A Roadmap
to Institutional
Strengthening
of Lebanese CSOs:
The BALADI CAP Experience

BALADI CAP

Building Alliances for Local
Advancement, Development and
Investment – Capacity Building

Contents

Introduction

In a country plagued by a host of political and socioeconomic woes, civil society organizations (CSOs) in Lebanon have long played an instrumental role in filling service delivery gaps, advancing the rights of vulnerable populations, and advocating for reform.

From well-established, national-level CSOs to small community-based organizations (CBOs), the Lebanese civil society landscape is as diverse as the country's social fabric. Despite a relatively open civic space as compared to other countries in the region, CSOs operate in a difficult environment marked by societal fissures, ineffective governance, political instability, and recurring crises. These external factors are compounded by internal challenges tied to CSOs' limited resources and organizational weaknesses that threaten their long-term viability.

For decades, a plethora of CSO-led initiatives to make citizens' voices heard and improve people's lives have generated considerable visibility for civil society actors. Yet little attention has been paid to the less visible, behind-the-scenes processes required to bolster the institutional capacities so critical to the longevity and evolution of CSOs as change agents. As seen in the rise and fall of many organizations over the years, the pressures of short funding cycles have reinforced trends towards short-term planning, with a detrimental impact on efforts to develop institutions capable of withstanding leadership changes, staff turnover, and contextual shifts.

Recognizing institutional development as the engine that drives sustainability, USAID's BALADI CAP program has developed, tested, and honed multifaceted capacity-building methodologies tailored to the Lebanese environment and the varying capacity levels of local CSOs. Launched in 2013, BALADI CAP has worked with 51 Lebanese CSOs—ranging from large CSOs with over 200 employees to volunteer-driven CBOs with a handful of volunteers—to bolster the internal mechanisms, systems, and

structures underpinning all aspects of their work. The program's Capacity Building Component has helped transform partner CSOs into more effective, efficient, and transparent institutions, enabling them to attract new funding sources, expand reach to communities across Lebanon, and amplify positive impact on the beneficiaries they serve.

This legacy document distills essential learnings from six years of experience, presenting a pathway towards the institutional strengthening of civil society actors at various stages of organizational growth and offering a glimpse of the progress made by Lebanese CSOs working on issues as diverse as human rights, civic participation, anticorruption, environmental preservation, and solid waste management. The overarching methodologies summarized here are accompanied by a suite of tools at the disposal of any organization seeking to embark on the capacity development journey, which can be found on BALADI CAP's knowledge management portal (www.baladicap.com).

"Capacity development is not only for new or nascent organizations. It's a process of continual transformation, innovation, and learning for any CSO, no matter how well-established. As contextual realities change, civil society actors must adapt to new conditions, increasingly stringent donor requirements, and the need to produce measurable results for accountability to their constituencies."

Dr. Fares el-Zein, BALADI CAP Chief of Party

BALADI CAP's Capacity Building Model:
A Four-Stage Cycle

BALADI CAP initially focused its assistance on a finite pool of organizations involved in implementing USAID-funded projects under the umbrella BALADI program, which engaged coalitions of CSOs, CBOs, and municipalities in addressing local development challenges.

The ultimate goal of this assistance was to build the capacity of local CSOs to directly receive U.S. government funds as part of a USAID initiative to promote local ownership and sustainability of development outcomes.

In its second year, BALADI CAP widened its support to the universe of Lebanese CSOs, without limiting itself to BALADI implementers. Through these changes, the program maintained a consistent focus on bolstering capabilities in organizational development, financial management, and monitoring and evaluation (M&E) while fostering broader institutional change in governance practices and behaviors. The standards by which CSOs' internal mechanisms were assessed and improved not only placed them on a path to becoming eligible as direct recipients of USAID funds, but also strengthened their institutional capacities across the board, laying a foundation for long-term growth. This approach is based on the simple premise that, when organizations improve internally, they are in turn better equipped to deliver stronger results and achieve greater impact for the people they serve.

As BALADI CAP adjusted to the varying needs, capabilities, and missions of its partners, the program adapted and refined a capacity development model based on best practices

TRAINING VERSUS CAPACITY BUILDING

Training and capacity building are often used interchangeably. However, these terms are not synonymous. Training focuses on individuals and provides a single type of performance solution based on results at the participant level.

Capacity building, on the other hand, is a systematic process that treats individual training as a prelude to institutional learning and change. Based on organizational needs, capacity building uses multiple types of performance solutions to enhance internal governance, systems and practices, with a view to bolstering institutional effectiveness, efficiency and transparency. In this sense, training is only one of many solutions in the capacity-building 'toolbox'.

