Past and Present Capacity Building in the Chinese Context
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In the Chinese Context

Discussion Paper Synthesis Report

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1. STUDY BACKGROUND

1.1 Purpose of the Study

In October 2013, the David and Lucile Packard Foundation issued a call for proposals to develop "a comprehensive survey of past and present capacity building and leadership development efforts" in China and Indonesia. The purpose of the survey was to inform future decision-making related to three Packard Foundation subprograms: Fisheries, Western Pacific, and Organizational Effectiveness. Accordingly, the Foundation sought to identify "capacity needs of individuals and institutions (NGOs, the private sector, relevant government agencies), and advance both technical skill and institution building for improved fisheries and coastal resource management." The Foundation's overarching question in sponsoring the survey was, "What capacity building and/or leadership development interventions in Asia can produce the capacity required to achieve the desired sustainable resource management and conservation outcomes?"

1.2 Purpose of the Synthesis Report

This report synthesizes findings from the survey of capacity development efforts in China. The investigation was conducted by Root Change, a Washington, D.C.-based NGO with significant expertise in capacity development and a history of fieldwork in China and Indonesia. In China, the Root Change team conducted on-the-ground research in conjunction with its local partner, the Capacity Building and Assessment Center (CBAC), a Chinese NGO with an extensive network of organizational partners. Research methods included open-ended interviews to identify appropriate capacity development initiatives and partnerships for further study; close-ended surveys and open-ended interviews with individuals who had in-depth knowledge of the cases selected for investigation; semi-structured field observation; third-party data-gathering to triangulate findings; and, preliminary validation of findings with research partners.

1.3 Outputs to Date

Four major papers were produced over the course of the study: (1) Partnership in the Chinese Context: a detailed analysis of five Chinese partnerships engaged in policy-related advocacy and capacity development; (2) Learning Networks, A Chinese Model of Collective Impact: an in-depth case study of a learning network (which represents a local adaptation of the collective impact model so widely promoted in philanthropic circles); (3) Introducing a Chinese Think Tank
**Effectiveness Model:** an analysis of two Chinese think tanks to identify the ways in which these institutions are unique in relation to how think tanks operate elsewhere; and, **(4) Designing and Facilitating Effective Capacity Building Interventions in China:** an exploration of the capacity development practices embedded in the work sponsored by three major foundations operating in China. Collectively, these four papers shed light on capacity and leadership development projects to identify what has worked (or not) and the underlying determinants of success (or lack thereof). The present paper weaves findings from the four earlier papers together in order to present a set of recommendations that can guide future capacity development investments and activities.

### Exhibit 1: MULTIPLE LENSES USED TO STUDY CHINESE CAPACITY DEVELOPMENT

<table>
<thead>
<tr>
<th>Partnership</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Global Environmental Institute (GEI-China)</td>
<td>and its network of public sector actors, which focuses on climate change-related policy analysis and implementation. Partners include the Chinese Academy of Sciences, the Community Party School, the Institute of Policy Management and high-level national and regional training institutions that prepare leaders for senior government positions.</td>
</tr>
<tr>
<td>2. CiYuan</td>
<td>a China philanthropy incubator that works to build cross-sectoral partnerships to enhance returns on social investment in China. It does this by improving the capacity of local foundations and NGOs to serve as durable and effective partners with business.</td>
</tr>
<tr>
<td>3. The Paulson Institute's Training and Capacity Building Program (TCBP)</td>
<td>which supports sustainable urbanization and conservation (particularly of China's wetlands). TCBP works to strengthen the policies and capabilities of its partners, Chinese public sector agencies. Key activities include North-South exchanges (e.g., engaging mayors and senior executives from China, the US and EU countries); roundtables and conferences; short-term technical assistance; and the development of case studies. The partnership's goal is to regulate the practices of Chinese companies (including state-owned enterprises) and to minimize the negative environmental impacts of Chinese companies.</td>
</tr>
<tr>
<td>4. World Wildlife Fund's Market Transformation Initiative (MTI)</td>
<td>a partnership that promotes fisheries conservation through the creation of economic incentives to stimulate the development of a sustainable fish and seafood industry. The partnership provides capacity development services for formal professional associations along the fisheries value chain. In general, partners are centralized enterprises, national authorities, and selected retailers with ties to industrial associations.</td>
</tr>
<tr>
<td>5. The Capacity Building and Assessment Centre’s Autism Learning Network (CBAC)</td>
<td>partnership is concerned with autism and the extent to which the NGO sector can prove an effective response to this health challenge. CBAC core services include organizational capacity assessment, the training of capacity-building facilitators who help local organizations acquire basic management skills; and, the promotion of learning networks. The partnership uses a Collective Impact strategy. Largely informal, the partnership focuses on supporting and strengthening learning networks. It also advances its learning agenda through annual conferences, lobbying, dissemination of relevant research and leveraging its connections to &quot;elites&quot; and opinion-makers.</td>
</tr>
</tbody>
</table>
1. **Capacity Building and Assessment Centre (CBAC)**, a registered Chinese NGO, which pioneered the Learning Networks model to foster formal and informal exchanges among social organizations operating in 12 Provinces of China.

2. **The Global Environment Institute**, a Chinese nonprofit established in 2004 that uses market-based models to solve environmental problems. GEI receives Chinese government grants as well as support from international foundations, including Ford. The focus of its think tank research and action agenda is policy analysis in support of sustainable development.

