



Frequently Asked Questions (FAQ)

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

Updated October 2020

FAQ OVERVIEW

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

- **About the Agency Requirement**
- **Indicator Definition and Applicability**
- **Setting Targets and Data Quality**
- **Disaggregation and Reporting**
- **Other Technical Considerations**
- **Support Resources**
- **Questions from the February 4, 2020 Webinar**

ABOUT THE AGENCY REQUIREMENT

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

Per the internal Agency Notices [Executive Message on December 31, 2019](#), all USAID Missions whose work includes strengthening the capacity of local organizations are “Required as Applicable” to set targets and report on CBLD-9 as part of the development of their New Partnerships Initiative (NPI) Action Plans. This means that Missions are required to submit targets for CBLD-9 in cases where an activity intentionally allocates resources (human, financial, and/or other) toward strengthening organizational capacity and undergoes an intentional and demand-driven performance improvement process that is documented. While CBLD-9 is required as applicable, the Administrator’s message regarding the importance of CBLD-9 for the NPI presents an opportunity for Missions to re-examine activities that are engaging in capacity development and align their measurement practices with those outlined in CBLD-9. Thus, Missions with activities that can align their capacity development measurement

practices with CBLD-9 are encouraged to set targets for FY20 and develop the documentation structures necessary to align with the indicator.

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

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

INDICATOR DEFINITION AND APPLICABILITY

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

Missions may find the PIRS for CBLD-9 (percent of USG-assisted organizations with improved performance) on the intranet on the [Performance Plan & Report webpage](#), while partners can access it on our [public NPI webpage](#). Staff and implementing partners are encouraged to carefully read and become familiar with the PIRS.

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

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

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

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

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

No. CBLD-9 reflects the commitment in the [USAID Acquisition and Assistance Strategy](#) that "USAID will shift from viewing successful local capacity building as an organization's ability to receive and manage federal funding directly to measuring success by the strengthened performance of local actors and local systems in achieving and sustaining demonstrable results." The PIRS refers to an intentional and demand-driven process undertaken by an organization to improve its execution of organizational mandates to deliver results for the stakeholders it seeks to serve. If the activities seek only to improve an organization's ability to meet USAID reporting or fiduciary requirements, and have no impact on the ability of an organization to deliver results to the stakeholders it serves, then other indicators may be more appropriate.

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

No. As indicated in the PIRS, this indicator is only applicable when an organization undergoes an intentional and demand-driven performance improvement process that is documented. However, activities that aim to improve organizational performance are strongly encouraged to consider undergoing and documenting a performance improvement process as outlined in the PIRS. There is broad consensus that reflection, such as that which occurs through documenting a process and its outcomes, is critical for organizational learning and growth.

SETTING TARGETS AND DATA QUALITY

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

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

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

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

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

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

9. Can you recommend tools that we can use to measure performance?

USAID Operating Units (OUs) and/or implementing partners should work with organizations being supported to select their preferred approach and tools for both facilitating the process of organizational performance improvement and for monitoring and measuring changes on a key performance metric. Not all tools may be fit an organization's needs, and a key consideration is to distinguish between three distinct purposes associated with different tools:

- risk mitigation (tools to assess the risks for USAID to partnering with an organization),
- catalyzing action through capacity assessments (tools that facilitate the process of identifying performance improvement priorities and encourage organizations to undertake change that improves their capacity), and
- performance improvement monitoring (tools that measure the extent of change on a key performance metric(s) of importance to the organization).

NOTE: In the coming months, the CBLD-9 Working Group will post on ProgramNet a catalogue of performance measurement tools aligned with the three purposes described above. Please stay tuned!

10. If we document that an organization has undergone the four-step process outlined in the PIRS, isn't it likely that all the organizations with which we work will show improved performance?

Not necessarily. Whether or not an organization achieves its performance targets depends upon the key performance metrics that they have selected and determined to work toward. It often takes more than one year for organizations to really demonstrate improved performance. Regardless, organizations are encouraged to work toward incremental—and sustainable—change and set relevant yearly performance goals accordingly.

DISAGGREGATION AND REPORTING

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

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

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

11. I don't understand how to enter the disaggregates for this indicator in FACTS Info NextGen. (a.) Do I need to enter these disaggregates? (b.) What does it mean to enter a percentage of organizations?

(a.) If you are reporting on this indicator, then you must enter all disaggregates for this indicator. For the parent indicator, you must enter the total number of USG-assisted organizations receiving organizational capacity development support (“denominator”) and the total number of organizations with improved performance (“numerator”). These numbers will be used to calculate the overall percentage of organizations with improved performance.

(b.) For the organization types disaggregation, you must calculate the percentage with improved performance separately and then enter that percentage into FACTS Info NextGen. This means you must categorize all of the organizations included in the “denominator” disaggregate as one of the organization types given. Then use the number of those organization types with improved performance to calculate the percentage and enter each of these percentages. If you have no organizations in a particular “organization type,” simply enter “0” for that disaggregate.

