planning stages.
- Training needs assessment to determine the right type of content and level of training was lacking. The training topics are in a way derived from the overall organizational capacity assessments and not based on analysis of each organization's needs and goals. which, when reached, would enable to provide participant's with the skills the respective organization needs. Detailed analysis of the needs and goals of each organization, the design of the training, the training package, feedback and evaluating the training outcomes once the trainees are back to their work are not planned in a systematic process, though the different training programs can serve the purpose of conceptual clarity and information sharing.
- Composition of trainees, in terms of background or relevance of their functions in their organizations, etc. limited the dynamism of the training; trainees with limited and wide range of experience were brought together; language was, in some cases, a barrier, etc.
- Selection of trainees was ad hoc. Participants were selected sometimes as a means of motivation or without giving attention to the appropriateness of the training to the organization. In some cases trainees that already had the same training were selected and, therefore learning was limited.
- The training process and content were dependent on the individual trainers or consultants. In spite of the review and debriefing meetings, the evaluation partners felt that this was not sufficient to make a systematic quality control and take corrective actions in future training.
- Most training had action plans at the end of the training but following up on the action plan in order to stimulate translation of the learning into practice presented a challenge. Action Plans could be one mechanism to understand how much the training helped improve organizational performance and subsequently modify future training approaches. They are one means of noting changes and help identify the results achieved by the participants; and if necessary to plan more training. Pact indicates that they were action plans.
- Post-training follow- up - Effective training requires ongoing feedback between trainees and organizations as well as the trainers. A systematic follow up would strengthen the process of

---

<sup>47</sup> [http://www.managementhelp.org/trng\\_dev/basics/isd.htm](http://www.managementhelp.org/trng_dev/basics/isd.htm)

institutionalization of the skills and note the changes in the trainee's performance as well as organizational changes.

One of the challenges of the partners is frequent staff turnover. The market demand for the trained staff of the partners, particularly in accounting and financial management has drastically increased and the partners could not retain them and needed to train others. However, the training of non-financial managers has reasonably contributed to fill the gaps. This is an indication of the importance of learning and sharing and designing built-in strategy to ensure institutional memory. On the positive side, the training provided expanded opportunities and demand for better pay and positions for individuals and produced trained human resource for the country.

Pact Ethiopia's intent regarding training of partners is commendable and should be continued. There is no doubt that the financial training has and continues to be a success: perhaps because it is tied to a tangible result. Despite the limitations mentioned above, Pact has contributed to building the knowledge and skills of the NGO sector through specific trainings. For example, partners rated the WORTH training high on the list of good training. This can be understood when the WORTH manual is reviewed. As well as having the training delivered by a knowledgeable trainer, the manual is well written, of a high standard, branding in place, its currency ensured by having the date in place, and easy to follow. It meets all the criteria of a good manual.

Pact's Resource Centre has a number of manuals that could serve as examples of what constitutes a good manual. For example, "Handbook for Literacy and Non-Formal Education Facilitators in Africa." UNLD-Life Publication. UNESCO 2006; and, " Leadership for results: UNDP's Response to HIV/AIDs: Community Enhancement Handbook. The answer lies within. HIV/AIDs Group. Bureau for Development Policy. 2005. And another, "Documenting, Evaluating and Learning from our Development Projects. A Participatory Systematization Workbook." Daniel Selaner with Christopher Purdy and Gabriela Zapata. International Institute of Rural Reconstruction. 1996.

A review of manuals and assessment tools lead the ET to identify the following:

- There needs to be a decision made around the organizational knowledge and subsequent language used for organizational development, so that there is consistency in use of terms, meanings, and the Pact branding. E.g. Mandate, goal, mission, purpose, vision are used interchangeable and in some documents incorrectly. Program and project are used interchangeable. Is Pact Ethiopia an organization that delivers programs or is Pact Ethiopia itself a program or a project? Pact Ethiopia has evolved from a project of USAID into an organization that delivers a number of projects that support specific programmatic platforms.
- Are partners being taught to do resource mobilization or fundraising? This is not clear. Resource mobilization includes fundraising; fundraising is just one aspect of resource mobilization. Documents reviewed suggest "fundraising". It would be best to train partners in resource mobilization as this offers so many more opportunities for sustainability and new/expanded partnerships.

- Manuals must state: what is the purpose, who is the audience, when and how the document is to be used and the process for keeping it current. This is especially true for a manual.
- Formats (assessment tools) need to be standardized, dated, use directed page breaks (not using the default) so that there is at all times a professional look. Visuals that are attractive will contribute to user-friendly documents. And, in some cases the English needs to be checked.
- All the tool formats and manuals should have an introductory front page that gives clear instructions regarding “who, what, how, when, why”.
- Pact Ethiopia needs to re-think its understanding of Human Resource management (performance management plans and learning plans vs. appraisals and disciplinary measures; recruitment, selection and retention vs. recruitment). The Tool *Capacity Assessment Tool Gambella Region: Bureau of Justice, Security and Administrative Affairs* is the only one that makes reference to a performance management system.
- Does Pact have an organizational font of preference? Some NGOs have standards around font, presentation style etc. It is worth thinking about, as this will contribute to branding. This includes the Pact Logo used consistently and located in the same place, same colours; e.g. standardized business cards send a message of organizational integrity.
- Based on Pact’s past experience, how long does an assessment take? (Does it depend on the administrator of the format?) Some indication around time and processes would be helpful and assist Pact and a partner to determine the allocation of time necessary to engage in the OCA processes and the capacity building interventions.

Some of these observations are fairly detailed but the ET view them as important in receiving attention especially as Pact Ethiopia works with other organizations to build the organization’s capacity, it is considered a good practice to demonstrate the range of professional standards expected from a partner. Over the years, the experiences of the ET have consistently confirmed the importance of the need to demonstrate what is expected of and from a partner by “setting an example”.

Training is not a standalone event. It is but a piece of capacity building and can only reap results when the training is integrated into an individual’s and consequently an organization’s way of doing its work that leads to improved service delivery and efficiency. Processes including manuals that are clearly articulated presented and involve partners in a way that builds ownership around all aspects of the processes subscribes to a good participatory process. In Gambella, for example, government officials as well as a wide range and variety of partners have received training in “conflict management”<sup>48</sup> and evaluation partners gave examples of how they have integrated the training into maintaining peace.

---

<sup>48</sup> This term is used to cover the conflict continuum –identification of source of conflict, resolution through to peace building strategies.

*“Pact is the only INGO<sup>49</sup> that works with us on peace building, they have really supported the peace dialogue. This involves a number of projects that have built on each other. We have received training... Training in leadership, community conversations and conflict resolution. Now we can talk with the communities and they listen to us.”* **Evaluation partners, Gambella.**

Pact understands the importance of training and the role it plays in capacity enhancement, but needs to improve its implementation strategies.