3. **The Paulson Institute**, a nonprofit foundation that focuses on sustainable urbanization, and conservation. It trains municipal government officials and senior executives of enterprises. Policy analysis for sustainable urbanization is the focus of Paulson’s think tank activity.

4. **Narada**, an indigenous Chinese institution that was heavily involved in the 2008 Sichuan earthquake response. Narada’s focus is strengthening the social sector.

5. **One** is also an indigenous Chinese institution and it too was very involved in the 2008 Sichuan earthquake response. One has set out to unleash the power of social media.

6. **Ford Foundation** is a US headquartered, globally oriented private foundation with the mission of advancing human welfare. Ford’s investments are intended to catalyze social change in China.

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2. **EMERGING PATTERNS**

In this section we briefly describe some of the patterns that have emerged from the case work and analysis to date. These findings are organized roughly by each Discussion Paper and by the analytical framework used to guide the fieldwork.

2.1 **Lessons Learned About Partnering**

The five partnerships reviewed represent a broad range of experiences, actors and purposes, as follows:

(i) Each partnership follows a unique pathway to achieve the goal of changing the Chinese policy landscape: Some partnerships work hard to cultivate close ties to the private sector, while others assign a low (or no) priority to this task. Although all wished to see policy level changes, two abstained from directly engaging in policy-oriented advocacy. There was also significant variation in how partners coordinated their efforts. Where the coordination function was performed successfully, the coordinating entity was generally a government actor.
Effective partnerships take a whole systems approach: In spite of the unique pathways to partnership pursuits, similarities across partnerships were also noteworthy in China. All five strive to be closely connected to government. The most effective partnerships (based on perceptions of effectiveness held by external actors thoroughly familiar with each case) are firmly rooted in the broader ecosystem that encompasses their focal issue. These effective partnerships take a whole systems approach that entails identifying and interacting with the diverse set of actors who contribute to or are affected by existing policy frameworks. Linkages are assiduously cultivated so that the partnership's sphere of influence is enlarged over time.

The successful partnerships all demonstrate close attention to three sources of motivation that sustain partner commitment: personal payoffs for individuals who participate in partnership activities (e.g., expanded access to influential actors, new job skills and, additional bridging social capital); low barriers to engagement (e.g., ease of participating in partnership-sponsored activities; communication among partners that clarifies expectations); and, personal fulfillment (i.e., opportunities to participate in activities that are perceived to be enjoyable and socially rewarding).

Risk mitigation strategies are essential: All partnerships employed explicit or tacit strategies to mitigate such risks as unforeseen shifts in policy priorities by government; loss of key allies; or, declines in the power and influence of key allies. The risk mitigation strategies employed were quite varied and included embedding with government and Party officials (GEI); inclusion within the partnership of a diverse set of actors, each with its own spheres of influence (WWF); the creation of linkages to actors outside the partnership, each with unique and helpful spheres of influence (Paulson); and, outreach to a large informal network of community-based volunteers along with embedding in key local level official entities (CBAC). The risk mitigation strategies were robust in all but one of the cases (CiYuan). Three of the five risk mitigation strategies involved the cultivation of very close ties with a variety of government and Party actors.

Government participation is crucial for successful coordination among partners: The Chinese context was especially influential with respect to how coordination among partners is achieved. In one case (GEI), the "command and control" nature of the Party and government bureaucracies was sufficient to secure the necessary level of coordination. In contrast, the coordination function was sub-optimal in the WWF case precisely because there was no entity with sufficient authority and resources available to assume this role. In
general, successful coordination appears to require significant participation by a government entity. The Chinese context offers challenges that are seldom present in other settings. For example, lodging the coordination function outside government appears to pose substantial risk to a partnership’s success. Highly effective partnerships tend to treat government as “first among equals,” when it comes to coordination tasks.

(vi) **Securing resources is not a priority**: Another unique—and surprising—feature of partnerships in the Chinese context (or at least this particular set of five partnerships) is that none of them expended significant effort on securing resources. There are two explanations for this. The first is that government partners are willing and able to fill in resource gaps when they perceive that the partnership’s activities have value. A second explanation for the relative lack of effort devoted to securing resources is that an external actor (e.g., Paulson) is willing and able to offer a level of support that obviates the need to cultivate other funding sources.

(vii) **Capacity building among partners is done through non-traditional activities**: The five partnerships studied all saw themselves engaged in capacity development work. However, much of the capacity development activity differs markedly from what is typically observed in other settings. In the Chinese context, important capacity development work is done through non-traditional activities (i.e., activities other than training and exchange visits). An especially important way in which Chinese partnerships build capacity is through the establishment of linkages to other actors in the ecosystem (particularly to government policy-makers and influential bureaucrats). Thus, linkage creation and nurturance is an important component of capacity development strategies in China.

The remarkable level of variation observed across the partnerships studied underscores the need to have highly customized approaches for supporting policy-oriented partnerships. Chinese partnerships do not appear to follow a standard model. The corollary of this finding is that external actors interested in supporting partnerships must develop highly customized approaches for doing so.

