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IMPLEMENTATION GUIDE

STRATEGY FOR SUSTAINABLE HEALTH SYSTEM STRENGTHENING

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LOCAL HEALTH SYSTEM SUSTAINABILITY PROJECT

Local Health System Sustainability Project


The Local Health System Sustainability Project (LHSS) under the USAID Integrated Health Systems IDIQ helps low- and middle-income countries transition to sustainable, self-financed health systems as a means to support access to universal health coverage. The project works with partner countries and local stakeholders to reduce financial barriers to care and treatment, ensure equitable access to essential health services for all people, and improve the quality of health services. Led by Abt Associates, the five-year project will build local capacity to sustain strong health system performance, supporting countries on their journey to self-reliance and prosperity.

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This guide was created for use by the staff and partners of the USAID Local Health System Sustainability Project (LHSS) as an accompaniment to the LHSS Strategy for Sustainable Health System Strengthening (2022).

It provides details on how project teams and local partners may implement the various approaches contained in the strategy, including tools and templates that may be adapted to country and activity contexts.

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ACRONYMS

AMELP	Activity Monitoring, Evaluation and Learning Plan
CBLD-9	Capacity Framework Strengthening Score
CLA	Collaborating Learning and Adaptation
GESI	Gender Equality and Social Inclusion
GUC	Grants Under Contract
HSS	Health Systems Strengthening
IDIQ	Indefinite Delivery/Indefinite Quantity
LHSS	Local Health System Sustainability Project
MEL	Monitoring, Evaluation and Learning
OCS	Organizational Capacity Strengthening
TA	Technical Assistance
ToC	Theory of Change
UHC	Universal Health Coverage
USAID	United States Agency for International Development

KEY CONCEPTS

As defined by USAID, LHSS understands capacity to encompass the knowledge, skills, and motivations, as well as the relationships, that enable an actor—an individual, an organization, a network, or a system—to take action to design and implement solutions to local development challenges, to learn and adapt from that action, and to innovate and transform over time. The capacity of any one actor is highly dependent on their role within the context of a local system and the enabling environment. Local capacity strengthening, then, is an investment in local actors to jointly improve the performance of a system in producing valued development outcomes. (USAID Local Capacity Strengthening Policy)

The LHSS approach to capacity strengthening strengthens local capacity across a range of actors, with attention paid to the individual, organization, network, and system levels, using participatory and collaborative methods for understanding both the aspirations and the needs of different actors within the local context. Regardless of the intervention selected, our focus is on the strengthening of performance that leads to sustainable change in the health system.

The performance of the organization is dependent not only on the capacities of the organization itself, but also those of the individuals within it and by its ability to work with the organizations around it. When engaging in organizational capacity strengthening work the goal is to improve organizational performance, regardless of the level at which we are working.

This definition considers four levels of intervention which are incorporated into LHSS's organizational capacity strengthening approach:

- **Individual:** increases or strengthens the competencies of individuals in technical and managerial domains to strengthen the knowledge and skills individuals need to work effectively together and to fulfil certain roles.
- **Organization:**¹ strengthens the capacity of a single organization or operating unit of a larger entity, such as a provincial health division or civil society organization, in management and organization. Includes the ability of an organization or unit to finance, plan, manage, implement, monitor, and evaluate its activities and services.
- **Network:** strengthens the capacity of an organizational network—a group of three or more organizations that decide to collaborate, share resources, and otherwise work together—including strengthening coordination arrangements to work together toward a common end.
- **System:** strengthens institutional arrangements and coordination mechanisms required for both public and private organizations to work together toward a common end. This includes the structures, standards, guidelines, supportive policies, legal frameworks, budgets, and attitudes and behaviors that influence how organizations work and operate together. For example, if we are trying to strengthen the recruitment processes in the Ministry of Health, we most likely need to look at the arrangements between that ministry and the Ministry of Finance with respect to budgetary approval to recruit for new positions. There might be areas of collaboration between the government and the private sector as well, such as

¹ We use “institutional” capacity strengthening and “organizational” capacity strengthening (OCS) throughout this document, where “institutional” is typically referring mostly to government organizations, and the term “organization” is used more generically and to cover community-based and other non-governmental structures.

government engaging the private sector or professional associations in establishing and enforcing standards.

ESTABLISHING A BASELINE

Before planning capacity strengthening interventions, it is important to establish a starting point or baseline. The baseline is normally established based on a combination of information available from previous studies and reports and an assessment. The results of the assessment will inform both the focus of capacity strengthening interventions and their depth or breadth.

LHSS embraces the concept of co-assessment. In the collaborative process, LHSS and the counterpart organization(s) agree on the scope of the assessment, and the assessment tool to be utilized. Representatives of the counterpart organization are also members of the assessment team and so are thus both leaders of and participants in the planning and conduct of the assessment and in subsequent capacity strengthening activities. The LHSS country team will guide those discussions, to assure that they are both collaborative and efficient. The following are some steps country teams should take to prepare for meetings.

Step 1: Understand Desired Outcomes (new country activities)

After reviewing the country work plan, the country team must ensure they:

- Clearly understand the objectives and interventions of the activity and their connection to overall LHSS project results.
- Ask questions as needed to ensure complete understanding of the scope of intervention or interventions, the funding level, and timeframe.
- Determine and obtain any other context-specific information necessary to achieve the desired outcomes.

Step 2: Identify Partners (new and ongoing activities)

Identify relevant in-country organization(s) with whom to partner. These organizations may include MoH operating units, sub-national levels of government, NGOs, faith-based organizations, private providers, professional and private sector associations, academic institutions, social franchises, health insurance organizations, and/or distributors and sellers of priority health products, among others.

Step 3: Prepare for Capacity Assessment

Identifying capacities required, assessing them and planning for capacity strengthening should be done in collaboration with local partners. To prepare for those sessions, the LHSS team should reach some preliminary conclusions about the process, which will then be vetted with the partner.