**Recommendations:**

- 1 Assess the capacity of Pact staff to plan and deliver training as well as provide systematic follow-up with partners.
- 2 Based on staff assessment, budget for and enhance staff's capacity gaps.
- 3 Conduct an audit of each program staff's workload in order to determine realistic expectations of level of engagement with partners re training, and training follow-up.
- 4 Design or adopt a manual preparation guide.
- 5 Conduct a training needs assessment of Pact Ethiopia staff in order to respond appropriately.
- 6 Review all manuals for correct and current/state of the art content, processes, Pact standards and branding.
- 7 With partners, identify and catalogue Pact-Ethiopia best practices in training along with a plan to share these in Ethiopia and Pact globally.
- 8 Conduct an assessment of partners' training capacity and build a joint niche for training that is cost recoverable.

---

<sup>49</sup> Accord works in the area as well but is not perceived as doing peace building at this time.

## 6.17 Strategic Action Grants

Pact Ethiopia has been supporting a good number of partners that needed institution building through small and short Strategic Action Grants. The three components of Strategic Action Grants (SAG) - Personnel, Commodity and Activity grants - are one of the innovative mechanisms of Pact Ethiopia. They are meant to enhance partners' capacity to practice what they have acquired through the training and mentoring services and subsequently increase their effectiveness in implementing activities that are in line with their mission. This helped implement the dimensions most valued by them; developed skills in clear communication of goals and quality interactions; strategies were improved and demonstrated expertise. SAG made it possible for small (nascent and emerging) organizations to have strong programs and helped them avoid being driven off mission in pursuit of more funding coming to them thus altering their applications to fit whatever the donor wants.

SAG has opened up broad opportunities specifically for young and emerging LNGOs to demonstrate their capacities to other donors. Moreover, their management could design strategies that go deeper than a project-by-project basis and eventually become engaged in thinking about the broader picture. One partner told ET that "it is Pact Ethiopia's grants that enabled it to creating conducive environment; develop confidence to negotiate with other donors".<sup>50</sup> Personnel grants that were, specifically used for recruiting financial officers, enabled partners to improve their financial performance and to demonstrate proper accounting practices. They could also account for the financial resources to their donors in a clear and transparent manner. According to the consolidated report on the Organizational Capacity Assessment and Re-Assessment of 24 Ethiopian Local NGOs on the performance of the seven OCAT elements, "the highest growth recorded was Financial Resource Management (41.9%) ---."<sup>51</sup>

The piloting of new interventions by partners was made possible through SAG. In doing so, project staff in a particular partner changed their perception and operational practices that small grants could stir up local resource mobilization; as noted earlier in this report, Hundee is an outstanding example. In general grants directed at organizational strengthening promote continuity and sustainability.

Grants are only for one year and "--- have been designed to give each NGO a track record of successful program implementation and financial accountability to use as justification for further financial support from other donors or their community".<sup>52</sup> In addition, Strategic Action Grants have prompted the replication and growth of similar organizations based on their experiences.<sup>53</sup> This indicates that Strategic Action Grants have been instrumental in enhancing partners' capacities; allowed them to be established and demonstrate

---

<sup>50</sup> SYHLA is a Youth Organization initiated by two university graduates in 2001, who had only the commitment and inspiration to engage in development activities in their operational area; organized a Youth Club and have grown to a local NGO registered at the Federal MOJ.

<sup>51</sup> Ethiopian NGO Sector Enhancement Initiative, Final Report (Attachments) USAID NO 663-0020-A-00-5501-0 Submitted by Pact, December 2003

<sup>52</sup> Ethiopian NGO Sector Enhancement Initiative, Final Report (Attachments) USAID NO 663-0020-A-00-5501-0 Submitted by Pact, December 2003

<sup>53</sup> As a result of Strategic action grants, SYHLA could prove its credibility and able to stimulate and become role model for other youth clubs.

the ability to manage, pilot and implement projects. These grants “--- keep the lights on and the doors open” for them as mentioned by one interviewee.

The smooth relationships with partners have given Pact Ethiopia the foundation for strong trust of each other. Pact Ethiopia has also been able to have a better knowledge of the partners and their needs.

A variety of sectors implemented by different organizations have been supported through SAG.<sup>54</sup> Also a cross-section of CSOs at different levels of development implementing activities in pastoralist and agro-pastoralist as well as sedentary agricultural communities has been part of this support.<sup>55</sup> The last couple of years have witnessed the mushrooming of region and ethnic focused CSOs established to contribute to the development of their communities. Most of these organizations were established by few groups of local people (individuals) without necessarily having the experience, resources or technical capacities that enable them to fulfill their intentions. This makes a judicious capacity building intervention strategy that addresses the different basic requirements of CSOs (personnel, commodity and activities) all the more important.

Though Pact Ethiopia's partnership with the private sector is limited, its experience with the Unity College (private higher educational institution) is worth noting. 44 out of the targeted 55 girls got placement at the Unity College to attend higher education though it is not clear how successful these girls were. The rest were assigned in other colleges.<sup>56</sup> This endeavor needs to be enhanced to expand girls' opportunities and participation in higher education.

The points raised by few partners in relation to SAG are the duration, time and size. During ENSEI, Strategic Action Grants were meant to be for short duration (one – two years); for specific purposes and not more than US\$50,000. The grants covered assistance with minimum personnel – personnel officer and finance officer; purchase of hardware (desks, computers and accessories); and a project activity. Despite this, some partners feel that the funds were too small, and not adequate for the needs; they are also allocated for a limited (short) period of time and in some cases withdrawal was not contingent on availability of fund to cover, for example, the personnel cost. According to some partners, it was difficult for them to find funds to pay for the personnel seconded by Pact Ethiopia and could not continue practicing the functions filled by those seconded personnel. The contacted partners suggested that SAG could have the most impacts if they were larger and longer -term. Some partners also indicated that the process of accessing SAG money was tedious and involved unacceptably substantial paperwork. This has not shown substantial change in the current sector based granting procedure. A lot of time and effort is taken revising and changing proposals.

---

<sup>54</sup> The sectors that were supported through SAG include DCOF, Education, Health and HIV/AIDS, Food Security, MFI, Gender.

<sup>55</sup> According to the compiled report on SAG Over 130 activities have been supported in all the regions until December 2003. This does not include the Gambella program.

<sup>56</sup> Final Report (Attachments) USAID NO 663-0020-A-00-5501-0 Submitted by Pact, December 2003

The experiences of SAG gained through the ENSEI period continue to be very much a part of project inputs. With capacity building embedded in projects, grants continue to play a vital role in project delivery.