All five partnerships were able to build on prior experiences and accomplishments. This pattern of consolidating gains had the beneficial effect of accelerating momentum for change in the focal policy areas. The practice of leveraging past successes also appeared to sustain partner commitment.
The table on the following page highlights the eight main findings drawn from this analysis of five Chinese partnerships and, for each finding, presents a set of meaning-making observations and actionable recommendations.
Table 1: AN ANALYSIS OF EIGHT FINDINGS ABOUT PARTNERSHIP IN THE CHINESE CONTEXT

<table>
<thead>
<tr>
<th>Finding (what?)</th>
<th>Significance (so what?)</th>
<th>Guiding recommendations to donors and capacity developers regarding future investments and activities in China (now what?)</th>
</tr>
</thead>
</table>
| 1. Close ties to government are an important feature of Chinese policy-oriented partnerships | Chinese partnerships, while not necessarily co-opted by government, are unlikely to include actors who are highly adversarial or confrontational toward government | 1. Support the efforts of local actors to diversify ties to government by creating opportunities to forge new relationships with provincial and municipal entities as well as national ones.  
2. If policy objectives require a more adversarial stance than what is tolerated within China, help local actors cultivate allies outside China who can exert influence, garner media attention. Focus on ways to support existing Chinese policy and avoid open criticism to shield local actors from government retaliation. |
| 2. Successful partnerships have strategies in place to mitigate risks to mission-achievement. Usually these strategies involve the cultivation of close ties to government | In many countries, when civil society cultivates close ties to government, it loses credibility, particularly when political fortunes shift. Should this be a concern in China, where there is an entrenched one-party system? Although close ties to government may dampen the overall growth and effectiveness of civil society, Chinese NGOs have made significant progress on a number of advocacy issues by cultivating close government ties. | 1. Encourage and support local actors in identifying risks that must be mitigated.  
2. Promote the development and dissemination of tools that can be used to assess and mitigate risk.  
3. Develop case studies of risk mitigation strategies employed by partnerships, including examples of how partners reduced threats to mission achievement through diverse tactics that may include but are not limited to the cultivation of strong ties to government.  
4. Support, as appropriate, the expansion and diversification of networks and partnerships. Diversification of partners is itself an effective risk mitigation strategy. |
| 3. Government entities play a major role in coordinating partner efforts | Civil society efforts to perform the coordinating function within a partnership may jeopardize partner success | 1. Recognize the importance attached to the role of government in coordinating activities and key decisions among partners. Since failure to place a government actor in a coordinating role may place a partnership at risk, define coordination needs as well as the role government and non-governmental actors might play in meeting these needs. Determine which coordination functions, if any, can be “outsourced” to other partners without reducing the partnership’s likelihood of success.  
2. Treat the ability of non-governmental actors to work effectively with governmental representatives as a critical capacity that should be developed through formal and informal capacity building experiences. |
| 4. Successful partners form deep connections to a broad ecosystem through assiduous link cultivation. An important way partnerships build capacity in China is by the linkages they provide (particularly | Linkage cultivation, an important feature of capacity development in the Chinese context, may be even more “impactful” than traditional capacity development interventions (e.g., training and personnel exchanges) | 1. Provide support through training, case studies, round table discussions and other means to strengthen the ability of partnerships to describe boundaries and actors within the ecosystem relevant to their policy objectives.  
2. Identify network metrics and provide promising partnerships with tools they can use to track the extent to which they are building capacity through the cultivation of key linkages within that ecosystem. |
<table>
<thead>
<tr>
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</table>
| 5. Successful partnerships sustain partner commitment by ensuring meaningful payoffs to individual participants and minimizing barriers to partner engagement | Partnership success depends upon satisfying internal “customers” who are the partners themselves as well as external stakeholders (e.g., policy decision-makers) | 1. Support the development and use of tools to gauge the satisfaction of the partnership’s “internal customers” (i.e., other partners). Such tools should help partners determine the sources of partner motivation as well as partners’ perceptions of what they gain through their engagement in the partnership.  
2. Assess the extent to which barriers to partner engagement barriers are present and take measures to reduce these barriers when present.  
3. Audit communications among partners (through partnership self-auditing tools) to determine the extent to which expectations for partner participation are clear and reasonable. |
| 6. Intentional efforts to leverage and build upon prior accomplishments sustains commitment to the partnership’s activities | Partnerships must know how to identify prior accomplishments and design new initiatives that build on past successes. This requires internal capacity to track and disseminate “success stories” within the partnership. | 1. Take measures to determine the extent to which there is a shared understanding among partners of the successes that have been achieved to date.  
2. Assess the extent to which prior achievements serve as building blocks for future efforts. |
| 7. Partnerships devote relatively little effort to resource generation (at least in comparison to how partnerships operate in other parts of the world) | This pattern may jeopardize partnership financial sustainability or create unhealthy dependency on “partnership patrons.” | 1. Non-governmental partnership sponsors should develop an exit strategy with participating partners close to the time of a partnership’s initiation. The exit strategy should have carefully defined benchmarks and trigger events.  
2. Non-governmental partnership sponsorships should, together with partners, identify and develop the specific capacities needed to successfully execute the exit strategy. |
| 8. Policy-oriented partnerships in China are remarkably varied in terms of goals, relationships (both internal and external), and configurations of actors (private sector, civil society, and actors from different levels of government). | Given the fact that the present study only examined five partnerships, great caution should be exercised when drawing inferences from these findings. | 1. External actors interested in supporting partnerships must use highly customized approaches that reflect such factors as the mix of partners; the difficulty of achieving partnership goals in light of current government policies; the role government wishes to play in coordinating partners’ activities; risk to the partnership and appropriate risk mitigation strategies; and, tactics for keeping partners engaged.  
2. Any toolkits or resources designed to support partnership capacity development efforts should be structured in a way that allows users to match a partnership’s key contextual features to options for accomplishing partnership goals. In short, resources should support highly customized approaches to capacity development. |
2.2 Lessons Learned About Networking