12. Many of our activities that have capacity development interventions are not well positioned to collect data under this indicator for a myriad of reasons (i.e, these activities

may use output level indicators, rely on performance evaluations to assess organizational capacity development efforts, didn't build in the necessary monitoring from the start, etc.) How can we report on these activities in our PPR?

In addition to reporting on CBLD-9, Missions may use the Sustainability and Local Ownership Key Issues Narrative in the PPR to report the diverse ways that USAID engages local development actors and promotes locally owned and sustainable development across the countries and sectors in which we work.

OTHER TECHNICAL CONSIDERATIONS

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

Concerns about data sharing can be addressed several ways. One of the most effective ways is to discuss data sharing rules and responsibilities and set expectations during the award negotiation phase. Another approach is to discuss and determine how the need to collect, synthesize, and analyze this indicator data can serve as a value-add to the company that goes beyond solely meeting USAID reporting requirements. Finally, if companies are able to identify the sensitivities they have in sharing performance data for this indicator, then activities may negotiate non-disclosure agreements. Regardless of approach, effective partnership requires trust and mutual reliance among partners, so ensuring that private sector partners have the same USAID point of contact across all conversations can be beneficial.

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

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

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

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

SUPPORT RESOURCES

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

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

- CBLDSupport@usaid.gov

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

- NPITechnicalSupport@usaid.gov

QUESTIONS FROM THE FEBRUARY 4TH, 2020 WEBINAR

1. The guidance states the indicator is “required, as applicable.” Are all USAID Missions required to set targets and report on this indicator? And what activities are considered applicable?

Per the internal Agency Notices [Executive Message on December 31, 2019](#), all USAID Missions whose work includes strengthening the capacity of local organizations are “Required as Applicable” to set targets and report on CBLD-9 as part of the development of their New Partnerships Initiative (NPI) Action Plans. This means that Missions are required to submit targets for CBLD-9 in cases where an activity intentionally allocates resources (human, financial, and/or other) toward strengthening organizational capacity and undergoes an intentional and demand-driven performance improvement process that is documented. While CBLD-9 is required as applicable, the Administrator’s message regarding the importance of CBLD-9 for the NPI presents an opportunity for Missions to re-examine activities that are engaging in capacity development and align their measurement practices with those outlined in CBLD-9. Thus, Missions with activities that can align their capacity development measurement practices with CBLD-9 are encouraged to set targets for FY20 and develop the documentation structures necessary to align with the indicator.

2. What are the criteria for an organization to be counted under this indicator?

As defined in the PIRS, an organization can be counted as having improved organizational performance if it meets the following conditions:

- (a) As reflected in the activity theory of change, resources (human, financial, and/or other) were allocated for organizational capacity development.

- (b) An organization demonstrates that it has undergone and documented a process of performance improvement, including the following four steps:
- (i.) Obtaining organizational stakeholder input to define desired performance improvement priorities,
 - (ii.) Analyzing and assessing performance gaps (the difference between desired performance and actual performance),
 - (iii.) Selecting and implementing performance improvement solutions (or the development interventions), and
 - (iv.) Monitoring and measuring changes in performance.
- (c.) An organization demonstrates that its performance on a key performance indicator has improved.

3. How can field Missions guide implementing partners to collect data for this indicator?

Missions should collaborate with their implementing partners to ensure that a capacity development approach that satisfies the requirements for the indicator is present or is adopted, as appropriate. As this will be the first year of reporting on this indicator for most activities, Missions should also work with their implementing partners to ensure that assisted organizations are counted appropriately toward the numerator and denominator. Resources for implementing partners, including a worksheet for calculating actual values for reporting, are available on the [CBLD-9 Capacity Building Indicator Resource Page](#).

4. It seems that counting ALL the organizations we work with through this worksheet would be excessive - any suggestions?

The worksheet is a tool created to assist your Mission in calculating your numerator, denominator, and overall indicator targets and actuals. However, filling in the worksheet is not required, nor must it be submitted. You should use it as it is helpful.

You need only report the organizations with whom USAID or IP engagement followed the criteria to be counted under CBLD-9, as listed below. To be counted in the denominator, engagement with a given organization must meet criteria (a) and (b). To be counted in the numerator, engagement with a given organization must meet criteria (a), (b), and (c).

- (a) As reflected in the activity theory of change, resources (human, financial, and/or other) were allocated for organizational capacity development.
- (b) An organization demonstrates that it has undergone and documented a process of performance improvement, including the following four steps:
- (i.) Obtaining organizational stakeholder input to define desired performance improvement priorities,
 - (ii.) Analyzing and assessing performance gaps (the difference between desired performance and actual performance),

- (iii.) Selecting and implementing performance improvement solutions (or the development interventions), and
- (iv.) Monitoring and measuring changes in performance.