*“Although the GEM program is relatively new we have noticed a difference in the girl’s behavior and attitude to school. Before the girls thought that it was only the boys that were intelligent. Now the girls know that they are just as intelligent as the boys. Because of this assistance, the girls – who are married women – can buy their school books, feed their families and so forth. They are doing very well academically as they do not want to lose the incentive. They provide an example to the other girls.” Gambella, GEM Committee.<sup>57</sup>*

Not only is this grant making a difference to young women, in addition the project provides an entry point for Pact along with partners, to work on relevant community issues.

Grants aimed at organizational and institutional building have their own limitations: it is not as easy to track and measure changes as projects. Besides, no single solution may work when it comes to grants aimed at enhancing institutional capacities. Thus the merits of both operating and program or project funding should be considered. Providing a mix of program and institutional support creates a more enabling environment for partners, especially for emerging organizations. For them to do their work better, they must have organizational elements supportive of the project activities because they can’t operate without good or capable staff and organizational infrastructure.<sup>58</sup> Therefore, providing Strategic Action Grants is worth continuing in pursuit of building the capacity of small and potential CSOs.

The Government of Ethiopia has designed a strategy for CSOs’ Capacity Building that focuses on three areas; i.e. creating enabling institutional environment that includes legal and regulatory conditions, resource mobilization and engagement in public policy processes; building partnership to jointly govern a trust fund to oversee the program as a whole and to finance the capacity building initiative; building the capacity of CSOs themselves by addressing weaknesses in governance, administrative, managerial and technical capacities. NGOs have been critical of this strategy in that the strategic constraints (lack of enabling environment and institutional capacity) imply that the tasks be entrusted to their legitimate owners. The strategy needs to take into account the respective roles and, therefore needs to be revised in terms of delineating the roles and responsibilities of the government and CSOs. The NGOs reiterated that the responsibility of the government is to take all necessary measures to reverse the hegemonic tendencies and improve the legal and institutional environment to allow the free growth of CSOs and enhance their contribution to the overall development of the country.<sup>59</sup>

---

<sup>57</sup> Thirty-four girls are assisted through GEM at this particular school. The school population last year was 2100+. The ET was unable to get a female/male breakdown from the Principal.

<sup>58</sup> Council on Foundations, December 2002

<sup>59</sup> Preliminary Observations on the Ministry of Capacity Building Draft Program Entitled “Civil society Organizations Capacity Building Program”

## 6.18 On Site Technical Assistance (TA)

Technical assistance was provided during the ENSEI and continues with current projects. TA has been understood in various ways. It is sometimes conceived as mentoring. The secondment of personnel is also perceived as TA. Partners do not thus consistently understand the term. On Site Technical Assistance has been provided through monitoring visits. For the purpose of this evaluation, TA is defined as “a relationship in work --- in which an expert with specific technical/content knowledge provides information to address an identified need --- program-focused, and may use an interactive, on-site/hands-on approach ---.”<sup>60</sup>

The onsite TA provided by the different Program Managers and Directors of Pact Ethiopia has been and continues to be valued and appreciated. Monitoring visits and technical backstopping support help in joint problem solving. Peer problem solving allows for shared understanding that build doable and realistic solutions that can be jointly monitored, reviewed and in so doing contribute to transformative development.

In spite of this, there is a perception by partners that during the ENSEI period, there was no method that allowed follow up of the issues and recommendations discussed during the preceding visits. The evaluation partners feel that documenting and sharing monitoring reports could be a useful practice and system. Documentation strengthens institutional memory and provides evidence that learning has occurred through on site technical assistance, mentoring or other services. What partners are suggesting is viewed as a normal management practice in a number of organizations as well as a good project-monitoring tool.

During the ENSEI period, consultants with little or no systematic follow up or feedback system mostly delivered TA services. This is the perception of some partners. Pact Ethiopia indicates that this is incorrect and that in cases where partners felt they did not want a particular consultant, Pact has changed the consultant. The selection of the TA providers was done by Pact Ethiopia with little or no involvement of partners in the selection process. In a specific case, a gender TA aimed at helping one partner in designing a gender policy was discontinued without the knowledge of the partner. Another partner explained that his organization received the profile of three consultants that Pact thought would be able to work with him and his staff, requesting his input. His suggested selection was accepted by Pact. These specific examples are sited to demonstrate the range of different experiences that partners experienced during the ENSEI period. This suggests that while Pact Ethiopia worked at building the capacity of local organizations, its own ways of working, practices, and systems were evolving as well and was by no means exemplary. Was there a written policy and procedure in place for staff to follow in the selection and management of TA providers?

Partners feel they did not have control over the TA providers either in terms of ensuring the quality, the process and the product.

---

<sup>60</sup> MN SMART's Relationship Based Professional Development Strategy Specific Competencies Concordia University, 2007. [www.mnsmart.org](http://www.mnsmart.org)

**Recommendation:**

Pact Ethiopia should document and share key discussions points with partners in order to help track changes, using the document as a point of reference for subsequent discussions.

## 6.19 Internship Programs

The ET did not have opportunity to discuss with the interns that participated as a part of Pact Ethiopia capacity building interventions. However, Internship Programs are similar to personnel placements and contributed both to the organization's need for personnel and to the intern's learning. The Internship Program enabled students to be 'guest' learners as they learned and got first hand exposure through their attachment to host organizations; they were familiarized and exposed to the world of work in a real life setting. The host organizations also, according to partners, benefited from the assignment of an inexpensive personnel assignment; interns filled some of their gaps even if only temporarily.

Some Pact Ethiopia staff as well as some of the evaluation participants indicated that the Internship Program was a good programming initiative and felt that it should be continued. A number of INGOs and Donors utilize interns for a number of reasons. Generally speaking it is viewed as an affordable method to supply cost effective professional assistance to an organization, build cultural specific professionalism and provides interns an opportunity to match theory to practice. Whether or not Pact Ethiopia should resurrect this program, is difficult for the ET to comment on based on the data collected. The ET's experiences with intern programs indicate that the effort it takes to manage an intern needs to be carefully weighed against the benefits to the organization. The selection process needs to be well done and must take into account joint cultural understanding and flexibility, the interns' ability to take initiative and responsibility for their own learning, while at the same time having some knowledge and skill of value to offer the organization. Very often internships can be a good way of recruiting appropriate staff.