The Root Change team analyzed the work of the Capacity Building and Assessment Centre (CBAC), a registered Chinese NGO that pioneered the Learning Networks (LN) model to foster formal and informal exchanges among social organizations operating in 12 Provinces of China. CBAC’s “network of learning networks” focuses on a broad range of issues including conservation, children with disabilities (including autism and cerebral palsy), and general development concerns. Essentially, LNs are strikingly similar to the Collective Impact (CI) model that is widely used in the West. CI usually involves a group of organizations that decides to address a specific social problem through the pursuit of a common agenda, use of common measures of success, and efforts to align resources and activities in order to achieve complementarities and synergies. CI shifts organizational attention toward a larger ecosystem and the ways in which individual actors, banding together, can shape that ecosystem in order to achieve significant breakthroughs.

In China, the ecosystem includes registered and unregistered social organizations, policy-makers, Party elites, external stakeholders, donors, and, of course, community actors. The underlying assumption behind a CI approach to social change is that interactions among these “ecosystem nodes” lead, over time, to significant shifts in policies, priorities, resource allocations, service delivery, and program design features.

Within China, two main barriers to successful adoption of the CI approach have been identified: the lack of horizontal collaboration among grassroots NGOs and, a scarcity of organizations with the capacity to serve as a “backbone” (the entity that coordinates and manages collective impact initiatives). This is the context from which CBAC’s LNs emerged. The model began taking form when CBAC took explicit steps to convene thematic groups of NGOs that were working on similar sectoral issues.

Three conditions emerged as core attributes of the most successful learning networks:

- **Bonding Social Capital.** By building deep and meaningful ties with existing partners, organizations formed new relationships and were able to reach out to a broader network of prospective institutional champions and donors. Tactics included tapping into personal connections with sympathetic officials, embedded advocacy with government-sponsored NGOs (GONGOs) at conferences, and strengthening personal ties with journalists.
• **Bridging Social Capital.** Established NGOs and institutions that are central actors in the LN leveraged their “bridging social capital” to facilitate connections among struggling local organizations on the periphery of the LN and high-value resources and institutions. Tactics included direct lobbying of government officials on behalf of local organizations, connecting LN members at workshops and training events, making written and telephone introductions, and sharing donor contact information.

• **Adaptiveness.** Emerging local organizations, particularly at the provincial levels, enjoyed enhanced status among their peers as they took on the roles and responsibilities of opinion leaders at the local level. Through the informal structure of the LN, each organization or individual member took the lead on a specific action, and others would support them as they were able. As cycles of activism rise and fall over time, members acted as leaders in some areas and followers in others.

CBAC discovered that the “fringe status” of local LN members was relatively short-lived when organizations connected with an actor of influence or attained high value knowledge by targeting and cultivating useful linkages. Natural clusters of intense connectivity formed around common challenges and issue areas, and then shifted as problems were resolved.

Successful implementation of the CI model in China depends upon four preconditions:

• The *presence of champions* who command the respect needed to convene senior leadership and sustain their active engagement. Initially, CBAC played the role of convener and champion. Its reputation as an elite capacity-building organization with unique learning technologies from the West helped lent it the prestige needed to launch and sustain LNs. However, as CBAC spawned new LNs, additional thematic champions emerged from within the ranks.

• **Adequate financial resources** to support at least two or three years’ worth of activity. This usually involves an anchor donor who pays for the needed infrastructure and planning processes. Several informants noted that there is relatively little understanding in China of the critical role played by “backbone” organizations in launching CI activity, a situation which impedes the sustainability of new initiatives.

• **The urgency for change around an issue.** This condition was particularly pronounced within the autism and the cerebral palsy LNs, where families were struggling to address the pressing needs of loved ones afflicted with these conditions. The most successful LNs balanced urgency
for change with boundary rules (e.g., identification of the issues that can be pursued by LN members; identification of target constituencies and regions).

- **Ongoing commitment to LN “backbone organization capacity development.”** Critical capacities include relationship cultivation with key constituencies; collection and dissemination of lessons learned; promotion of knowledge sharing; management of donor funds; and, sub-grant management. CBAC’s guiding principle in promoting LNs is, “Be of help, but don’t make trouble; get involved, but don’t interfere; act, but don’t cause offense.”

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**A Learning Network Mini-Case Study**

Many of the LN initiatives studied have achieved concrete results, reinforcing the promise of Collective Impact for China. Under the right conditions, Chinese social organizations can find the space to organize and scale operations. Illustratively, in just three years nearly 1000 autism organizations came together as an LN to share their experiences and knowledge, while offering stakeholders (primarily family members) emotional support. The LN’s galvanizing common agenda—improving the quality of services for autistic children through the introduction of professional standards for care and increasing social awareness as well as governmental acceptance of autism—received a big boost when it attracted one million RMB from the One Foundation along with support from government in the form of policy revisions. Additionally, the China Disabled Persons Federation, a newly formed government-sponsored NGO, is now working to better connect government actors to LN members as part of its mandate to coordinate autism support services on a nationwide basis. Another marker of LN success is the government’s 432 million RMB investment to extend subsidized health care services to autistic children.
Table 2: AN ANALYSIS OF FOUR FINDINGS ABOUT LEARNING NETWORKS IN THE CHINESE CONTEXT

