Building the Capacity of Maori and Iwi Providers of CYF social services – A review of the literature, II

Fiona Cram, PhD

November 2006

Ensuring Māori children and young persons realise their potential as Māori

Abstract

Capacity building is the strengthening of an organisation’s ability to perform its key functions and to achieve its mission. As well as enhancing organisational performance, capacity underpins an organisation’s ability to adapt in the face of changing demands and circumstances. This adaptability, in turn, is linked to an organisation’s long-term sustainability.

The capacity of Māori and Iwi providers of Child, Youth and Family (CYF) social services is being built by CYF (through their Iwi Maori Provider Development Fund) so that these providers can fulfil their potential to successfully deliver CYF services, and other services, for the benefit of whānau, hapū, Iwi and their wider communities. The sustainability of these organisations is also a desirable outcome as they are often intermediaries in community and tribal development.

This literature review examines capacity building in two, inter-related sections. The first section provides an overview of organisational capacity within the international literature: what it is, why it is necessary, how it can be built, and how capacity building can be evaluated. Section two provides an overview of the local New Zealand context with particular reference to Maori and Iwi providers and CYF. The CYF capacity building initiative is described, along with the first evaluation of this initiative.

This paper is a revision of the literature review that was part of the evaluation of the CYF Iwi Maori Provider Workforce and Development Fund (IMPWDF) (Cram, 2004). Since this fund was initiated 2000, and then evaluated in 2003-04, the literature on organisational capacity, capacity building, and the evaluation of capacity building initiatives has grown. The local context in which both CYF and Māori and Iwi providers are operating has also changed. It is therefore timely to again review what we think we know about capacity building so as to best inform future decision-making and policy.

1 A review prepared for Sonya Cameron, Department of Child, Youth and Family, Aotearoa New Zealand.
2 Director, Katoa Ltd., Wellington. Contact: fionac@katoa.net.nz.
3 TPK (2000c:10). TPK concluded in their report that both CYF and Māori could have proactive role in this provided that a Treaty-based strategy underpinned CYF’s contracting.
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1 Capacity Building – International Perspectives

Capacity building is a term applied to both organisational capacity and community capacity. For the purposes of reviewing the international literature the focus has been on organisational capacity building, particularly as it relates to not-for-profit organisations.

Most notable in the capacity building literature is the lack of consensus among academics and practitioners about how ‘capacity’, and thus ‘capacity building’, is defined (LaFond, Brown & Macintyre, 2002). Torjman (1998) argues that the differences in how capacity building is defined can be united under the overarching conceptual framework of ‘sustainable development’ (also see Hawe, King, Noort, Jordens & Lloyd, 1999). According to Torjman (1998, p.3) ‘the primary objective of sustainable development is to improve the quality of life. It is built upon the intrinsic link among economic, social and environmental well-being… [It] is also concerned with intergenerational equity’. Similarly, the United Nations Department of Economic and Social Affairs (2002, para.5) sees the principle of ‘sustainable development’ resting upon the three pillars of ‘economic development, social development and environmental protection at national, regional and global levels’. Unless capacity building initiatives create some movement within an organisation toward sustainability, the gains made will be short-lived and it may well argued that no capacity has been built (Hawe et al., 1999).

Torjman (1988) also reminds us that the first value arising from capacity building, and its aim of sustainable development, is the ethic of care. Surrounding any local capacity building initiative therefore is the moral leadership provided to a society by its government that supports and reinforces this ethic. It is from this basis that reasonable expectations can be formed about the outcomes of investments in communities (cf. Torjman, 1998).

Dodson and Smith (2003, p.5), however, question the applicability of these definitions of sustainable development for Indigenous peoples, asking ‘where do cultural values and Indigenous conceptions of development fit?’. Similarly, with Torjman’s ethic of care; one could ask where Indigenous rights fit within the moral leadership provided by a government. As Dodson and Smith (2003, p.6) remark, ‘one of the greatest challenges for Indigenous peoples…will be to integrate economic activity with their social concerns, cultural priorities and legal rights, and with effective governance systems’. While this review does not purport to resolve the tensions between western concepts of development and the worldviews of Indigenous peoples, it does attempt to highlight these tensions in order to challenge and expand these concepts.

Bearing these over-arching elements in mind, this section presents some of the international discussion and debate about defining capacity and capacity building. While some of the definitional differences are explored, an operational approach to capacity is favoured in this review. Practitioners taking such an approach ‘are trying to
deal with issues of ‘why’ and ‘how’ capacity emerges in addition to the usual question of ‘what’ types of capacity are needed to produce results’ (Morgan, 2006, p.6). This approach therefore lends itself to the exploration of ways to both understand and implement capacity as a concept.

Much of the international literature is sourced from the United States and discusses capacity building in not-for-profit organisations, funded by philanthropic or grant-making organisations. Other literature deals with organisational capacity building in developing countries, and is often concerned with the development of Indigenous peoples. While there is valuable information in this literature we need to be cautious about importing it wholeheartedly into a context of a New Zealand government agency (i.e., CYF) building the capacity of Māori and Iwi providers to deliver that agency’s programmes to whānau, hapū, Iwi and Māori communities.

1.1 Capacity

Capacity is ‘dynamic, ongoing and multi-dimensional’; is influenced by the external environment; and contributes to sustainability at all levels (LaFond, Brown & Macintyre, 2002, p.10). The simplest answer to what capacity building is trying to achieve is ‘capacity’, meaning ‘the ability of individuals, organizations, and whole societies to define and solve problems, make informed choices, order their priorities and plan for their futures, as well as implement programs and projects to sustain them’ (Nair, 2003, p.1).

The first part of this section outlines capacity as it is usually interpreted and presented within organisational assessment tools. These tools have been useful in assisting organisations pinpoint where their capacity needs are, as well as monitoring their capacity development. The second part explores recent developments in understanding capacity that distinguish it from capability and seek to characterise capacity for the purpose of elucidating some basic principles. These two sections are not incompatible; rather the second can be seen as reshaping the first to give the concept of capacity ‘some substantive and operational shape’ (Morgan, 2006, p.6).

1.1.1 Organisational Assessment

Light and Hubbard (2002) argue that two challenges for capacity building programmes and evaluations are to develop a typology of capacity building initiatives, and to come to grips with how to measure success. De Vita, Fleming & Twombly (2001) describe organisational development and management as a long-term goal that capacity building within the non-profit sector facilitates. These authors argue that a healthy mix of five interrelated factors is necessary for an organisation to ‘survive and thrive’. Each of the five factors, and ensuring a healthy mix of all five, is therefore the suggested target for capacity building initiatives. These five factors are: vision and mission, leadership (board, staff, volunteers), resources (financial, technological, human), outreach (dissemination, public education, collaboration, advocacy), and products and services
(outputs, outcomes, performance). An additional factor, research and evaluation, has been added to reflect the emphasis placed on an organisation’s ability to self-assess and take action based on that assessment or evaluation. (See Appendix A for a more detailed overview of these areas). Self-assessment is also an important part of an organisation identifying for themselves where to target capacity building initiatives.

In a different approach, Cassidy, Leviton and Hunter’s (2006, in press) discuss programme sustainability and capacity in the context of upstream, midstream, and downstream factors. Downstream factors, such as staffing and resources, directly affect programme implementation. Upstream factors include funding and funding agency priorities. Midstream factors are those embodied within the organisation itself and include organisational capacity. Organisational capacity is defined by these authors ‘as the ability to (1) manage its operations successfully over time, (2) run programs in conformity to the performance criteria spelled out in their logic models, and (3) implement and complete new projects or expand existing ones’ (p.2). Although this creates a rather narrow focus on the link between capacity and organisational performance (an issue raised again in the capacity building section below), it is useful in that programme sustainability is intimately linked with organisational sustainability:

‘The point is simple: Just as it is difficult to build a solid house on a cracked foundation, it is virtually impossible to build a high-quality, effective and sustainable program in an organization that lacks resources, staffing, and leadership to stand on its own’ (Cassidy et al., 2006, p.2)

In defining these ‘bite-size’ components, such as leadership and resources, as downstream factors Cassidy et al. (2006, in press) are suggesting that they are an input into organisational capacity, rather than capacity per se. Similarly, Teskey (2005) calls these components organisational ‘capabilities’ (which is a different use of this term than that proposed by Watson (2006) below), and describes them as ‘the building blocks of any organisations capacity to perform’ (p.5). So although it may be a useful device for providers to undertake a capacity assessment based around these components, this thing called ‘organisational capacity’ may be more than the sum of these parts.

In addition, it is important to keep in mind the interrelatedness of these system components. Capacity systems are holistic and dynamic. Actors within an organisational system may approach a capacity issue in one area in a way that enables them to identify an issue and see their part in its resolution. At the same time, they also need to keep in mind the larger, interconnected system that is their organisation. Morgan (1997, p.6) describes this as balancing ‘complexity and simplicity, the short and the long term’ in any approach to capacity building. One way of examining capacity as a systems issue has emerged from the European Centre for Development

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4 These factors are also endorsed and used in organizational assessment by a number of authors and organizations. See, for example, Drucker Foundation: Self-Assessment Tool [www.pfdf.org/leaderbooks]; Harvard Business School: The Balanced Scorecard [www.hbsp.harvard.edu]; Maryland Association of Nonprofits: Standard of Excellence [www.mdnonprofit.org]
Policy Management’s (ECDPM) Study on Capacity, Change and Performance (see Appendix B for a brief introduction to this study). This is described next.

1.1.2  Capacity & Capability

Morgan (2006, p.8) defines capacity as ‘that emergent combination of attributes that enables a human system to create developmental value’. This definition ties capacity to the issues of sustainable development and the ethic of care raised by Torjman (1998, see above), and this is reiterated by Morgan (2006) in his fifth characteristic of capacity (see below); namely, the ‘creation of public value’. In this section, Morgan’s (2006) capacity characteristics and core capabilities are described. These take into account, and move beyond the ‘bite-size components’ and narrow focus on performance described in the previous section.

From his review of the literature and the case studies from the ECDPM Study on Capacity, Change and Performance, Morgan (2006) suggests five central characteristics of capacity (quoted here from Zinke, 2006, p.4-5, original emphasis):

- ‘Capacity is about *empowerment and identity*, properties that allow an organisation or system to survive, to grow, diversify and become more complex. To do this, they need power, control and space.
- Capacity has to do with *collective ability*, the combination of individual and organisational abilities which produce an outcome that is greater than the sum of its parts.
- Capacity can be understood as a systems phenomenon. In systems thinking terminology, capacity is an ‘emergent property’ which emerges out of the interaction of many factors, and as such is only partially open to engineering.
- Capacity is a potential state. It is a condition which can vary dramatically at different times and has a latent quality.
- Capacity… is about the creation of public value. It is thus not about the many examples of effective capacity which subvert public interest, such as organised corruption’.

The elements described by more analytical frameworks (see 1.1.1. above, and Appendix A) are re-defined by Morgan (2006, p.7) as ‘foundational components’ (e.g., financial resources, vision). In addition the term ‘capabilities’ is used by Morgan (2006, p.8) ‘to refer to a broad range of collective skills that can be both technical and logistical or ‘harder’ (e.g. policy analysis, marine resources assessment, financial management), and generative or ‘softer’ (e.g. the ability to earn legitimacy, to adapt, to create meaning and identity). All capabilities have aspects that are both hard and soft’. Leibler and Ferri (2004, p.6) also distinguish between ‘Standard Capacities’ (i.e. ‘hard’) and ‘Generative Capacities’ (i.e. soft). Generative Capacities include: ‘the ability to work across traditional boundaries, learn how to learn, lead in new ways, develop a systems view, access the potential of technology, act with agility, create the future, balance autonomy with interdependence, manage cooperation and competition, and align organizational form with purpose’. While often the focus has been more on
‘hard’ capabilities – as easier to promote and evaluate – both hard and soft capabilities are important (Kaplan, 1999; Morgan, Land & Baser, 2005).

Morgan (2006) argues that five separate but interdependent core capabilities underpin capacity. These capabilities are found in all organisational systems and all are necessary for overall capacity:

- **The capability to act.** This is about the organisation’s ability to act with awareness, strategic intent and volition, even in the face of opposition. ‘The capability to act and self-organize comes from a complex blend of motivation, commitment, space, confidence, security, meaning and values and identity’ (Morgan, 2006, p.9).

- **The capability to generate development results.** This is how capacity is generally thought about; namely as two types of development results: improved capacity in its own right, and programmatic outputs and outcomes (i.e., performance). These two are often interrelated as, for example, capacity is an input for performance, and improved performance can create the motivation and resources for improving capacity.

- **The capability to relate.** This is the capability to gain legitimacy, support and protection through informal alliances and formal partnerships. (In some ways, this is similar to the outreach or networking component described in assessment tools. It also links with recent findings about legitimacy described in Appendix B.)

- **The capability to adapt and self-renew.** ‘Capacity from this perspective is about the ability of an organization or system to master change and the adoption of new ideas’ (Morgan, 2006, p.15). Unlike the capability to generate development results, the capability to adapt and self-renew is more process-oriented than instrumental. Qualities such as innovation, resilience, collaboration, courage and spirituality are seen as important.