Step 4: Identify Core Capacities Needed for Success

LHSS has developed a 12-dimension capacity strengthening framework and tool (see Annexes A and B). From these 12 dimensions, the country team must decide whether to carry out a comprehensive assessment or a more selective assessment of key dimensions, based on their LHSS workplan scope. While it will sometimes be appropriate to assess all 12 dimensions; it is more likely that the team will wish to conduct a more targeted assessment, focused on an organization's capacity to perform a particular task or to achieve a particular objective.

The team can identify core capacities needed by answering the following questions:

- What capacities must be in place for the organization to successfully carry out the work in question in a manner that is sustainable over time?
- At what level (individual, organizational, system) is each capacity required?

The core capacities chosen for strengthening should correspond to the activity's theory of change (ToC) *e.g., if we improve capacity in X dimension, we should be able to see an improvement in Y aspect of performance* (See the Activity's MELP for ToC statements). This way we can assure that monitoring implementation of the capacity strengthening plan is consistent with the country activity's other programmatic efforts.

Step 5: Review Background Documents

Next, the team should review relevant documentation on the context of the organization(s) in question, including background information on the institution, and any recent assessment reports. After reviewing background documentation, make a preliminary determination as to whether additional information is required to develop a baseline understanding of an organization(s)'s capacity. If that information cannot be obtained by existing reporting, previous assessments or other information provided by the organization(s), then an assessment must be conducted.

If you have access to recent assessments or other information on the institution's organizational capacity, it may help reduce duplication of efforts and even allow for more in-depth analysis into systemic capacity strengthening issues.

PLANNING THE ASSESSMENT

As noted above, **co-assessment** is central to addressing capacity strengthening needs and concerns of an organization.

To begin, the LHSS team should meet with the counterpart to discuss the capacity strengthening process in general, emphasizing that the assessment will be used to identify both areas of counterpart strength and areas to be developed so that we can create the most useful development plan.

During that same meeting, the team leader should introduce the capacity strengthening team and request that members of the counterpart organization join the assessment team.

When membership is confirmed the assessment team will do the following:

- Agree which capacities should be assessed at which level(s) of the organization. This may include specific country or organizational priorities in addition to those the LHSS team identified.
- Discuss the information that is already available and agree what information is still needed to form a baseline. At this step, the organization may bring forward information of which the LHSS team had been unaware.

- Agree on the assessment tool and how the assessment will be conducted. This will include which tool or parts of tool will be used, whether interviews, focus groups or other data collection methods will be used, and how they will be conducted.
- Finalize an assessment timeline.
- Agree who will have access to the findings, and how the data will be used internally, including action plans for current or future work planning, incorporated into Activity Monitoring, Evaluation and Learning Plans (AMELP)s (e.g., in baselines etc.), and in the S&T plan.

CONDUCTING THE ASSESSMENT

When the tool has been selected, everyone who will be involved in the assessment should be oriented to the assessment process and should work through the tool together to determine which questions to ask and whether additional questions are necessary. As an example, the “key questions” in the project’s OCS Assessment Tool are those that the assessment is seeking to answer. The actual questions to be used in the data-gathering activities of the assessment, via interviews, focus groups, and/or surveys, are likely to be more specific but should be developed based on the tool’s key questions, keeping in mind the 5-point scoring scheme shown in Annex C. If interviews and/or focus groups will be used, the assessment team will need to develop questionnaires for various categories of interviews, so that the questions are relevant to each group. For example, there might be separate questionnaires developed for senior leadership, managers, staff, and external stakeholders.

- Interviews and focus groups should be held with a cross-section of staff likely to be knowledgeable about the capacity dimension under consideration, in order to get a complete picture.
- Focus groups can be used if the institution is large or if there are too many people to permit individual interviews. *A best practice here is to be as inclusive as possible in order to gain buy-in and commitment to the findings while recognizing resource constraints.*
- Finally, the team should conduct the assessment, completing the surveys, interviews, and/or focus groups diligently and as efficiently as possible. Whether these are conducted face to face or virtually, it is important to follow the appropriate [LHSS guidance on data collection and data security](#).

It is important to remember that the assessment is not an end itself. It is being conducted for the purpose of targeting capacity strengthening interventions. As such it should be carried out efficiently as possible.

ANALYZING ASSESSMENT FINDINGS

If you are using the LHSS assessment tool, refer to Annex C for a scoring template (other assessment tools provide something similar). As you analyze the data you have collected, you can record conclusions there. Those summary conclusions serve to establish your preliminary baseline.

When reviewing the data collected, look at each of the capacity dimensions individually as well as the relationships and connections across the various dimensions you have assessed. This provides a more holistic understanding of the challenges facing the institution and will be useful in developing an intervention plan that considers these connections. It is also useful to explore whether there are similar patterns in different dimension areas. This can lead to the identification of fundamental and cross-cutting themes that need attention. As an example, an organization has the capacity to create quality documents like a resource mobilization plan or financial procedures manual but does not have the capacity to implement what is described in those plans or procedures manuals. In this case, training in financial management may be in order

It is important to remember that the capacity assessment is not just about identifying capacity strengthening needs. It is also about recognizing existing organizational strengths that should be understood and celebrated as the foundation for further strengthening and organizational change. An overly negative assessment or evaluation may be inaccurate and may also reinforce a sense of hopelessness in a partner. Even with the most challenging organizations, it is important to find, appreciate, and articulate strengths.

VALIDATION WITH PARTNER ORGANIZATION

Once the assessment team has completed its work, assessment findings should be shared and validated with the leadership of the partner organization. At these meetings, the assessment team hears their opinions regarding the accuracy of the assessment and learns more about their sense of priority areas, and their openness to addressing the areas identified in the assessment. When the assessment findings have been validated, they can then be linked to both the LHSS Sustainability and Transition Plans and to the AMELP, including the CBLD-9 indicator.

CREATING AN INTERVENTION PLAN

After validating the assessment findings, the assessment team develops an intervention plan. The plan must fit within a number of parameters, including the donor's goals, budget, timeline, and the local partner organization's priorities. The intervention plan must also be harmonized with the country work plan. The team, when determining specific capacity strengthening interventions, should aim to streamline efforts alongside the work plan, understanding that all efforts to improve the efficiency of the organization are both directly and indirectly tied to the success of the work plan implementation. One cannot happen without the other—thus, the assessment team must periodically revisit the intervention plan to ensure its synchronization with programmatic interventions.