> " BALADI CAP not only provided us, as individual trainees, with the needed information and skills, but also the tools and methods to implement what we learned in our respective organizations."
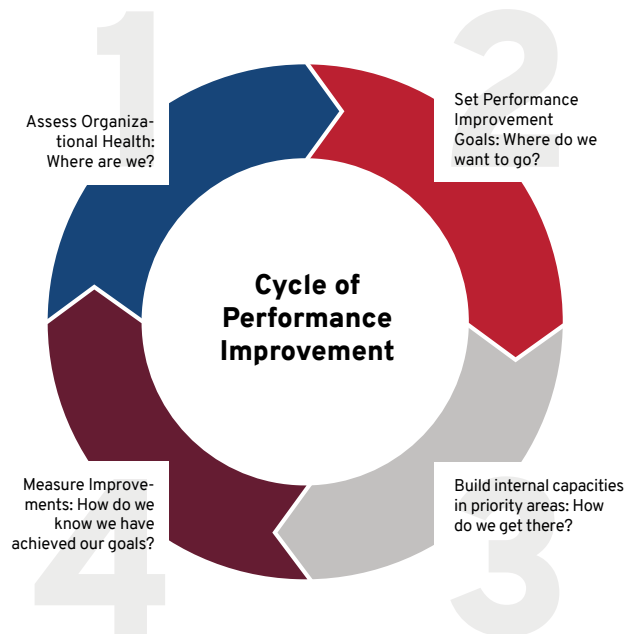>
> Yasmine el-Assi, Project Manager, Orphan Welfare Society

drawn from USAID's Human and Institutional Capacity Development (HICD) framework. HICD encompasses structured and integrated processes designed to identify root causes of performance gaps, address those gaps through an array of performance solutions, and enable continuous improvement through performance monitoring systems. At its essence, HICD links improvements in individual competencies to specific institutional performance gaps. Within this framework, BALADI

CAP training interventions were carefully designed to ensure they tackled topics and were delivered in ways that allowed individual trainees to apply new skills and learning on the job, translating into impact on the organization as a whole.

Though BALADI CAP has used multiple, interrelated steps to deliver assistance to partner CSOs, these can be categorized into four key stages that help CSOs determine where they are, where they want to be, how they

will get there, and the extent to which their organizational development goals have been achieved. In line with addressing these core issues, the four stages entail: (1) assessing current organizational health, (2) setting performance improvement goals, (3) building internal capacities in priority areas, and (4) measuring improvements—at which point the process is reinitiated based on new benchmarks. These mutually reinforcing steps lead to an iterative cycle of performance improvement as CSOs progress along the organizational development continuum from basic to more advanced and, eventually, sustainable institutions.

Cycle of Performance Improvement

1 Assess Organizational Health: Where are we?

2 Set Performance Improvement Goals: Where do we want to go?

3 Build internal capacities in priority areas: How do we get there?

4 Measure Improvements: How do we know we have achieved our goals?

> BALADI CAP is an integrated, holistic program... We received comprehensive technical support through direct guidance, quality training, and follow-up visits. This allowed our organization to achieve very high standards on project implementation... We can see the impact of our work on people's lives.

Maya Nehme, Director of the Lebanon Reforestation Initiative

1/ Assessing Current Organizational Health

1.1 Benchmark assessment

As with any transformational process, the first step in the capacity development journey is to diagnose the current situation in order to chart a path forward. In-depth performance analysis is imperative to designing effective capacity-building interventions that address performance gaps and their root causes. There is a vast body of organizational capacity assessment tools that have been used by various organizations and in different settings. Drawing on this knowledge base, BALADI CAP has crafted and refined an Organizational Capacity Assessment (OCA) tool tailored to the Lebanese context, which was developed through consolidation of lessons learned from USAID's OCA tool, MSI's Institutional Development Framework (IDF) tool, and the Capacity Assessment Tool (CAT) developed under USAID/Lebanon's Promoting Active Citizen Engagement (PACE) project implemented by MSI.

The OCA benchmarks CSOs against international best practices which are broadly recognized as common to capable organizations regardless of their sector of work, examining core competencies in areas such as strategic planning, management, financial systems, M&E, and human resources. Each of these dimensions is "scored" along four stages of organizational development (basic, intermediate, advanced or sustainable). As such scoring can be subjective, relying heavily on individual perceptions, the OCA provides a matrix spelling out the conditions that must be in place to justify each score.

BALADI CAP specialists facilitate the OCA assessment with CSO management and staff through a one- to two-day workshop that engages them in self-diagnosing organizational strengths and weaknesses. The assessment is in itself a capacity-building intervention as the exercise kick-starts internal dialogue around change management and educates participants about the critical attributes of an effective CSO, helping to create a shared commitment around performance improvement. BALADI CAP thus treats the OCA assessment as an instrument for organizational change.

