



## Capacity Change and Performance Insights and Implications for Development Cooperation

ECDPM

ECDPM recently published the final report of a five year research programme on capacity, change and performance.<sup>1</sup>

This research provides fresh perspectives on the topic of capacity and its development. It does so by highlighting endogenous perspectives: how capacity develops from within, rather than focusing on what outsiders do to induce it. The research also embraces ideas on capacity development drawn from literature outside the context of development cooperation.

Although the research draws implications for international development cooperation, it does not specifically examine donor agency experiences in capacity development, or related issues of aid management and effectiveness.

The final report, which this brief is based on, provides a comprehensive analysis of the findings and conclusions of the research programme.

In total, 16 case studies<sup>2</sup> were prepared that embrace a wide spectrum of capacity situations covering different sectors, objectives, geographic locations and organisational histories, from churches in Papua New Guinea to a tax office in Rwanda to nation-wide networks in Brazil. The case studies are complemented by seven thematic papers, and five workshop reports.<sup>3</sup>

The final report is written for people interested and involved in capacity development work. It offers insights as much for managers and staff of public sector and civil society organisations as it does for external agencies, either those providing capacity development services to local organisations or donors that finance capacity development work.

This brief highlights key findings and conclusions of the final report and presents implications for external agencies engaged in capacity development in the context of international development cooperation. It contains a bibliography listing the publications produced in the context of this study.

### 1. Context and contribution

There has been an upsurge of interest in capacity development over recent years. The 2005 Paris Declaration on Aid Effectiveness recognises the centrality of core state capabilities to the effective management of domestic and international resources

for development. The Accra Agenda for Action (AAA) endorsed in Accra at the HLF in September 2008<sup>4</sup> has further raised the profile of capacity development as a fundamental ingredient of development effectiveness. An increasing number of studies and papers have been produced on the topic including the DAC's 2006 "The Challenge of Capacity

Development - Working Towards Good Practice”.<sup>5</sup> This document distinguishes capacity as an outcome, capacity development as a process and support for capacity development as the contribution that external actors can make to country processes.

ECDPM’s research offers insights on this three-way distinction. It takes the position that if the creation of capable country systems, organisations and individuals is a fundamental objective of development cooperation, then donors and their colleagues in developing countries need to better understand how capacity emerges and how it is sustained. This is all the more important given the mixed record of achievement of development cooperation in supporting the development of sustainable capacity.

## 2. Complexity and uncertainty. The contribution of systems thinking

The balance of issues in development cooperation is shifting against predictability and control towards complexity and uncertainty. Capacity development itself has shifted from a focus on implementing discrete projects aimed at skills enhancement or organisational strengthening, to addressing much broader societal and systemic challenges of building modern states in sometimes highly contested environments, characterised by uncertainty and insecurity.

Formal planning models and technocratic approaches in such circumstances are not necessarily appropriate. More experimental and incremental approaches are required. Against this background, the concept of *complex adaptive systems thinking* can be helpful.<sup>6</sup>

While by no means a panacea, it can help to see the deeper patterns of behaviour and relationships that lie beneath individual events and actions. Because it puts less faith in planning and intentionality, it implies looking differently at causation, attribution and results chains. It also encourages people to think more creatively about disorder, uncertainty and unpredictability, and about the processes through which capacity develops.

## 3. Capacity development. A fundamental development challenge

The study contends that finding ways to develop and sustain capacity is a fundamental development challenge to which country partners and external agencies need to give greater attention.

Effective systems such as institutions and organisations need to be seen as crucial elements of the development challenge. This is because they house the collective ingenuity and skills that countries need to survive and prosper.

Recognising capacity as more than a means to an end, but as a legitimate end in itself, is thus fundamental to any serious effort to improve the understanding and practice of capacity development.

Such a perspective brings into question the deeper purposes of development cooperation. Are substantive gains such as those in health, education, agriculture, environmental protection the only true results of development? Or is the ability of a country to choose and implement its own development path – its basic capacity – also a development result?