In selecting specific interventions, consider the following questions:

1. Technical necessity:

- Does the intervention respond to needs identified in the assessment?

- Does the intervention strengthen capacity for the organization to 1) sustainably fulfill its role in the health system and/or 2) directly receive USAID funding?
- How do interventions across competencies relate to each other?
- Will the intervention support, hinder, or otherwise distract from other program activities?
- If implemented successfully, will the interventions result in a more effective and sustainable organization?

2. Feasibility:

- Does the intervention respond to the needs of the organization?
- Can the intervention be implemented within the available budget?
- Can the intervention be implemented within a reasonable period of time?
- Does the intervention have a high likelihood of success?
- Is there enough time to implement the intervention plan, especially when considering the absorptive capacity (how fast the organization will be able to take in new information, and build or strengthen its capacity) of the client organization?

Please refer to Annex D for illustrative capacity strengthening interventions, and Annex E for a template of an intervention plan.

GRANTS UNDER CONTRACT

GUCs are used to 1) promote localization and achieve locally agreed objectives, 2) encourage engagement with non-traditional partners (e.g., fledgling groups undertaking implementation research), 3) strengthen local actor capacity and foster innovative solutions. Country activities should seek guidance from the LHSS Grants Manager for budget guidance for grants programs. Activity work plans should include a description of how you are using grants and a budget for both the grants and the staffing needed to administer and manage the program in the country-based team.

Each LHSS country activity is required to develop a grants strategy in accordance with the [LHSS grants strategy template](#), to guide the implementation of the GUC and describe how this mechanism promotes localization and supports the LHSS expected result of increased technical and administrative capacity of local organizations to prepare, obtain, and manage successful HSS projects and activities.

The country grants strategy should include:

- Information on geographical, social and health sector context relevant to grant activity
- Relevant workplan objectives
- Grant strategy objectives aligned with workplan objectives
- Types of grants the country program intends to award
- Potential capacity strengthening opportunities for the grant funds.
- Potential sustainability and transition considerations for the grant funds
- GESI considerations for the respective grant activity
- CLA considerations for the respective grant activity
- Grants budget
- Potential risks that may negatively impact the completion of the grant

Country teams will work with potential partners during the pre-award stage in the final design of activities to be supported by the grant and agree on capacity strengthening support to sustainably expand or improve their capacity to fulfill their role in the health system. This will help to determine which type of award-- in-kind, fixed amount, simplified or standard grants--are appropriate and consistent with the administrative and financial capacity of each prospective grantee, as well as its ability to meet accountability and reporting requirements.

LHSS country grant programs will be managed in accordance with the Global LHSS Grants Manual. Country staff under the direction of the LHSS Global Grants Manager will finalize grant agreements that outline the grant activity, stipulate reporting requirements and other grant management requirements. The award will also describe how grant activities are integrated into existing system structures and align with local priorities and needs, and how the grantee intends to sustain progress beyond LHSS support. LHSS country staff may periodically conduct site visits as part of their performance monitoring to ensure that the objectives of each grant are completed in a timely manner and will report on site visits to document grantee follow-up. The LHSS country Grants Manager or designee will oversee grant management and ensure compliance with Abt and USAID procedures.

SUSTAINABILITY AND TRANSITION PLANS

Each LHSS country program of \$500,000 or more will develop a *Sustainability and Transition Plan (S&T Plan)*, which will be monitored annually, and designate a point of contact on the country team for S&T. The S&T Plan details the long-term vision, through the end of the project and beyond, for capacity strengthening at the organizational and system levels and defines health system milestones. Over the life of country activities, S&T plans are tools for work planning, mutual accountability, and tracking progress towards transition and sustainability with indicators and milestones. The [S&T plan template, including guidance](#) for completing the plan, is located in Teams in the S&T folder. Country S&T plans are also in Teams [here](#).

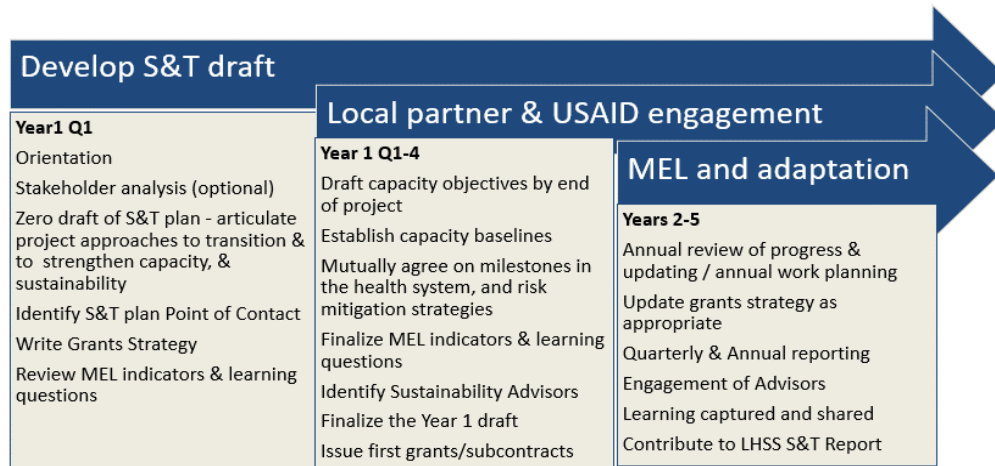
Country teams should begin by engaging USAID and local partners to identify and agree on key elements of the S&T plan---local partners with important roles related to the LHSS country activity, the capacity strengthening objectives and intermediate results for each local partner, types of capacity strengthening support LHSS will provide to enable local partners to meet their objectives, and mutually agreed upon capacity milestones. In consultation with USAID and local partners, country teams should establish realistic timelines that reflect the local partners' baseline capacity, objectives of the program, project resources devoted to capacity strengthening, length of project activity, and the enabling environment. The country point of contact will lead development of the S&T Plan, and the LHSS Capacity Strengthening Director and the Transition and Sustainability Director will provide technical reviews and quality assurance for the development of these plans.