IMPACT HIGHLIGHT

Al-Shouf Cedar Society Gains Global Recognition for Effective Management of Lebanon's Largest Protected Area

For Nizar Hani, executive director of Al-Shouf Cedar Society (ACS), the OCA assessment helped members of the organization better understand and pinpoint weaknesses they knew they had, but were not sure how to prioritize or address, unleashing an organizational change process that has transformed the CSO's work into a model for other entities in the Mediterranean region. Up to that point, ACS had dedicated most of its efforts to technical aspects of managing the Shouf Biosphere Reserve—Lebanon's largest protected area—while neglecting critical operational aspects. "We had so many gaps in terms of policies and procedures dealing with finances, human resources, and procurement," said Mr. Hani. "We didn't know where to start, nor how to go about it, but we were certain that things needed to change."

Over four years, BALADI CAP provided ACS with training, mentoring, and technical assistance to institutionalize new policies and procedures designed to systematically address managerial deficiencies. On the human resources front, this included mapping every position and developing job descriptions to clarify the roles and responsibilities of approximately 100 permanent and seasonal staff—from top management to forest guards and rangers. While daunting at first, the effort made it possible to introduce an innovative "e-management" system that has automated all human resources, administrative, procurement, and point-of-sale operations via a smartphone application—earning ACS recognition as a pioneer by the MEDFORVAL Network, which manages most ecological sites in the Mediterranean basin.

Crowning this success, ACS also received the coveted Green List certificate from the International Union for the Conservation of Nature—the highest global standard of best practice for the conservation of protected areas. The certificate is granted to protected areas that reflect good governance, sound design and planning, effective management, and successful conservation outcomes. According to Mr. Hani, who received the certification during the 2018 UN Biodiversity Conference in Egypt, "this achievement wouldn't have been possible if it weren't for the support provided to us by BALADI CAP."

1.2 Generating buy-in

BALADI CAP's experience underscores the importance of a participatory assessment process fully owned by the partner organization. Without buy-in and trust from CSO leaders, managers, and staff, the assessment may not yield the level of transparency critical to producing realistic and verifiable benchmarks. As trust-building is itself a process, strategic trade-offs are needed during delivery of initial OCA assessments to strike a balance between due diligence and the need to cultivate relationships based on open communications and candid feedback on internal weaknesses. Over time, BALADI CAP partners, particularly those engaged with the program over a long term, became increasingly transparent about the internal challenges facing their organization—just as they were increasingly eager to share their successes with the program team. Nurturing this spirit of partnership

is a key ingredient for successful capacity-building interventions.

The collective thinking and collaborative problem-solving involved in a participatory assessment process often provides the added impetus, energy, and motivation for dedicated CSO staff to act as champions of change in their organization. As CSO staff are immersed in day-to-day work and implementation challenges, often with limited resources, taking a step back to analyze the 'big picture' of where the organization has been, where it is now, and where it is going can be a catalytic exercise—bringing to the fore issues that may have been lurking under the surface, spurring innovative ideas, and increasing the personal motivation of every member of the team. Those CSOs that embraced the assessment process and saw value in the exercise were also those that took ownership of their capacity development journey and reaped the most benefits from it.

1.3 Follow-on assessments

In BALADI CAP's capacity-building model, assessing organizational performance is not a one-off activity but a process that should be conducted at regular intervals (such as on a yearly basis) to measure change over time and set new institutional development priorities as benchmarks are met or setbacks are experienced. With this in mind, the OCA not only serves as a baseline diagnostic of an organization's existing capabilities, but also as an M&E tool that can later be used to gauge progress towards institutional development goals.

> I consider every person on the BALADI CAP team to be a member of 'Akkarouna' because they were always willing and ready to support us, even with issues that went beyond those covered by our capacity assessment... BALADI CAP was a turning point in the life of Akkarouna, marking our transition into a full-fledged institution.

Azza Adra, President of Akkarouna

STAGE 2 / Setting Performance Improvement Goals

2.1 Tailored action plans

The OCA assessment is a powerful tool to enable forward-thinking strategies for institutional strengthening as it calibrates capacity-building interventions to address specific performance gaps. Based on the assessment, BALADI CAP guides partner CSOs in setting their own institutional development priorities through development of an action plan for performance improvement. While the OCA is a standardized instrument, the resulting action plans are highly customized to the specific needs of each CSO, integrating strategies to improve performance at the individual and organizational levels.

Drawn from assessment findings, the action plans—typically covering

IMPACT HIGHLIGHTS

A Stepping Stone to Larger, More Complex Programs for Youth Network in Nabatieh

When the Youth Network for Civic Activism (YNCA) began working with BALADI CAP on its capacity-building action plan, the leaders of this small Nabatieh-based CSO capitalized on a shared vision for transforming their organization into a stronger institution capable of advancing women and youth empowerment. Little did they know then that two years of capacity-building assistance would give way to new partnerships with international agencies and expand their field of operations to the regional level.

BALADI CAP helped YNCA develop and institutionalize management policies and procedures, adopt M&E techniques, and refine proposal writing skills. Revamped systems and outreach capabilities enabled the organization to attract new funding sources, establish a second branch, and grow its team from 6 to 20 staffers.