- **The capability to achieve coherence.** ‘All organizations… must deal with the tension between the need to specialize and differentiate versus the need to bring things together and achieve greater coherence’ (Morgan, 2006, p.16).

This systems view of capacity may be more difficult to operationalise than the organisational assessment tools currently available (Zinke, 2006). However, essentially it is an expansion of how capacity is thought about as it still contains these more ‘traditional’ elements. And given that much of the focus of capacity building is on organisational ownership and control of the capacity building process, and on developing organisational adaptability, the expansion of our understanding of capacity to encompass these five core capabilities is worth exploring. In this way we, at the very least, acknowledge the holistic, dynamic and multidimensional nature of capacity. The next section on capacity building will raise some of these capability issues again, although they may not be named as such in the literature.
1.2 Capacity Building

In this section a general overview is provided of capacity building, followed by a brief introduction to some of the capacity building issues for Indigenous organisations. This is followed by an exploration of some good practices in capacity building that enhance relationships and understandings between capacity building funders and capacity building recipient organisations, and thereby facilitate the success of capacity building initiatives. Generally speaking, the literature acknowledges issues of adaptability and sustainability but still conceptualises capacity, within capacity building, rather narrowly compared to Morgan’s more recent expansion of the concept (see above).

Doherty and Mayer (2003, p.5) describe the term ‘capacity building’ as deceptive as it ‘contributes to an assumption of compensating for weakness’. Thus some authors have preferred to use terms such as ‘capacity development’ (Horton, Mackay, Andersen & Dupleich, 2000), ‘capacity enhancement’ (Mizrahi, 2004), or ‘building organisations’ (Grantmakers for Effective Organisations, 2002). The term ‘capacity building’ is used here as this is the term used in Aotearoa New Zealand.

The term ‘capacity building’ originated in the context of international development assistance. It is applied to both institutional capacity and community capacity and is linked to notions of sustainability and social capital (especially community capacity). In addition, building the capacity of provider and non-profit organisations has been linked to the building of strong communities, ‘civil society’ (cf. Putman, 2000) and strengthening the quality of community life (McPhee & Bare, 2001). As Blair, Irie and Moore (2002, p.1) state,

The challenge faced by both foundations and their non-profit partners is how to build effective organizations that can deliver high-quality programmes and services that achieve measurable outcomes at the client and community levels.

Capacity building can therefore be theorized as instrumental; that is, a means to an end (Labonte & Laverack, 2001). In this scenario a more capable organisation is one step on the pathway to achieving outcomes such as the more effective delivery of services and programmes to a community. Capacity building is therefore seen as a means of enhancing organisational performance. In addition to this instrumental approach capacity building can be viewed as constitutive; that is, as an end in itself (Labonte and Laverack, 2001). In this scenario, the outcome of capacity building becomes capacity in the form of a more sustainable and capable organisation.

These dual aims of performance and capacity are not incompatible. Morgan (1997, p.iii), for example, discusses capacity building as ‘those efforts to improve organizational performance and/or the results of those efforts in terms of capacities developed’. It is, however, important to maintain the distinction between performance and capacity outcomes. Mizrahi (2004, p.v) warns that ‘although capacity and performance are related, they are not synonymous and failure to distinguish between these concepts can lead to misleading conclusions’. In other words, performance cannot be used as a proxy measure of organisational capacity. At the same time,
however, Morgan (1997) notes that unless both products and processes are focused on performance improvement, practitioners will have little interest in capacity building.

Morgan (2006) encapsulates the constitutive and instrumental elements of capacity building under the ‘capability to generate development results’ and sees them as interrelated and playing off one another (see above). This relationship between performance and capacity, and with the other capabilities described by Morgan (2006), is captured to some extent by the notion that capacity building is about catalysing ‘learning organisations’. A learning organisation is one that has embedded reflective practice within its organisational culture (Hyatt & Kaplan, 2006). Hyatt and Kaplan (2006, p.1-2) describe three critical features of learning organisations:

- **Conscious of self.** A learning organisation is ‘constantly working towards being ‘conscious of self’ – its world view, beliefs about change, purpose, values, relationships, culture, power, patterns and practices’. This includes critically examining what works (and what does not) in their practice models.

- **Centred**. An organisation is centred when its actions are aligned with its consciousness of self. In other words, its beliefs and practice are in harmony.

- **Open to its ‘emergent self’**. A learning organisation ‘has capacities to read and make meaning of itself in relationships to its environment, is aware of how its own patterns influence how it engages with itself/the world, can view itself differently, and can transform itself’.

As Hyatt and Kaplan admit, ‘these are challenging capacities to develop’.

In a similar vein to Hyatt and Kaplan, Spector and Davidsen (2006, p.67) state that ‘an effective learning organisation can be characterised as one that is taking definite, recognizable, and measurable steps towards a solution’. This involves the setting of clear goals, the monitoring of progress toward these goals, and making adjustments as and when they are needed. Similar notions are expressed by many of the definitions of capacity and capacity building, for example:

‘Capacity building is the development of an organization’s core skills and capabilities, such as leadership, management, finance and fundraising, programs and evaluation, in order to build the organization’s effectiveness and sustainability. It is the process of assisting an individual or group to identify and address issues and gain the insights, knowledge and experience needed to solve problems and implement change. Capacity building is facilitated through the provision of technical support activities, including coaching, training, specific technical assistance and resource networking’. (Campobasso & Davis, nd. Emphasis added.)

‘[Capacity] is evidenced by an organization that is able to connect its vision to its goals, its goals to its plans, its plans to its actions, and its actions to results. It is a dynamic, fluctuating, and fluid state, an ever-evolving mosaic of increasing self-awareness and internal development that keeps an organization moving steadily towards its vision’. (Grantmakers for Effective Organizations)
These definitions stress an action-oriented organisational cycle. This is a dynamic and evolving state that sees an organisation always moving to fulfil its vision, usually through the delivery of some service, programme and/or business within its community. This cycle is illustrated in Diagram 1.

Diagram 1. Dynamic capacity building cycle

Morgan (1997, p.20) describes this as the creation of a ‘virtuous circle’ of capacity building. For example, when plans are implemented and goals are met, outcomes can include internal pride and external legitimacy. These, in turn, can attract resources (e.g., quality staff) which increase capacity further. In a similar vein Kaplan (1999, p.31) describes the goal of capacity building as the ‘…building of robust and sustainable organisations which are capable of sovereign focus and direction, of strategizing and innovation, of responding with flexibility and adaptability to changing circumstances, and of acting decisively to impact on, and change, their circumstances and social context’.

The United Nations Development Programme (Lopes & Theisohn, 2003) also recognizes the role that funders/donors and organisations/recipients play in this virtuous cycle if capacity building is to be best facilitated. The funder/donor is seen as playing a supportive role only in the endogenous development of the recipient (see Diagram 2). (The section on ‘Building Capacity’ (see below) details more about good practices in the funding of capacity building initiatives.)

In this virtuous cycle organisational development is not necessarily unidirectional: from little capacity through to fully capacitated. Providers may experience cycles of growth and development that see them moving backwards as well as forwards as they learn and reflect. Schuh and Leviton (2006, p.173) note that ‘agencies are fluid and
dynamic... they can sometimes develop or devolve quite rapidly’. Hunt (2005) also notes that even if capacities exist, understaffed or underfunded programmes will fail.

**Diagram 2. Virtuous cycle of empowerment**

(Source: Lopes & Theisohn, 2003: Figure 1.4.2, p.42)

Finally, researchers have suggested that capacity building is just one element of nurturing effective organisations. Blair et al. (2002), for example, also include leadership development, supportive engagement, and active reflection. Supportive engagement involves stakeholders sharing lessons and challenges, while active reflection is about making sure there is time to think and talk about what is being learnt (also see section in 1.2.2. below, ‘Contextualised’).

### 1.2.1 Indigenous Provider Organisations

Although capacity building in developing countries often engages with Indigenous peoples and Indigenous Provider Organisations (IPOs), very few of the definitions of capacity building refer specifically to Indigenous peoples. This section describes three Indigenous examples to illustrate both similarities to and extensions of mainstream approaches to capacity building. (Also see Appendix A for further information about IPO capacity.)

The Arctic Council Capacity Building Strategy (Arctic Council Capacity Building Strategy and Pilot Project, 2002) is an initiative in Arctic communities. The definitions of capacity and capacity building adopted by this initiative are similar to mainstream definitions. The seventh principle that is taken into account in this strategy adds value to these definitions by stating that
Capacity building should facilitate the evolution of indigenous culture in a way that enhances cultural integrity and identity. Cultural innovation and adaptability must be founded on cultural robustness and resilience. (p.4)

Similarly, the Oxfam Community Aid Abroad, Indigenous Australia Program aims ‘to strengthen the basic rights of Indigenous Australians…by supporting Indigenous Australian organisations and communities to work for Indigenous rights in ways that reflect Indigenous Australian world views and ways of being and doing’. In this programme, capacity building sits alongside cultural revival and maintenance/reclamation, cultural democracy, and gender and development. In addition, these programme elements are seen as holistic rather than mutually exclusive.

The links between capacity building and Indigenous development are also complex. Reconciliation Australia argues that capacity building needs to take place within communities and also within government agencies themselves so that those working with communities fully understand the cultural nature of community issues. In addition, they see Indigenous development as firmly tied to self-determination.

There is compelling evidence that sustained and measurable improvements in the social and economic well-being of Indigenous people only occur when real decision-making power is vested in their communities, when they build effective governing institutions, and when the decision-making processes of these institutions reflect the cultural values and beliefs of the people (Reconciliation Australia, 2002, p.4).

It is imperative, within capacity building, that the self-determination aspirations of Indigenous peoples do not get reduced to mere management and bureaucracy. Rather, Indigenous discourses about self-determination are political; they are about human and Indigenous rights to sovereignty and nationhood (Hunt, 2005). This latter conceptualisation is more far-reaching and more challenging for IPOs and funding agencies.

These three examples highlight the centrality of Indigenous worldviews, cultural integrity and self-determination to capacity building with Indigenous groups and communities. It is important, therefore, to distinguish Indigenous peoples and their organisations from NGOs (Nairobi Declaration, 2002). The United Nations Development Programme (UNDP, Leaflet No.11), for example, engages in strategic partnerships with Indigenous peoples in the many countries it works in, in acknowledgement of this difference (from NGOs), and of the role IPOs play in civil society.

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6 Reconciliation Australia (2002:6) also warn that ‘We need to avoid divisive and artificial arguments about terms such as sovereignty and focus on the underlying substance that people want real power to take real decisions and act on them’. 

Fiona Cram, PhD, Katoa Ltd
November 2006
1.2.2 Building Capacity

Capacity building has tended to be under-emphasised, if not neglected entirely, by IPOs and NGOs. Their emphasis has instead been on service or programme delivery with every cent of funding being directed to this end (Schuh & Leviton, 2006). A lack of understanding of how capacity building can lead to achieving the organisation’s goals and mission may also help explain why capacity building does not occur naturally (i.e., without external intervention) within an organisation (Doherty & Mayer, 2003).

In addition, it should not be taken for granted that funding agencies, including philanthropic foundations, are committed to building the capacity of the organisations they support. Patrizi, Gross and Freedman (2006, in press), for example, argue that funders are often implicated in the undercapitalisation and under-delivery of non-profit organisations because of their ‘fascination with projects (often of their own design) over organizational development; their scepticism about the rationale for overhead beyond the minimum; and their tendency to limit investments in general support’ (p.1). To this Morgan (1997) adds the possibility that there may be stakeholders, internal or external to an organisation, with a vested interest in maintaining the status quo. These stakeholders may actively seek to derail capacity building initiatives. In the face of such constraints capacity building is still possible; it just takes patience and time.

According to Liebler and Ferri (2004, p.5), the potential outcomes are well worth the effort:

‘…self-confident, independent, creative and effective organizations that make a difference in the lives of the people, communities, and countries that they serve, as well as make a contribution to the thinking and practice in their field’.

From local and international information about capacity building (including capacity development and organisational change), including the findings of capacity building evaluations, several ‘lessons’ emerge about when capacity building efforts are most likely to succeed. Eleven inter-connected lessons or best practices are now outlined. The first, partnership, is described more fully as many of the other best practices rest upon the relationship built between the funding agency and the recipient organisation. A partnership between these two stakeholders sets the context for trust, sharing and clarity of roles and responsibilities. Capacity building within such a partnership relationship can be tailored to an organisation’s needs because these needs have been shared with the funder (without fear of loss of funding or support). In addition, within this context both stakeholders can develop realistic expectations about a capacity building initiative, including the time, money and other resources that are required and what outcomes are realistic.