The S&T plan should explicitly link to:

- Activity work plan—which should include LHSS interventions and tasks that help local partners achieve S&T milestones
- Activity Monitoring Evaluation and Learning Plan (AMELP)--which should include learning questions related to S&T and capacity strengthening and indicators that support tracking of S&T outcomes and milestones, including the CBLD-9 indicator (percent of U.S. Government-assisted organizations with improved performance)
- Grants strategy and other strategic approaches detailed in this Strategy for Sustainable Health System Strengthening.

The S&T Plan is a key input for developing subsequent annual work plans. For each work planning cycle, country teams should engage local partners and USAID to review the S&T Plan to assess whether the project and local counterparts and partners have together met the proposed milestones and review of progress towards MEL indicators as appropriate; and determine whether the vision for capacity strengthening and agreed milestones are still valid and feasible. This review will provide a basis for adjusting the S&T Plan as needed and developing the work plan interventions that will support this longer-term vision. Revised milestones and work plan interventions should be validated with counterparts before finalizing.

Sustainability & Transition Plan illustrative timeline



LHSS Scale-up of Local Capacity Strategy

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A template for the plan, including some guidance for content, can be found in Annex F and in Teams [here](#).

CONCLUSION

It is important to emphasize that capacity strengthening is an iterative process. It is not the case that the initial assessment has the last word on the organization's strengths and weaknesses, or that the intervention plan should be rigorously followed through to its completion. Rather, the assessment provides the initial direction to make intelligent choices on where to begin the intervention. The assessment team and client together learn from each intervention activity, and that learning deepens their understanding of the organization, which in turn shapes subsequent interventions. This may lead to slight adjustments to the initial implementation plan, or could mean significant changes to it, albeit in keeping with the overall objectives of the activity. To be sure that the intervention(s) is on target, it is critical to plan and hold periodic evaluations of progress with the leadership and staff of the organization. Besides ensuring that problems are solved, and progress is made, this is an opportunity for the organization to develop its own strength in tracking and ensuring that improvement activities occur and have the desired effect. The same assessment questions from relevant categories of the chosen assessment model can be used to help determine how much progress has been made.

ANNEX A: LHSS OCS FRAMEWORK

Dimension	Definition
Organizational Development	
Organizational mandate	Existence of clearly defined official roles and responsibilities, accountability, and functions.
Strategy and planning	Ability to develop long-term strategies, short- and medium-term operational plans, and to implement the strategy.
Structure and staffing	Adequacy of the organizational structure and staff to carry out its core functions. Clarity of individual roles and responsibilities as reflected in job descriptions and work assignments
Implementation capacity	Capacities to plan, manage, monitor, and improve the quality of activities implemented.
Leadership and management	Leadership that sets direction, motivates, and aligns staff behind strategic direction; management that works together, monitors staff, assures the quality of performance, and shares information.
Gender equality and social inclusion	Explicit gender and social inclusion practices and functions.
Resources	Adequacy of basic operating resources in the short- and long-term.
Coordination and stakeholder engagement	Capacity to engage and coordinate internal and external stakeholders.
Organizational governance	Existence of a structure that provides oversight and ensures accountability.
Technical Capacity	
Technical capacity	Technical skills and systems commensurate with functions (e.g., health financing, quality improvement)
Financial Management, Business Planning, and Compliance	
Management systems, including for financial management	Well-defined and used systems for financial management, human resources, IT, and procurement.
Compliance	Systems and capacity to ensure compliance with government and USAID requirements.

ANNEX B: LHSS OCS ASSESSMENT TOOL

Dimension	Definition	Key Questions
Organizational mandate	Existence of clear organizational mandate and functions	<ul style="list-style-type: none"> a. Are roles and functions clearly defined and carried out in practice? b. Are the organizational mandate and core functions aligned? c. Does the mandate intersect/overlap with the mandates of other offices? d. Is the profile and stature of the organization commensurate with its mandate?
Strategy and Planning	Ability to develop long-term strategies, short- and medium-term operational plans, and to implement the strategy	<ul style="list-style-type: none"> a. Does the office have a long-term strategy? b. Does the office have an operational plan to implement the strategy? c. Is the operational plan currently being used? If not, what are the barriers to implementation? d. Does the office have the capacity to implement the operational plan? If not, what additional capacity is needed?
Structure and Staffing	Adequacy of the organizational structure and staff to carry out its core functions. Clarity of individual roles and responsibilities as reflected in job descriptions and work assignments.	<ul style="list-style-type: none"> a. Is there a well-defined organizational structure? How could it be strengthened? b. Are the roles and responsibilities of existing staff clearly defined? Are there job descriptions? c. Do any job descriptions need to be realigned or revised? d. Is there an adequate number of staff to carry out the functions of the office? e. Does staff have the skills to carry out their jobs? What skills need to be developed?
Implementation Capacity	Capacity to plan, manage, and monitor activities	<ul style="list-style-type: none"> a. What is the organization's capacity to plan, manage, and monitor activities? b. Is there an activity tracking system in place? c. Have indicators and milestones for tracking progress been developed?

Dimension	Definition	Key Questions
Leadership and Management	Effectiveness of leaders and managers to set direction and to plan and implement strategies and plans	<ul style="list-style-type: none"> a. Does the office have effective leadership (set direction, motivate staff, and align staff behind the direction)? b. How does the staff work together as a team? c. How is staff performance monitored? d. Is staff involved in decision-making? e. How is information shared? f. Is there regular communication among staff? g. Is work managed at a reasonable pace ensuring timely completion of tasks and deliverables? h. Are there regular staff meetings? i. Are there management systems (financial, HR, procurement) that allow the office to carry out its activities?
Gender Equality and Social Inclusion	Explicit gender and social inclusion practices and functions	<ul style="list-style-type: none"> a. Are GESI practices and functions defined for the organization? b. Is the staff aware of these practices and functions? c. Are the practices followed?
Resources	Adequacy of resources to carry out functions	<ul style="list-style-type: none"> a. Does the office have financial resources to pay for basic operating costs (e.g., transportation, office expenses, workshop venues)? b. Are the assets adequate to carry out its work? (e.g., ICT capacity, desks, filing cabinets) c. Are working conditions acceptable?
Coordination/Stakeholder Engagement	Ability to assess and fruitfully engage with key stakeholders	<ul style="list-style-type: none"> a. Who are the office's key stakeholders? Who does the office interact with? (e.g., other MSPP offices, other national agencies, subnational government, donors, implementing partners) b. Can analysis of stakeholders be performed in terms of their interests, power, importance, etc.? c. Are there mechanisms in place for coordination? Are they used? d. Does staff have the capacity to make effective use of these mechanisms? e. Can strategies be formulated to work with, around, and through stakeholders to achieve desired ends?
Organizational Governance	Existence of a structure that provides oversight and ensures accountability	<ul style="list-style-type: none"> a. Does the organization operate under the right legal charter for its mandate? b. Is there a formal, legal document that defines the governance of the organization (e.g., by-laws, articles of incorporation, constitution)?