<table>
<thead>
<tr>
<th>Finding (what?)</th>
<th>Significance (so what?)</th>
<th>Guiding recommendations to donors and capacity development practitioners regarding future investments and activities in China (now what?)</th>
</tr>
</thead>
</table>
| 1. The two main barriers in China to successful adoption of the CI approach are the lack of horizontal collaboration among grassroots NGOs and, a scarcity of organizations that can play the "backbone" role | Civil society is constrained in its ability to "birth" sweeping, sustainable social change at a time when China faces a growing chasm between citizen expectations and the ability of local actors—governmental and nongovernmental—to meet these expectations | 1. Awareness campaigns should be developed to acquaint local NGOs with the benefits of the CI approach for addressing pressing social issues. Awareness can be cultivated through competitions with prize money; dissemination of success stories; and the use of other communications vehicles to shed light on the trade-offs that local NGOs make when they embrace a CI approach.  
2. Use network analytics, peer nominations, and related methods to “discover” organizations with the potential to assume the “backbone” role.  
3. Develop “fast track” initiatives to prepare promising organizations for the “backbone” role. |
| 2. The core attributes of successful LNs are bonding social capital; bridging social capital; and, adaptiveness | LN resilience and viability largely depends on the ability of members to coalesce around goals while remaining flexible around roles and relationships. This is a challenging requirement since most civil society actors view their survival as dependent upon extensive self-promotion and jealously guarding information about their critical relationships | 1. Introduce metrics that help LNs track the extent to which they are generating new social capital and embracing adaptive behaviors.  
2. Encourage, disseminate and support LN structures that are flat, non-hierarchical, agile and flexible. |
| 3. Successful implementation of the CI model in China depends upon four preconditions: the presence of network champions; adequate financial resources to support the backbone function; perceived urgency for change around an issue; and, ongoing commitment to LN “backbone organization capacity development” | CBAC has demonstrated how effective the LN model can be in promoting an influencing agenda when these four preconditions are in place. However, they are not likely to be met without significant external support that is intentional and long-term | 1. Develop estimates for what it costs to support backbone organizational development at different stages of an LN’s evolution. This information could be used to ground donors more thoroughly in the realities of what is takes to ensure that the backbone role is properly filled by qualified organizations.  
2. Seed an pilot new LN initiatives and develop and test criteria for ascertaining “LN readiness.” |
| 4. Critical capacities of backbone organizations include cultivation of membership diversity; relationship building with key constituencies; collection and dissemination of lessons learned; promotion of knowledge sharing; management of donor funds; and, sub-grant management | These capacities are not likely to emerge spontaneously; they require significant external support that is intentional and long-term. Work with local entities, like CBAC, to continue to cultivate these capacities | 1. Design and deliver specialized capacity development programs that prepare organizations to assume the backbone function. Such programs may include—but should not be limited to—training modules.  
2. Develop evidence-based self-assessment tools that can be used by backbone organizations to determine how well they are doing in carrying out their functions and what their capacity development priorities should be in order to support the goal of continuous improvement. |
2.3 Lessons Learned About Building Think Tank Capacity

The research team conducted an operational review of two think tanks. The first, The Global Environment Institute, is a Chinese nonprofit established in 2004 that uses market-based models to solve environmental problems. GEI receives Chinese government grants as well as support from international foundations, including Ford. The focus of its think tank research and action agenda is policy analysis in support of sustainable development. The Paulson Institute, the second think tank, is a nonprofit foundation that focuses on sustainable urbanization, and conservation. It trains municipal government officials and senior executives of enterprises. Policy analysis for sustainable urbanization is the focus of Paulson’s think tank activity. Both think tanks are highly regarded in China.

The research team uncovered four success factors that accounted for the esteem in which both institutions are held.

1. Smart positioning within the ecosystem, which in turn depends on a think tank's power to cultivate and maintain credibility as well as its ability to nurture and cultivate critical linkages to actors at all points on the policy value chain (e.g., policymakers; regulators; academics; the media). In general, Chinese think tanks create a more viable position in the ecosystem for themselves when they are able to offer research-based solution strategies to existing policy directions and challenges. They gain more influence and intellectual currency by "fixing" problems rather than by uncovering new policy challenges. Thus, Chinese think tanks tend to cultivate trust and linkages with the Party rather than challenge Party policy directions.

2. Ability to produce powerful work products, which in turn depended on the think tank’s ability to connect to the distinct phases of the policy process (e.g., problem recognition; agenda setting; policy proposals; support for policy adoption; support of policy implementation; and support for policy evaluation) as well as its ability to produce high quality research as evidenced by peer reviews and methodological soundness. Chinese think tanks face a dilemma with respect to the quality of their work products. They gain more traction and influence when they present well-researched solution strategies than when they expose the incompetence of government and the current policy regime.

3. Compelling communication around findings, which includes message clarity (e.g., specificity of policy "asks"; and message "actionability") as well as message appeal (achieved through message tailoring, newsworthiness, and timeliness)
4. *Ongoing renewal and learning* which includes **assessment** activities to gauge the impact of work products as well as **reflection** on key practices related to partnering and these four success factors.

The four think tank success factors can be used by donors and capacity development practitioners to guide future investments, to develop a suite of new tools for think tanks to assess and improve performance in areas that are closely related to the success factors; and to support think tank learning networks in order to accelerate the adoption of success factor behaviors.