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7 These have been sourced from capacity building research and evaluation reports that have identified best practices that facilitate successful capacity building for non-governmental organizations. These reports have been read to elicit commonalities in best practice content (even if the name or label for the best practices differ). This section therefore presents the ‘findings’ of a semi-analytical reading of this international literature.
Partnership

Torjman (1998) defines partnership as ‘a voluntary arrangement between two or more parties that agree to work cooperatively towards mutual objectives’. Partnership in capacity building signals a relationship between an agency and an organisation that is the recipient of a capacity building initiative funded by that agency. Partnership involves the sharing of experience, information and reflections (Doherty & Mayer, 2003; Blair et al., 2002). At its heart partnership is about the agency and organisation getting to know one another so that a capacity building initiative builds on the organisation’s strengths and strengthens their weaknesses (Doherty & Mayer, 2003). Adding to this definition of partnership, the International Indian Treaty Council (2003, p.3) state that ‘Respect for indigenous peoples’ territories and self-determination is a basic precondition for strengthening processes of partnerships and governance for sustainable development on an equal footing’.

Torjman (1998), however, also urges caution about the negative pathways and unbalanced relationships that are often associated with the term ‘partnership’. Similarly Hyatt and Kaplan (2006, p.3) argue that ‘power is a hidden force within donor-grantee-beneficiary relationships and the rhetoric of partnership has buried power yet deeper in the psyche of their communication’. This may be especially true when the funding organisation is a government agency that, by its nature, is risk-averse and therefore used to being in control of its relationships with contracting providers.

‘Indigenous peoples are keenly aware that power is exercised in highly unequal ways and they are sensitive to the unspoken messages in interactions with governments… Despite the language of ‘partnership’… Indigenous organisations and communities are essentially contractors required to meet stringent accountability requirements set by government – a situation in which government holds the power’ (Hunt, 2005, p.21).

In order to ‘counter’ this the power differential between parties needs to be acknowledged, rather than maintaining the possibility that covert power relations will unduly influence what is shared (Hyatt & Kaplan, 2006). Building trust is also essential (Hunt, 2005) (see below).

In their review of capacity building grants by a philanthropic foundation to juvenile justice providers, Patrizi et al. (2006, in press) found that successful capacity building was associated with a relatively ‘hands-off’ approach by the foundation. Introducing this finding into the concept of partnership suggests that funding agencies need to acknowledge the expertise and knowledge that organisations have of their own capacity needs and how best to fulfil these. Risk associated with such a ‘hands-off’ approach might then be alleviated by partnerships being built on a foundation of trust and good communication (see below). Patrizi et al. (2006, in press) also report that this flexible type of approach works best with organisations that are stable and have strong leadership. This links partnership with both readiness and assessment (see below), and the ability of a funder to adopt different relationships with organisations depending upon the organisations’ assessed strengths and abilities. It also moves the notion of partnership to incorporate, or perhaps be superceded by, local ‘ownership’ (cf. Hunt,
2005). This, in turn, may be more compatible with Indigenous peoples’ aspirations for self-determination.

Two of the ten lessons from the California Wellness Foundation about how best to support capacity building fall under partnership; namely, establishing a foundation of trust and defining clear roles and responsibilities. Trust underpins clear communication, facilitates relationships and helps organisations be more open to assistance. Three recommendations are made about trust building: avoid making assumptions about the organisations; take time to build relationships; and demonstrate support for each organisation’s mission. An environment of trust also facilitates the exploration of what is working and what is not working in a capacity building initiative. Several authors emphasise that learning occurs within the context of failure as well as success and that there needs to be a trusting relationship so that both can be discussed (e.g., Doherty and Mayer, 2003; Blair et al., 2002). Relationship-building is also greatly helped when roles and responsibilities are based on desired outcomes; when these roles and responsibilities are clearly documented and communicated; and when misunderstandings are anticipated.

**Communication**

Campobasso and Davis describe communication as ‘the lubricant that keeps all of the parts of the program running smoothly’. Thus communication is the ‘critical heart’ of any capacity building programme. Communication is also intimately related to partnership in that ineffective communication can forestall relationship building, and a good relationship enhances effective communication.

Communication is particularly important across cultural borders. For example, misunderstandings can easily arise between Indigenous Provider Organisations and non-indigenous funders because of differing assumptions ‘about the locus of human value, people’s perceptions of the locus of control in their lives, approaches to knowledge and knowledge transfer, societal concepts and particularly the individual and their relationships and kinship networks, religious or spiritual beliefs, preferred forms of communication, timeframes, concepts, language and worldviews’ (Hunt, 2005, p.23). The development of funder capacity to communicate is therefore imperative. This capacity could be along the lines of Symonette’s (2004) concept of cultural competency. The first component of cultural competency, ‘Inside/Out’, would require funding agencies to develop an understanding of power and privilege hierarchies within society, including how they and their recipient organisations are located within these hierarchies. The second component, ‘Outside/In’, would encompasses the development of ‘diversity-relevant knowledge and skills’.

**Readiness**

Effective capacity building occurs when an organisation is ready to receive the services being offered (Backer, 2001). Part of being ready is knowing yourself. Kaplan (1997) argues that a conceptual framework is a prerequisite for capacity building. This conceptual framework reflects the organisation’s understanding of the world. As such, a conceptual framework prepares the organisation for partnership as it will know where
it stands, what it is trying to achieve, and what values and principles underlie its existence and its work. Similarly the Environmental Support Centre (n.d., p.2) identifies the ability to ‘clearly describe its mission’ as an organisational quality that makes it ready for capacity building.

Kaplan and Soal (1995) argue that ‘capacity building interventions must address the unique needs of an organisation in its particular stage of development at that specific time. There is no single way to build organisational capacity’. For this reason, capacity building efforts need to be based within a firm understanding of the needs and strengths of the organisation, as well as what its goals are (also see ‘Assessment’ below). From the development-related literature it is also clear that ‘local ownership’ is essential to the success of capacity building efforts (Mizrahi, 2004). As Morgan (1997, p.8) states, ‘…one constant factor in successful examples of capacity development is the degree of energy, commitment and ownership associated with the [capacity building] project at the field level’.

**Assessment**

Backer (2001) describes effective capacity building as beginning ‘with a thorough assessment of the needs and assets of the nonprofit and the community in which it operates’. Doherty and Mayer (2003) add to this by saying that this assessment should be conducted by the non-profit itself. Tailoring capacity building in response to a needs assessment focuses and conserves capacity building efforts (Campobasso & Davis; Colorado Trust, 2002).

Campobasso and Davis also point out that this assessment may be compromised by the relationship between the funder and the organisation. If, for example, there is a lack of trust in this relationship the needs assessment may lack candour because the organisation fears it will lose funding if it exposes its weaknesses. The starting point for an open and honest needs assessment is therefore the relationship between the funder and the organisation, to the point that the funder may have to educate the organisation about capacity building before the organisation can engage in a conversation about what its needs are and how its capacity might be strengthened (Campobasso & Davis).

**Leadership**

For capacity building to be successful organisations need to be supportive of their own capacity building efforts (Doherty & Mayer, 2003). Doherty and Mayer (2003) argue that ‘capacity building is an active verb’. In other words, it takes leadership, from within the organisation and from the funder agency, to instigate and support it. Managers, for example, need to be ready to embrace changes that newly-trained staff suggest (Yeatman & Nove, nd). Staff who are motivated and who engage in training also need a supportive organisation so that the training is valued and applied.

Morgan et al. (2005, p.12) describe four leadership patterns that are linked with effective capacity building. These leaders:
1. Infuse their staff with confidence and energy;
2. Think creatively and strategically about capacity building as leading to both capacity and improved performance;
3. Use their social standing and networks to protect the organisation; and
4. Adapt their leadership style as the organisations changes and grows.

A second element of leadership is often a reflection of the youthfulness of an organisation and/or the lack of leadership capacity within the community. In this case the organisation may still be led by the person who founded it and there may only be, at best, haphazard succession planning (Hispanic Foundation, 2000). In this scenario there is a role for capacity building in facilitating support for leadership. This can be done through mentoring of an existing leader; training of staff for leadership; and/or embedding succession planning into wider organisations planning and strategy. (Note that some authors separate leadership development from capacity building (e.g., Blair et al., 2002)).

Finding Intermediaries

The California Wellness Foundation (Campobasso & Davis) disperses community action grants and also makes available to grant recipients a host of resources that support and build recipients’ capacity to deliver on their grants (e.g., funding for organisations to contract with consultants, funding for intermediary organisations to provide technical support). The Foundation has found that their grantees want to choose their own intermediaries and that they also wanted these people to be from their own communities (having found a mismatch with ‘academic’ intermediaries). In this way, grantees want to secure intermediaries who understand them and what they are trying to achieve (Campobasso & Davis). Morgan (1997) also notes the importance of tailored support and facilitation.

Several authors recommend that grantees have input into the intermediary selected and that this selection process also pay heed to cultural differences and the time needed for grantees and intermediaries to establish a relationship of trust (e.g., Campobasso & Davis, Colorado Trust, 2002). The relationship between an organisation and an intermediary should also be ‘competence based’; that is, assistance should be ‘(a) offered by well-trained [intermediaries], and (b) requested by knowledgeable, sophisticated ‘consumers’” (Backer, 2001). The Colorado Trust (2002) also emphasises the importance of an intermediary being independent; that is, not a representative of the funding agency.

Independence

The Environmental Support Centre (n.d., p.2) notes that ‘the most successful [funding agencies] carry a deep respect for their clients’ ability to build their own capacity. They know that their role as [funders] is to lend help and expertise’. This is a similar funder role as that described in the virtuous cycle of capacity building described earlier.

Doherty and Mayer (2003) identify organisational choice as a principle of effective capacity building. The importance of independence or self-determination has also been
identified by Cornell and Kalt (1992) as essential to tribal development on American Indian Reservations. They identify three such factors from their findings of ‘what works, where and why?’: ‘Having the power to make decisions about their own future; exercising that power through effective institutions; and choosing the appropriate economic policies and projects’.

The independence of Indigenous People’s Organisations (IPOs) is recognised by the UNDP (Leaflet No.11, p.1), which sees partnerships with IPOs as ‘a basis for promoting alternative perspectives to conventional development thinking’. This recognises that conventional development thinking is sourced within western cultural perspectives and that, within this context, IPOs often have what are seen as ‘new’ and ‘innovative’ solutions. For these solutions to be nurtured the independence of these organisations must be recognised and respected.

**Networking**

Networking, building collaborations and negotiating partnerships are an important component of what Letts, Grossman and Ryan (1999) describe as an organisation’s ‘expansion capacity’. Backer (2001) describes this as being ‘peer-connected’ as capacity building ‘…happens when there are opportunities for peer-to-peer networking, mentoring, and information sharing’. Patrizi et al. (2006, in press, p.7), for example, note the gains when juvenile justice organisations that were funded for capacity building were brought together for networking opportunities. The organisations learned from one another to the point where some reconsidered their practice, collaborations emerged, and a better understanding of capacity building developed. The authors state that ‘peer-to-peer exchange is emerging as an effective practice in building organizational capacity’.

Support from outside the organisation includes this type of peer support, as well as financial support, facilitation, and access to technical support (Doherty & Mayer, 2003). These resources are described by van Horen (2002) as ‘relational resources’. Hunt (2005) also points out that capacity building should take into consideration household and kinship networks, and their importance in Indigenous cultures. Generative capacities (or ‘soft’ capabilities in Morgan’s (2006) terminology), such as the capacity to ‘act with agility’ and to ‘create the future’, can also be built within networks (Leibler & Ferri, 2004, p.6).

Leibler and Ferri (2004, p.7) describe four main characteristics of capacity building networks. Firstly, network members must have:

1. Confidence about their own work so that they are willing to ‘dare to share’ both successes and failures with others;
2. The capacity to contribute; namely, the time and space to reflect and learn; and

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8 The reconsideration of practice was largely due to the influence of one organisation, Kaleidoscope (Chicago, IL), and their ‘no eject, no reject’ service delivery model. For more about this see their website at: [www.kaleidoscope4kids.org/about.html](http://www.kaleidoscope4kids.org/about.html).
3. Commitment to the network.

And fourthly, if networks are to build the capacity of members, the networks themselves must have that capacity.

While help from funders may be important at the beginning of network building, the networks often become self-sustaining after an initial start-up phase. Importantly, however, this initial start-up phase takes around five years (Leibler & Ferri, 2004).

In addition to organisations networking with each other and other stakeholders, there is also value in funding agencies collaborating. Blair et al. (2002, p.5) discuss how ‘by combining their cultures, experiences, and knowledge base, [funding agencies] increase the likelihood that they will develop new and better approaches [to capacity building] than if they act independently’.

In linking capacity building to sustainability many authors also argue that an aim of capacity building should be the embedding of the capacity gains made into an organisation’s operation and planning (e.g., Doherty & Mayer, 2003; Hawe et al., 1999). In this way, gains can be prolonged and multiplied. In order for this to happen, capacity building must be contextualised within the relationships that exist for an organisation: relationships with funders, with other organisations, and with communities. These relationships are, in turn, all set within a political, social and economic context.