## 6.20 Building the Capacity of Service Providers

*"I am well known and respected because of Pact. I have just done some work for an international organization here in Ethiopia... I have adapted the Pact-Ethiopia OCAT and I use it in the work that I do. I have also found the same tool being used in Kenya."*

*"The NGOs and consultants are using these tools."*

*"I got practical knowledge from Pact. I would not have got all of this (knowledge and skills) if I had not been involved with Pact."*

*"Pact Ethiopia is a practical school of management." **Evaluation Participants***

There is general agreement that Pact built the capacity of service providers. How many and to what extent, is not easy to state. A number of partners as well as the consultants with whom the ET met indicated that Pact has made a significant contribution to the body of Ethiopian consultants who are able to conduct organizational assessments, facilitate organization's strategic planning and management, and assist with

general organizational issues. The ET received a number of examples of consultants who have been able to start their own consulting firms based on the start-up received indirectly by Pact through learning on the job in the ENSEI days. Some partners have built and maintained a relationship with some of these consultants and the organization and the consultant have grown together professionally. The process of transformative change is not clearly articulated or recognized.

During the ENSEI period, some of the consultants were sent to South Africa and other countries for training in SPM, OCA development and other themes. However, there is no indication that the consultants have done any formal training for themselves in order to continue and improve the “start” provided by Pact. Consultants talk about learning on the job as a way of sharpening their skills, attending conferences and networking as their contribution to upgrading their skills.

Pact has maintained relationships with most of the consultants that they have worked with from their arrival in Ethiopia. In talking with Pact staff, there is a sense of dissatisfaction with the quality of work produced by some of these consultants but as the decision to retain the consultants are made at the management level, there is little they can do. Partners have indicated the need for a systematic mechanism of recruiting, selecting and quality control systems over externally contracted consultants. Partners have indicated the wish to be involved in the selection of consultants with whom they are expected to work. They have also suggested, as done by another capacity building provider, that given Pact’s position in the capacity building niche, Pact should train its own staff and have them provide the necessary services.

There seems to be some realization that Pact staff needs training in order to blend subject matter expertise with that of capacity building interventions that include as well being an organizational development facilitator.<sup>61</sup> The extent to which Pact staff can cover off all the demands of such a combination is best left to Pact to determine. It became clear that there are sector expectations that given Pact’s initiatives in capacity building, the organization is expected to capitalize on the niche it has created for itself and finds means of continuing to build the capacity of its colleagues in development work. As discussed elsewhere in this report, the coming together of Pact-Ethiopia “graduates” to brainstorm on a number of issues could provide the opportunity for how best to support, if deemed necessary, the ongoing education and training of capacity building service providers. While there are other organizations in Ethiopia that provide training for the NGO sector, it does not always meet the needs of its clients either in content or delivery. This contributes to partners seeking to maintain a broad based relationship with Pact.

---

<sup>61</sup> A review of the training provided to the Gambella staff demonstrates this.

## 6.21 Monitoring and Evaluation (M&E)

### Pact Ethiopia's MERL system

MERIT was the M&E system of Pact Ethiopia mainly during the ENSEI period, which was embedded within the capacity building services. It was not a separate department or unit within Pact Ethiopia and had no dedicated staff. Officers within Pact Ethiopia were using the system to input and analyze data to track progress and performance. Different recommendations concerning the MERIT system have been made during the annual enabling environment reviews, which contributed to improving the operationalization of the system.

Being a learning organization Pact Ethiopia considered shortcomings of the MERIT systems and in 2005 established a separate and dedicated unit for monitoring, evaluation, reporting and learning to support management of programs and deliver results more efficiently. A system called Monitoring, Evaluation, reporting and Learning (MERL) was also developed through the support of Pact Global.

During the ENSEI period, regular monitoring of capacity building service provision, annual reviews of the enabling environment, repetition of the OCA process at partners' level conducted at regular intervals allowed changes of organizational capacity and performance of partner organization to be observed. Operational level monitoring of capacity building interventions by consultants to ensure quality control had limitations. Follow-up on the quality of training and mentoring services and the implementation and institutionalization of new learning was not coordinated and solely depended on partner meetings and visits. There were no feedback provision mechanisms on performance of consultants on delivery of the expected services as per the contract with Pact Ethiopia. This is to say that the monitoring system didn't fully consider the perception of partners, to allow for input into content development, consultant selection, planning and quality control of capacity building services. There was no coordinated system in this regard.

With the establishment of the MERL unit in 2005, most shortcomings of the MERIT system were improved. During the establishment of this system, training course was organized on the MERL system to provide staff with a step-by-step guidance to build and run an effective M&E system. MERL is a comprehensive, result-based system, which constitutes information needs analysis, a results framework with clear goals and objectives, steps and criteria for indicators selection, PMPs, planning and related data collection formats<sup>62</sup>.

Current programs have results framework in place, however, a full fledged M&E system is prepared only for two of Pact Ethiopia's HIV/AIDS programs. The course material designed to support building and running the MERL system is also explicitly for HIV/AIDS programs. It is important to make it general and applicable to all programs in order to promote efficiency and effectiveness across the sectors.

---

<sup>62</sup> Pact inc. 2005. Monitoring, evaluation and reporting. Core course #1. Ethiopia programs.

Projects in Pact Ethiopia have results framework indicating the hierarchy of objectives the project plans to achieve, and related data tracking systems which include planning, data collection and reporting formats. There are periodic monitoring visits jointly by MERL, grant and relevant program staff, which is conducted using a predefined monitoring checklist. Following the visit, feedback is provided to partners mostly verbally, however, it is important to set a logbook system in place for each project to track implementation of feedbacks and recommendations. Filing monitoring visit reports to each partners file within Pact Ethiopia is also important in this regard. A quarterly review meeting is also organized for each program where findings of quarterly reports and monitoring visits are discussed with partners.

Pact Ethiopia is in the process of automating the MERL system in its office in Addis. However, it is also important to design a similar but simplified system at the partners' level to interface electronic data exchange.

Pact Ethiopia is also building the capacity of its staff in recent M&E practices and introducing recent developments in M&E in to the organization. Recently training was conducted on basic principles of M&E as a follow up of which a Performance Management Plan (PMP) is prepared for the remaining projects. In addition to establishment of a rigorous MERL system, Pact Ethiopia also has in place Data Quality Assessment (DQA). Training has been provided for partners on the basics of M&E and DQA. Pact regional office in Nairobi also supports skill development through a MERL community of practice mainly through an e-mail network, which links professionals to exchange current theory on MERL. This assists the staff to be innovative in combining and using different tools. The MERL system of Pact Ethiopia is generally up to date. The staff has also received training on the Theory of Change (TOC) and Local Governance Barometer (LGB). After receiving the training, the staff is preparing to customize and use the learning as part of the M&E tools.