From 2016 to 2018, YNCA went from "medium risk" to "no risk" status on UNICEF's assessment of the CSO's financial management capacities. A first for the organization, YNCA became UNICEF's sole implementing partner on a project focused on child protection and combatting gender-based violence in southern Lebanon.

As another testament of increased donor confidence in YNCA's organizational systems, an Italian NGO working on a regional EU-funded gender equality project in six countries selected YNCA as its only partner in Lebanon. Moreover, a German funding agency removed the capacity-building component of its grant to YNCA, redirecting those funds to project activities in recognition of the organization's robust institutional structure.

"BALADI CAP has helped us guarantee sustainability and drew our roadmap to the future at all levels," said YNCA President Leila Serhan. "It has significantly improved our organizational capacity, services and outreach," leading to expanded partnerships and increasingly complex programming beyond the CSO's base in Nabatieh.

a two-year period—highlight capacity-building priorities and progress milestones towards meeting institutional development targets in areas related to organizational development, financial management, and M&E. Critical to success in meeting capacity development goals, the action plans reflect "SMART" objectives that are Specific, Measurable, Attainable, Realistic, and Timely. They also assign clear tasks, roles, and responsibilities, set deadlines, and integrate monitoring of progress along the way through regular reviews and pause-and-reflect moments to ensure the CSO is heading in the right direction.

2.2 Coaching missions with CSO leadership

The scope and scale of change sought for each CSO is determined by the organization's existing capabilities, resources, and degree of motivation to embrace new ways of working. With this in mind, the action plans are developed collaboratively with CSO partners. As part of securing buy-in and commitment, BALADI CAP conducts coaching missions with senior CSO leadership to agree on the capacity-building agenda and progress milestones.

As mission-driven organizations, CSOs are naturally concerned with impact on their beneficiaries and the communities they serve. Yet few dedicate the space, time, and resources to strategize for their own growth as part of regular planning processes.

### Incubating New Ideas and Nascent Organizations: The Story of Al Hourouf

In BALADI CAP's experience, the process of setting institutional improvement goals often provides CSOs with the motivation to embark on changes they had contemplated for some time but not yet acted upon for various reasons, such as competing priorities, insufficient resources or lack of support. This was the situation of the Bentael Nature Reserve Committee (BNRC).

While legally mandated to manage one of Lebanon's first nature reserves, BNRC had a vision to expand its work to foster local development in the seven villages surrounding the reserve. BALADI CAP helped turn this vision into reality.

The program assisted BNRC in establishing a sister branch called Al Hourouf through support in developing bylaws, a strategic plan, and operational policies, along with building the skills of staff and volunteers. Al Hourouf went on to receive funding from USAID's Lebanon Industry Value Chain Development project to establish a green touristic spot that generates income for village residents while promoting sustainable rural tourism.

The experience with BALADI CAP was "a breakthrough," according to Al Hourouf President Youssef Matta, as it allowed the nascent organization to get off the ground with "sound systems and practices" that provided the launching pad for innovative projects with broad community benefits.

Of 51 partner CSOs, 49 met at least 85 percent of the improvement targets set in their action plans
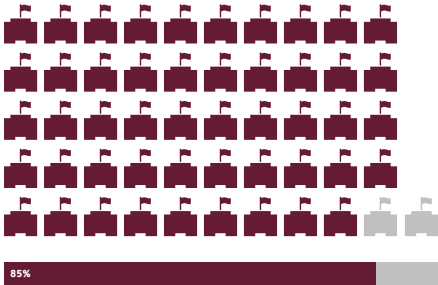
26 achieved full compliance with international best practices related to financial management, M&E, and organizational development.

85%

100%
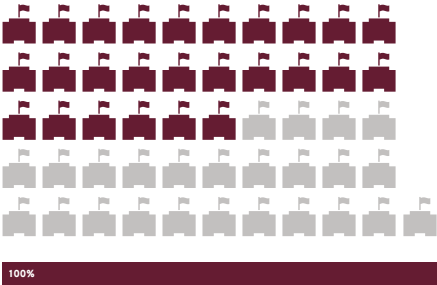
> **Because BALADI CAP worked closely with us to develop our internal policies and procedures, employees' ownership and dedication were strengthened and consequently institutionalization was smoothly achieved.**
>
> Lara Chahabeddine, Head of Programs, Lebanese Democratic Women's Gathering

The analysis and visioning that takes place during the development of action plans for institutional strengthening helps to empower CSO leaders and managers to take a critical look at the performance of their organization as a whole, rather than a limited view focused on specific projects tied to their sector of work, as typically happens during annual work planning exercises.

STAGE

3 Building Internal Capacities
in Priority Areas

Recognizing that there is no 'one-size-fits-all' approach to capacity building, BALADI CAP delivers a dynamic mix of interventions to suit the varied needs of partner CSOs and the different learning styles of training participants, including training workshops, on-the-job mentoring, peer networking, communities of practice, grants, training-of-trainer courses, and "centers of excellence"—all geared to enabling CSOs to implement tailored action plans for institutional strengthening while laying the ground for sustainability of CSO capacity development strategies.

