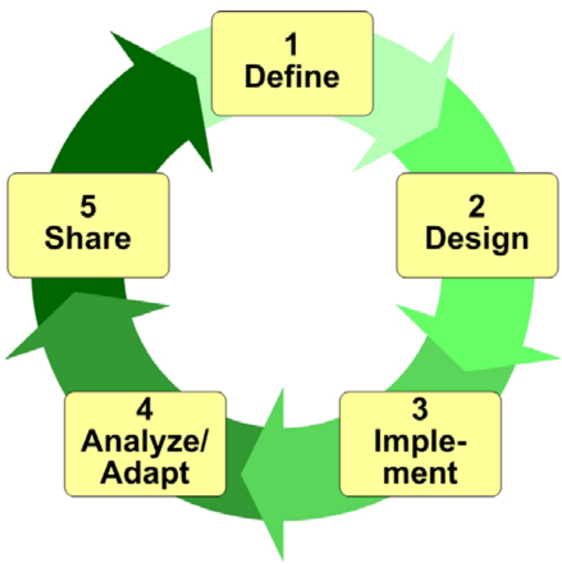
Resources for Implementing the
WWF Project & Programme Standards

Step 3.3

Building Project Capacity

May 2006



Step 3.3 Building Project Capacity

Contents

This document is intended as a guidance resource to support the implementation of the *WWF Standards of Conservation Project and Programme Management.* Although each step in these *Standards* must be completed, the level of detail depends on the circumstances of individual projects and programmes. Accordingly, each team will have to decide whether and to what level of detail they want to apply the guidance in this document.

This document may change over time; the most recent version can be accessed at: https://intranet.panda.org/documents/folder.cfm?uFolderID=60983.

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Building Project Capacity

What Is Building Project Capacity?

A successful project requires having people with the right skills, knowledge and availability to deliver the project and ensure its longer term sustainability. You also need to make sure that the support functions of your office will be able to take on the additional workload generated by the project. Most projects, however, are not handed a group of people with all the necessary skills and knowledge. Instead, building capacity is about increasing the knowledge and skills of individuals, and strengthening the supporting organisational structures and systems that are needed to effectively deliver your project over the long-term. It involves:

- Assessing what capacity is required,
- Assessing what capacity is available, and then
- Addressing the gap between the two.

This work involves assessing and then building the capacity of your own staff, structure and systems, and that of your key partners as well.

Why Is Building Project Capacity Important?

Assessing and Building Capacity enables you to put the required people, structures and processes in places to deliver the project and to use them to their maximum potential. Specifically it helps you to:

- **Define specific capacity requirements.** New skills may be required (and therefore training may be needed, new staff may need to be hired, or new partnerships may be sought). You may need to implement new processes, use different systems or change structures or working relationships. The roles of existing staff may need to change, so that a part of their role contributes to the project.
- **Develop a robust plan.** For a robust plan based on realistic assumptions and expectations, you need to know what capacity is available (across all partners involved in delivery and sustainability) and what additional capacity will be required. The timescales, funding and activities required to establish and maintain capacity need to be built into your project plans.
- **Secure the promised/ required resources.** In the early stages of a project, a relatively small group of individuals comes together to agree the plan, seek funding and commit their organisations, teams or groups to support delivery. Those individuals then need to foster support and leverage resources within their own organisations or teams, e.g. dedicated time and availability from specific people or allocation of funds to capacity building actions. A clear analysis of capacity needs usually makes it much easier to get the resources.
- **Assess implications for support functions.** As well as needing staff to support the directly delivery of activities, a project is likely to place an additional workload on the support functions within each partner organisation. You need to prepare for this. For example:
    - The finance teams will need to process more payments and develop more reports.
    - The HR team may need to help recruit new staff or train existing staff.
    - Communications, fundraising and policy staff may need to take on additional activities.
    - Information technology teams may need to support new users or different systems.

- Office space/layout may need to change as team structures change or more staff are needed.

You need to make sure that the support functions of your office and any partner offices will be able to take on the additional work that is required and that the organisational processes and systems can support the project.