**Time, money and space**

For Campobasso and Davis the key to getting capacity building started is sufficient start-up time. This time allows organisations ‘the opportunity to engage in program planning and gain a better understanding of the initiatives’. They also gain a space in which to build relationships with intermediaries and other organisations (see above), and to anticipate any difficulties. In other words, it is a time for organisations to get used to the idea of capacity building and how it might impact on them.

The Environmental Support Centre (n.d., p.5) has found that ‘introducing capacity building as a process that takes place in stages, [funding agencies] can help organisations to overcome the fear that ‘We don’t have time’ or ‘We can’t afford it’’. This staged introduction also helps organisations to think about the next stages of capacity building that they might undertake as an organisation, thus facilitating the integration of capacity building into an organisation’s work and strategy.

Morgan (1997, p.iii) writes that ‘Capacity development is about complex learning, adaptation and attitudinal change in the individual, group, organizational and even societal levels. People at these levels have to assume new responsibilities and slowly devise new collective solutions to common problems’. It is not surprising, therefore, that capacity building itself takes time.

A full cycle of investment to reflection on and reapplication of learning takes at least three years (Blair et al., 2002). In other words, ‘institutionalizing best practices in nonprofits through capacity building is typically a lengthy, arduous process… [it] takes
longer and is more complicated than one would expect’ (McKinsey & Co., 2001, p.72). One of the UNDP’s default principles for capacity development within a country is ‘Don’t rush. Capacity development is a long-term process. It is not amenable to delivery pressures, quick fixes or short-term results seeking. Engagement for capacity development needs to have a long-term horizon and be reliable’ (Capacity Development Group, 2005, p.7).

Of course, sufficient resources means more than just the dollar amounts of the grants. It includes a time frame appropriate to achieve the desired outcomes, as well as the time and attention of the appropriate personnel (Campobasso & Davis).

Organisations require sufficient resources to meet the goals and objectives of a capacity building initiative. In order for this to occur, Campobasso and Davis recommend that budget-setting be underpinned by careful research and guidelines for organisations, and that staff turnover be anticipated by including a number of staff in a capacity building initiative so that the loss of a staff member does not leave the organisation bereft of that skill base.

**Evaluating Outcomes**

Doherty and Mayer (2003) argue that capacity building should have an emphasis on outcomes and accountability. However, in talking about outcomes they hark back to the partnership context in which outcomes and expectations are negotiated and set jointly. This increases the probability that the ‘right’ outcomes will be measured. Having an evaluator on board early in the process can assist with the development of outcome indicators as well as enabling early findings to be fed into the development of a programme’s design (Blair et al., 2002).

The need to delineate goals and objectives is also part of Campobasso and Davis’s findings. They stress the importance of an organisation being clear internally about how it defines capacity building and what it sees as its purpose and goals. These internal deliberations should include the organisation’s board, management and staff and then be the spring-board for a similar dialogue with the funding agency.

Such exercises also incorporate any needs assessment that is undertaken and should lead to capacity building that ‘is custom tailored to the type of nonprofit, its community environment, and its place in the ‘organizational life cycle’’ (Backer, 2001). Campobasso and Davis also emphasise the importance of complementing structure with flexibility. In other words, an outcome might be the acquisition of certain core skills by an organisation. However, there might be flexibility in terms of the pathways organisations take to achieving this outcome. The authors suggest that core skills be defined alongside a menu of opportunities for building those skills. This menu should also include the option of organisations choosing their own intermediaries.

Campobasso and Davis also discuss the principles underlying the evaluation of outcomes, saying that
‘...when the evaluators perceived how unprepared the initiative grantees were to participate in the periodic evaluations, the evaluators became [Technical Support] providers, educating the initiative grantees on the purposes and benefits of evaluation. In addition, they helped the initiative grantees acquire the skills of gathering, implementing and utilizing data’.

The authors also recommended that funding agencies ensure that organisations understand the value and purpose of evaluation and that the evaluation be conducted as efficiently as possible. In addition, feedback loops should keep organisations informed about the evaluation’s findings about them (also see ‘Evaluation’ section below).

**Contextualised**

Backer (2001) argues that effective capacity building ‘...occurs in the larger context of other strengthening services a nonprofit is receiving, other activities of the sponsoring foundation, and other elements of the current community environment’. This is in tune with Horton’s (2002) assertion that capacity is just one component impacting on an organisation’s performance. The other components he identifies are the external conditions (e.g., social, economic, political context) and the organisation’s internal motivation (e.g., organisational structure and culture) (see Diagram 3). In this way the linkage between capacity and performance not straightforward. This also links to the imperative above, that performance is not a proxy measure for capacity. So, for example, any evaluation of capacity building has to examine the organisation as a whole, in addition to the outcomes of capacity building for organisational performance.

These eleven best practices continue to be researched and refined as capacity building initiatives are undertaken around the world. One core feature of these principles is the importance of endogenous development; that is, capacity building that is determined by, and owned by the organisation. For Indigenous Provider Organisations this feature resonates with their calls for self-determination so that their cultural priorities and aspirations can be honoured and achieved. This section has pointed to some practices that funding agencies might adopt so as to facilitate this.

One of the best practices related to evaluating the outcomes of capacity building. Evaluation issues more generally are explored further in the next section.
1.3 Evaluation of Capacity Building

Approaches to capacity building are multiple and varied: from one-day seminars for managers to organisational reform that might span several countries (Morgan, 1997). Often capacity building grants are small and represent only a small portion of total funding. For example, in the United States capacity building grants ‘are typically under $10,000, and together they represent less than 4% of all philanthropic giving’ (Patrizi et al., 2006, in press, p.2). This does not come close to recognising what it takes to change the culture and capacity of an organisation. Nonetheless, accountability for capacity building funding is inevitably required.

This section discusses the evaluation of capacity building initiatives, including the value of including both the funder and the organisation/provider in any evaluation framework as both are stakeholders in capacity building. Just as capacity building is a dynamic process, any evaluation model used also needs to be able to explore and capture this dynamism. Evaluation can also be an integral part of a capacity building initiative if done collaboratively with organisations and funding agencies (also see ‘Evaluating outcomes’ above).

Mackay, Horton, Dupleich & Anderson (2002, p.123) capture the role of evaluation in capacity building, saying that:

‘The ultimate impact of capacity-development programs depends upon the appropriate use of evaluation. Those who design programs need to review the existing capabilities and identify important areas that require strengthening. Managers need to monitor activities and evaluate results in order to adjust, redirect, and improve the effectiveness of their organisation’s efforts. They also need to learn, from post-hoc evaluations, about the strengths and weaknesses of these efforts. Finally those who fund capacity-development initiatives need information about their results and impacts in order to justify their continued support’.

As has been described above, capacity building is a dynamic process, informed by self-reflection and self-evaluation. As such it is flexible and able to respond to changing needs, circumstances and/or understandings. Two quotes from Kaplan (1999) help illustrate this:

‘Organisations, and organisational change processes, are contradictory, ambiguous and obtuse. They are long-term and not easily observed… We learn to see them, to apprehend them, and part of the work of capacity building lies in enabling the organisation itself to apprehend them’ (45).

‘We have to learn to appreciate, and to appreciate pattern, rather than simply analyse. It is the configuration of various elements we need to observe – the system is discerned through the pattern which is expressed’ (47).

The challenge for an evaluation of capacity building is therefore to look not just for a growth in capacity at different levels but to also attempt to capture these notions of self-reflection and responsiveness, and of the living, breathing system that is an
organisation. For example, one sign of this is that organisations shift from addressing immediate needs and being reactive to a state of planning for the longer-term.

Mackay et al. (2002) identify six issues in the evaluation of capacity building initiatives:

a. ‘capacity development itself is a diffuse and often poorly defined concept;
b. organisational capacity development is generally not considered to be a goal in itself, but as a means to other developmental goals;
c. capacity development processes are difficult to specify and isolate and have few in-built mechanisms to draw attention to poor progress;
d. the attribution problem is especially acute in the case of capacity development where results may emerge only over a long period of time;
e. organisation and management studies are only beginning to create a theoretically well-founded and commonly accepted body of concepts and terms; and
f. despite the existence of several frameworks for assessing organisations and capacity-development programs, there are few reports of their practical application’.

External evaluations of capacity building therefore also need to be dynamic and flexible so as not to overlook the growing understandings and changes occurring for capacity building stakeholders, and both the ‘hard’ and ‘soft’ aspect of capacity (cf. Morgan, 2006). For this reason the literature on evaluating capacity building initiatives often explores notions of collaboration and empowerment as well as ‘participatory monitoring and evaluation’ (e.g., Chrisman et al., 1999). Horton et al. (2003) recommend a utilization-focused evaluation whereby, even in an external evaluation, potential users of evaluation findings are identified at every step of the evaluation and engaged in the evaluation process.9

‘If efforts to evaluate capacity development are to provide useful feedback to donors, beneficiaries, and change agents to guide future practice, they must involve these stakeholders from the beginning’ (Mackay et al., 2002, p.146).

An evaluation may also incorporate the collaborative development of indicators that, in turn, is also a capacity building tool as stakeholders come together and build alliances and relationships. The focus throughout is on ‘results on the ground’ with evaluation often growing to take into account ‘unanticipated successes’. Mizrahi (2004) argues that capacity cannot be measured in the abstract: ‘Indicators only become operational when they are related to particular development objectives (capacity for what?) and make reference to specific actors towards which capacity enhancement projects are directed (capacity for whom?)’ (Mizrahi, 2004, p.vi).

9 The book ‘Evaluating Capacity Development’ by Horton and his colleagues (2003) is a useful guide for conducting evaluations.
Finally, Morgan (1997, p.3) warns of the dangers if indicators become predominantly about the reporting and accountability needs of the funding agency, becoming ‘a form of conditionality and control’. The result is a reciprocal relationship between this type of management and the outcomes that the funder is trying to achieve; that is, the more the funder tries to control the measurement of capacity, the less likely it is that capacity will be built.

The conclusion reached from the ECDPM project ‘Capacity, Change and Performance’ is that a number of conditions must exist before it is possible to formally monitor and evaluate capacity building interventions (Watson, 2006, p.vii). These conditions include:

✩ ‘it is possible to define the required capacities unambiguously and specifically, and to assess thoroughly existing capacities (and the gap between them and required levels), so that it is relatively straightforward to define indicators;
✩ stakeholders are able and willing to assess their own capacities, …acknowledge deficit, …express a will to ‘sign up’ to the intervention, and agree to work collaboratively with externally resourced assistance;
✩ there are incentives to improve performance and/or extra resources available to build capacities further; and
✩ there is firm leadership, and all the above conditions combine to produce ‘ownership’.

In the next sections the issues of evaluating a funder and evaluating an organisation are further examined.

1.3.1 Evaluating a Funder

Crisp et al. (2000) outline four measurement areas that can be included in the evaluation of the (top-down) role of a funder: policy development; resource allocation; organisational implementation; and sanctions/incentives for compliance. Thus an evaluation might examine the match between the policy that drives a capacity building initiative and the implementation of that initiative (Mackay et al., 2002). The relationship that the funder establishes with an organisation might also be the subject of evaluation.

The notions of flexibility and responsiveness also come into play when funders are learning from a capacity building initiative in order to change and develop the focus of the initiative to better suit their needs. Such change might be, for example, in response to increased funder understanding of the organisations or communities whose capacity building they are funding.

Taking these aspects into account within an evaluation may require a narrative-type approach whereby the funder’s approach to capacity building are described and evaluated along with the reasons for any changes that occur to this approach over time. Ideally, the evaluation will run alongside the delivery of a capacity building initiative and the preliminary findings from the evaluation will inform funder decision-making about changes to its approach.
Likewise initial decisions regarding the delivery of a capacity building initiative will ideally be underpinned by the findings of needs analyses or assessments within a targeted sector and/or with targeted provider organisations. In this scenario the capacity of the funder will be based firmly within a knowledge and understanding of the sector in which it is working.

1.3.2 Evaluating an Organisation

Connolly and York (2002) describe a ‘Continuum of Capacity Building Evaluation’ that consists of three main evaluation levels (see Appendix C). The first level of evaluation is of the capacity building activities that an organisation engaged in (e.g., training, consulting). Both the usage and quality of these activities can be measured, providing short-term results that are easy to measure but also the least meaningful questions addressed by the evaluation.

The second level of evaluation is of short-term outcomes; namely, the changes that occur for individuals who have participated in capacity building activities. Change is measured on three dimensions: cognitive, affective and behavioural. The evaluation methods suggested are observation, self-perception surveys, focus group and individual interviews, surveys (including pre- and post-activity).

The third level of evaluation is of long-term outcomes. These are related to the organisation, its clients and its community. Four dimensions are suggested: organisational management and governance, programmatic (organisational level), programmatic (organisation’s clients level), and community. Methods include surveys, interviews, observation, review of financial and operational data, and longitudinal community studies. While these are harder to measure Connolly and York (2002) argue that they are more meaningful indicators of whether capacity has been built.