During the ENSEI period OCA assessment results were used as baseline to monitor the impact of capacity building service delivery. Currently, baseline data collection is not practiced for all Pact Ethiopia programs. Among the current programs only Y-CHOICES has this practice, which should be extended to all the programs.

**Recommendation:**

Pact should design a simplified MERL system for its partners and assist partners with learning how to use the system.

### **6.22 Capacity to Operationalize the Existing System**

Pact has grown and its number of programs has also increased. Since 2005, a new MERL system has been introduced with the objective of setting up a rigorous M&E system at the head office and at the programs level. In the past one year, data quality assessment has started. Pact is also investing in its staff by introducing recent practices in M&E systems. However, there are only five staff members (together with two data operators) workings in the MERL unit with the responsibility of working with twelve programs. There is no other dedicated staff on M&E within the other programs. The staff is also expected to field monitor

projects, provide feedback and assist with the M&E systems of partners. While there is the intent to automate the MERL system, so far M&E is paper based. This is time consuming and does not allow staff time to focus on strategic issues, especially with partners. When the automation process is completed, data analysis will be made easier thereby giving the staff time to focus on more strategic issues. This will improve efficiency.

The unit is expected to conduct dedicated practice on DQA with partners. However, understanding of the concept is a problem at all levels including Pact Ethiopia and partners. Most partners see M&E and DQA as a donor requirement not as a management tool. Therefore, MERL and DQA practices should be simplified and established at local NGO/ CSO level.

Generally, Pact Ethiopia contributed to the development of organizational capacity in Ethiopia. The M&E system assisted tracking of progress, identifying learning agenda and taking follow up actions accordingly. The system is result based and links results at different level. It is useful and should be strengthened.

The issue of quality control of services delivered to partners, especially as related to consultants' performance and lack of feedback mechanism needs to be improved.

### **Recommendations:**

1. Pact Ethiopia needs to automate the MERL system so that the staff can have more time to work on strategic issues of M&E with partners.
2. MERL and DQA practices should be simplified and established at the local NGO and CSO levels.
3. Quality control of services delivered to partners, especially as related to consultants' performance should be improved.

### **Result and outcome tracking system of partners**

One of the roles of capacity building is to share knowledge and skills to establish capacity for self-assessment, learning and improvement.

During the ENSEI period, efforts of Pact Ethiopia included facilitating a process for partners to go through a participatory self assessment using the OCAT, providing training and mentoring on PPDMER and other basic M&E skills. Following the training, Pact Ethiopia assigned mentors and assisted establishment of M&E systems of the partner organization and provided personnel grant to undertake functions related to M&E.

Pact Ethiopia has also continued this support of building M&E systems in its current programs. For example through the Muslim Agencies Recharging Capacity Against HIV/AIDS (MARCH), Pact Ethiopia assisted with the establishment of the M&E systems of EMDA, provided an orientation to the staff and installed the system. After delivering these capacity building services, it was expected that partners would have the system and the capacity to undertake effective M&E of their activities using the system and structure in place. Though, most partners have M&E system in place, a number of them need assistance with M&E. Results frameworks are developed for donor consumptions and no PMP are prepared. In some cases, partners still consider M&E as a controlling mechanism, not as a learning process and a change in attitude is necessary. Providing organizations with the necessary M&E tool, (example, development and

operationalization of PMP) and supporting them on how effectively and efficiently they can promote organizational learning and adaptive management is still important.

In addition to setting up M&E systems, the involvement of partners in the OCA process was planned to raise their capacity to use the tool at regular intervals to self-monitor and evaluate themselves. Participation of staff of partner organizations in the OCA process was planned to provide an opportunity to gain understanding, which improves their management capacity and organizational development during identification of capacity building gaps. However, there is a need to build the capacity of the organization to conduct such self-assessments and institutionalizing the tool so that the assessment can be done internally. During this review, none of the visited partners started to use the tool by themselves, Pact Ethiopia and other donors working with these partners who adopt Pact Ethiopia's approach do all re-OCAs. Though Pact Ethiopia has contributed significantly to building the M&E systems of its partners, there is still a gap in this area; and, more capacity building is required in M&E. Building the capacity of partners to use the OCAT as a monitoring tool is necessary.

### **Recommendation:**

Pact Ethiopia should assess the M&E systems gap within partners and with partners identify ways and means of assisting with reducing/eliminating this gap.

## **6.23 Enabling environment reviews and the need for additional research**

Pact Ethiopia sponsored a number of annual enabling environment reviews in order to determine the socio-political situation in the country and how it affected the NGO environment. These reviews were conducted by a combination of Pact staff and external consultants as well as involving various partners and non-partner NGO/CSOs, GOs, and other professionals. A number of useful recommendations were made during the reviews, which assisted Pact Ethiopia to monitor changes in the enabling environment closely and respond to the changing environment accordingly.

The reviews of the enabling environment contributed to the monitoring of the situation with the GO and NGO/CSOs in the country. The resultant reports were available for any organization, including government bodies to access. Conducting the enabling environment reviews would help as ex-post assessment of the situation in the enabling environment for CSOs/NGOs and to document the current situation in this regard as post election benchmark. Other additional research could also be conducted to collect information in relation to promoting good governance in the country.

Some partners value the enabling environment reviews and felt that they made a contribution to the NGOs' sector understanding of itself and the environment in which they operated. Other partners felt the same way but indicated that while the reviews were of value and should continue, Pact Ethiopia needed to review how they established benchmarks. It was suggested that using the immediate last review as the benchmark for a current review, distorted the analysis – the benchmark needed to be the first review that was conducted. Partners felt that if the enabling environment were conducted in this manner the information and subsequent analysis would be invaluable to the NGO sector. Most of the evaluation partners, felt that these reviews

were valuable. Pact Ethiopia has not conducted a review since the 2005 elections, based on discussions held with evaluation partners and the consultants' observations it would be useful if Pact-Ethiopia re-introduced this practice taking into consideration the comments of partners – the need for post election benchmark. With the ongoing changing civil society environment in Ethiopia, there is a role for an organization like Pact Ethiopia, on a regular basis, to take the pulse of the environment in which NGOs and CSOs operate. The subsequent analysis is valuable to all development partners and contributes to meaningful conversations within the sector and hence the evolution of transformative strategies in the civil society.

**Recommendation:**

Pact Ethiopia should resume the practice of conducting regular reviews of the enabling environment for NGOs.