When to Build Project Capacity

You should carry out a broad assessment of capacity requirements in Step 2.3 Operational Plan. As your project progresses into implementation, you will usually need to carry out a more detailed capacity assessment and then systematically address the capacity gaps. As a result of this assessment, you may need to adapt your project plan to incorporate realistic activities, budget and timeframes to enable each party to deliver what is expected of them. For example, you may find that a partner organisation needs to hire additional technical staff and finance staff, implement new additional reporting processes for the project and train staff to use them. Getting the project underway with a partner may take longer and cost more than you originally expected and your project plan then needs to be updated to reflect this.

Capacity gaps should be addressed as soon as is necessary for effective, on-time delivery of each activity. Clearly if your project requires staff and skills that are currently not available to start work immediately, this needs addressing straight away. On the other hand, if you envisage a capacity gap in an institution that will be expected to manage the project after you have exited, then you may decide to develop actions to address this gap later on. If you are not able to build the relevant timeframes, activities and funding into your project plan or adapt the plan accordingly, then you need to find a way of addressing them outside of the project. This may require you to escalate the capacity gaps as risks to delivery or sustainability; you may need the support of senior management or others to address them. You should then continue to report the dependency of your project on this piece of work which is out of your direct scope, but which will stop you achieving your goals and objectives.

How to Build Project Capacity

Note that the steps below are described sequentially, but in practice they are interdependent and are often developed in parallel or iteratively.

Pre-requisites

Before you begin your assessment, you should review any audits (financial, operational or programme) or organisational assessments that have been conducted in the last 3 years and ensure that any capacity gaps flagged up in them are included in your assessment and plan, where they relate to, or will have an impact on, the programme.

1. Review skills and staff against your workplan

Many factors contribute to building the capacity of your project team, but one of the most important is to get the right number of people with the required skills and knowledge. You will probably already have a good idea of the main gaps in staff and skills, based on your Strategic Plan and your workplans, in which you have already assigned some initial responsibilities. It is important to now formalise your thinking by systematically reviewing the main activities defined in the project workplan and considering the people and skills that are a) required, and b) currently available, and by clearly defining what gaps exist. You should consider in your analysis:

- Staff, implementing partners, contractors and consultants
- Technical skills (science, policy, economics, threats, strategies etc.)
- Process skills (project management, leadership etc., according to the Standards expected)
- Major time requirements from other departments (e.g. Finance, Fundraising, Communications, Human Resources, IT)

2. Review other capacity factors

You then need to look across the whole project and assess the capacity gap for other important factors:
- shared goals, vision and strategy
- systems
- management
- partners
- governance
- power and influence

It is helpful to summarise your capacity assessment in a table or spreadsheet (an example format is provided on the next page). Explanations of each of these capacity factors are included in the template. Its categorisation of factors for capacity and is derived from the McKinsey 7-S capacity assessment methodology. (Note that assessing partner capacity can be a sensitive process and you will need to think carefully about how to conduct the review, who to involve and how to build on the partner relationship in the process.)

It is recommended that you have an initial meeting with all the programme staff, partners and any operational support teams you feel should be involved, to review the purpose of the capacity assessment, the capacity factors and the template. This should not be done before you have a detailed plan that everyone is familiar with.

A capacity workshop (ideally a whole day) should be scheduled in advance so that everyone has enough time to think through what they think the issues and gaps are, and that they come to the meeting fully prepared to engage in deep analysis around the issues.

A carousel format, with small mixed teams circulating around each capacity area works well as a format for the assessment, with reasonable time at the end to review all the gaps and solutions identified and review how to incorporate as many actions as possible back into a revised version of the programme plan.

3. Prioritise capacity gaps

Once you have identified the gaps, you need to prioritise them (rank them H/M/L) based on the size of the gap, criticality to programme goals and the urgency to address it.

4. Develop solutions to address gaps

How you address the priority gaps that you identify will depend entirely on what they are. If you define the capacity gaps clearly it will make it easier to address them. In some cases there may be just one solution, but in many cases there will be a number of possible solutions. You need to be aware of the different options and their costs, whilst being decisive and moving ahead with whatever you think is the best option in each case. The guidance below focuses on how to address Skills and Staff gaps

a) Additional Human Resources

- **Recruitment.** If you consider you need to recruit additional staff you to contact your Human Resources department. Basic information including sample job advertisements, job descriptions, and interview questions may be found on Connect at: https://intranet.panda.org/documents/document.cfm?uFolderID=62961&uDocID=67332
- **Contractors and Consultants.** An alternative may be to hire staff on a short-term contract or a consultancy basis. You still need to involve the human resources department to do this. This may meet a short-term need to fill a gap or complete a particular piece of work, but you need to consider how that person will transfer his/ her knowledge to the rest of the project team if you want to build your team's human capacity.
- **Partners.** A further option is to "contract out" a piece of work to a partner organisation, which may then be considered part of an extended project team. Step 3.4 of the Programme Standards provides more guidance on Partnerships.