As described elsewhere in this paper, and reiterated here, one of the problems facing the evaluation of capacity building is that it is not often considered to be a goal in its own right. If, on the other hand, an evaluation looks strictly at capacity building as an end in its own right then the questions asked by Horton (ed.) (2001) are more focused and perhaps more realistic to enquire after:

- What processes have been employed in their capacity building efforts?
- What has changed within the organization as a result of capacity building?
- What capacity building challenges still face the organization?
- What lessons have been learned about how to evaluate organizational capacity development?

Several researchers also argue for the value of participant-oriented approaches to the evaluation of capacity building, including self-assessment (e.g., Brown et al., 2001; Horton, ed., 2001). According to Horton and colleagues (2003) a self-assessment will enlist the organisation’s management, staff and stakeholders in the identification of strengths and weaknesses. The findings are then applied to improving the organisation. An organisation is more likely to act on findings from this ‘endogenous’ accountability exercise than if the evaluation is largely for external, or exogenous, stakeholders.
(Watson, 2006). Watson (2006, p.viii) also concludes that more attention should be given to endogenous performance monitoring as the ‘recognition of performance improvement by peers and clients proved an important motivational factor in enhancing and maintaining a ‘dynamic’ of change’ within an organisation.

The development of self-assessment, or endogenous, approaches by organisations can also be a capacity building process:

‘In designing and using indicators, participants learn about performance assessment, the use of management information, the design of information and performance tracking systems, and their use for organizational learning’ (Morgan, 1997, p.11).

‘To make progress, participants need to ‘grope along’, to experiment, take risks, be flexible, and be open to new learning’ (Morgan, 1997, p.19).

1.4 Concluding Remarks

This section began by examining the notions of capacity and capacity building. A move away from considering capacity as only those organisational components captured by capacity/organisational assessment tools was mooted. Morgan’s (2006) interdependent core capabilities strive to do this by proposing five capabilities that underpin capacity. These allow for more emphasis to be placed on capacity as a process as well as an outcome (e.g., increased capacity and improved performance). In addition, these capabilities can account for ‘soft’ as well as ‘hard’ collective skills so that, for example, motivation, identity, adaptability, can be acknowledged and valued.

The inter-relatedness of these capabilities and the notion of capacity as a systems phenomenon moves us away from a reductionist notion of capacity that sees it broken into its component parts. Instead, more can be learned about capacity and capacity building by studying the whole system and the ‘myriad of interrelationships between and among the elements’ (Morgan, 2005, p.7). This approach is also more in line with Indigenous views of the world that are about holism rather than separate components.

Indigenous views also impact on the conceptualisation of development and sustainability, with the need to take into account cultural values alongside the rights of Indigenous peoples to self-determination. The Declaration on the Rights of Indigenous Peoples contains forty-five articles that acknowledge critical issues for Indigenous peoples, including the right to identity, to self-determination, and to the maintenance of traditions, languages, religious practices as well as intellectual and cultural properties. How these rights impact in the area of capacity building is only just beginning to be explored and understood. In order to support these funding agencies need to develop their own capacity to engage in effective capacity building partnerships with Indigenous Provider Organisations.

In the meantime, the separate capacity components (Appendix A) may remain a useful way for organisations to begin to understand their capacity strengths and needs through self-assessment. Such self-assessment will allow Indigenous Provider Organisations to
develop and apply their own understandings about the capacity they need to both sustain their organisation and to deliver the programmes and activities that facilitate their community’s aspirations. Logic models may continue to be a useful way to plan capacity building and evaluate its success, and case studies of organisations will provide insight into the system as a whole. Perhaps the most useful advice is that the tools organisations use to understand capacity and to plan for capacity building are just that, tools. They are not reality, but they may help fine-tune and add value to reality.

One of the key principles underpinning capacity building is its connectedness to sustainable development. Provider organisations, NGOs and IPOs, within communities are often led by ‘social entrepreneurs’ and staffed by people deeply committed to social change. The funding of these organisations just to deliver services, with no substantive investment in their capacity to do so, is becoming less and less acceptable. Now it is incumbent upon funding agencies to enter into true partnerships with these organisations so that both organisational and societal change can be catalysed. This is one pathway to sustainable development.

2 Capacity Building – Aotearoa New Zealand

When capacity building of Māori organisations became part of the New Zealand Government’s 2000 Budget, organisational capacity was linked with economic and social outcomes for Māori communities. These outcomes were seen as being facilitated by Māori and Iwi driven solutions, provided by Māori and Iwi organisations. At the same time the policy following on from the Budget also emphasised the building of Māori and Iwi organisational capacity to deliver government contracted services. In implementing capacity building for Māori and Iwi social service providers CYF emphasised the self-directed nature of provider development, largely in response to the gaps that had been identified in research and consultation. In the first instance, CYF were also concerned with building provider capacity to deliver CYF services within their communities. In this overview of capacity building in Aotearoa New Zealand both the Government’s general approach and CYF’s specific approach to building the capacity of Maori and Iwi providers is discussed. First, though, is a brief introduction to Maori and Iwi providers that will set the scene for these following sections.

2.1 Maori and Iwi Providers

A Māori provider is a whānau, hapū, or Māori organisation that is owned or governed by Māori, provides a service to Māori, and is accountable to Māori (Pipi et al., 2002). Likewise, an Iwi provider is an organisation run by an Iwi with similar service and accountability commitments. These provider groups often serve a mainly, but not exclusively, Māori constituency. In other words, many providers welcome non-Māori who are willing to be part of the kaupapa of the organisation and, in this way, they provide services and programmes that have the potential to benefit their wider community (Pipi et al., 2002).
A study of ‘successful’ Māori and Iwi providers found that these providers were operationalising Māori values and practices within their organisations. They were often guided by the dreams and visions of their ancestors and they believed firmly in their right to self-determination (Pipi et al., 2002). While the motivation for these providers beginning their services may well have been the lack of mainstream responsiveness to Māori issues and needs (Te Puni Kōkiri, 2000a), they are now collaborating more with each other and with mainstream providers to ensure the best outcomes for their clients. However, one of the biggest hindrances that they experience is their limited capability and capacity (Pipi et al., 2002).

The findings from the Māori and Iwi Provider Success study are in line with views about the aspirations of Māori. In 2001 at the Hui Taumata Mātauranga Mason Durie, a lead commentator in this area, proposed three goals for Maori (Durie, 2001):

☆ To live as Māori
☆ To actively participate as citizens of the world
☆ To enjoy good health and a high standard of living

Durie proposed that these goals are firmly based on three principles:

☆ Best outcomes and zero tolerance of failure
☆ Integrated action recognising multiple players and the benefits of greater co-ordination and co-operation across sectors
☆ Indigeneity – the promise of a mutually beneficial partnership

Māori and Iwi groups and organisations have an important role to play in this development. For example (Te Puni Kōkiri, 2000b, p.9):

Māori providers … contribute in two ways. Firstly, they are well placed to deliver appropriate and effective services to Iwi, hapū, whānau and Māori communities… Secondly, the development of Māori provider organisations contributes to building the capacity of Iwi, hapū and whānau and Māori communities.

In summary, Māori development is about Māori living as Māori. This reflects the elements of cultural integrity discussed above under capacity building. Māori and Iwi organisations are well-placed to play a role in Māori development as their aspirations are sourced from their communities. As with community development other stakeholders, including government, also have a part to play in supporting and facilitating Māori development.

The remainder of this section devoted to two issues: the appropriateness of capacity assessment tools for Iwi and Māori providers, and the context in which Iwi and Māori providers are delivering services.

2.1.1 Capacity

There are many mainstream tools with which to measure an organisation’s capacity with respect to, say, governance, management and staff qualifications. These can be applied in a ‘before’ and ‘after’ (or perhaps, self-reflective) fashion to measure the
impact of targeted capacity building within a provider organisation. The proviso in doing so is that these are mainstream tools and, as such, they may not measure things that are of importance to Māori and Iwi providers. For example, staff certification may come second to cultural competence in terms of ensuring that an appropriate service is delivered to clients (c.f., Cram & Pipi, 2000). This has been addressed in the Capacity Self-Assessment Tool the Māori and Iwi providers of CYF social services are being asked to use, by encouraging providers to develop their own capacity indicators and then apply these indicators within an assessment of their own organisational capacity (Cram & Wehipeihana, 2005).

2.1.2 The ‘too hard basket’

Often Māori and Iwi providers are providing services and programmes to Māori clients who other, mainstream, agencies have not been successful with. In addition, several reports from government agencies and non-governmental organisations have shown disparities between Māori and non-Māori with Māori worse off on measures ranging from educational achievement, to morbidity and mortality, to treatment within the justice system, to poverty (Ajwani et al., 2003; Pōmare et al., 1995). CYF statistics are similar: for 2005/06 38.6 percent of Notifications to CYF and 46.5 percent of Youth Justice FGCs involved Māori, and as at 30 June 2006, 45.2 percent of Children in Care were Māori. Providers are therefore engaging with a client base that is on the whole more marginalised and disenfranchised than the client base seen by most mainstream agencies and service providers. Given that the aim of capacity building is about enhancing an organisation’s ability to meet its goals this raises questions such as:

1. What is the capacity providers need to both sustain their organisation and to meet the needs of their client group?
2. What are the capacity and performance outcomes we should expect and within what timeframe(s)?
3. What are the external facilitators and barriers to capacity building?

Such questions acknowledge that the issue of Māori and Iwi provider capacity building, be it for organisational capacity and/or performance, needs to be seen within a wider context of Māori needs and aspirations. The United Nations Development Programme (1998) talks about capacity building at the level of the broad system. This includes the policy and legal/regulatory environment, as well as the values system organisations operate within. This links to Torjman’s ‘ethic of care’ and the question of how enabling the environment created by a government is for the existence and work of Māori and Iwi providers. With this in mind, the next section examines the capacity building initiative of the current government over its term in office (beginning late in 1999).
2.2 Capacity Building

The Prime Minister Helen Clark, in her 2000 Budget speech, stated that

As well as seeking better economic and social outcomes for Māori and Pacific peoples, we must build the capacity of those people and their organisations to devise their own programmes.\(^{10}\)

According to the 2000 Budget, part of capacity building for Māori consisted of

…assisting whānau, hapū, Iwi and Māori communities to identify needs and develop initiatives.\(^{11}\)

Likewise, a capacity building newsletter (n.d.) defined capacity building as ‘a ‘whole-of-government’ initiative involving almost all agencies working together to respond appropriately and effectively to the needs of whānau, hapū, Iwi, Māori organisations and Māori communities’. Accordingly, policy documents described how ‘this strategy must focus on both reducing inequalities between Māori and non-Māori, and empowering Iwi and Māori to control their own development. This meant helping to develop local level solutions by giving Māori communities (via Iwi/Māori service providers) the tools to lead their development in the direction they choose as well as aiming to reduce inequalities’.\(^{12}\)

As noted above, while Maori and Iwi providers have focused on providing largely ‘by Maori, for Maori’ services and programmes, many providers have not excluded other (non-Maori) people within their communities from taking advantage of these services and programme. The capacity building of Maori and Iwi providers should therefore lead to positive outcomes for their wider community (as most Maori do not live in Maori-only communities).

In 2000 Te Puni Kökiri outlined the Government’s strategy for Māori provider and workforce development, stating that the intended outcomes of this strategy were to:

i. strengthen the capacity of whānau, hapū, Iwi and Māori organisations to provide government contracted services to their communities; and

ii. strengthen the Māori provider workforce to develop innovative solutions that contribute to the goal of improved outcomes for Māori.

The first outcome of this is compatible with Kaplan’s (1999, p.31) definition of capacity as ‘…the ability to deliver specified products, often according to others’ specifications’. In this definition Kaplan is referring to the capacity of the South to deliver programmes that the North wants to fund and sees as necessary for the South. Kaplan also advocates for ‘sovereign focus and direction’ (p.31), as in the second


\(^{12}\) Paper: Iwi and Māori Provider Strategy.
outcome above. Providers often see themselves as working toward social transformation in their communities, rather than as merely delivering externally designed and funded programmes. Thus, provider capacity is built so that providers can develop and deliver the ‘innovative solutions’ that they know will facilitate the transformation of their communities.

Capacity Building papers from Te Puni Kōkiri also identified key themes for the implementation of capacity building initiatives. These initiatives were to reflect:

✩ Bottom-up development
✩ A whole of government approach
✩ A shift from a contracting to a partnership relationship

Specifically this could involve:

✩ Sharing information and resources;
✩ Innovative solutions
✩ Improved outcomes for Māori
✩ Qualitative targets
✩ Co-operation with other Government agencies
✩ Bottom-up approaches
✩ A focus on maintaining the long-term viability of Iwi and Māori organisations

The outcomes hierarchy that can be identified for the New Zealand Government’s capacity building programme reflects the role of increasingly capable Maori and Iwi providers in providing services/programmes/businesses within communities that, in turn, aid communities’ economic, social and cultural development (Diagram 4).

**Diagram 4. Outcomes hierarchy for capacity building**

If this diagram is presented as a cycle, rather than a linear progression, then it better reflects the capacity building evaluation finding that these three components are integrated as all occur within a community context (Diagram 5) (cf. Morgan, 2006). Thus, for example, economic, social and cultural development will facilitate provider capacity and capability. Throughout the capacity building programmes constructive relationships between providers and government agencies were also to be developed and maintained; that is, ‘partnership relationships’.