3.1 Training workshops

Using a model that leverages individual training for institutional impact, BALADI CAP delivered 132 training workshops to Lebanese CSOs, training nearly all staff at most partner organizations and exceeding its initial target of 92 workshops due to the demand-driven nature of the program. More than 1,000 unique participants attended training workshops over a six-year period, covering "soft" skills such as management, leadership, and communications, as well as "hard" skills such as finance, M&E, fundraising, advocacy, and a variety of specialized topics.

On average, BALADI CAP organized two training workshops per month over the life of the program, providing continuous professional development opportunities for CSO staff at various levels. The topics were varied to allow different staff members to attend, and the workshops brought together participants from CSOs with common

capacity-building needs to achieve cost efficiencies and foster networking opportunities. A focus on quality of trainers and interactive training methodologies provided participants with knowledge, skills, and practical tools such as manuals, templates, and tip sheets to help them apply what they learned within their organization.

3.2 On-the-job training

In tandem with structured training workshops, BALADI CAP specialists conducted over 1,400 capacity-building field visits to deliver on-the-job training to CSO staff. The site visits were scheduled on a monthly or quarterly basis, depending on partner needs, providing training participants with hands-on support in practicing new skills, performing key functions, and codifying change processes. Through BALADI CAP's holistic approach to training and mentoring tied to performance gaps at the organizational level, the skills acquired by individual trainees produced a spillover effect on institutional performance. With technical assistance and follow-up from the program team, CSO trainees introduced new policies and procedures, amended human resource practices and organizational structures, and built internal consensus around the changes. Throughout these efforts, trainees had ongoing access to a searchable e-library hosting more than 135 documents on the program's knowledge management portal, placing a wealth of resources at the fingertips of CSOs across the country.

> The new policies that were adopted with BALADI CAP's help are enabling us to gain more trust from our donors and to build a stronger team culture.
>
> Salyne el-Samarany, Executive Director, Teach for Lebanon

BALADI CAP ACCOMPLISHMENTS

350 Policies
developed by the CSOs

132 Training Workshops
delivered by BALADI CAP

6,492 Participants

1,012 Unique Trainees

3.3 Grants

Some partner CSOs received targeted micro-grants averaging $10,000 each to install electronic accounting, procurement, and human resource management systems to facilitate the institutionalization of new policies and procedures. The micro-grants were also used to support small-scale renovations and build staff capacities in highly specialized topics relevant to the mission of specific CSOs, such as gender-based violence, child rights, and the treatment of drug addiction.

For example, a micro-grant to Terre Liban, a CSO at the forefront of environmental education and eco-friendly solutions to development challenges, helped the organization renovate its premises and training center, upgrade ICT infrastructure and equipment, and perform needed repairs.

During grant implementation, Terre Liban adhered to new policies and procedures adopted with BALADI CAP support, such as best practices for procurement, cash handling, and inventory management. "On-the-job training helped us deal with the real issues and problems we were facing," said Terre Liban President Paul Abi Rached, adding that the micro-grant "allowed us to apply everything we had learned" over two years of capacity-building assistance.

In addition to micro-grants, some CSOs that completed BALADI CAP's Capacity-Building Component received grants to conduct advocacy campaigns under the program's Civic Engagement Initiative (CEI) while others went on to secure support from other funding sources. Through the CEI grants, partner CSOs formed national issue-based networks aimed at advocating for reforms, spurring citizen participation in public affairs, and creating platforms for informed public debate.

BALADI CAP provided targeted capacity-building assistance to three intermediary support organizations to strengthen their ability to foster CSO networking, coalition-building, and collaboration around shared goals. Under this model, Terre Liban, Nahnoo, and the Arab Institute for Women at the Lebanese American University spearheaded civil society networks focused on environmental protection and solid waste management, good governance and accountability, and human rights, respectively. CEI grant funding thus provided CSOs with the resources and opportunities to apply the knowledge gained through the Capacity Building Component to yield tangible results on public policies, civic participation, and democratic practices.

IMPACT HIGHLIGHTS

CSOs Apply Learning from Capacity-Building Interventions on Civic Engagement Initiatives

BALADI CAP's systematic approach to building the internal capacities of CSOs was coupled with access to grant funds that empowered them to put learning into practice while advancing their missions, resulting in impactful civic engagement initiatives. Among these, the Lebanese Transparency Association (LTA) received capacity-building support over two years, then implemented a grant engaging youth in advocating for participatory budgeting in their municipalities. "BALADI CAP made a change at four levels: (1) within our organization, (2) among our employees, (3) among youth participants in municipalities, and (4) at the level of collaboration between CSOs," said then-executive director of LTA Dany Haddad.