2.4 Lessons About Effective Foundation-Sponsored Capacity Building Interventions

The research team, through interviews, focus groups, structured storytelling, and other types of interactions with grantees and grantmakers, examined the capacity development work of three foundations, Ford, Narada, and One. Two of these institutions (Narada and One) are indigenous to China. Narada works to strengthen the social sector by professionalizing its workforce. One, capitalizing on its founder’s high name recognition, helps Chinese organizations tap into the power of social media. Ford offered unique insights into how an international foundation maintains relevance and catalyzes social change in China.

The research team noted that five of the most effective capacity development methods observed in the West do not appear to “travel well” to China. Specifically, **network and associational strengthening**, **media advocacy**, **high-level advisory models**, **community advocacy**, and **association-strengthening** all scored low in terms of their relative impact on Chinese organizational capacity. Such methods may need to be better contextualized to China before we see indications of greater efficacy. Overall, these five approaches exerted, on average, less influence on the quality of a grantee’s service delivery, strategy, alliance building, internal organizational capacity, learning, or structure than other types of capacity development work.

In contrast, two modalities—**peer-to-peer exchanges** and **embedded advocacy** (i.e., working within the system and making direct contact with parts of the state using personal and institutional ties)—had moderate (i.e., above-average) impact and engendered change in nearly all the aspects of capacity that were assessed in this study. Embedded advocacy, illustratively, appears to be a powerful influencing approach; it also created positive change with respect to organizational learning, service provision, strategy, collaboration, and structure.
The two capacity development approaches with the *greatest and most far-reaching impact* were **human capacity/leadership development** and **core support**. These two approaches are also characterized by ample opportunity for individuals to form personal relationships that involve the fulfillment of reciprocal obligations. Core support, for examples provides the necessary flexibility to unlock new collaborations, deepen internal systems, refine services and adapt organizational strategy.

The most common types of capacity development services observed in the West (e.g., training, technical assistance) were not cited as having the highest effect on capacity in our survey. This suggests that formal capacity development services may not be the preferred modality for stimulating capacity development. At a minimum, we recommend that training and technical support be blended with more flexible approaches that focus on building new institutional and personal ties and that enhance organizational social capital.

Differences were also observed between China and the West in terms of how social capital is accumulated. While social capital creation is viewed by Chinese actors as an important prerequisite for organizational effectiveness (just as it is in the West), the pathways to social capital creation are quite different. The Chinese view social capital as a product of dyadic relationships that require individualized efforts to form and maintain. In the West, organizational contacts can be easily parlayed into greater influence. In China, social capital accumulation is the product of an individual’s own social standing and carefully cultivated individual relationships; organizational membership in a network does not automatically confer benefits in China. Rather, the process of garnering social capital requires numerous interactions that involve favor-trading (i.e., fulfillment of reciprocal obligations).
<table>
<thead>
<tr>
<th>Finding <em>(what?)</em></th>
<th>Significance of Findings 1-3 <em>(so what?)</em></th>
<th>Guiding recommendations to donors and capacity development practitioners regarding future investments and activities in China <em>(now what?)</em></th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The capacity development approaches with the greatest and most far-reaching impact were human capacity/leadership development and core support. Peer-to-peer exchanges and embedded advocacy (i.e., working within the system and making direct contact with parts of the state using personal and institutional ties) had moderate (i.e., above-average) impact and engendered change in nearly all the assessed aspects of capacity.</td>
<td>Capacity development methods successfully employed in the West do not lead to comparable levels of impact in China.</td>
<td>Core support may be a high-impact capacity development intervention, but it also poses a threat to organizational sustainability when funding ceases. Potential measures to minimize this threat should be identified, tested and, as warranted, introduced into the repertoire of foundation funding practices. Illustratively, such measures might include funding that is provided on a phased-in/phased-out basis; financial support for the development of new, robust funding streams; dashboard metrics that can be used to link funding to performance benchmarks; and the introduction of “blended organizational models” that integrate non-profit and for-profit activities.</td>
</tr>
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<td>2. Five of the most effective capacity development methods observed in the West do not “travel well” to China. Network strengthening, media advocacy, high-level advisory models, community advocacy, and association-strengthening all scored low in terms of their relative impact on Chinese organizational capacity.</td>
<td>The Chinese context has many unique aspects. In-depth knowledge of what works elsewhere has limited utility when it comes to planning high-impact capacity development activities in China.</td>
<td>Contextualize, contextualize, contextualize! One way to do this is to introduce small-scale piloting of new capacity development initiatives before any significant scale-up occurs.</td>
</tr>
<tr>
<td>3. The Chinese view social capital as a product of dyadic relationships. The process of garnering social capital requires numerous interactions that involve favor-trading (i.e., fulfillment of reciprocal obligations).</td>
<td>The lack of horizontal collaboration among grassroots NGOs is a significant barrier to social capital creation in China.</td>
<td>Evaluate proposed capacity development strategies and activities in terms of the extent to which specific interventions afford participants the chance to form new dyadic, reciprocal relationships. Interventions that are rich in opportunities for reciprocity accelerate the formation of new social capital and expand an organization’s influence, power and prestige.</td>
</tr>
</tbody>
</table>
2.5 Conclusions and Recommendations: Developing Capacity in the Chinese Context

Lessons learned over the course of the study are offered as recommendations by the Root Change Team in three areas:

1. **Invest in a long term relationship with Chinese think tanks and pursue an embedded advocacy strategy.**
2. **Launch a pilot learning network for marine conservation and motivate participation with personal, social and structural incentives.**
3. **Cultivate a marine advocacy “Value Chain” with diverse actors.**

**Invest in a long term relationship with Chinese think tanks and pursue an embedded advocacy strategy**

Our operational review of two Chinese think tanks, GEI and Paulson, highlights the great potential these types of intuitions bring to the policy making arena. Chinese think tanks create a viable position in the ecosystem by offering research-based solution strategies to existing policy directions and challenges. They gain influence and intellectual currency by “fixing” problems rather than by uncovering new, as yet unidentified policy challenges. In short, they are critical piece of any strategy that seeks to advance both technical skill and institution building for improved fisheries and coastal resource management.