## 4. Insights on capacity

Poor performance is often attributed to a lack of capacity. Probing to understand what capacity is lacking, often leads to identification of resource shortfalls; such as too few staff or the wrong skills, lack of equipment and infrastructure, out-dated systems, and inappropriate incentives.

The ECDPM study proposes a *complementary lens* for exploring organisational or system capacity. It encourages stakeholders to look beyond the formal capacities to deliver development results (such as technical and managerial competencies) and to identify other factors that drive organisational and system behaviour.

It identifies five core *capabilities* (see box 1) which enable an organisation or system to perform and survive. All are necessary, yet none is sufficient by itself. A key challenge therefore is for an organisation to *balance and integrate* these five core capabilities.

*Implications – Exploring capacity through this lens can help stakeholders diagnose capacity strengths and weaknesses, monitor capacity change over time and thus contribute to organisational learning. It can also be used to gauge the contribution of external support.*

## 5. Insights on capacity development

The final report highlights the many ways that organisations and systems go about developing capacity. It concludes that there are no blueprints for capacity development and that the process tends to be more complex, nuanced and unpredictable

than is sometimes assumed. On the basis of the case studies, it identifies some generic characteristics of capacity development processes, which carry implications for the way external agencies go about supporting capacity development.

**Box 1: Five core capabilities<sup>7</sup>**

- 1. to commit and engage:** *volition, empowerment, motivation, attitude, confidence*
- 2. to carry out technical, service delivery & logistical tasks:** *core functions directed at the implementation of mandated goals*
- 3. to relate and attract resources & support:** *manage relationships, resource mobilisation, networking, legitimacy building, protecting space*
- 4. to adapt and self-renew:** *learning, strategising, adaptation, repositioning, managing change*
- 5. to balance coherence and diversity:** *encourage innovation and stability, control fragmentation, manage complexity, balance capability mix*

◆ **5.1 Voluntary collective action**

Crucial to capacity development is the collective energy, motivation and commitment of stakeholders to engage in a process of change. Voluntary collective action arises from leadership as well as the ability of groups to be motivated and driven by leaders.

There is, however, a diversity of leadership styles that can influence collective action, the appropriateness of which varies according to organisational context. Whilst in some situations, leadership may be associated with a heroic, dominating and charismatic individual, in others it may be associated with a more facilitating and distributed style of leading.

*Implication: External interveners can only facilitate capacity development indirectly by providing access to new resources, ideas, connections and opportunities. While they can support and nurture different styles of local leadership, they cannot substitute for it, nor drive the process.*

◆ **5.2 Ownership – An illusive property**

It follows that ownership is key to building and sustaining capacity. It is a function of both the willingness and ability of stakeholders to engage in and lead change. But ownership can be elusive, ebbing and flowing over the life of any intervention. Ownership can exist at the highest levels of an organisation (where negotiations and planning takes place) but may be absent lower down, and vice-versa.

**Box 2: Commitment and ownership: the SISDUK programme, Indonesia**

The SISDUK programme in Indonesia, which sought to empower communities to plan and implement their own projects, contended with a variety of commitments during the course of the programme. Policy makers and bureaucrats in Jakarta wanted fast-disbursing and widely spread programmes that would generate visible benefits in the short term. Provincial technocrats wanted to manage the programme using tested planning and budgeting techniques. Village heads wanted direct control over programme budgets. Community participants and programme field workers who understood the system best ended up having the least power.

Interests can change and supporters at the outset may become detractors later on. Those who have the ability to exercise their ownership may not share the same interests and objectives as other stakeholders with less voice (see box 2). In politically unstable environments, ownership can quickly shift as alliances and allegiances form and reform.