Dimension	Definition	Key Questions
		<ul style="list-style-type: none"> c. Does the document describe the role and authorities of the board, committee structure, frequency of meetings, formal decision-making process, and process for amending the document? d. Is there a functioning board of directors or other type of governing body that provides direction, accountability, and oversight? e. Is the board effective in carrying out its functions?
Technical Capacity	Sufficiency of technical capacity to carry out its mandate	<ul style="list-style-type: none"> a. What experience has the organization had in using its required technical expertise? b. What is the quality of its services and/or products? c. What is the organization's reputation in terms of having the required technical expertise? d. Does the organization have ready access to information and tools that have been developed in the area of expertise? e. Do staff need technical upgrading of knowledge and skills through training, mentoring, or working side by side with experienced consultants? f. Are there systems for keeping up to date on new developments in the field and continuously upgrading the staff's technical competence? g. Do staff exhibit interest in keeping up to date on new developments in the field and continuously upgrading their technical competence?
Management Systems (Including Financial)	Well-defined and used systems for financial management, human resources, IT, and procurement	<p>For each management system (financial management, HR, IT, procurement):</p> <ul style="list-style-type: none"> a. Is there a clearly defined financial planning process in place? b. Are roles and responsibilities clear and documented? c. Is there a well understood system of controls in place? d. Is there a system in place to monitor performance in relation to plans?
Compliance	Systems and capacity to ensure compliance with government and USAID requirements	<ul style="list-style-type: none"> a. Are there clear, well- established and documented policies in place? b. Are the roles and responsibilities for assuring compliance clear and well documented? c. Are practices monitored for adherence to policy and procedure and relevant external regulations? d. Is an appropriate follow up action taken when deviation from policy or regulation has taken place?

ANNEX C: LHSS OCS ASSESSMENT SCORING

Capacity Dimension	Level 1: Beginning	Level 2: Start-Up	Level 3: Developing	Level 4: Expansion	Level 5: Sustainability	Scoring (1-5)
Organizational Mandate Definition: Clearly defined organizational mandate and functions	Role and functions are not defined on paper or in practice	Role and functions are defined on paper but not carried out in practice	Role and functions are basically clear but only somewhat carried out	Role and functions are clearly defined but not yet fully carried out in practice	Role and functions are clearly defined on paper and in practice	
	Functions are not aligned with the mandate	Functions are minimally consistent with the mandate	Functions are somewhat consistent with the mandate	Functions are mostly consistent with mandate	Functions are clearly aligned with mandate	
	Functions overlap significantly with other offices	A number of functions overlap with other offices	Some functions overlap with other offices	Functions overlap slightly with other offices.	Functions do not overlap with other offices	
	Profile of the organization not at all commensurate with mandate	Profile is not sufficient to carry out mandate	Profile somewhat sufficient to carry out mandate	Profile is generally sufficient to carry out mandate but could use some strengthening	Profile is commensurate with mandate	
Strategy and Planning Definition: Develop long-term strategies and short- and medium-term operational plans to implement the strategy	Medium- and long-term strategy to carry out core functions not developed	Planning underway to develop strategy	Strategy in the process of being developed	Strategy developed but still needs work	Strategy developed and used	
	Operational plans and/or annual work plans do not exist	Operational plans and/or annual work plans in the beginning stage of being developed	Operational plans and/or annual work plans are being developed	Operational plan developed but not used to guide activities	Operational plan developed and used to guide activities	

Capacity Dimension	Level 1: Beginning	Level 2: Start-Up	Level 3: Developing	Level 4: Expansion	Level 5: Sustainability	Scoring (1-5)
Organizational Structure and Staffing Definition: Adequacy of the organizational structure and staff to carry out its core functions. Clarity of individual roles and responsibilities as reflected in job descriptions and work assignments	Organizational structure is not well defined nor consistent with functions	Organizational structure is defined on paper but not implemented	Organizational structure is defined and being implemented	Organizational structure has been defined and is mostly implemented	Organizational structure is defined and fully implemented	
	Roles and responsibilities of sub-units not clearly defined	Roles and responsibilities of sub-units in process of in process of being better defined	Roles and responsibilities of sub-units are mostly defined	Roles and responsibilities of sub-units are defined but not fully implemented	Roles and responsibilities of sub-units are defined and implemented	
	Individual roles and responsibilities not clearly defined	Individual roles and responsibilities in the process of being defined	Individual roles and responsibilities defined but not implemented	Individual roles and responsibilities defined but not fully implemented	Individual roles and responsibilities defined and implemented	
	Completely inadequate staffing levels to carry out functions	Staffing levels are inadequate (either too few or too many) to carry out functions	Staffing levels have improved but still not fully adequate (either too few or too many) to carry out functions	Staffing levels are almost adequate to carry out functions	Staffing levels are completely adequate and aligned with core functions	
Implementation Capacity Definition: Capacity to plan, manage, and monitor the activities of the organization	No capacity to plan, manage, and monitor own activities	Limited capacity exists to plan, manage, and monitor own activities	Modest capacity exists to plan, manage, and monitor own activities	Good capacity exists to plan, manage, and monitor own activities	Strong capacity exist in order to plan, manage, and monitor own activities	
	No activity tracking system exists	Activity tracking system under development	Activity tracking system exists but weaknesses remain, and it is not used regularly	Activity tracking system existed with some weaknesses and used	Functioning activity tracking system exists and is used frequently	