At the same time as the New Zealand Government was funding capacity building among Māori and Iwi providers, capacity building was an international movement very
much in its infancy. Only recently have full descriptions of capacity building initiatives and their evaluations been available. Perhaps not surprisingly then the implementation of capacity building locally was conducted with goodwill but with only the briefest theoretical development of the concept. In addition, the evaluation components of the various capacity building funding streams across government departments were commonly instigated after the distribution of the first rounds of capacity building funding.

Diagram 5. A cyclical intervention logic for capacity building

In summary, the first rounds of the New Zealand Government’s capacity building initiative fortuitously adopted many of the best practice features of the other, international capacity building programmes. In stressing the importance of ‘bottom-up’ approaches and a ‘partnership relationship’ with whānau, hapū, Iwi and Māori communities the initiative was well-placed to reflect Māori worldviews, values and beliefs alongside a respect for the Treaty of Waitangi. The ‘focus on maintaining the long-term viability of…organisations’ also represented an interest in the sustainability of these organisations, while the goal of ‘improved outcomes for Māori’ pointed to a concern with Māori development more generally.

Since these first rounds of capacity building the broader political climate within Aotearoa New Zealand has changed in ways that impact either directly or indirectly on Maori and Iwi providers. Two such changes are briefly canvassed here. The first is the Government’s questioning of ‘targeted funding’ that it defined as government agency
funding ring-fenced specifically for Maori and Pacific providers.\textsuperscript{13} The State Services Commission was tasked with auditing government agencies and many agency funding pools and/or contracts were criticised for being ‘targeted’. This created a rather hostile political environment for Maori and Iwi providers who firmly believe that the provision of ‘by Maori, for Maori’ programmes and services is both a right and a necessary requirement for their community. In addition, as stated above, many of these providers provide ‘whole-of-community’ services and programmes.

The second issue is the whole-of-government initiative of ‘Managing for Outcomes’. This initiative moves government agencies to examine the outcomes they are achieving through the services and programmes they deliver and fund:

Managing for Outcomes (MfO) is about enhancing focus and performance through a more strategic and outcome-focused approach to management and reporting. As part of seeking continuous improvement, agencies are expected to learn from success and failure and make the necessary modifications to their output mix and delivery (Steering Group, 2003, p. 3).

The notions of reflectivity, leadership, and sustainability (to name a few) that appear in ‘Managing for Outcomes’ documentation are very similar to the principles contained in capacity development. For example, organisations that are managing for outcomes are described as having ‘an adaptive and innovative culture and seek continuous improvement’ (The Treasury & State Services Commission, 2005, p. 1). In addition, Ringold (2005, Executive Summary) notes that, ‘There is growing demand from policy-makers, providers and beneficiaries to know what works and why in improving Māori outcomes’. The ‘Managing for Outcomes’ initiative therefore presents an opportunity for stakeholders to become more knowledgeable in this area as views, experiences and evidence are shared in appropriate forums.

Finally, this year (2006) the issue of capacity building across the NGO sector was also acknowledged by the Families – Young and Old Ministerial Group.\textsuperscript{14} The Group takes a more system-based approach to the issue of capacity building and at how government agencies and their contracting arrangements with NGOs can stifle provider capacity. This stifling is reminiscent of the reluctance of funding agencies to invest in providers that was noted above (see Section 1.2.2 ‘Building capacity’), and is a reminder that often external factors that providers have little or no control over can disrupt their ability to deliver the best services to their communities.

\textsuperscript{13} It was unfortunate that the government did not also question all funding to providers, including ‘mainstream’ providers, and whether funding was targeted equitably given the inability of many ‘mainstream’ services to be fully responsive to Māori.

\textsuperscript{14} It does, however, include Māori and Iwi providers within the NGO sector when internationally moves by Indigenous peoples are to distinguish their institutions from NGOs.
2.3 Child, Youth and Family

‘Social work is one of the most political of professions. Located as it is within the welfare institutions of society, it is inevitably shaped by government policy’ (Kane, 2001, p.292).

As part of the 2000 Budget Government allocated $3.513 million per annum ($14.052 million over 4 years) to Vote: Child, Youth and Family Services to set up an Iwi and Māori provider and workforce development fund. In support of this, Cabinet noted that:

1. There is currently no Māori service provider and workforce development fund focused specifically on the type of services purchased by the Department; and
2. Many Māori service providers have difficulty obtaining funding because of the limitation of current funding criteria.

The Vote: Child Youth and Family Service allocation in the New Zealand Government 2000 Budget was timely for both Child Youth and Family (CYF) and Māori and Iwi social service providers. In the decade since the 1989 Children, Young People and their Families Act the pool of Māori and Iwi social service providers that CYF was contracting had grown substantially. Within the Act, and reiterated within CYF documents and policies, was the imperative that these providers be assisted to provide care and protective services within their communities (Duncan & Worrell, 2000, cited in Brown, 2000). However concerns with these contracting relationships were evident, both from CYF’s own consultations with providers and from reviews conducted by Te Puni Kōkiri (see Appendix D for further detail). It was clear that a better relationship needed to be forged between CYF and Māori and Iwi social service providers.

The Government’s commitment to building the capacity of Māori and Iwi providers provided an opportunity for CYF to work with Māori and Iwi social service providers to strengthen provider capacity. As described above, the governmental capacity building initiative had the joint goals of strengthening Māori and Iwi organisations to (1) deliver government programmes and services, and (2) develop their own programmes and services to meet local needs. In supporting this initiative CYF was therefore facilitating its own policy commitment to delivering culturally appropriate services and programmes to whānau, hapū, Iwi and Māori communities. In addition the allocation of some capacity building funding for ‘innovations’ enabled CYF to initiate a broadening of their contracting base to be more inclusive of the holistic approach of Māori and Iwi providers. In this way CYF capacity was explicitly being built through the capacity building funding.

So the ability of CYF to provide capacity building funding to Māori and Iwi social service providers in 2000/01 was timely in that CYF was well-informed about the needs and concerns of these providers. Durie (nd) argues that Māori development through state interventions cannot take place unless there is active Māori buy-in. Often this buy-in has been sought through consultative processes (Attorney General, 1987). The feedback from Māori and Iwi social service providers to CYF set the scene for this
buy-in. In this way the CYF capacity building funding were reasonably well-targeted and well-received by providers (O’Reilly, 2004).

In its initial phase the Department's Iwi and Māori Provider Development Fund was seen as contributing to capacity building by assisting Iwi and Māori providers of social services to:

★ Assess their own capacity and determine their own needs for their initiatives: by offering training and skills development;
★ Determine their own development objectives for their own initiatives: by assisting to build their organisational capabilities and infrastructure;
★ Build their own strategies, systems, structures and skills: by offering funding for staff training and development; and
★ Strengthen the ability of individuals, whānau, hapū, Iwi and Māori organisations: by offering development assistance that ensures that there are a group of well qualified effective Māori service providers in high need Māori communities.

The outcomes that were sought from the provision of the Child Youth & Family Iwi and Māori Provider Workforce Development Fund were:

★ That Māori provider development would enhance by Māori, for Māori service quality and thereby improve outcomes for Māori; and
★ That, in the long term, a larger proportion of the Department’s contracted services would be able to be provided to Iwi and Māori communities by service providers who belong to the communities, rather than by mainstream services organisations.

CYF therefore clearly linked the building of provider capacity with the delivery of effective CYF services to whānau. This is captured in the following definition of capacity building as;

‘…a practical building block for a wider strategy for the development of, and engagement with, Iwi and Māori providers. The fund will support the development and maintenance of a pool of competent well regarded Iwi and Māori providers, who are relevant to their communities. This, in turn, will help develop an effective continuum of social services and providers to deliver quality services to families and whānau.’  

The evaluation of the IMPWDF took place in 2003/04 (O’Reilly, 2004). Among the findings was that:

★ Funding for immediate needs enabled providers to develop and/or strengthen organisational infrastructure, invest in staff training, and build financial stability.
★ Funding for longer-term development saw providers shift from ‘a reactive to a more planned and self-reflective approach’ (O’Reilly, 2004, p.vi).

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Practice supervision and coaching funding resulted in improved social work practice as well as improved organisational practice.

Innovations funding allowed providers to explore new programmes and services and thereby increase their capacity for programme planning, needs assessment, and self-assessment.

Funding for a national provider association was taking longer to come to fruition.

The evaluation findings also underpinned the development of a provider Capacity Self-Assessment Tool and commitments by CYF to (a) respond to provider identified capacity needs (Cram & Wehipeihana, 2005), and (b) potentially fund the plans providers proposed to build their capacity. The first training in this capacity self-assessment occurred at the beginning of 2005, with providers submitting funding applications in May of that year. A second round of training and an accompanying funding round is proposed for the first half of 2007. In 2006 providers were offered training in theory of change and logic models to facilitate their documentation of their models of practice. As noted above, at the end of Section 1, this training stressed that these were tools (not reality) that providers might find useful in their communications with CYF.

In summary, the IMPWDF continues to address Māori and Iwi provider capacity needs. Initially the Fund targeted those needs that consultation processes had brought to the fore and providers were invited to apply for funding to build particular capacities. The success of this initiative rested largely on the initial consultation processes, alongside the presence of the CYF Iwi/Māori team who acted as ‘intermediaries’ in the identification of the capacity needs that they knew providers had. For the 2005 funding round providers were encouraged to self-assess their capacity needs and make a funding application detailing how they would strengthen their organisation. This process is in-step with international practices that see funding agencies supporting endogenous provider development, through a process of reflection and self-assessment that is owned and initiated by the recipient organisation.

Finally, in addition to the recent CYF move into the Ministry of Social Development, one other change within CYF that will soon impact on Māori and Iwi providers is the move toward a Differential Response Model. Māori and Iwi providers must now prepare themselves for a changed service model, and also develop their capacity to legitimate themselves and their practice models within the context of this new regime.

2.3.1 Differential Response Model

The Differential Response Model (DRM) is an attempt to create within CYF a less adversarial pathway for parents and families (Waldegrave & Coy, 2005). A decision-making point is being introduced at a time of ‘preliminary assessment’ following a notification to CYF. This is the time when social workers decide what the appropriate response is to the notification. This might be the ‘traditional’ investigative pathway or it could be a supportive pathway such as a referral to another department or organisation (Waldegrave & Coy, 2005). Waldegrave and Coy (2005) identify a number of challenges to this new regime while internationally the anticipated benefits
include: increased motivation by parents to change risk behaviours, the availability of more support services for families, and increased public responsibility for child protection (Schene, 2001a).

Schene (2001b) provides an overview of the lessons learned from the implementation of a differential response approach to social work in pilot states in the USA. These lessons include the need to:

- Enhance family and kinship involvement, and
- Work with community agencies in a different way.

The involvement of family and kinship (i.e., whānau) is embedded within the practice of Māori and Iwi providers of social services. In addition, the establishment of new/better working relationships between CYF and Māori and Iwi providers, that involve more effective communication and relationship building, holds promise not only for DRM but also for the context in which Māori and Iwi provider capacity is being facilitated by CYF (see above, Section 1.2.2 ‘Building Capacity’). A concern, however, is that the place of Māori and Iwi providers within DRM is not well realised by CYF in their background documentation. It is therefore hoped that the piloting of this initiative with Māori providers will acknowledge and value the skills and practice models these providers bring to opening up supportive pathways for whānau, and that the capacity of these providers to do so will continue to be invested in by CYF.

2.4 Concluding Remarks

If one of the outcomes of a capacity building initiative is, as the literature strongly endorses, reflexivity then the growth of Māori and Iwi provider capacity will be seen in the way these providers come to recognise their own needs, decide their own capacity building response, and then monitor whether or not their capacity and performance improves as a result. In other words, the development of provider self-determination and reflexivity will signal ‘success’. In this scenario, capacity building results in strong and capable providers that are able to engage collaboratively with funding agencies and negotiate the services and programmes that the providers know are most suited to their communities. Providers will also be well-placed to respond to new initiatives and will, as result of their capacity and ability to adapt, be ensured of a long life of service within their communities.

The description above does not, however, take into account the influence of the external environment on providers; those things that providers have little or no control over. These range from under-funding of contracts through to a political environment that challenges the value of ‘by Māori, for Māori’ services and programmes. Within this external environment CYF is responding to challenges it has received over the past decade to be more responsive to Māori. The commitment to supporting the endogenous development of Māori and Iwi provider capacity is one sign of this.

The next question that CYF might ask itself is whether it is interpreting Māori and Iwi provider ‘independence’ as a management or bureaucratic issue, or whether it is
acknowledging, and working toward honouring, Māori and Iwi provider calls for self-determination in terms of Tino Rangatiratanga and the Treaty of Waitangi. While the former ‘independence’ is something that providers are now feeling their way with, it is constrained in its ability to give full voice to providers’ cultural priorities and aspirations. It is therefore a ‘dead-end’ in terms of long-term sustainable development. In order to catalyse providers to contribute to ‘better economic and social outcomes for Māori’ a broader, rights-based understanding of independence is needed, accompanied by a truer ‘partnership relationship’ between the Department and Māori and Iwi providers.