Our study identified four think tank success factors: (1) the degree to which a think tank is able to achieve smart positioning within its ecosystem; (2) the extent to which a think tank is able to produce powerful work products; (3) the extent to which a think tank is able to engage in compelling communications about its findings; and, (4) the extent to which a think tank engages in processes that contribute to ongoing renewal and learning (See Paper No. 3: Introducing a Chinese Think Tank Effectiveness Model). The four think tank success factors can be used by the Foundation to guide future investments, to develop a suite of new tools for think tanks to assess and improve performance in areas that are closely related to the success factors; and to support think tank learning networks in order to accelerate the adoption of success factor behaviors.
Launch a pilot learning network for marine conservation and motivate participation with personal, social and structural incentives

Our examination of learning networks suggests that, under the right conditions, Chinese social organizations can find the space to organize and scale operations. This assertion is amply demonstrated by the success enjoyed by the nearly 1000 autism organizations that joined forces to achieve a highly focused action agenda. Many of the LN initiatives studied have achieved concrete results, reinforcing the promise of Collective Impact for China (See Paper No. 2, Learning Networks, A Chinese Model of Collective Impact).

Our research on learning networks and our subsequent guidance on implementing collective impact in China identified four critical preconditions for launching a successful marine conservation learning network: find an influential champion, provide adequate financial resources, sustain a sense of urgency for change, and commit to the improvement of the learning network backbone organization’s capacity. Pages 8 - 10 in Paper No. 2 offer a roadmap for thinking through the steps and conditions for piloting a learning network for marine conservation.

One additional consideration, gleaned from our analysis of why some partnerships were more successful than others in maintaining partner engagement and commitment to meeting agreed upon expectations, is a focus on sources of partner motivation. Paper No. 1: Partnership in the Chinese Context identified three factors that affect motivation: personal (what’s the payoff to me for participating?), structural (how easy is it to engage?) and social (how interpersonally fulfilling and rewarding is my engagement?). Any successful pilot will require that each of these three sources of motivation are regularly addressed.

Putting it all together: Cultivate a marine advocacy “Value Chain” with diverse actors

Linkage cultivation and the creation of nurturing ties among Chinese ecosystem actors appears to be a cornerstone of Chinese capacity development strategies. Our study also showed that peer-to-peer exchanges and embedded advocacy (i.e., working within the system and making direct contact with parts of the state using personal and institutional ties)—had above-average impact and engendered change in nearly all the aspects of capacity that were assessed. Embedded advocacy appears to not only be a powerful influencing approach; it also created positive change with respect to organizational learning, service provision, strategy, collaboration, and structure.
Alongside this context-specific learning, we know from previous research that better management practices by organizations create only incremental, not breakthrough, change. Past efforts to elevate the influence and impact of civil society have targeted internal management capacity of individual organizations and coalitions along with small grants to organizations. We describe this managerial approach to capacity development as *Capacity 1.0*. Capacity 1.0 is a highly idealized, normative theory that well managed organizations with strong administrative systems are able to respond consistently to the everyday challenges they face. In reality, very few organizations in China, or elsewhere, are able to achieve and sustain this idealized level of efficiency and accountability.

We therefore recommend a strategy that assumes organizations are no longer about “four walls”, but are embedded within, and change, entire systems. We call this approach *Capacity 2.0*, and it views individual, organizational, and network level capacity as emerging from and experienced through interaction. Notably, the two capacity development approaches in our survey with the greatest and most far-reaching impact—human capacity/leadership development and core support—are both characterized by ample opportunity for personal interaction and provide the necessary flexibility to unlock new collaborations, deepen internal systems, refine services and adapt organizational strategy.

Applying a value chain approach to the sustainable fisheries challenge in China means mapping the activity ecosystem and undertaking an analysis of individual actors, their collaboration potential, and likely program synergies. One of the most important ideas contributing to our understanding of organizational effectiveness is the notion that individuals and organizations are embedded in networks, thick webs of social, professional, and personal relations and interactions. The exchanges and transactions that take place in this web of actors can be viewed much like a natural *ecosystem*—but where natural ecosystems operate on premises of instinct and survival, civil society actors fulfill certain functions according to personal ties, social and cultural affinity and shared goals.