Capacity Dimension	Level 1: Beginning	Level 2: Start-Up	Level 3: Developing	Level 4: Expansion	Level 5: Sustainability	Scoring (1-5)
Leadership and Management Definition: Effectiveness of leaders and managers to set direction and plan and implement strategies and plans	Office does not have effective leadership	Leadership is weak and inconsistent	Leadership is demonstrated occasionally	Leadership is consistently demonstrated	Leadership is very effective at setting direction and motivating staff	
	Supervisors are not effective	Staff supervision is weak and non-existent	Effective supervision of staff is demonstrated occasionally	Effective supervision is consistently demonstrated	Supervision is highly effective and appreciated by staff	
	Staff do not work as a team	Staff do not work as a team consistently	Staff beginning to work together as a team but still inconsistent	Staff work together as a team but still need some training in team skills	Staff works together as a team effectively	
	Staff is not held accountable for their job performance	Staff performance is irregularly monitored and rarely feedback given	Staff performance is beginning to be monitored regularly and staff held accountable	Staff performance is monitored although not always consistently and accountability is improving	Staff performance is monitored regularly, and feedback provided with the result that staff is accountable for their performance	
	Staff do not communicate well internally nor share information	Staff do not communicate nor share information regularly internally	Staff are beginning to communicate and share information internally	Staff communicate and share information internally most of the time	Staff communicate and share information regularly	
Gender Equality and Social Inclusion Definition: Explicit gender equality and social inclusion practices and functions	GESI practices and functions are not defined for the organization	GESI practices and functions are partially defined for the organization	GESI practices and functions are defined for the organization, but they have not been well communicated to staff	GESI practices and functions are understood by staff but are not consistently adhered to by staff	GESI practices and functions are well understood and adhered to by staff	

Capacity Dimension	Level 1: Beginning	Level 2: Start-Up	Level 3: Developing	Level 4: Expansion	Level 5: Sustainability	Scoring (1-5)
Resources: Definition: Adequacy and efficient use of resources to carry out functions	Organization lacks resources to pay basic operating costs	Organization has limited resources to pay basic operating costs	Organization has some but not sufficient resources to pay basic operating costs	Organization has most of the resources it needs to pay basic operating costs	Organization has ample resources in order to pay basic operating costs	
Coordination and Communication w/ Stakeholders Definition: Ability to assess and fruitfully engage with stakeholders	Organization has not defined who its key stakeholders are	Organization has begun to define who its key stakeholders are	Organization has defined who its key stakeholders are	Organization has defined who its key stakeholders are	Organization has defined who its key stakeholders are	
	No outreach to stakeholders	Outreach to stakeholders is just beginning	Outreach to stakeholders is underway	Outreach to stakeholders is reasonably effective	Outreach to stakeholders is frequent and very effective	
	Mechanisms for engaging stakeholders are not in place nor are there any plans to establish them	Plans exist for establishing mechanisms for engaging stakeholders	Mechanisms for engaging stakeholders are being established	Mechanisms for engaging stakeholders are established but not fully used	Mechanisms for engaging stakeholders are established and fully used	
	No skills for communication with stakeholders	Skills for communication with stakeholders are weak	Skills for communication with stakeholders exist but need further strengthening	The capacity to engage stakeholders is modest.	Capacity to engage stakeholders is strong.	
Organizational Governance Definition: Existence of a structure that provides	Organization does not have a structure that provides oversight and ensures accountability	Structure to provide oversight exists but is not well documented, well understood or followed	Structure to provide oversight is in place and documented, but understanding of it and adherence to it is limited	Structure is in place, well documented, but understanding and adherence to it are uneven	Structure is in place, well documented and understood and provides the necessary oversight to ensure accountability	

Capacity Dimension	Level 1: Beginning	Level 2: Start-Up	Level 3: Developing	Level 4: Expansion	Level 5: Sustainability	Scoring (1-5)
oversight and ensures accountability						
Technical Capacity Definition: Sufficiency of technical capacity to carry out its mandate	Organization lacks technical capacity to carry out its mandate	Organization has limited technical capacity to carry out its mandate	Organization has some but not sufficient technical capacity to carry out its mandate	Organization has most of the technical capacity to carry out its mandate	Organization has ample technical capacity in order to carry out its mandate	
Management Systems, including Financial Definition: Well-defined and used systems for financial management, human resources, IT, and procurement	Organization lacks the financial systems necessary for effective management	Organization has limited financial management systems	Organization has some financial systems but not sufficient for effective management	Organization has most of the necessary financial management systems	Organization has all of the necessary financial management systems	
	Organization lacks the systems necessary for effective human resource management	Organization has limited capacity to manage its human resources	Organization has some human resources systems but not sufficient for effective management	Organization has most of the systems necessary for effective management of its human resources	Organization has all the systems necessary for effective management of its human resources	
	Organization lacks the IT systems necessary for effective management	Organization has limited IT management capacity	Organization has some IT systems but not sufficient for effective management	Organization has most of the necessary IT management systems	Organization has all the necessary IT systems	
	Organization lacks the systems and processes necessary for effective procurement	Organization has limited capacity to manage procurement	Organization has some procurement systems and processes but not sufficient for	Organization has most of the necessary procurement systems and processes	Organization has all the necessary procurement systems and processes	

Capacity Dimension	Level 1: Beginning	Level 2: Start-Up	Level 3: Developing	Level 4: Expansion	Level 5: Sustainability	Scoring (1-5)
			effective management			
Compliance Definition: Systems and capacity to ensure compliance with government and USAID requirements.	Organization lacks the systems and capacity to ensure compliance with government and USAID requirements	Organization has limited capacity to ensure compliance with government and USAID requirements	Organization has some capacity to ensure compliance with government and USAID requirements	Organization has most of the systems and capacity to ensure compliance with government and USAID requirements	Organization has all of the necessary systems and capacity necessary to ensure compliance with government and USAID requirements	