(c) An organization demonstrates that its performance on a key performance indicator has improved.

If you engaged in capacity building activities with a given organization but did not follow this process, you should not count that organization under CBLD-9.

5. Some of the criteria are not clear enough to be answered as presented in the worksheet. Is there additional information available to help us assess whether an organization meets the criteria?

The CBLD-9 worksheet for Missions, found on the [CBLD-9 Indicator Resource Page](#), is an optional tool intended to help Missions and partners ensure they are executing each required step for reporting progress against CBLD-9. The worksheet should not replace careful planning and more detailed documentation of an organization's performance improvement process. For additional information, Missions should refer to the [PIRS](#) and to the [CBLD-9 FAQ](#) document, which provides additional information on determining if a capacity development activity meets the criteria of CBLD-9. If you are not sure if your activity meets the criteria after reviewing these resources, please reach out to CBLDSupport@usaid.gov with your inquiry. (Note that this email address is for use within USAID only; please do not share it with your partners as inquiries from outside of USAID will not be answered. Partners' questions should be directed to their AOR/COR.)

6. Performance is a long-term outcome and usually our mechanisms are short (less than 5 years). Can we expect improvement if we provide support to improve their capacity just for one or two years?

Capacity development efforts often do not result in immediate returns. Therefore, initial targets may be low. However, CBLD-9 lays out clear steps for planning and documenting a process for performance improvement, including inclusively identifying performance improvement needs, implementing performance improvement solutions, and monitoring progress. We encourage you to carefully consider how an organization might attain gradual improvements year-to-year as you purposefully plan your activities to align with the performance improvement process as outlined in the PIRS.

7. How detailed should the Mission NPI action plan be? Does the action plan need to include budget information? Should the Mission NPI action plan be by sector?

Detailed instructions for the NPI Action Plan are found in the [NPI Action Plan Guidance](#). The guidance includes information about the length and format for narratives, which should be

relatively short and require minimal effort. Action Plans should include budget information. While it is not required, Section 3 of the Action Plan can be organized by sector if a Mission prefers.

If you still have questions after reading the [NPI Action Plan Guidance](#), contact NPITechnicalSupport@USAID.GOV

8. Should we report on existing NUPs in our portfolio, or only new ones submitted through the NPI Plan?

You should report on all organizations that meet the criteria to be reported under CBLD-9. It is not necessary for them to be NUPs, nor is it necessary for them to be in the NPI Action Plan.

9. Can BFS share any examples of reporting on this indicator?

BFS is in the process of undertaking a review of experiences from the first year pilot of this indicator. It will publish that review on the [CBLD-9 Indicator Resource Page](#) when it is complete.

10. Regional Missions also provide direct training to regional organizations with the aim of improving their organizational performance. Should the Mission itself also report on CBLD-9?

Reporting should occur at the level at which an award is managed or activity is carried out. Therefore, Regional Missions that carry out or implement activities that meet the requirements of CBLD-9 should report on this indicator for those activities. If an activity is managed out of a Regional Mission rather than out of a bilateral Mission, only the Regional Mission should report.

11. For missions using Global Health (GH) Field support- who reports on this indicator? The Mission or GH? Would the Mission provide data to GH?

If an activity/award is managed by GH, then GH should report on it (while the Mission should not). In contrast, if an activity/award is managed by a Mission, then the Mission should include it in its own reporting (while GH should not). Washington-based OUs, including GH, may request data from Missions in order to report accurately on activities managed out of Washington.

12. I noted in the PPRs that some Missions are reporting on what looks like a similar indicator, CBLD-1. Would the Mission indicate in the PPR when it opens for edits that they are discontinuing that indicator? Or should they just "add" CBLD-9?

There is no active indicator named CBLD-1 in FACTS Info NextGen. There is only one other cross-cutting capacity building indicator: "CBLD-8: Number of USG-assisted organizations with increased performance improvement [IM-level]." However, CBLD-9 replaces CBLD-8 for FY2020.

13. Are Missions or OUs that implement PEPFAR funded activities also supposed to develop the CBLD-9 targets in FY 2019 PPR and report in FY 2020 PPR? If 'yes', will this not be a 'double' reporting as they have their own targets in their local partners' transition plan that that they work with OGAC on?

Yes. The CBLD-9 indicator is relevant for all program areas, and OUs that implement PEPFAR also should report on CBLD-9, as applicable, in the PPR. The targets in the Local Partner transition plan are for planned direct awards. The CBLD-9 indicator concerns performance improvement. As such, there is no concern about double counting.

14. Do you have dates for the IP webinar so that we can give our IPs and AORs and CORs a heads up?

A webinar on CBLD-9 for the implementing partner (IP) audience has been recorded, and is available on USAID's [external NPI website](#). The external NPI website also includes the webinar slide deck and the worksheet tool for IPs.