*Implication: External partners need to be aware of the formal and informal processes that can shape and modify patterns of ownership over time. This implies having a good understanding of the local context and of stakeholder interests and influence, and staying engaged.*

The ‘aid relationship’ has an in-built tendency to undermine ownership. Imbalances in resources, power and knowledge can give a feeling of mastery to the helper and dependence to the helped. It can confer ‘expert’ status on the helper that may be justified in terms of technical knowledge but is usually unwarranted in terms of process skills or country knowledge. It is likely to focus attention on gaps and weaknesses that can further add to the feelings of dependence and disempowerment of country actors. External initiatives quickly become “owned” by development agencies.

**Implication:** The way development initiatives are identified and formulated is critical. Creating space and opportunity for local priorities to be expressed, and ensuring country leadership in conceptualisation and design is fundamental. So too is ensuring that the roles and responsibilities of local partners through-out implementation is made explicit.

### ◆ 5.3 Many tacit models – few explicit strategies

Everyone, be they analysts or practitioners, has some sort of *tacit mental model* of capacity and how it develops. These are based on certain principles and assumptions about what makes people and systems to be effective, or what capacity issues matter more than others.

Few however operate on the basis of an explicit strategy of change which is then tracked systematically. Too often a shared vision is assumed and remains implicit. This makes it difficult to align approaches among stakeholders and can easily lead to difficulties and disagreements during implementation.

**Implication:** External partners need to have an open discussion with their country partners about capacity development in order to understand underlying assumptions, and as a basis for crafting a shared strategy for change.

### ◆ 5.4 Diagnosis and entry points

Assessing capacity through some kind of diagnostic process can help participants arrive at a shared understanding of their capacity challenge, agree on aspects of capacity that need attention and take account of factors that may promote or inhibit change. Such insights provide a basis upon which an intervention strategy can be conceived including identification of appropriate entry points.

In practice, a combination of entry points may be needed. These might include: organisational development work, adjusting internal and external incentives, promoting knowledge and understanding, tackling underlying organisational values and meaning, and adapting formal and informal structures and systems (see box 3).

**Implication:** The five capabilities discussed earlier on offer a lens to explore organisational and system capacity, to diagnose strengths and weaknesses and to monitor change over time. It can help broaden perspectives on the relationship between capacity and performance, by highlighting some of the informal and intangible aspects of capacity that can influence behaviour and motivation.

### Box 3: The Influence of the informal

In some instances, there is an informal structure or ‘shadow’ system that has its own pattern of relationships, access to power and information flows. This informal structure can be the main repository of capacity, with the formal being in place for symbolic rather than operational reasons. In many cases, informal structures, both inside and outside the formal system, are intertwined with the formal system in ways that both support and hinder capacity development. An example is the influence of Wontoks –clan-based affiliations – on modern politics and governance in Papua New Guinea.

### ◆ 5.5 To plan or not to plan?

Good design does not imply having to have a fully worked out implementation strategy. Indeed in some situations, this can be counter-productive. The research distinguishes three forms of strategy:

**Planned approaches:** Planned approaches tend to rely on prediction, goal setting, hierarchical structures and top-down strategy. These can have genuine advantage in situations where tasks are clear in terms of ends and means and situations which respond to a disciplined, systematic approach. Such approaches also help to reduce confusion in the early stages, so that participants feel more comfortable. They also allow for coordinated action.

**Incremental approaches:** These emphasize learning and adjustment and tend to work better in situations of greater uncertainty and rapid change, where stakeholders are less able to predict their capacity and performance needs, or when the constraints or the degree of commitment are not fully understood.

Under these circumstances, strategies can still include objectives and milestones, but they function more as guidelines than as fixed targets. Using adjustments and small interventions, stakeholders are able to seek out opportunities, try different changes, move as the context allows and try to learn what might work under different conditions.

**Emergent Approaches:** These work where the driving forces for change are relationships, interactions and system energy. Capacity emerges out of multiple interdependencies and causal connections operating within the system. Capacity is partly about functional expertise, but also about system cohesion and energy. It is frequently a messy process and works best in complex situations. It needs space and freedom to explore the best way forward (see box 4).