ANNEX D: ILLUSTRATIVE CAPACITY STRENGTHENING INTERVENTIONS

Dimension	Level of Intervention		
	System	Organization	Individual
Structure and Staffing	<ul style="list-style-type: none"> • Staff allocation systems • Recruitment systems 	<ul style="list-style-type: none"> • Organizational design • Staffing plans • R&R and job descriptions • Career paths and staff development • Restructuring 	<ul style="list-style-type: none"> • Staff recruitment and selection
Implementation Capacity	<ul style="list-style-type: none"> • Operating guidelines or systems 	<ul style="list-style-type: none"> • Development of project management systems and processes • Design of IT systems • Facilitation planning, monitoring, and evaluation 	<ul style="list-style-type: none"> • Planning and budgeting • Project management
Leadership and Management	<ul style="list-style-type: none"> • Collaborative planning • Coordination platform and mechanisms design 	<ul style="list-style-type: none"> • Organizational vision and mission • Facilitation of strategic planning and change management processes • Facilitation of operational planning processes • Strengthening of Organizational management • Improvement of Human resources management processes • Team building • Facilitation of Staff meetings • Development of senior team management capacity 	<ul style="list-style-type: none"> • Organizational management • Leadership • Strategic planning • Organizational management • Supervision
Gender Equality and Social Inclusion	<ul style="list-style-type: none"> • Non-discrimination policies or standards • Policies and regulations that affirm the rights of 	<ul style="list-style-type: none"> • Development of management systems or processes sensitive to gender equality and social inclusion • Development of organizational GESI 	<ul style="list-style-type: none"> • GESI training and /or mentoring

Dimension	Level of Intervention		
	System	Organization	Individual
	women and socially excluded groups	policies and processes, either standalone or incorporated existing documents and systems	
Resources	<ul style="list-style-type: none"> Resource mobilization or resource allocation 	<ul style="list-style-type: none"> Development of resource mobilization plans Development of budgeting processes Financial management systems, policies and plans 	<ul style="list-style-type: none"> Resource management practices
Stakeholder Engagement Coordination	<ul style="list-style-type: none"> Stakeholder coordination systems and networks 	<ul style="list-style-type: none"> Stakeholder mapping, stakeholder engagement Stakeholder coordination 	<ul style="list-style-type: none"> Partnerships and collaboration Professional networking Advocacy and mobilization Facilitation skills, meeting management
Organizational Governance	<ul style="list-style-type: none"> Governance and stewardship Policy and regulations 	<ul style="list-style-type: none"> Development of By-laws Development of organizational charter or mandate Development of governance procedures 	<ul style="list-style-type: none"> Governance policies, procedures
Technical Capacity	<ul style="list-style-type: none"> Technical councils, task forces Technical guidelines and standards Continued education and professional development Technical exchange fora 	<ul style="list-style-type: none"> Development of standard operating procedures Development of results monitoring and reporting processes Strengthening of organizational technical leadership Development of Technical guidelines 	<ul style="list-style-type: none"> Technical training and mentoring Strategic technical partnerships Technical guidelines Evaluation monitoring and research
Management Systems, including Financial	<ul style="list-style-type: none"> Human Resources management systems Financing policies and systems Knowledge management systems 	<ul style="list-style-type: none"> Development of financial management procedures Development of standard operating systems Development of Information technology systems 	<ul style="list-style-type: none"> Financial management Access to information resources Training in the use of data for decision making Budgeting

Dimension	Level of Intervention		
	System	Organization	Individual
	<ul style="list-style-type: none"> M&E systems 	<ul style="list-style-type: none"> Development of project management processes Establishment of CLA processes 	
Compliance	<ul style="list-style-type: none"> Compliance policies 	<ul style="list-style-type: none"> Development of compliance systems and processes Development of roles and responsibilities related to compliance 	<ul style="list-style-type: none"> Compliance training

ANNEX E: INTERVENTION PLAN TEMPLATE

Organization:				
Capacity Strengthening Lead:				
Activity	Steps	Year X	Year Y	Year Z

ANNEX F: SUSTAINABILITY & TRANSITION PLAN TEMPLATE

LHSS Activity Sustainability and Transition Plan

Guide to plan content

This is a simplified version of an S&T plan template. This document includes guidance and tools to complete the plan. All blue ink content below is guidance and can be deleted for the actual plan itself. Note that a few sections are labelled “[OPTIONAL]” meaning that teams could use these tools to help them think through their S&T plans and strategies for implementation, but they are not considered core to the development of the plan itself.

Country:

Activity Year/FY:

Date: Date of most recent update

1. **[Optional]** Pathway to sustainable change

This is the activity Theory of Change. This is a reminder of what is already present in Activity MEL Plans, as the content development of this plan is grounded in the TOC.

2. **What will be the ultimate sustainable capacity in the health system at the end of LHSS?**

[What results will be transitioned sustainably by the end of the activity? What does sustainability look like (at the system and/or institutional levels)? If this content is already in your work plan or MEL, please include a link and reference which page/section number the content is located or cut and paste it here.]

3. **[OPTIONAL]** How the Activity Supports Transition and Sustainability

If this section of the plan is not completed, then a description of how the activity is supporting transition and sustainability should be included somehow in the matrix below.

Describe at a high level *how* the Activity will advance the objective of supporting sustainability, including transition from development partner support to a locally led, financed and implemented system. A health system that has **fully transitioned** [from development partner support] is self-financed, locally led and locally implemented. *If it is helpful* the writer could describe according to these three categories below. Not all activities will support transition in all three areas.

3.1 **Self-financed** – Describe how will LHSS promote increasing local financial ownership of project activities and health system functions (eg. progressively decreasing LHSS budget allocation for an activity, promoting increased government financing for health areas, grants under contract to strengthen capacity to manage financing from government, etc.)?

3.2 **Locally implemented** - How will LHSS engage local partners to collaboratively assess, design, planning, and deliver technical assistance (TA), and incorporate quality assurance (QA) oversight? In describing how this will be done, please include a list of collaborative tasks and partners. How will LHSS engagement of local actors in knowledge management for increased effectiveness and learning within and among countries? In describing how this will be done, please list local actors and their KM role. Describe objectives for increased local partner implementation.