b) Increasing Skills

For each capacity gap, consider how you can make a link to the required skills or knowledge. Does this capacity exist in the building, in the Network or in existing partner organisations? Are you able to access it? Is anything blocking access? In some cases, there is a low-cost solution readily available. If not, be creative and consider different options.

- **Technical.** To build knowledge and skills in technical disciplines such as science, policy, economics, strategies etc. can take time. You need to have staff in place with a good basic knowledge of the relevant subject. If you can be specific about the skill or knowledge gap, you can then meet it in a few different ways. For example, your forest staff need to know more about tools such as High Conservation Value Forests (HCVFs), Forest Certification mechanism or the RAPPAM methodology (Rapid Assessment and Prioritisation of Protected Area Management) they could:
  - Contact the WWF Forests Programme for advice or other support
  - Read guidance from the WWF Forests Programme on Connect at https://intranet.panda.org/documents/folder.cfm?uFolderID=1350
  - Contact field practitioners who have used the tools for training, advice and to share experiences.
  - Gain direct support or training from an expert consultant.

- **Process.** For process skills such as leadership and project management there is a package of capacity building materials available centrally from WWF International. This includes:

- WWF Standards of Conservation Project and Programme Management, and associated guidance, tools and templates, located on Connect at https://intranet.panda.org/documents/folder.cfm?uFolderID=59125
- Resources and training in leadership and management. This is coordinated by WWF College/ Leaders at WWF International. https://intranet.panda.org/documents/document.cfm?uFolderID=1035&uDocID=58779

In addition you can seek training locally, or from partners (including donors).

c) Other Departments (e.g. Finance, Fundraising, Communications, Human Resources)
If the skills gap relates to another team you should firstly seek support from the relevant team in your office.

If you are not able to address the gap within your office, senior staff in your office should contact WWF-Develop, the Network hub for Organisation Development. The WWF-Develop team will be able to advise you, or support you in escalating your issue (https://intranet.panda.org/documents/folder.cfm?uFolderID=59440).

Template for Capacity Assessment

Strategy	*Specific Skill*	*Capacity Required (in FTEs)*	*Capacity Available (in FTEs)*	*Capacity Gap (in FTEs)*	*Timeframe*	*Priority (H/M/L)*	*Recommended Solution*	*Funding*	*Comments*
Does this skill apply to a specific strategy (a specific part of your programme)?	List all skills that are relevant for each strategy.	What capacity is required to plan and implement the programme?	What capacity do you currently have or is guaranteed?	What specific capacity do you lack?	For how long will you need each FTE?	How urgent is this gap?	How will you fill these current and future skills gaps over the next 3 years (local, Network, partners or consultants?)	If extra funding is required, how much?	Are there any constraints or issues regarding the recommended solution? Is there overcapacity in any area?
1. Skills – Technical and process skills of individuals and organisations (including programme and operational support staff). This includes local offices, Network offices, partners and contractors.									

Type of Capacity	*Capacity Required*	*Capacity Available*	*Capacity Gap*	*Priority (H/M/L)*	*Recommended Solution*	*Timeframe*	*Funding*	*Comments*
Enter new rows for as many capacity gaps or issues that exist.	What capacity is required to plan and implement the programme?	What capacity do you currently have or is guaranteed?	What specific capacity do you lack?	How urgent is this gap?	How do you plan to address this gap?	What is the required timeframe for this solution?	If extra funding is required, how much?	Are there any constraints or issues regarding the recommended solution? Is there overcapacity in any area?
2. Shared Goals, Vision and Strategy – Do team members and partners support them? Are they supported at the highest levels within the organisation (and partners where relevant)?								
3. Systems – Internal procedures, operations and infrastructure eg HR, IT, Finance, facilities management, fundraising, communications, training, planning, monitoring, decision-making								
4. Management – Activity, staff and programme management, lines of reporting and organisational structure								
5. Partners – Other WWF offices and external organisations, groups or individuals								
6. Governance – Programme governance, internal and external, including Network structure, hierarchy and politics, partner involvement, coordination and management								
7. Power and Influence – Connected individuals and institutions with access or leveraging ability within the Network or externally								