**Box 4: The emergence of capacity: two networks in Brazil**

The process of emergence can be seen at work in the COEP and Observatório cases in Brazil.

They were first energised by the pursuit of key values to do with democratisation and social justice. They grew organically through informal connections and relationships. They refused to set clear objectives at the outset. A direction and an identity emerged over time. Facilitation, connection and stimulation worked better than traditional directive management. There was no attempt to develop formal hierarchies at the outset. They experimented throughout the network with small projects and interventions. There was a constant exchange of experiences, information and knowledge. They spun off many working groups, informal communities and associations. Collective networking capabilities emerged through linking and connecting capabilities at the individual and organisational levels.

*Implication: Few capacity development strategies work well in all cases. There is no ‘code’ or recipe for effective capacity development. Partners need to think carefully about the appropriateness of different strategic approaches as stakeholders become more aware of the nature of their capacity challenge, the demands of stakeholders and the dynamics of their own organisation or system. Often customised approaches work best - in particular for highly specific jobs.*

◆ **5.6 Beyond “machine building”**

Capacity development is often thought of in terms of “machine building” – the bolting on of different parts to form a whole. While elements of capacity can be supplied in this way, other less tangible elements such as ownership, identity, legitimacy and values cannot (see box 5 and 6). Because capacity development has to take account of politics and power relations, the process is also as much about negotiation and accommodation as it is about the supply of resources and tangible assets.

*Implications: External partners seeking to support endogenous capacity development processes need to expand their tool box so as to be able to tackle more political and less tangible aspects of change. They need to be able to identify the factors that can stimulate or inhibit capacity development, which will differ from one context to another and which will evolve over time.*

**Box 5: Legitimacy – an element of capacity?**

What are the connections between legitimacy and capacity?

- the legitimacy issue suggests that capacity is as much conferred from an organisation’s stakeholders as it is developed internally.
- Stakeholders – clients, peers and oversight organisations – develop their views on the legitimacy of an organisation based on how well it performs against its core capabilities, especially its commitment or motivation, its ability to carry out tasks particularly delivery of services, its relationships and its adaptability and hence ability to survive.
- The need for legitimacy encourages actors to earn support and approval from other groups in society.

**Box 6: The importance of identity and confidence**

Capacity frequently emerges out of a technocratic combination of functional skills, assets and resources and mandate. But in many of the cases, intangibles such as identity and confidence assumed major importance. In ESDU, ENACT, IUCN in Asia, the Rwanda Revenue Authority, the COEP and Observatório networks in Brazil, the PSRP in Tanzania and CTPL Moscow, the participants worked, both directly and indirectly, to foster a collective identity that could be recognised both internally and externally. Coupled with this sense of identity was the growth in confidence and mastery, which led participants to develop a belief in their ability to make a special contribution to those with whom they worked. This belief, in turn, generated feelings of loyalty and pride that deepened the emotional and psychological relationships underlying the capacity, and expanded the range of activities that people thought they could attempt.

◆ **5.7 Balancing operating space and accountability**

The term ‘operating space’, refers to a protected area within which organisational actors can make decisions, experiment and establish an identity. Such a space can be physical, organisational, financial, institutional, intellectual, psychological or political. Operating space can be critical for capacity development for two reasons.

- it creates the conditions that allow a psychological sense of ownership to take hold. Without the freedom to move and decide, actors soon lose motivation and engagement.
- it allows the key processes of capacity development to evolve, especially at the middle and lower levels of the system.

The notion of operating space suggests that capacity is more likely to develop where organisational actors are given sufficient space to shape their own destiny. Thus some degree of detachment can in fact benefit capacity development.

Space can be obtained in different ways. An organisation or a programme could be positioned outside the main political battleground in order not to attract attention or predatory behaviour. Its existence could be protected by law, custom or legitimacy (see box 7). History could endow a system with a sense of identity and independent purpose. Powerful protectors, including development agencies, could buffer it from intrusions.