3.3 Locally led - How does LHSS support local leadership, ownership, and commitment health system functions and strengthening? (eg clarifying roles & responsibilities, supporting policy development, strengthening accountability mechanisms, etc.)

3. Sustainability and Transition Matrix [\[LINKED to Work Plan & AMELP\]](#)

The content of this matrix should be mutually agreed with local partners, ideally in the first 1-2 quarters of the activity. The matrix should be updated at least annually, and at the outset of annual work planning.

This matrix can be developed through workshops, one on one or group meetings, or other appropriate mechanisms. USAID activity managers should have an opportunity to review in some form before it is considered final in Year 1. The [Strategy for Sustainable Health System Strengthening](#) and this guide provide guidance on the types of capacity strengthening support, dimensions of organizational capacity, and the levels of capacity strengthening (individual, organizational and system level.)

[Country] Activity

Health System	Capacity strengthening support (System Level)	Transition Milestones	Vision
System-level	<p>What will LHSS do to build capacity of the overall health system? For example, how institutional roles/relationships work together, cross-cutting capacity, communication and connections among actors, etc. Where appropriate, this may summarize health system capacity strengthening according to building blocks of governance, finance, service delivery, HIS, HRH, pharmaceuticals and supplies, and community level health.</p> <p>What will LHSS do to strengthen capacity of the health system? (bullets) <i>Example: Broker stronger relationships, reporting systems, KPIs, processes that support MOF engagement/financing with MOH health finance department</i> <i>Example: train health workers in surveillance techniques</i></p>	<p>Agreed milestones: How will we know that the health system is progressing towards transition [from development partner support]? It may be helpful to relate milestones to self-financing, local leadership, and local implementation. These milestones are outputs and outcomes in the health system.</p>	<p>What should the health system achieve by the end of the project? Where appropriate, this may reflect the overall Activity vision or other agreed national goals.</p> <p>How should the health system be performing a specific function or in a specific building block at the close of the project? What will the health system do that it was not doing before?</p>

[Country] Activity

Host-country partners	Partner role in health system	LHSS capacity strengthening interventions (Organizational & Individual levels)	Milestones					Partner Status at Transition
			Y1	Y2	Y3	Y4	Y5	
List specific organizations, including government agencies, departments	What is the role of organization in the health system? (especially in relation to the LHSS work)	What is LHSS doing to strengthen capacity in this organization. OCS, grants, subcontracts, TA, etc ? The Strategy & Guide referenced above has information & ideas on how to design and describe this capacity strengthening support.	Agreed milestones: how will we and local partners know that capacity has been strengthened? What is happening in the health sector that is outside of our project?	Years can be combined into Y1-3 and Y4-5 if that is more appropriate to reflect the significant changes				What is the capacity that will exist or will be strengthened? What will the partner organization <u>do</u> that it was not doing before LHSS?

4. Monitoring, Evaluation and Learning [Learning Questions & Indicators to include in the AMELP]

4.1 Indicators & measurement

How will LHSS conduct M&E of capacity, transition milestones, sustainability, including outputs and outcomes? Please list relevant contextual, health system, and capacity strengthening indicators from AMELP. For example - self-financed, can your activity track % of locally financed work/contributions? For locally-led and implemented – discuss with your MEL teams ideas for appropriate indicators and how you can collect them. How will you measure transition and sustainability (for example, are there indicators of institutionalization?)

4.2 Learning questions [Optional to write here, but all teams are encouraged to have at least one written into the AMELP]

Are there learning questions in your AMELP related to capacity strengthening, transition and sustainability? If so, please either list them here or provide a link to the AMELP. If not, write “N/A”.

5. [OPTIONAL Tool] Systems analysis [LINKED to Learning Diary]

In this section, capture the risks and challenges to scaling up local capacity, transition and sustainability and achieving the milestones in the matrix above, and work plan implementation more generally if appropriate. This section is linked to the learning diary and may be referenced during pause and reflect events.

5.1 [OPTIONAL] Stakeholder mapping

Most year 1 work plans include a stakeholder analysis as an early step in developing engagement strategies and managing risks to implementation. More information on this approach can be found on the LHSS Approach guidance microsite. This mapping could be an internal exercise (which is a simpler endeavor) or a collaborative exercise with key local counterparts/partners.

5.1.1 Actors/Stakeholders

List the different Stakeholders that might have influence on the way that the Activity or a specific intervention is/is not developing (has/has not developed). For each one, assign a score regarding the level of their power and interest.

1: Low, 2: Medium, 3: High

	<i>Examples</i>	Stakeholders (persons or institutions)	Power (Score)	Interest (Score)	Engagement Strategy
Leadership Politics Superiors, often political leaders, who are impacted by or impact the activity	<i>Ministers, Congress members</i>				
Bureaucratic Politics Bureaucrats working in the multiple layers of administrative organizations.	<i>Directors, officials, advisors</i>				
Budget Politics Financial decision makers within the system	<i>MOF officials</i>				
Interest Group Politics Individuals or groups that resist or promote implementation to protect their interest.	<i>Pharmaceutical companies Unions</i>				
Beneficiary Politics Beneficiaries whose	<i>Specific population</i>				

engagement/feedback should be mobilized/elicited	<i>segments (gender, sex, age, residence)</i> <i>Vulnerable populations</i>				
Knowledge and Information Politics Experts that influence the adoption of technical alternatives and media that disseminate information	<i>Think tanks, academia, experts; researchers media</i>				
Global Health Organizations and Donor Politics External actors that may fund health policies and influence design/implementation	<i>Development partners International Organizations</i>				

5.1.2 Power-interest Matrix

Map the implementation stakeholders according to their interest and power (optional)

		Interest	
		Low	High
Influence/Power	High		
	Low		

- Which are likely to support?
- Which are likely to be opposed/cause challenges?
- Which are essential to the success of the LHSS work plan &/or sustainability and transition plan?

5.2. [Optional] Risks and challenges to scaling up local capacity, transition and sustainability (including stakeholders, system, environmental factors)

5.3 [Optional] Strategies to mitigate risks, overcome challenges, leverage opportunities