5. Adapt your plan and negotiate any issues

Activities, funding and timeframes to address the gaps need to be built into your project plan wherever possible. If this is likely to cause concerns (due to the resources involved or the effect on project delivery) you will need to communicate your intentions to key stakeholders and negotiate any issues. For example you may need to persuade others of the need to spend part of your annual budget on building internal capacity in order to strengthen your delivery in future years.

If you are not able to build the relevant timeframes, activities and funding into your project plan or adapt the plan accordingly, then you need to find a way of addressing them outside of the project. This may require you to escalate the capacity gaps as risks to delivery or sustainability; you may need the support of senior management or others to address them. You should then continue to report the dependency of your project on this piece of work which is out of your direct scope, but which will stop you achieving your goals and objectives.

6. Implement and monitor capacity building actions

Once you have any necessary agreement to implement your capacity building actions you can implement them. You need to monitor the effectiveness of your actions, most importantly by assessing whether they are showing through in project performance. You should review your capacity needs periodically (see also Steps 4.2 and 4.3, Analyse Results and Operational Functions).

7. Embed capacity building at organisational and individual levels

As mentioned above, to build capacity effectively and for longer term sustainability, it is important to think about capacity at organisational and individual levels, as well as at the level of the project team. Your project capacity assessment will have touched on the organisational and individual levels but it may be necessary to go deeper. Annex A provides guidance on how to assess Organisational Capacity. This can be quite a resource-intensive (but very valuable) process or it can be done more rapidly.

In addition, the WWF Network Standards will help you to benchmark the performance and processes of your office against good practice. These are now well developed for Programmes, Operations, GAA and Human Resources, and are under development for Fundraising, Communications and Audit functions. The Network Standards are on Connect at:
https://intranet.panda.org/documents/folder.cfm?uFolderID=59121.
The Human Resources Standards include a checklist of questions to assess current performance of the HR function. These are at:
https://intranet.panda.org/documents/document.cfm?uFolderID=54540&uDocID=50730

At the individual level, for team members to successfully deliver their contribution to the Strategic Plan/ workplan you need to link the workplan through to individual performance.
You need to ensure that:

- Each person understands what is expected of them,
- Each person is able and motivated to fulfil their roles, and
- You have a means to assess whether they are doing so.

When this is not done well it hampers the effectiveness of your team and any training you do and can also affect staff retention, which in turn causes a drain on capacity. The following table list some of the basic actions required to make this link from the Strategic Plan through to individual performance. (The HR checklist mentioned above provides a more comprehensive way of looking at this issue).

Questions to Ask About Specific Individuals

Issue/ Question to Ask	**Basic Actions in Response**
Does each person **understand** what is expected? *(addressed in Step 3.1)*	Participatory planning • Strategic Plan shared with team • Wider team involved in developing workplans Clear structures • Job descriptions • Activities assigned • Personal objectives • Reporting lines
Is each person **able** to fulfil their role (ability)? *(addressed in Steps 2.3 & 3.3)*	Staff recruitment • Robust recruitment process • Appropriate number of staff and workload Skills and knowledge for the role • Technical skills (e.g. science, policy, economics) • Process skills (project management, team building etc.) Access to the required: • Resources (finance, support staff) • Equipment • Training
Does each person **want** to fulfil their role (motivation)? *(addressed in Steps 2.3 & 5.4)*	Shared Values • Buy-in to project goals, objectives and activities • Visible commitment to a learning and performance culture Reward and recognition • Adequate salary • Reasonable expectation of job security
Is each person doing it? (fulfilling their role) *(addressed in Step 4.2)*	Performance management • Reports submitted • Reports are reviewed and feedback is given • Individual appraisal

Annex 1. Conducting an Organizational Assessment

In addition to building project capacity, it is also important to build organizational capacity. WWF recommends performing an Organisational Assessment (OA) every 3-5 years, or when the organization:

- Is about to develop a new strategic plan or change direction,
- Needs to grow significantly,
- Seems generally overstretched in several areas,
- Is in a situation where overall performance could be much higher if staff could take some time to come together to reflect on how they are doing and put in place an organisation development plan to do things differently going forward.