Nimble and politically astute actors could benefit from chaotic contexts because these can contain niches, spaces and possible

relationships that were impossible to find and exploit in older, more formal and ordered systems such as those in many high-income countries.

This perspective contrasts with the view that sees capacity development contingent on the relationships that exist between an organisation/system supplying goods and services and its constituency/ies that places demands on it to perform. Ideally the relationship is one where a self-reinforcing cycle is created in which demand and supply react in a positive way to create a virtuous cycle of increasing capacity. Over time, a pattern of reinforcing demand and supply ratchet the relationship and the organisation up to new levels of performance and legitimacy.

Creating and maintaining spaces therefore requires a complex and delicate balance. Too little space can lead to the withering of innovation, energy and commitment. Too much space can be equally damaging. People and organisations lose a sense of accountability and responsiveness. They become isolated and cut off from other sources of energy and collaboration.

*Implication: External development partners need to read situations carefully to ensure that any support provided contributes appropriately to creating spaces for experimentation, learning and protection while also ensuring that mechanisms of local accountability are reinforced.*

#### Box 7: Space and the Rwanda Revenue Authority (RRA)

Although the RRA is a public organisation created by an act of parliament, its agency status has freed it from some of the normal constraints imposed by public service rules and regulations and enabled it to manage its own affairs at arms length from political authority. Agency status offered a 'space' within which the RRA could chart its own growth, and establish its identity while at the same time shielding it from an otherwise harsh external environment. The importance of this protected space cannot be underestimated.

- It offered the RRA a new lease on life, making a clean break with the past, and allowing it to cultivate a new organisational culture based on values of integrity, accountability and performance, and to generate internal ownership and identity.
- It allowed the organisation to put in place a human resource management system that has attracted, developed and retained capable and committed personnel.
- It helped shield it from political interference in management, personnel and resource allocation decisions, while helping to sever any pre-existing patronage relations.
- It allowed it to craft its own change strategy.

At the same time, it did not sever the organisation's accountability to its political masters. In this sense, the space enjoyed had to be earned. Safeguarding space therefore represented a further incentive to perform.

#### ◆ 5.8 The potential of small interventions – Big is not always better

An emphasis on small interventions may seem counter-intuitive at a time when large-scale impacts are wanted and needed and where emphasis is increasingly placed on comprehensive, holistic, integrated approaches.<sup>8</sup>

Lessons from the research point to the fact that smaller, more manageable interventions can have a better chance of success in the short term, and can even lead to bigger capacity gains in the medium and long term. Small interventions can be appropriate when absorptive capacity is weak and demand uncertain. In particular, small interventions can deal directly with what is perhaps the biggest constraint on capacity development – the implementation gap.

Many country organisations simply do not have the capacity to take on complex programmes, even if they have the drive and the commitment. Implementing smaller interventions allows them to build skills, and craft their own capacity development strategy.

Small interventions can also more easily target pockets of country commitment. The in-close, high-involvement, high-energy

process nature of small interventions makes it easier for country participants to build confidence and awareness.

*Implication: Development and country partners need to strike the right balance in combining large scale comprehensive approaches and smaller scale niche interventions. A key challenge is to identify complementarities between the two approaches and ensure that field experiences support national processes and vice versa.*

### ◆ 5.9 Stay the course – but invest in quick wins

At the heart of the ‘time’ issue lies one of the most difficult of capacity challenges, that of combining short term responsiveness, usually in the form of some sort of change in performance or technical capabilities, with the ability to focus over the long-term on the development of more complex capabilities such as slow, incremental, collective learning.

The long-term approach, no matter how appropriate in terms of the evolution of capacity development, has to face the hard reality of donor impatience and loss of internal legitimacy.

In an era of ‘demanding’ and ‘proving’ results, most long-term efforts have little chance of surviving without facing the need to demonstrate just what has been gained for the money expended. The research thus shows the opposite of the long term; i.e. the need for speed and urgency in *the short term*. Windows of opportunity open briefly and create the space for capacity entrepreneurs to act. The challenge, particularly for organisations in the public sector, is to sustain both processes over a long period in a context of shifting political trends and bureaucratic dynamics.