For the Lebanese Foundation for Permanent Civil Peace (LFPCP), BALADI CAP "helped us develop internal policies, rules, and bylaws, which left a positive impact on our work," said LFPCP Program Manager Rabih Kays. Improved internal mechanisms in turn allowed the CSO to successfully implement a grant-funded project that developed implementation decrees for laws related to personal data privacy, food safety, metrology, and public-private partnerships.

Nadya Mikdashi, director of the Skoun Lebanese Addiction Center, recognized BALADI CAP's capacity-building process as part of a broader effort to support "organizations that are working hard to make a change." Training and mentoring on issues such as strategic planning equipped Skoun to implement an advocacy campaign that increased legal protections for young people arrested on drug charges. The campaign notably led the Ministry of Justice and State Prosecutor to issue circulars calling for strict implementation of the law on narcotics, which stipulates the right of drug offenders to receive treatment as an alternative to jail.

A core element of BALADI CAP's approach is the spirit of partnership nurtured with CSOs to ensure ownership and sustainability of capacity-building interventions. "We need to collaborate with donors to fund our projects, but they don't dictate their ideas," said Dr. Najat Saliba, Director of the Nature Conservation Center at the American University of Beirut. "The idea comes from the people and we work for the people to make it a reality." Dr. Saliba, an acclaimed scientist recognized for her pioneering work as recipient of the 2019 Women in Science International Award, led a waste reduction initiative funded by BALADI CAP in six Lebanese municipalities.

3.4 Communities of practice

Among the multifaceted approaches used to promote peer learning and collaboration, BALADI CAP organized various conferences and communities of practice bringing together partner CSOs, subject-matter experts, public officials, and academics to exchange knowledge, share ideas, and engage in constructive debate on policy issues. The communities of practice convened on a regular basis to discuss issues such as networking for advocacy, peer-to-peer knowledge transfer, and creating a culture of learning within CSOs. The discussions among CSO leaders, managers, and staff yielded recommendations that were then adopted by BALADI CAP, providing partner CSOs with participatory platforms for contributing to programmatic approaches. Some of the ideas put forth by partner CSOs and translated into capacity-building interventions include the establishment of "centers of excellence," a training-of-trainers program, and intensified training on fundraising and proposal writing to enhance sustainability.

BALADI CAP Partners Diversify Funding Sources

BALADI CAP support helped position CSOs to attract new funding sources, allowing them to expand to new communities, reach more beneficiaries, and amplify the impact of their work. This was the case for partners ranging from traditional, longstanding CSOs such as the Forum for the Handicapped in North Lebanon (FHNL) to younger organizations like Rescue Me in Beirut.

Founded in 1986, FHNL is one of the oldest CSOs in Tripoli, relying heavily on volunteerism and aid from the Ministry of Social Affairs through the years. In a bid to initiate new programs, FHNL applied for a grant from a UN agency, which was denied due to the lack of robust internal systems. "Our application was rejected because we didn't have procedures for procurement, human resources, etc, and we didn't know how to design them," said FHNL Executive Director George Khalil.

Realizing they needed to revamp their operations and bring them in line with international best practices, CSO leaders turned to BALADI CAP. The program team worked hand-in-hand with FHNL staff to support organizational restructuring and improve policies and procedures related to financial management, procurement, human resources, M&E, and strategic planning. With clear and transparent systems, FHNL was able to establish a partnership with War Child Holland on a program targeting children with learning difficulties, which was co-funded by the EU and UNICEF. The organization also secured a partnership with the Danish Refugee Council to cover vocational training for persons with disabilities and has since expanded its work outside of Tripoli.

Similarly, BALADI CAP marked a turning point for small CSOs such as Rescue Me, which specializes in crime prevention and countering violent extremism. "BALADI CAP is the light at the end of the tunnel," said Rescue Me General Director Nancy Yammout as she recounted difficulties keeping the organization afloat due to limited resources. Formed in 2011, Rescue Me subsisted on small grants to fund its work in vulnerable and high-risk communities, often struggling to cover operational costs. This changed in 2018 when Rescue Me was awarded $250,000 from the U.S. State Department—its largest grant to date—to cover two years of programming.

BALADI CAP played an instrumental role in strengthening Rescue Me's internal controls and financial management capacities, leading to increased trust from donor agencies. "BALADI CAP's help in developing sound policies allowed us to secure additional U.S. government funding," said Ms. Yammout. "This made it possible to invest more resources in improving the quality of life for socially marginalized groups and communities suffering from high crime rates."

In parallel with the communities of practice, BALADI CAP also hosted a two-day national conference on "CSO Governance, Capacity and Innovation" attended by more than 125 participants in February 2019. Held at the Lebanese American University in Beirut, the first-of-its-kind event provided the space for CSOs to network and plan for the future of the sector through a mix of panel discussions, interactive presentations, and dialogue sessions on issues such as CSO governance, sustainability, networking, capacity development, legal and regulatory frameworks, and access to policy makers.