The remainder of this section addresses three of the questions raised by Kaplan (1997) (questions 1-3 below), and an additional question that often gets asked within this country about when funding of capacity building can end. Kaplan (1997), himself, only poses these questions. The answers given here are by no means definitive; rather the questions should be seen as an ongoing mechanism to facilitate reflection and discussion of the CYF capacity building initiative.

1. **What are the implications of the way in which funding for capacity building interventions are currently provided, and what needs to change in funding practice?**

   CYF has opened up avenues for Māori and Iwi providers to be self-determining about the capacity areas they wish to build, and have provided funding to providers to undertake this. Provider access to intermediaries has also loosened up with providers now able to select intermediaries from a list prepared, and screened, by CYF instead of being assigned intermediaries by CYF. These are small, managerial steps that are new and exciting for the agency and for providers, but are possibly still too constraining within Māori political aspirations for self-determination/Tino Rangatiratanga. What is required is forward momentum on the part of the agency so that these small steps continue on to the next small steps in a bid to fund endogenous capacity.

2. **What are the implications of the current vogue with outcomes-based project planning, logical framework strategic documents, and business planning?**

   As stated in this review, these tools are just that, tools, and should not be seen to be full and accurate reflections of far more complex systems. They are useful representations that assist communication and funder understanding of what a provider is wanting and why. In this way they can facilitate partnerships between funders and Māori and Iwi providers.

   At the same time, funding agencies and providers need to be encouraged to explore a more system-based model of intervention, change, growth and development. Morgan’s (2006) five capabilities (p.7 above) offer an avenue to do this. At least two of the capabilities are already very familiar: the capability to act, and the capability to generate development results. These therefore provide a ‘jump off’ point for extending our understanding to include the other capabilities, and to also ensure that both ‘harder’ and ‘softer’ elements of the capabilities are included and valued. A case study is one research method that would take into account the need for a system approach.
3. **What are the implications for development management and leadership, monitoring and evaluation mechanisms, and the concept of the discrete development project itself?**

Within systems theory the notion of a discrete intervention that can advance development is seen as non-sensical. Rather, development within complex systems is more about strengthening what works. Evaluation needs to take this into account.

Having said this, it is acknowledged that many Māori and Iwi providers are just in the beginning stages of building their capacity for internal monitoring and evaluation. As with the tools described in 2 above, there is still utility in, for example, programme logic models whereby providers can set out a framework for both understanding programmes and assessing their outcomes.

4. **When will the capacity of organisations be built and no longer need funding support?**

The commitment of CYF to building the capacity of Māori and Iwi providers will probably continue for as long as these providers are only partially funded for the services and programmes they deliver. The capacity building initiative with providers is also in its early days and the culture of providers attending to capacity as well as performance is probably only just beginning to be built. Once this is embedded then providers will require core, or overhead, funding to sustain their capacity building efforts should the reduction of a specific fund for this be desired by CYF.
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The Challenge Of Capacity Development: Working Towards Good Practice


Appendix A. Overview of capacity areas covered in organisational assessment tools

Vision and Mission

A mission statement addresses the question of ‘Why?’ (e.g., why this organisation?), and in doing so encapsulates the purpose and philosophy of an organisation. A vision is ‘a shared dream for a community or group’.16 Based on their work with a number of organisations, McKinsey & Company (2001) reported that the greatest gains from capacity building occurred in those organisations that took time to reassess their aspirations. ‘Aspirations [mission, vision, goals] inspire staff, volunteers, and donors. They define what an organization will do – and won’t do. They help define an organization’s overall approach and set priorities for action. They are a basis for strategy, which in turn defines the necessary organizational skills that can be delivered only with the proper design of human resources, systems, and organizational structure. In short, aspirations drive everything’ (McKinsey & Co., 2001, p.37).

The capacity of an organisation in this area is often assessed on, for example, the clarity of the mission statement; whether this statement can be articulated by management and staff; and the consistency between the mission and the organisation’s strategy and portfolio work (see, for example, Education Development Center & Pact, nd; LaPiana Associates, 2003).

The mission and vision statements of Indigenous providers, and non-indigenous providers who work with Indigenous populations, are often the place where they reflect on their desires to work with cultural integrity. For example, one of the objectives of the Victorian Aboriginal Child Care Agency is ‘to preserve, strengthen and protect the cultural and spiritual identity of indigenous children’. Similarly the QEC Aboriginal and Torres Strait Islanders Corporation for Legal Services incorporates its core functions/values in its mission statement, including: ‘promote social justice for Indigenous Australians’, and ‘promote the right of Indigenous Australians to empowerment, identity and culture’. Pipi et al. (2002) found that Maori and Iwi providers’ visions revolved around tino rangatiratanga and mana motuhake (self-determination), and that this was often fed by and connected to the visions of key leaders.

Leadership

Leadership comes from an organisation’s board, management and staff (DeVita et al., 2001). Nathan et al. (2002) define leadership as ‘the presence of individual leadership qualities and organizational support for taking the lead’. Thus leadership might occur at multiple levels of an organisation and for different purposes or tasks. Even so

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17 Community Partnerships for Healthy Children: Glossary [www.cphconline.org/glossary/](http://www.cphconline.org/glossary/)
capacity building initiatives have often focused on leadership at the level of organisational governance and sought to improve the performance of an organisation’s Board of Trustees.

**Governance**

Governance, ‘in the non-profit sector, refers to the actions of the volunteer board of directors of an organization with respect to establishing and monitoring the long-term direction of that organization’. As organisations develop, their boards tend to move from being small and informal to larger and more formal (Schuh & Leviton, 2006). According to Plumptre and Graham (1999) good governance prevails when you have:

- A well-functioning Board
- Real accountability
- Clarity of purpose
- Transparency and openness
- Sound Board-staff relationships
- Effective stewardship

La Piana Associates (2003, p.17) describe a healthy governance function as being in place when ‘the organisation has a board of directors that works collaboratively with the executive director, defines the mission and then develops strategies and policies to advance it. It also provides an independent check on management’s actions and a connection to the community it serves’. Other aspects of governance capacity include the board members being recognised leaders with appropriate expertise (see, for example, Saidel & D’Aquanni, 1999).

Many Indigenous communities throughout the world are focused on exploring and developing their own unique governance structures. Development is centred on systems of governance that reflect Indigenous ways of doing things and which will provide the leadership necessary for full and effective Indigenous services and businesses (Cornell, 2002). Indigenous governance is not necessarily about simply reviving traditional methods of self-governance. To survive and thrive in the contemporary world it is important that governance systems are able to meet both the needs of the organisation as it interfaces with the demands of the broader environment, as well as maintain legitimacy with their own people (O’Reagan, 2002; Cornell, 2002; Dodd, 2002). For Māori and Iwi providers this legitimacy may be rooted in the elements of Māori governance outlined by Durie (1999), namely:

- **Mana Wairua** Spiritual and cultural values, beliefs and practices
- **Mana Whenua** Iwi and hapū ownership and control over tribal resources (land, forests, rivers and sea)

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Mana Ariki  The authority of paramount leaders within their own tribes and as leaders for all Māori

Mana Tangata  The rights of individual Māori to organise as Māori and to assert citizenship rights

In addition, the Indigenous Peoples' Caucus Statement for Multi-Stakeholder Dialogue on Governance, Partnership and Capacity-Building (International Indian Treaty Council, 2002, p.1-2) states that ‘Governance structures for Sustainable Development must strive for greater democratisation, transparency, equity and accountability in order to achieve better outcomes’. This includes the integration of laws, policies and strategies which encourage sustainable development, including environmental integrity (Canada, 2000).

Management

In addition to governance as leadership, Light and Hubbard (2002, p.1) argue that ‘there is also good evidence that capacity building matters to programmatic outcomes. Although good management is not a guarantee of programmatic success, it is considered a necessary precondition’. Management is ‘The guidance and control of action required to execute a program. Also, the individuals charged with the responsibility of conducting a program’. Good management centres around notions of, for example, transparency in decision-making, staff participation in decision-making, communication flow (see, for example, McKinsey & Co., 2001).

Among Māori and Iwi providers, management staff were seen as committed to and passionate about the mission and vision of the organisation (Pipi et al., 2003). It was through the dedication of such people that organisations were able to embed Māori values and practices into their day-to-day operations.

Resources

Provider resources include human, financial and technological resources. Among the goals and objectives of capacity building in the resource area are:

- Building a knowledge base and awareness which facilitates better decision-making;
- Improving management practices and techniques;
- Developing appropriate infrastructure and technology to support sustainable development; and
- Identifying and promoting sustainable financing mechanisms (Canada, 2000).

Letts et al. (1999) argue that in order to deliver a programme or service effectively an organisation must have the necessary organisational and management skills. Programme delivery capacity is also related to the ability to secure funds and to technological development. Here we touch briefly upon human resources.

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19 US Environmental Protection Agency: Evaluation glossary [www.epa.gov/evaluate/glossary/m-esd.htm](http://www.epa.gov/evaluate/glossary/m-esd.htm)
An organisation’s human resource, or staff, are ‘the people needed to develop, operate, maintain, and support a system’. LaFond et al. (2002) suggest that, if effective, capacity building should improve the ability of staff to perform their work functions.

On a day-to-day basis the onus falls upon staff to ensure that the organisation’s mission and vision are enacted, and that services and programmes are delivered as desired (Pipi et al., 2003). Pipi et al. (2003) found that Māori and Iwi providers prioritised whānau and community networks in staff selection and then, if necessary, trained staff in the necessary practice-based skills they needed.

Outreach

Outreach capacity is the organisation’s ability to educate, collaborate and advocate. Nathan et al. (2002) call this networking and relationship-building and define it as ‘creating productive relationships and contracts both within and outside government, and developing and maintaining a diverse network of like-minded groups’ (also see Canada, 2000). LaFond et al. (2002) include the clients of organisation and their communities as a level at which capacity building can be measured. Rather than focusing on outcomes, LaFond et al. emphasise improvements to clients’ engagement with the organisation. Both networks and an organisation’s capacity to network are coming to the for in the capacity building literature, although it is acknowledged that there is little theorisation of these issues (Taschereau & Bolger, 2005).

Products and Services

An organisation’s capacity in this area is reflected in its ability to ‘perform core functions, solve problems, define and achieve objectives’.

One of the goals of the CYF’s capacity building initiative with Māori and Iwi providers was to strengthen these providers in their delivery of CYF’s services to their communities (see below). The outputs, outcomes and performance of providers in this area are clearly defined by CYF. For example, CYF has addressed outcomes in two papers from its Outcomes Project (CYF, 2000a,b,c). In the first of these papers (CYF, 2000a, p.8), six high-level outcome domains are outlined:

3. Safety of the child or young person;
4. Well Being of the child or young person;
5. Optimising Family functioning;
6. Permanency and stability in the child or young person’s living situation;
7. Cultural and spiritual identity awareness for the child or young person; and
8. Client satisfaction

Each of these domains is then expanded upon with a list of outcomes, indicators and measurement sources (CYF, 2000b).

Research and Evaluation

Research is a ‘a form of inquiry that involves seeking of evidence to increase knowledge. [It is] a systematic process for recognizing a need for information, acquiring and validating that information, and deriving conclusions from it’.

Evaluation is ‘a systematic (and as objective as possible) examination of a planned, ongoing or completed project. It aims to answer specific management questions and to judge the overall value of an endeavour and supply lessons learned to improve future actions, planning and decision-making. Evaluations commonly seek to determine the efficiency, effectiveness, impact, sustainability and the relevance of the project or organisation’s objectives. An evaluation should provide information that is credible and useful, offering concrete lessons learned to help partners and funding agencies make decisions’.

Planning is ‘the process of setting development goals and policy, gathering and evaluating information, and developing alternatives for future actions based on the evaluation of the information’.

Monitoring is ‘the regular collection and analysis of information to assist timely decision making, ensure accountability and provide the basis for evaluation and learning. It is a continuing function that uses methodical collection of data to provide management and the main stakeholders of an ongoing project or programme with early indications of progress and achievement of objectives’.

Pipi et al. found that within the Iwi and Māori provider environment there was constant monitoring by whānau, hapū and Iwi. This could be either formal or informal, verbal or written, as providers sought feedback from clients and their whānau. Providers were responsive to feedback and used it to tailor their services and/or programmes in ways that worked best for clients and their whānau.

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22 Austin City Connection: Neighborhood Planning Glossary www.ci.austin.tx.us/zoning/glossary.htm
Appendix B. Overview of legitimacy

A study, ‘Capacity, Change and Performance’, by The European Centre for Development Policy Management (ECDPM) in the area of capacity development concludes this year (2006). The study focuses on ‘organisational change and performance enhancement’. ‘The study is part of a broader workplan of the Network on Governance of the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD). Its research methodology focuses mainly on an extensive literature review and about 18 in-depth field cases which look at how capacity has developed from the perspective of those involved in the change process’ (ECDPM, 2006).