At its best, a value chain perspective helps deconstruct how social action along a continuum of value-adding activities is evolving and can be further strengthened. From there, we can better understand how individual institutions, coalitions and unaffiliated actors are positioned to meet specific challenges and then broker new partnerships and alliances that lead to powerful and scalable ideas.
An illustrative advocacy value chain for marine conservation in China, provided below, includes three distinct phases – connect, develop and scale-up. These in turn are subdivided into specific tasks or expertise (See Diagram) along with a corresponding set of key questions to help guide the Foundation in its future search for appropriate value chain stage collaborators. The first phase of the advocacy value chain is about facilitating the connection of diverse actors for idea generation. Key tasks within the connect phase of the value chain include: bringing together people and knowledge around the issue; discussing, sharing and discovering solutions; and generating innovative strategies and tactics. Our hope is that the four papers produced over the course of the study: (1) Partnership in the Chinese Context: a detailed analysis of five Chinese partnerships engaged in policy-related advocacy and capacity development; (2) Learning Networks, A Chinese Model of Collective Impact: an in-depth case study of a learning network; (3) Introducing a Chinese Think Tank Effectiveness Model: an analysis of two Chinese think tanks to identify the ways in which these institutions are unique in relation to how think tanks operate elsewhere; and, (4) Designing and Facilitating Effective Capacity Building Interventions in China will help to generate some new perspectives on promising strategies and tactics from actors engaging in the connect stage of the value chain.

### Illustrative Advocacy Value Chain for Marine Conservation in China

<table>
<thead>
<tr>
<th>CONNECT</th>
<th>DEVELOP</th>
<th>SCALE-UP</th>
</tr>
</thead>
<tbody>
<tr>
<td>IN HOUSE</td>
<td>CROSS-POLLINATION</td>
<td>DISCOVERY</td>
</tr>
<tr>
<td>Creation within an organization</td>
<td>Collaboration with multiple organizations across sectors</td>
<td>Identification of promising models</td>
</tr>
<tr>
<td>CROSS-POLLINATION</td>
<td>CROSS-POLLINATION</td>
<td>DEVELOPMENT</td>
</tr>
<tr>
<td>Collaboration with multiple organizations across sectors</td>
<td>Development of promising models</td>
<td>LEARNING</td>
</tr>
<tr>
<td>DISCOVERY</td>
<td>DISCOVERY</td>
<td>SELECTION</td>
</tr>
<tr>
<td>Identification of promising models</td>
<td>Screening and technical support</td>
<td>LEARNING</td>
</tr>
<tr>
<td>SELECTION</td>
<td>SELECTION</td>
<td>SELECTION</td>
</tr>
<tr>
<td>Screening and technical support</td>
<td>Applied research and learning</td>
<td>FUNDING</td>
</tr>
<tr>
<td>LEARNING</td>
<td>LEARNING</td>
<td>MODELLING</td>
</tr>
<tr>
<td>Applied research and learning</td>
<td>Support through strategic funding</td>
<td>PILOT AND PROTOTYPING</td>
</tr>
<tr>
<td>MODELLING</td>
<td>MODELLING</td>
<td>SPREAD</td>
</tr>
<tr>
<td>PILOT AND PROTOTYPING</td>
<td>Pilot and prototyping</td>
<td>Dissemination across sector</td>
</tr>
<tr>
<td>SPREAD</td>
<td>SPREAD</td>
<td>SCALE-UP</td>
</tr>
<tr>
<td>Dissemination across sector</td>
<td>Scale-up</td>
<td></td>
</tr>
</tbody>
</table>

**Key Questions**

- Who generates effective influencing strategies and tactics inside their own organization?
- Who creates good ideas by working (or enabling) collaboration across sectors and institutions?
- Who invests in process and systems to discover promising practices and models?
- **Who is good at screening and supporting promising practices and initiatives?**
- Who conducts original research and analysis to capture new learning about what works?
- **Who is committed to funding promising practices?**
- **Who is good at diffusing successful practices?**
- **Who is good at supporting scale-up to new geographies and constituencies?**

The second phase of the value chain involves developing ideas into innovative and practical approaches and delivering services to local actors. Key tasks within the develop phase of the value chain include: turning innovative ideas into tools, content and approaches for capacity building initiatives; developing and refining effective delivery strategies for interventions; and the delivery of services and interventions to target audiences. New ideas don’t get converted into practice without proper screening and funding mechanisms. Instead they can create bottlenecks and headaches across agencies. In many organizations tight budgets, conventional thinking and inadequate skills can handicap the idea conversion process. By taking a value chain perspective,
individual organizations can work with others to develop and execute new ideas and projects within an overarching strategy.

The final stage of the value chain involves the diffusion and scale-up of new ideas and best practices through productive partnerships. Key tasks within the scale-up phase of the value chain include encouraging peer learning and action among local networks of organizations; fostering the regional scale-up of promising models; and the embedding of impactful practices. Concepts that have been funded, developed and implemented still need buy-in for scale and replication to happen. Capacity building institutions must work proactively to get the relevant constituencies to support the spread of good practices across geographic, political, and cultural lines.

Value maximization at each stage in the value chain for marine conservation in China will be dependent upon the interaction of a wide range of actors, each playing a number of different roles within the system. As indicated in the previous two recommendations, these actors should include both think tanks and a “backbone” organization that can serve as a facilitator to convene and coordinate initiatives along the entire advocacy value chain. The key question for the Foundation to consider, along with its local Chinese counterparts, is where are organizations and individual actors best positioned along the value chain to maximize effectiveness, scale and accountability.

Taken together, these three recommendations underscore what the study identified as the most influential factors in sustainable, organizational development: the need to support capacity development strategies in China that are consistent with local processes for social capital formation; the porous barriers that exist between government and civil society actors; and, the need to foster collaborative relationships among grassroots NGOs and indigenous Chinese think tanks.
Discussion Paper 1

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Discussion Paper 3  Introducing a Chinese Think Tank Effectiveness Model

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Discussion Paper 4  Designing and Facilitating Effective Capacity Building Interventions in China

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