### 6.24 Dissemination Practices

Pact Ethiopia does not have an articulated communication strategy for internal and external clients. It is therefore difficult to make a statement regarding its dissemination practices. However, there is an *ImPact* news bulletin that is published periodically and shared with partners on an ad hoc basis. The content is program driven and serves as a good medium for program updates through the eyes of visitors, Pact staff, and program participants. The December 2006, Issue 27, for example was very informative and provided pertinent information regarding issues relevant to the Gambella program. The manner in which the articles are written are easy to read and very informative. On reviewing a number of the issues, the quality, content and visuals have improved greatly.

Evaluation partners identified as a means of receiving information, attending a range of different types of meetings, but were not very clear that they saw these meetings as a part of Pact's communication strategy and an agreed way of disseminating information.

Pact defines itself as a "learning organization" and as such strives to disseminate information that leads to knowledge sharing and knowledge translation. This means that the information must be integrated by the relevant individuals (decision makers) in a manner that the knowledge is translated into policies. The relatively new media forum project is an example of Pact working – *facilitating* – the translating of knowledge into policy.

Pact is a member of the Impact Alliance. A review of its website lists an impressive list of members. The site states that "The Impact Alliance is a global partnership for capacity development. We bring together a diverse yet complementary group of organizations and individuals who seek to leverage their respective strengths and pool resources to attain goals they could not achieve alone. ... Today, the Impact Alliance is energized by 14 partner organizations with more than 3,500 professionals implementing over \$250 million in annual programming in more than 50 countries. The broader membership network connects over 160 organizations from almost every region of the world and engages over 10,000 people monthly through email newsletters and an online knowledge base accessible in

three languages. ...” This forum provides Pact Ethiopia as well as Pact Global with significant space and leverage to make inroads into the global development arena.

There is a range of sector specific publications, (eg. GEM, WORTH, the RDC etc.), that gives information to partners, the system and the practice of how this information is shared is not clear nor is it clear the extent of the coverage.

## 7.0 Conclusions and Recommendations

*“...since working with Pact we have seen the benefits of involving women, children, youth, elders, traditional elders (prophets), chiefs – everyone. Our neighbors have seen the benefits of this way and now they too are doing the same.”*

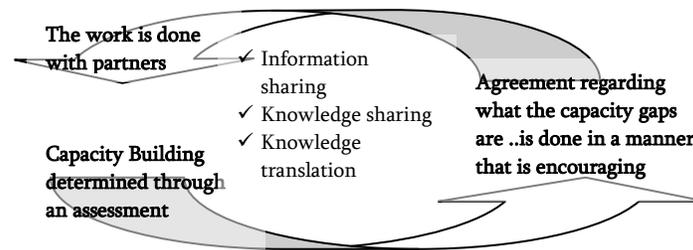
*“...before Pact came there was no way to talk to each other.”*

*“...with our training we can even go to the Sudan to do (conflict resolution) work.”*

**Evaluation Participant, Gambella**

One of the things that is certain in life is change. Organizations to be effective are always in a state of change. This means that there is an everlasting need for capacity building and development. The need should always be demand driven and responsive to change. The process of accessing the change and the response must be led and owned by those demanding the change. With NGOs and CBOs the demand will always be the identification and seeking solutions to improving the quality of life for individuals and in so doing for communities. In short, seeking to make the world a better place, a more equitable place for all. The space occupied by NGOs and CBOs is important for all stakeholders involved in a range of programs designed to work towards making the world a better place. By working in partnerships with all development partners, the solutions are inclusive and consequently can be sustainable. A number of the evaluation partners indicated that their infrastructure, the delivery of their services and the improved enabling environment of the civil society sector is directly related to Pact Ethiopia's level of engagement with the sector and with the Government of Ethiopia. The minority voices reflect those that have one reason or the other to challenge or be challenged by the space occupied by Pact. Those that see Pact Ethiopia's work as making a difference are in the majority.

A review of current global trends indicates that Pact Ethiopia's approach to capacity building is state of the art. This review included a selection of online sites, IDRC's Evaluation Unit publications, other INGOs approach and methodology as well as the ET's ongoing experiences in the field of capacity building. It is state of the art for a number of important reasons: 1) the work is done together with partners; 2) the capacity building that is needed is determined through an assessment; 3) agreement regarding what the capacity gaps are and how best to work at reducing the gaps (or eliminating) is done in a manner that is encouraging; 4) The overall approach works at information sharing, knowledge sharing, and knowledge translation with the intent of contributing to sustainability of an organization and consequently making a contribution to an improved Civil Society with links to government/policy makers.



This is an ongoing circle of managing a responsive manner of engagement. The feedback loop to Pact needs strengthening so that the areas of the circle that need tweaking are identified and receive attention. Pact and its partners need to better understand their joint roles and responsibilities in the “circle” and together determine the best way to work more strategically with each other.

Pact Ethiopia describes itself as a learning organization. Staff indicated a willingness to learn and improve programming initiatives, build theirs as well as their partners’ capacity, and made a point of sharing with the ET their love for the work they do and for Pact. As a learning organization, there needs to be more work done in a systematic way that allows partners to own the processes as well as the outcomes of any OCA and the subsequent capacity building interventions in a more sustainable manner. In almost all the discussions held with Pact Ethiopia’s partners, the need for better integration, sharing and ongoing evolution – managing changes in the NGO environment – was articulated. Some partners went as far as questioning the extent to which Pact by implementing donor driven projects have compromised their capacity building niche. Pact Ethiopia itself has regular internal discussions regarding the best way to maintain a balance between “project activities” and “capacity building” and by embedding capacity building into its projects has gone a long way to working on maintaining a balance. One area that should be improved is the articulation of values and the role values play in any organization’s sustainability strategies. Pact understands this and has taken the time to articulate their values. In working with its partners to improve strategic alliances, this is one of the first interactions that should be addressed - the values of the group. The importance of articulated values cannot be overstated, as they are the foundation of an organization. All else is based on the values of the organization.

While the OCA processes and tools need updating, given the role Pact played in nurturing NGOs understanding regarding the importance of organizational assessments and the resultant interventions, it is clear that there is a need for Pact to review with partners how best to maximize on the partnerships formed. Without realizing it, partners have suggested some of the characteristics of a learning organization. They have talked about the need for Pact to use the joint lessons learned over the years to build strategic alliances in ways that are dictated by the responses needed to manage changing and shifting environments. The characteristics of a learning organization are presented below.

### BOX 2

#### Characteristics of a Learning Organization<sup>63</sup>

- ✓ Recognizes the need for change
- ✓ Provides continuous learning opportunities to its members
- ✓ Explicitly uses learning to reach its goals
- ✓ Links individual performance with organizational performance
- ✓ Encourages inquiry and dialogue, making it safe for people to share openly and take risks
- ✓ Embraces creative tension as a source of energy and renewal
- ✓ Is continuously aware of and interacts with its environment

An important feature of learning organizations is that they are organized so that learning happens at five levels.