15. Where is this presentation available?

A recording of the presentation from the internal webinar is available to USAID staff on the [Internal USAID Pages NPI hub](#).

16. Condition (a) in the PIRS states "...resources were allocated for organizational capacity development." What type/amount of organizational capacity development is required to qualify for this indicator, and are any of our projects which focus on technical capacity likely to meet that threshold? There's no definition in the PIRS of organizational capacity development--though there is one of organizational performance improvement in the first paragraph of the PIRS.

One commonly accepted definition of capacity development presented in the [Additional Help Document for ADS 201 on Local Capacity Development: Suggested Approaches](#) is "the process whereby people, organizations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time." Thus, capacity development is the process through which organizational performance improvement may occur. As stated in the PIRS, resources may be human, financial, and/or other. There is no amount or threshold that must be met. However, all of the conditions ("a" through "c") outlined in the PIRS must be met.

17. Who is the Mission lead for the CBLD-9 target-setting process?

CBLD-9 is a cross-cutting standard foreign assistance indicator that all Operating Units and program areas may use. It should be treated like other standard foreign assistance indicators and managed through the Mission-level Performance Management Plan (PMP). (Refer to [ADS 201.3.2.14](#).) However, because CBLD-9 has been adopted by NPI and is required as part of the

NPI Action Plans, some Missions are tasking their Contracting Office to take the lead. Missions are encouraged to engage their Program Office, OAA colleagues, and technical advisors in the NPI Action Planning process.

18. Can further clarification and definition be provided on what entities should be categorized and counted as "organizations"?

An organization is a group of people who work together in an organized way for a shared purpose. Refer also to the disaggregation for types of organizations listed in the PIRS.

19. Could you please clarify whether an organization needs to have met all conditions to be counted?

Yes, all of the conditions ("a" through "c") outlined in the PIRS must be met to be counted.

20. If the organization is not currently using a documented process, then do we include it under this indicator?

No, because it has not met the applicability conditions. However, given the importance that the Agency and Administrator have placed on this indicator as part of NPI, we encourage Missions to work with partners to determine if it makes sense to follow this process as a way of accelerating organizational performance improvement.

21. Given that Guatemala does not have funds confirmed yet and we do not know when funds will be confirmed, are we going to be required to submit a work plan by May 15?

The Action Plans do not need to describe activities by fiscal year obligation, but rather by implementation period of performance. Missions should capture the activities that will be implemented in FY20. If a Mission is not implementing activities, they should reach out to NPI the listserv for additional guidance and support. If a Mission is implementing some activities, then it is expected to submit an NPI action plan.

22. How does this indicator require that performance improvements be measured?

As stated in the PIRS, "organizations may choose their preferred approach and/or tools for documenting the process and achievement of performance improvement. The approach and/or tool may be one that has been or is being used by the organization prior to the implementation of USG-funded support." Please reach out to the CBLD Support group to be connected with a sectoral technical advisor for additional guidance and recommendations on selecting appropriate measurement tools.

23. Is use of the worksheet mandatory?

No, the worksheet is not mandatory. However, Missions are encouraged to use it or a modified version of it as a resource to help them account for, monitor, and report all their activities aiming to improve organizational performance. Additionally, because there are many conditions to meet, the worksheet provides a structured approach that can guide the process of determining whether an activity or organization meets the PIRS definition conditions.

24. When will this indicator be available in FACTSInfo? I am unable to see it at the moment.

The indicator is available in FACTSInfo. The process is as follows in NextGen:

- 1) Select Build Your PPR Outline Tab
- 2) Select Manage Indicators Tab
- 3) Select Other Indicators Available Tab
- 4) Expand (+) the CBLD Option
- 5) Check the Box for CBLD 9 (overall indicator), CBLD-9a (Numerator), and CBLD-9b (Denominator).

You should now be able to set targets for the indicator.

25. Is CBLD 9 reporting required for core/Washington funded NPI activities, or only included in the Mission NPI reporting?

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

26. Our activities that aim to improve organizational performance do not include an intentional performance improvement process that is documented. Is this indicator applicable?

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

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

Concerns about data sharing can be addressed several ways. One of the most effective ways is to discuss data sharing rules and responsibilities and set expectations during the award negotiation phase. Another approach is to discuss and determine how the need to collect, synthesize, and analyze this indicator data can serve as a value-add to the company that goes beyond solely meeting USAID reporting requirements. Finally, if companies are able to identify the sensitivities they have in sharing performance data for this indicator, then activities may negotiate non-disclosure agreements. Regardless of approach, effective partnership requires trust and mutual reliance among partners, so ensuring that private sector partners have the same USAID point of contact across all conversations can be beneficial.