3.5 Training of trainers

To help create a cadre of local trainers capable of sustaining CSO capacity-building interventions beyond the life of BALADI CAP, the program delivered an intensive, three-month training-of-trainers (TOT) course combining theoretical and practical modules. The TOT course targeted dedicated CSO staff who had previously participated in BALADI CAP

training workshops, producing a pool of 14 expert trainers in financial management, organizational development, and M&E. The new trainers are now spreading their knowledge across their respective organizations and communities.

Embedding trainers in various parts of the country has helped spread capacities beyond the capital, with spillover effects on marginalized areas with fewer opportunities. This is precisely what motivated Fatima Ashaal of the Nabad Association for Development to complete the course. "I participated because my region needs a lot of support to develop," she said. "The TOT workshop provided me with the necessary skills to transfer knowledge to my community, especially youth in the Beqaa."

IMPACT HIGHLIGHTS

Cost Savings through Procurement Best Practices Increase Operational Sustainability

BALADI CAP partners were not only able to attract new donor funds through improved fundraising and proposal writing skills, but also achieved significant cost savings as a result of operational efficiencies—an important element of financial sustainability.

For example, BALADI CAP engaged the Orphan Welfare Society (OWS), which has an annual budget of $4 million and serves 1,500 vulnerable children through six schools. Since its establishment in 1952, OWS had never followed a systematic procurement process. Instead, each of its schools, centers, and departments were responsible for procuring their own goods and services, using poorly defined procurement procedures and weak internal controls. "We sought BALADI CAP's help because we shared the same vision of

transforming OWS into an institution," said OWS President Said Makkawi.

Drawing on the commitment and buy-in of senior OWS leadership, BALADI CAP worked with the organization's newly established Operations Department to boost internal controls and put in place a more effective, efficient, and transparent procurement system. This assistance centralized procurement functions, consolidated similar purchases to achieve high-volume price discounts, introduced tendering and competitive procurement processes, and linked purchasing to asset and inventory systems to avoid procuring items already available.

As a result of instituting procurement best practices, OWS reduced the annual cost of stationary and supplies across the organization from $42,592 in 2016 to $13,100 in 2018—saving 70 percent of original costs and freeing those funds to deliver more services to its beneficiaries.

3.6 Centers of Excellence

As its partners innovated and progressed, BALADI CAP took steps to foster the cross-fertilization of skills by designating key organizations as "centers of excellence" that can serve as models for other CSOs in specialty areas such as financial management, information technology, funding diversification, and strategic planning. The program facilitated site visits and information exchange to introduce CSOs and civic activists to the centers of excellence, expose them to new ideas, and inspire replication and adaptation of successful methodologies.

For example, the Orphan Welfare Society and Ahlouna Association—both fundraising centers of excellence—shared their experience with TOT graduates and fundraising trainees on ways to diversify funding sources through multifaceted strategies such as donation drives, crowdfunding, and social entrepreneurship, as well as cost-reduction techniques through improved financial management and procurement practices. TOT graduates also visited the Imam Sadr Foundation, a 50-year-old CSO promoting social justice, to learn about its experience in using the "balance scorecard" as a tool for strategic plan design, implementation, and measurement through an online cloud system.

> Our organization needed a new structure to not only meet donor requirements but also better fulfill our mission. The restructuring process took a great deal of effort, and was stressful at times, but it raised our standards and improved the quality and consistency of our work.
>
> Nadia Badran, Program Manager, SIDC Healthcare Association

STAGE 4 / Measuring Improvements

4.1 Ongoing M&E to track progress

As capacity-building interventions got under way, BALADI CAP used a variety of ways to measure improvements in institutional performance. The initial OCA assessments served as a baseline of organizational health and were then repeated at regular intervals to measure change (typically every year), along with independent M&E evaluations for an additional layer of verification. Complementing the pre and post OCA assessments, continuous M&E helped BALADI CAP gauge CSOs' progress towards reaching the organizational development goals specified in their action plans, measure the knowledge and skills acquired by CSO staff, and assess the extent to which new competencies translated into improved institutional policies, procedures, and systems.

M&E was thus used to analyze changes in capacity at different levels, including the spillover effect of building individual competencies on institutional strengthening. This was done by collecting quantitative and qualitative data on internal governance practices, including new or amended bylaws for improved accountability and oversight; financial management policies and procedures for greater efficiency and transparency; human resource practices such as clear terms of reference for staff and well-defined organizational charts; and M&E systems reflecting best practices in monitoring and evaluation at the organizational and project levels.

Feeding into M&E and learning processes, BALADI CAP staff conducted 1,406 site visits tied to capacity building of CSO partners—i.e., an average of 234 site visits per year over six years, illustrating the close interactions between the program team and its partners. This symbiotic relationship helped establish BALADI CAP as a demand-driven program that continually adapted to the needs of its partners, responded to requests for support, and accompanied them on the path to organizational sustainability.