- ✓ Individual learning team or work group learning (sharing lessons between individuals working together in permanent work groups or temporary teams)
- ✓ Cross functional learning (sharing lessons between departments or sections eg between fundraising and operational staff)
- ✓ Operational organizational learning (learning to deal with significant changes in the environment which affects the overall strategy of the organization)
- ✓ In practice there will be and should be considerable overlap between these levels.

In reviewing the components of a learning organization, Pact Ethiopia does, and can describe itself as a learning organization. No organization is perfect; there is always room for improvement and growth. At the same time, pick any of the attributes and positive statements can be made about Pact Ethiopia's efforts and in some cases solid examples given. *"Embraces creative tension as a source of energy and renewal"*, this was demonstrated time and time again in discussions with staff as they struggle with strategies to maintain the organization's integrity while sourcing resources to fulfill its mission. *"Is continuously aware of and interacts with its environment"*. This statement aptly describes what ENSEI was all about. For example, the regular external scans were appropriate and critical for the NGO sector in Ethiopia and as most partners have indicated should be resumed. An outstanding demonstration of this currently unfolding is Pact Ethiopia's Constructive Dialogue Initiative (Democracy and Governance Program) in which the media forum project plays the facilitating role of working with a representative group of the media and government, simultaneously, in an open forum to build better understanding of their joint roles, open up the space for media to interact with the government and vice versa and in so doing contribute to the enacting of new press laws. This kind of activity is taken for granted in places like North America, for those of us who have worked in Africa, and in Ethiopia specifically that the forum exists - this in itself is a major achievement. This level of engagement could not and would not come about if the respective stakeholders did not respect Pact as an organization. Respect is earned through continuous ongoing interaction – relationship building and maintenance. It is this relationship that gives partners the voice to be critical of Pact, to praise, to suggest, and to demand an established space to be part of a learning organization and to find ways and means of maintaining the relationship while growing together.

While the ET have not identified specific programs in this report, some programs were reviewed in order to gain a better understanding of how capacity building is currently embedded in Pact Ethiopia's current program implementation. The potential for far reaching impact became evident in the peace building projects in Gambella. The challenge for Pact is the sourcing of resources that will enable the various communities to continue the work started with Pact. The area has a long history of conflict that is on the

---

<sup>63</sup> Learning for Change: Principles and practices of learning organisations. Bruce Britton. Swedish mission council 5/2002 p12

mend, can Pact maintain a longer engagement, one that is not the usual donor driven short project cycle? Is this the program that would make a good test case for building an alliance with the domestic private sector? The private sector fully recognizes the need for peace as the basis for a thriving economy and this maybe worth investigating.

The lessons and good practices learned through the different methodologies have not been systematically documented to find out the best methods or combination of methods and practicable lessons. Also, there appears to have been very little attempt to compare the different methods, for example exchange visits, training, mentoring etc. If such a comparison were to be attempted, it is unclear what criteria would be used to include reach, impact and cost benefit analysis. Pact Ethiopia needs to have a strategic direction to capacity building considering the needs for capacity building at the different levels. According to the evaluation partners, the need for capacity building interventions at the lower levels is critical in governments, but the focus of Pact Ethiopia's intervention has been at the federal level while the day-to-day work and challenges of LNGO are found at lower and regional levels. Based on its experiences to date, Pact Ethiopia is in a position to make a comment on the average length of time for engaging in capacity building interventions, the different levels of impact expected, the length of time anticipated to work with a partner for some level of sustainability to take root including assistance with building strategic alliances and strategies for leveraging resources. Yet with all the areas that can and should be improved, the Gambella evaluation participants, for example do see a change, they see Pact-Ethiopia's contribution to making a difference and in the long run hopefully contributing to making a positive impact on the communities' quality of life.

Relationships are constantly in a state of change. The perceptions, opinions, analysis of the capacity building interventions by evaluation partners are driven by when they started to work with Pact, and how they started, the development enabling environment and many other factors that can be expressed simply – the depth of their historical relationship with each other. Take for example what appears to be conflicting information on the financial software introduced by Pact to its partners. Older partners are not as critical about the software as the newer partners who did not begin their relationship with Pact as a nascent organization and who consider themselves knowledgeable about a range of organizational issues including overall approaches to management and operations. In the case of Peach Tree software, it does not meet their organizational needs, are probably not aware of the history of how it became the preferred choice of software and as far as they are concerned there are other options (better) that should be pursued. What are these options? Are they more NGO friendly? As NGOs become more accountable to their stakeholders, ranges of reports are generated from financial software that Peach Tree does not support. What software best supports the evolving needs of the NGO sector? Which ones are compliance friendly? Does it support multi-reporting requirements to a number of partners? How do we know this? The onus is on Pact's partners to share this kind of new information with Pact. The importance of an annual, at minimum, review of the nature of relationships et al so that at minimum everyone is reading the same book and are on the same page cannot be stressed.

One of the key challenges faced by Pact Ethiopia is that of partners' ownership of the capacity building interventions processes and the sustainability of the interventions. This is not unusual. This is a perennial developmental challenge, familiar to all Development Practitioners. Time and time again partners will indicate a desire, a willingness to access assistance in developing their organization, building individuals and the organization's capacity. Pact Ethiopia as with other organizations will explain to the best of their

ability what they are offering what they are capable of doing and what is expected and at the end of the day the level of organizational ownership is questionable. How can this be improved? While there are no easy answers or solutions, by responding to partners request for continuing organized engagement with Pact Ethiopia, this could be one of the first agenda items at the first meeting to review the best way to respond to the issues raised in this evaluation. Engage partners in a dialogue aimed at developing joint strategic strategies for issues that most affect the NGO sector in Ethiopia. This should be linked to an agreed to implementation plan that includes joint ongoing accountability. Is it clear to the local NGOs and CBOs of what importance their development is to Pact Ethiopia? To what extent is Pact Ethiopia's mission truly understood and viewed as mirroring and complementing theirs? Is the demand for Pact to take a leadership role based on frustrations with other organizations that purport to be leaders in the sector?

All the literature reviewed as well as the experiences of the ET indicate that successful partnerships for capacity development must have joint ownership.

“Ownership is promoted when activities contribute to the missions and strategies of the organizations involve. The partners valued working together because they were working towards similar long-term goals in similar ways. Of course, a link to organization's mission and strategy is not enough. True feelings of ownership and commitment also require direct involvement in the design and execution of capacity development activities.”<sup>64</sup>

Pact Ethiopia has included all these concepts and have worked at making them a reality. Pact Ethiopia needs to have an honest dialogue with its partners regarding their perception of each other. Is Pact Ethiopia seen as a “partner” by its partners or a benevolent donor/funder? A little bit of both? What are the agreed to elements of partners and partnerships? There seems to be a continuum of perceptions of who and what Pact Ethiopia is/ represents. Some partners use the language of true partners, others do not and by their language the distinct impression of Pact being a partner to fund their projects emerges.