One finding that has emerged from several of the case studies is that organisational legitimacy contributes to capacity and performance. Brinkerhoff (2005, p.1) states that ‘legitimate organisations meet and conform to societal expectations, and as a result are accepted, valued and taken for granted as right, fitting and good’. In addition ‘legitimacy…derives from the judgements of observers of an organisation’s attributes, qualities and achievements’ (p.7).

Brinkerhoff (2005, p.3, Table 1) defines three types of organisational legitimacy:

- **Normative legitimacy**: ‘Organisation reflects acceptable and desirable norms, standards and values’.
- **Pragmatic legitimacy**: ‘Organisation fulfils needs and interests of its stakeholders and constituents’.
- **Cognitive legitimacy**: ‘Organisation pursues goals and activities that fit with broad social understandings of what is appropriate, proper and desirable’.

Part of cognitive legitimacy is achieved when an organisation becomes ‘taken-for-granted’; that is, when’ no other option is imaginable’ (Brinkerhoff, 2005, p.5). Brinkerhoff describes the difficulty of achieving this within a cross-cultural setting when organisations, structures, programmes, etc. are introduced into a setting by an external funder from a different cultural context. Such organisations may only last as long as the funding lasts as they fail to become embedded within their socio-cultural setting. The lesson here is the risk of a short-life span, or lack of sustainability, when an organisation, structure or programme is inserted into a community in a top-down fashion, across a cultural divide and fails to achieve legitimacy. In Brinkerhoff’s (2005, p.10) words: ‘Organisations need legitimacy for long-term survival and sustainability’.

Similarly, a programme that is developed in a bottom-up fashion may fail to achieve legitimacy because it does not conform to the funder’s societal ‘myths’ about appropriate practices and procedures, and/or theory of change. Again, this risk seems to be more acute across a cultural divide between funders and the communities from

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which bottom-up initiatives emerge. This is strong argument to a partnership approach to organisational development.

Brinkerhoff (2005) raises two areas of legitimacy that are particularly important when considering capacity building. The first, the isomorphic dynamic, highlights the role of environmental factors in constraining organisations. Other, similar organisations, funders, and service users all play a part in pushing organisational capacity building efforts in certain directions. As a result, ‘capacity building in the aggregate (across several organisations) may be… a functional response to organisation-environment interactions that confer legitimacy’ (p.10). The second area is the socially constructed nature of legitimacy, including the power dimension of whose assessments of both legitimacy and capacity count. In this context it is ‘not just what an organisation does, but how it frames and communicates what it does, [that] is important for legitimacy’ (p.11).

For Māori and Iwi organisations, and probably also many community-based NGOs delivering social services, legitimacy is two-fold as ‘societal expectations’ about their reliability, appropriateness, and trustworthiness come from both CYF and from their communities (i.e., whānau, hapū and Iwi). Brinkerhoff (2005, p.6) labels this ‘the problem of multiple stakeholders with differing or conflicting expectations’. He goes on to state that ‘in some cases meeting performance expectations may be more related to Meyer and Rowan’s (1991) myth management than straightforward production of goods and services’.

Legitimacy is a capacity indicator insomuch as an organisation must have the capacity to proactively and strategically manage its legitimacy, especially when it has cultural diverse stakeholders (Brinkerhoff, 2005). According to Morgan (1997, p.10), these skills can be taught. He also argues that an organisation:

‘…must have some ability to legitimize its existence. It must be able to persuade key external stakeholders e.g. politicians, citizens, funders, of the value of continuing to support its continued functioning’.

Finally, Brinkerhoff (2005) warns that, ‘While inclusion of legitimacy in capacity building recognizes the importance of symbols, beliefs and socially constructed realities that organisations need to deal with, it is equally important not to treat the legitimacy concept so broadly that it subsumes the majority of the analytic territory in organisation-environmental interactions’ (Brinkerhoff, 2005, p.10).
### Appendix C. Exhibit 2: Continuum of Capacity-building Evaluation

<table>
<thead>
<tr>
<th>Evaluation Level</th>
<th>Evaluation Questions Addressed</th>
<th>Evaluation Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACTIVITY/ENGAGEMENTS</strong> (the capacity-building process, such as training or consulting)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attendance/Usage/Participation</td>
<td>Number of participants and organizations served; engagement duration</td>
<td>Counting, documenting, and describing participants’ characteristics and usage rates.</td>
</tr>
<tr>
<td>Quality of Service</td>
<td>Degree of program excellence</td>
<td>Identification of best practices and determination if programs incorporate them.</td>
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<tr>
<td></td>
<td>How many and what types of people and services did they use, and what was the extent of their usage?</td>
<td>Direct observation of service. Customer satisfaction surveys. Exit interviews with participants after engagements.</td>
</tr>
<tr>
<td></td>
<td>To what extent do the services reflect best practices and current knowledge?</td>
<td></td>
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<tr>
<td></td>
<td>How relevant were the services?</td>
<td></td>
</tr>
<tr>
<td></td>
<td>How satisfied were participants with the services? What did they like and dislike about them?</td>
<td></td>
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<tr>
<td>SHORT TERM OUTCOMES (the direct result of capacity-building engagements on individual participants)</td>
<td></td>
<td></td>
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<tr>
<td>Cognitive Change</td>
<td>What did the participants learn as a result of the capacity-building activities, and how did they do so?</td>
<td>Observation of training and consulting process. Interviews and surveys of participants about self-reported learning (including pre- and post-test and/or comparison group studies).</td>
</tr>
<tr>
<td>Affective Change</td>
<td>To what extent and how have the attitudes and beliefs of participants, staff members, or community members’ changed regarding the problem or issue being addressed?</td>
<td>Self-perception surveys (including pre- and post-test and/or comparison group studies). Focus groups, interviews, and participant observation.</td>
</tr>
<tr>
<td>Behavioral Change</td>
<td>To what extent and how did the participants, organization, or communities apply what was presented during training sessions and advised during consulting engagements? What have they done differently?</td>
<td>Interviews, surveys (including pre- and post-test and/or comparison group studies), and focus groups with participants and their colleagues. Observations of participants.</td>
</tr>
<tr>
<td>LONG-TERM OUTCOMES (the longer-term outcomes related to the organization, the organization’s clients, and the community)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational management and governance</td>
<td>How did overall organizational management capacities (such as, governance, leadership, management, fundraising, human resource development, financial management, communication, community outreach) improve as a result of the capacity-building engagement?</td>
<td>Interviews and focus groups with Board, staff, community partners, and collaborators. Review of financial and operational data. Monitoring of progress on strategic plan implementation. Administration of organizational assessments (including longitudinal or pre- and post-test organizational assessments).</td>
</tr>
<tr>
<td>Programmatic (organizational level)</td>
<td>In what ways (directly and/or indirectly) was the quality of programs and services improved?</td>
<td>Interviews with staff who deliver programs, especially focusing on their perceptions about the ‘critical’ organizational resources that they needed and did or did not have to support their work. Surveys and focus groups with clients, to gather in-depth information about what it was about the engagement and organization that led them to feel satisfied or not. Performance information about program operations.</td>
</tr>
<tr>
<td></td>
<td>In what ways was program capacity increased (scale, reach, or extent of impact on target population)?</td>
<td></td>
</tr>
<tr>
<td>Programmatic (organization’s clients level)</td>
<td>What cognitive, affective, and/or behavioral changes have constituents shown as a result of receiving programs and services? How have the organization’s constituents’ lives improved?</td>
<td>Surveys of and focus groups and interviews with constituents, focusing on outcomes. Observation of constituents. Interviews or focus groups with those in the community that have observed constituents.</td>
</tr>
</tbody>
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25 This table was developed by Paul Connolly and Peter York of The Conservation Company in 2002. The table was adapted from *Building to Last: A Funder’s Guide to Capacity Building*, a work in progress by Paul Connolly of The Conservation Company and Carol Lukas of Amherst H. Wilder Foundation, © 2002 Amherst H. Wilder Foundation, [http://www.geofunders.org/](http://www.geofunders.org/).
<table>
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<tr>
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</tr>
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<tbody>
<tr>
<td>Community</td>
<td>How have nonprofit organizations improved, on the whole, in a given community? How has the performance of nonprofits in addressing community challenges improved? How have changes in organizational management and governance and program delivery affected the community? What impact have these changes had on the community? To what extent have community conditions improved?</td>
<td>Periodic collection of organizational assessments of nonprofits in the community. Surveys of all nonprofit organizations in a given community. Review of resource acquisition in a given community (new grants, contracts, individual donations, etc.) through audits or surveys. Monitoring networking/collaboration activities in a community. Review of evaluation data collected by nonprofit organizations. Longitudinal community studies to monitor changes in indicators of community conditions.</td>
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Appendix D. Brief overview of some critiques of CYF responsiveness to Maori

Many governmental institutions within this country have been criticised for their monocultural bias in favour of Pakehatanga (Taki, 1996). From the outside these institutions are seen as the ‘system’. When these issues have been raised from within these institutions a forum has often been provided whereby Maori are politicised, often for the first time, about the history of colonisation within Aotearoa. Within what was then the Department of Social Welfare this politicisation culminated in 1986 with the report ‘Puao-te-Ata-tu’.

In his letter to the Minister of Social Welfare, the Hon. Ann Hercus, the Chairman of the Ministerial Advisory Committee on a Maori Perspective for the Department of Social Welfare, John Rangihau, wrote:

> It is imperative that the wishes of the people who promote a philosophy of self-help, ‘Tama tu, Tama ora, Tama moe, Tama mate’ – ‘You stand, you live, you sleep, you die’ – be fulfilled. The people are now ready. Thus our report ‘Te Puao-te-Ata-tu’.

The report was the findings of the ‘Ministerial Advisory Report on a Maori perspective in the Department of Social Welfare’. According to Taki (1996), the report indicted the Crown for consistently failing to deliver equitable policies and services to Maori. In their submissions, Maori openly challenged the right of Pākehā to make decisions about their political and social future.

The writers of Puao-te-Ata-tu stated that contemporary welfare institutions were institutionally racist. Conducting hui as a research framework, the views of many Maori contained recurring messages of anger, frustration and resentment. For Walker (1996, p.13), Puao-te-Ata-tu was exceptional because it was ‘truly a policy of the people’. However, Walker was sceptical of the publication that followed – ‘Te Punga’ - and its attempt to resurrect the commitment to Puao-te-Ata-tu. For many Maori Te Punga symbolised an anchor and the probability that the canoe of Puao-te-at-tu would not be allowed to move anywhere. The report brought Iwi to the realisation that Kawanatanga would never deliver their Rangatiratanga i Tuku Iho (Keenan, 1999).

The effectiveness of this anchor has been felt in some CYF initiatives such as Strengthening Families. In 1988 the then Department of Social Welfare commissioned a case study of their ‘Welfare to Well-being’ and ‘Strengthening Families’ initiatives. Within the context of this case study concerns ‘emerged that there has been very limited Maori input into the design of Strengthening Families’. In addition, ‘the Maori Health Commission expressed concerns about the need to take into account the wider family and community dynamics when intervening in Maori families’ (p.26). The author of the report acknowledged that ‘there remains a need for developing and incorporating approaches which are seen by Maori as appropriate and responsive to their needs’ (p.31).

As part of their 1999 review of CYF, Te Puni Kōkiri interviewed 39 providers of social services to Māori (TPK, 2000d). Their sample included Iwi Social Services (ISS).
Māori, Iwi and mainstream providers. The interviews focused on the CYF’s service delivery to providers and the effectiveness of the contracting environment for Māori. Many of the ISS, Iwi and Māori providers questioned the commitment of CYF to the Treaty of Waitangi. Providers felt that their restrictive and short-term funding and contracting environments limited their ability to contribute to long-term positive development for Māori. Some ISS providers also questioned CYF’s commitment to ‘by Māori, for Māori’ social service provision. These concerns were also reflected in providers’ discussions of their own needs for development and training.

CYF’s own consultation with Iwi and Māori social service providers in 1999 and 2000 brought forth the following provider development concerns:

- a lack of resourcing for providers to share information and practice approaches with one another;
- issues of practice quality, supervision and professional skills development;
- the limited pool of available social services and social work practitioners to supervise programme delivery and coach staff in good practice; and
- the assistance needed by recently established service providers to meet establishment and infrastructure costs.

Similarly, a review of CYF’s contracting function carried out by Te Puni Kokiri in 2000 identified workforce and provider development as a key issue, arguing that ‘failure to invest in provider and workforce development will potentially damage the relationship between providers and Māori communities. Further, this has the potential to compromise the achievement of positive care, protection and control outcomes, and Māori development issues’ (TPK, 2000c, p.9).

In addition, at the 1999 Child and Family Support Services National conference, there was a call from Iwi and Māori providers to establish a national Māori association. Providers felt an association could be a vehicle for advocacy of common interests and a forum for informed dialogue between the Māori provider sector and Government.

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26 This included 11 non-Māori mainstream providers of social services to Māori.