IMPACT HIGHLIGHTS

M&E for Better Results, Learning and Accountability

Caritas Lebanon was one of BALADI CAP's largest partners, with more than 200 staff and 2,500 volunteers nationwide. Monitoring and evaluation (M&E) of the organization's work was a challenge given the sheer volume of activities covering multiple sectors and communities around the country.

To facilitate efforts to enhance its M&E systems, Caritas formed an M&E taskforce comprising representatives from key departments, who championed the adoption of M&E best practices across the organization. New M&E policies and procedures developed with support from BALADI CAP were designed to enable results-based management through better integration of M&E systems with Caritas' strategic and annual action plans.

Training and mentoring of department heads and field workers alike helped establish a common understanding of M&E principles, tools, and frameworks to facilitate institutionalization of the new policies. BALADI CAP also assisted Caritas in overhauling its procurement processes through the deployment of a Customer Relationship Management (CRM) system. The CRM automated procurement procedures across Caritas branches around the country, leading to improved efficiencies, recordkeeping, and transparency. Together, these initiatives have contributed to bolstering accountability mechanisms and enabling Caritas to lead change management processes.

> The scope and scale of change that Caritas is going through is considerable yet unprecedented. BALADI CAP, with its complementary efforts and technical support, has come at the opportune moment to accompany this change while making its own waves.

Dr. Rita Rhayem, Director, Caritas Lebanon

4.2 M&E as a tool for change

The M&E processes used by BALADI CAP themselves served as tools for change. They not only provided the program with the information needed to assess its own progress, but also demonstrated M&E techniques to CSOs and actively engaged partners in collecting and analyzing data about their organizational improvement efforts. Seeing M&E "in action," and partaking in the process, helped demystify complex concepts and technical jargon while imparting the importance of M&E for instituting a learning culture and managing for impact.

> If it weren't for BALADI CAP providing this opportunity, I wouldn't have known what M&E is and how to include it in our projects.
>
> Melissa Yammine, Business Support and M&E Officer, Berytech Foundation

In tandem with specialized training, these efforts helped CSOs understand the value of M&E for learning, adaptation, and accountability. Partner CSOs thus came to see M&E as a tool for enhanced credibility with stakeholders and beneficiaries, which increased their ability to deliver measurable results, communicate impact, and incorporate lessons learned to improve programming,

build on what works, and adjust course when needed.

The Arab Institute for Women (AIW) at the Lebanese American University is a case in point. BALADI CAP delivered four M&E workshops and five on-the-job trainings to AIW staff to help them enhance M&E plans for various donor-funded projects. As a result, they were able to develop clear indicators, set realistic targets, and modify work plans to incorporate M&E tasks and responsibilities. With a better understanding of M&E techniques, the AIW team took steps to simplify data collection, focusing on information most relevant for measuring change and informing decisions. "I was able to become more efficient while implementing projects," said Joanna Fayad, AIW's gender integration specialist. "I now have an increased capacity to adopt new technologies and methods related to M&E, and I'm able to implement the relevant strategies we were trained on."

For Nour Meksassi, Akkarouna's monitoring, evaluation, accountability and learning officer, the M&E training and mentoring provided by BALADI CAP "opened my horizons," allowing her to deepen her skills and introduce new approaches within the organization, such as the use of impact assessments "to ensure our work is directed towards producing positive impact on the community."

The Way Forward

Through its holistic approach to CSO capacity development, BALADI CAP has bolstered capabilities at multiple levels ranging from the individual to the organization—and even civil society as a whole through issue-based advocacy networks, communities of practice, and knowledge-sharing on a broad scale.

This strategy recognizes that, in practice, capacity at one level is often influenced by actions at other levels. In doing so, the program has helped create a new generation of Lebanese CSOs—nicknamed "Generation CAP" by the program team and partner organizations—that have embraced international best practices in organizational development, financial management, and M&E.

The models tested and refined by BALADI CAP provide a rich body of learning that can be applied to broaden reach across civil society, scale capacity development nationally, magnify impact on communities, and influence the host of issues of concern to Lebanese citizens. Taking a long-term view, more capable and networked CSOs are expected to contribute to building a stronger civic culture and more democratic governance at the broad system level.

To achieve this vision, more must be done to deepen the achievements of civil society actors around the country, replicate successes across CSOs ranging from large national organizations to small or nascent groups, and create a sustainable ecosystem enabling collaboration, innovation, and learning across the wider body politic, including citizens, government, business, and the media. Generation CAP provides a solid starting point for these efforts and a pool of reliable, effective, and transparent institutions ready to take on that challenge.

> BALADI CAP is an opportunity, not only for YNCA, but for Lebanese civil society as a whole. The organizational culture of civil society in Lebanon was underdeveloped. It has moved to another level thanks to the efforts of BALADI CAP.
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> Dany Kalakesh, Executive Director, Youth Network for Civic Activism