The WWF Network supports three different kinds of Organizational Assessments:

A. WWF Full Organisation Assessment
B. WWF Organizational Quick Scan
C. WWF Organizational Assessment Light

A. WWF Full Organization Assessment

The WWF OA tool has been adapted specifically for the needs of our organisation and projects, but is also appropriate for other organisations, particularly if they are partnering with us to deliver a project. It is used as an example of good practice in external Organisation Development networks (e.g. INTRAC) and there are examples of other organisations using and adapting it for their own offices. It is available on Connect at https://intranet.panda.org/documents/folder.cfm?uFolderID=7130 and also available externally through the NGO Manager website at http://www.ngomanager.org/wwf.htm.

The full OA process enables an office to assess its capacity to meet its strategic conservation objectives, manage its relationships and image, and organise and manage its staff and resources. Through a voluntary, participative and office-led process the organisation identifies its overall strengths and weaknesses and prioritises its development needs in the form of an Organisation Development Plan. Some of the main benefits of conducting a full OA are:

- Overview of strengths and weaknesses and prioritised capacity building needs,
- Better understanding by staff of how their roles contribute to the office and Network,
- Improved team working and motivation,
- Planned organisation development (by the action plan) rather than ad hoc interventions,
- Strengthened internal capacities in priority areas addressed through the action plan (e.g., programme management, fundraising, communications, finance, HR)

The OA tool groups organisational capacities into three broad headings:

1. Conservation Programme
2. Internal Organisation
3. External Relations

The following table contains a full breakdown of the components of an Organisational Assessment.

Components of a Full Organisational Assessment

1. Conservation Programme

Programme / Project Planning
P1 Conservation plan development & use
P2 Project plan development & utilisation
P3 Strategic thinking and planning
P4 Magnification
P5 Alignment with global priorities
P6 Use of knowledge of biodiversity
P7 Analysis of the external environment
P8 Stakeholder analysis
P9 Community participation
P10 Incorporation of socio-economic concerns

Learning and Adaptive Management
P12 Monitoring and evaluation - programme & projects
P13 Learning on conservation approaches
P14 Ability to adapt to internal / external developments
P15 Innovation at programme and project level

Policy Work
P16 Policy work

Communications for Conservation
P17 Communications to achieve conservation objectives

Capacity Building
P18 Capacity building for sustainability

Overall Effectiveness
P19 Project and programme effectiveness

3. External Relations

Developing and Managing Relationships
ER1 Identifying appropriate relationships
ER2 Developing and managing relationships

Specific Relationships
ER3 Partnerships
ER4 Relationships with donors
ER5 Relationships with NGOs (non-funding)
ER6 Funding relationships with NGOs and other civil society organizations
ER7 Relations with business and industry
ER8 Government relations
ER9 Recruitment and maintenance of membership / supporters
ER10 Relationship with the media
ER11 Engagement with the WWF Network
ER12 Research and academic institutions

2. Internal Organization

Vision, Purpose, Values
IO1 Organizational vision and purpose
IO2 Shared values and beliefs
IO3 Learning culture

Organizational Strategy
IO4 Strategic plan
IO5 Departmental & organizational performance M&E

Funding and Fundraising Strategy
IO6 Raising funds
IO7 Financial resource base

Communications
IO8 External communications
IO9 Campaigning
IO10 WWF brand/identity
IO11 Reporting

Structure and coordination
IO12 Organizational structure
IO13 Internal coordination
IO14 Staffing levels

Governance and Accountability
IO15 Board size and composition
IO16 Roles and accountability of board and mngmt
IO17 Governance of PO/Project office

Leadership, Management & Decision Making
IO18 Leadership
IO19 Senior management
IO20 Change management
IO21 Conflict management
IO22 Decision making
IO23 Internal communication

Human Resource Management
IO24 Human resources policy
IO25 Staff contracts
IO26 Staff development
IO27 Staff capabilities

Admin. Systems & Support
IO28 Service support to the organization
IO29 Servicing of projects
IO30 Contracting
IO31 Information management

Financial Management
IO32 Financial control
IO33 Budgeting - projects and organizational
IO34 Accounting systems
IO35 Cost recovery
IO36 Internal financial reporting
IO37 Understanding of finance amongst staff