This too is normal in the field of development. It is not “a bad thing”; it presents an opportunity for ongoing growth and transformative relationships that are flexible and responsive to the NGOs and Pact Ethiopia's needs and, therefore the communities of interests. Very often an organization like Pact, based on previous experiences can detect the direction of an organization's growth and “knows” what needs to be done. The trick is often in the timing, mentoring and coaching in a manner that allows the organization to come to its own realization of its development al status, take ownership for what needs to be done and get on with it. This takes long-term commitment, persistence and ongoing engagement. A significant amount of donors, including Foundations have realized that funding a project for two or three years is not sufficient if there is an expectation that transformative change will take place and capacity building interventions will have taken deep enough roots to be sustained. With this realization commitments are being made for up to ten years by some donors with the emphasis on overall capacity building!

---

<sup>64</sup> Evaluating Capacity Development. Experiences from Research and Development Organizations around the World. Pg. 73. Douglas Horton and others. ISNAR, IDRC, CTA. 2003.

This is evidence that Pact Ethiopia was in 1995/6 cutting edge and continues to be as it supports a mixture of sector projects with aspects of capacity building built in. The challenge for Pact is to be able to get long-term project funds. The example of the Gambella in kind support to female students has begun a transformative process...but funds are for a limited period of time, no more than two to three years. What then will be the level of residual outcomes, the value of Pact Ethiopia's investment, the female students and their families, their communities if funds are not secured to continue the project?

Pact Ethiopia's model of capacity building interventions continues to be cutting edge by global standards. The challenge is to maintain a balanced portfolio of sector projects that recognize and, therefore funds are available for capacity building in the sector as well as to the local organization's overall development. And, to be able to demonstrate its ongoing commitment to capacity building to its stakeholders in a manner that ongoing transformative changes occur for the betterment of the communities of interests.

### **7.1 Summary of Recommendations**

The recommendations presented here are not in any priority. They are in the order in which they appear in the report.

1. Pact Ethiopia in collaboration with Pact Global should review and update its organizational assessment process and tool by examining likeminded organizations' process and tools, and involving partners in the review process in order to have a state of the art process and tool as well as partners' buy-in that leads to ownership of the engagement.
2. Pact Ethiopia should develop a long term capacity building plan that includes assessing on a regular basis, the need for capacity building services which reflects the current needs of their partners and other NGOs.
3. Pact Ethiopia should further investigate, with an eye to increasing, the selling of its capacity building services to development partners, and by so doing use its expertise to increase its funding base. Pact Ethiopia should map out the CB providers in Ethiopia and develop a network of CB providers.
4. Pact Global should develop a research question, methodology and conduct the research, in collaboration with Pact Ethiopia that seeks to determine the direct link between the work it does and its contribution to the MDGs' and other global agendas.
5. Pact Ethiopia should convene a working group representative of partners in order to review the OCA process and OCA Tools as well as reviewing with partners the importance of organizational values in the work they do.
6. Pact Ethiopia should set a process in place that demands at minimum an annual review of assessment processes and tools.
7. Pact Ethiopia should articulate and document a standard guide that explains the different tools and how each tool should be used.
8. Pact Ethiopia should convene a meeting with past and present partners in order to brainstorm and determine the best way to formalize a relationship based on joint strategic needs.
9. Pact Ethiopia's exposure visit model should be replicated and scaled up to other Pact programs.
10. Pact Ethiopia in consultation with key stakeholders should develop, test and implement selection criteria for mentors. This could involve having mentors determine self-management guidelines that adhere to Pact's standards of excellence.
11. Assess the capacity of Pact staff to plan and deliver training as well as provide systematic follow-up with partners.
12. Based on staff assessment, budget for and enhance staff's capacity gaps.
13. Conduct an audit of each program staff's workload in order to determine realistic expectations of level of engagement with partners re training, and training follow-up.
14. Design or adopt a manual preparation guide.

15. Conduct training needs assessment of Pact Ethiopia staff in order to respond appropriately.
16. Review all manuals for correct and current/state of the art content, processes, Pact standards and branding.
17. With partners, identify and catalogue Pact-Ethiopia best practices in training along with a plan to share these in Ethiopia and Pact globally.
18. Conduct an assessment of partners' training capacity and build a joint niche for training that is cost recoverable.
19. Pact Ethiopia should document and share key discussions points with partners in order to help track changes, using the document as a point of reference for subsequent discussions.
20. Pact should design a simplified MERL system for its partners and assist partners with learning how to use the system.
21. Pact Ethiopia needs to automate the MERL system so that the staff can have more time to work on strategic issues of M&E with partners.
22. MERL and DQA practices should be simplified and established at the local NGO and CSO levels.
23. Quality control of services delivered to partners, especially as related to consultants' performance should be improved.
24. Pact Ethiopia should assess the M&E systems gap within partners and with partners identify ways and means of assisting with reducing/eliminating this gap.
25. Pact Ethiopia should resume the practice of conducting regular reviews of the enabling environment for NGOs.

## 8.0 Summary of Annexes

Please note, the annexes were submitted under separate cover at the same time that the draft report was submitted.

This is due to the volume of documentation. The content of each annex is listed below:

Annex One	page 1 – 20	Terms of Reference for the OD Evaluation
Annex Two	pages 21- 23	The OD Evaluation workplan
	pages 24-25	The initial list of potential evaluation partners
	Pages 26-32	The original data collection schedule
	Pages 33-37	The actual data collection schedule as it unfolded, with names of partner organization and individuals, length of time involved with Pact (nature of relationship with Pact), type of interaction – one on one interview, focus group, group discussion.
Annex Three	pages 38-39	Documents reviewed and reference
Annex Four	pages 40-41	OD Preliminary report workshop: List of participants
Annex Five	pages 42-131	Pact Ethiopia's list of core training; examples of assessment tools

*“Organization development is the process through which an organization develops the internal capacity to be the most effective it can be in its mission work and to sustain itself over the long term. This definition highlights the explicit connection between organizational development work and the achievement of organizational mission. This connection is the rationale for doing OD work. **Organization development**, according to [Richard Beckhard](#), is defined as: a planned effort, organization-wide, managed from the top, to increase organization effectiveness and health, through planned interventions in the organization's 'processes', using [behavioural science](#) knowledge....” Wikipedia*