Physical Resources
IO38 Information technology
IO39 Physical infrastructure

Legal Status
IO40 Legal registration with appropriate governing body

B. Organisational Quick Scan

An alternative approach to the full OA is to carry out an Organisational Quick Scan. This should be used for offices or partner organisations that want to focus on identifying key organisational issues in a much shorter timeframe and with a smaller, more focussed core group. The Organisational Quick Scan process helps an office or organisation to identify key issues, agree on improvement priorities, define adequate solutions, and prepare a realistic Organisation Development Plan. Note that an Organisational Quick Scan does not deliver the additional benefits of full staff participation, and increased staff morale and motivation. Like the full OA, the output of this process is an Organisation Development Plan to address key capacity gaps, issues and areas for growth and performance improvement. It can be used as an input into strategic planning at the organisational level.

The Organisational Quick Scan is a facilitated process, broken into the following six phases:

1. Set up
2. Issue identification
3. Analysis and solution development
4. Syndication and prioritisation
5. Organisation Development Plan development
6. Implementation

The assessment assesses organisational capacities along three dimensions:

- Organisational
- Functional (in WWF these correspond to the WWF-Develop Key Capacities)
- Geographical

For each office or team, each of five functional areas is reviewed along eight organisational dimensions using the model below:

Organisational dimension

Functional dimension (key capacities)	Direction	Leadership	Accountability	Evaluation	Skills	Motivation	Culture	External orientation
Programme								
Finance								
Fundraising								
Comms								
HR								

The process for conducting an Organisational Quick Scan is on WWF Connect.

C. WWF Light Organisational Assessment

The WWF OA-Light tool helps identify priorities as input to an Organisation Development Plan for the office. For WWF offices, Network priorities (as outlined in the Network Business Plan), should also be incorporated into the office Organisation Development Plan as appropriate. Other inputs can include situation analysis, external stakeholder reviews and internal staff reviews. Details of how to conduct each of these are included in the full Organisational Assessment Guidelines. The OA-Light process uses the OA ***tool*** as its basis, but a different ***process***. The process is simpler, quicker and less expensive, but involves less participation and, in itself, will not build capacity, motivate staff or foster buy-in to strategic direction.

The process is as follows:

1. Review the full Organisational Assessment Guidelines to understand the principles behind it, the structure of the tool and considerations regarding each step of the full process e.g. data gathering, facilitator selection. When you conduct your Organisation Development Quick Scan, you should bear these in mind. This will help you to manage expectations about what your shortened process might achieve.

2. Familiarise yourself with the Quick Scan Capacity List and detailed OA Tool and decide how you want to use these with your review team to discuss the performance of your office and your development priorities.

3. Decide who you want to be involved in the review and how long you want it to take. This could range from a series of internal workshops and interviews (as outlined in the OA Guidelines) to a half day senior management team workshop. You need to find an appropriate balance of staff participation and senior management decision-making for your office. Ideally, if you have time, you should combine these two approaches as follows:

   a. Agree on process with senior management team

   b. Senior management team each collect data within their departments

   c. Senior management team meet to discuss findings, agree priorities and develop plan

   d. Select a facilitator (ideally external, but can be from your office if they assume the role of facilitator and do not contribute to the content). Considerations for choosing a facilitator are detailed in the OA Guidelines.

   e. Collate any input data you have e.g. internal workshops/interviews, external stakeholder reviews, situation analysis. You should use the Network Business Plan drafted by the Charter Group as input to your Organisation Development planning process. This outlines capacity building priorities for the Network as a whole.

4. Conduct a half day workshop with the senior management team and your facilitator, using the Quick Scan Capacity List and OA tool as the basis to discuss your organisational capacities. You may find it useful to have a general discussion around each of the three main headings and how your office performs, lessons from your experience and what you could do differently, before you explore the detail of each capacity within the headings. The objectives of this workshop are:
   - Agree how your office is performing in terms of the capacities outlined

- Agree your development priorities (i.e. which capacities are most important for you to develop)
- Develop a draft organisation development plan

5. Communicate the process and results with all staff to foster buy-in and support. The more they have been involved in the process the easier this will be, but the longer the data collection phase will take.
6. Ensure that your strategic plan and annual operating plans reflect these new organisation development priorities and plan.