*Implication: A balance needs to be struck between seeking opportunities for quick wins and keeping an eye on the long-term. Quick wins can be an effective way of convincing stakeholders that investing in capacity development is worth their while.*

### ◆ 5.10 Tailor M&E for capacity development

Much attention is being given to the need to improve ways of monitoring and evaluating capacity and its development. While many existing M&E approaches that are linked to results-based management (RBM) work well where tangible outputs and outcomes are being measured, they are less suited to making judgements about less tangible and predictable aspects of organisational or system change.

Both organisational stakeholders - for whom the monitoring of capacity can contribute to organisational learning - and external partners - who are interested in gauging the effectiveness

of their support - need tools and methods that can explore the different dimensions of capacity and change.

Participatory approaches, including forms of self-assessment - such as the five capabilities framework discussed earlier on - can contribute to organisational learning. Methodologies such as Outcome Mapping (that focus on the impact of change processes on individual and organisational behaviour, actions and relationships), or Most Significant Change technique (which involves the collection of stories about significant changes in capacity as perceived by stakeholders), may be appropriate in this context.

Yet, in other situations, it may be appropriate to conduct a more formal and independent assessment that is peer based and benchmarked against recognised standards (e.g. for central bank or auditor general operations).

Usually, a combination of qualitative and quantitative indicators is needed to capture the different dimensions of capacity, including factors in the environment that facilitate or inhibit change. Indicators need to be accepted and understood by all stakeholders concerned, so that the process of analysis and conclusions reached are fully owned and can feed into learning and action processes.

*Implication: Development partners need to think carefully about the appropriateness of any M&E system for capacity development. Consideration must be given to both organisational learning and external accountability requirements. M&E Systems should be able to capture both tangible and intangible aspects of capacity. They also have to take account of process as well as product outcomes. Yet, in the process, systems should to be kept simple in order to avoid burdening organisations with complex and time-consuming demands that may loose support.*

## 6. Effective support for capacity development

Building on the implications that have been listed through out this *brief*, this final section suggests some *additional actions* that development partners can take to improve the effectiveness of their capacity development support.

**Pay more attention to unleashing the potential for capacity development.** This potential is present in all situations in all countries. But participants need to focus more on finding, inducing, igniting, and unleashing endogenous human energy and commitment. This means paying less attention to gaps, and more on strengths.

According to a strength-based theory of action, the deeper capacity of human systems comes not from fixing things and solving problems, but from affirmation, from tapping into sources of commitment and imagination.

**Encourage effective leadership to help groups to work together.**

At the core of effective capacity development is endogenous energy, motivation, commitment and persistence. These add up to more than a vague notion of country ownership and they imply more than conventional 'leadership'. They require a process of encouraging and stimulating individuals to act either alone or, more likely, together. The leadership involved can take many forms from the individual heroic to the collective.

**Emphasise learning and adaptation.** At the core of capacity development is the practice, in some form, of learning and adaptation. In the majority of cases, the process needs to be shaped by adaptation, experimentation, learning and adjustment. That has implications for 'design', management, evaluation and all the other conventional aid functions. It also implies maintaining a broad range of types of interventions to match different conditions.

**Be more wide-ranging and creative about capacity development.** External actors need to think about the potential of using more indirect approaches to intervening, including buffering and protecting, the provision of information, providing tangible and intangible resources, networking and connecting, working to shift contextual factors and encouraging learning.

**Put more emphasis on understanding country context, identifying appropriate partners and building relationships.** The analysis from this study suggests that capacity development is a challenging process, and that an understanding of country conditions is crucial. This means having an appropriate level of staffing in-country with an appropriate skill mix. It also means finding the right balance between coordination work and engaging in policy dialogue and the acquisition of knowledge through interpersonal contacts and field experience.

**Develop the capabilities required to address capacity issues.** Addressing the implications of capacity development outlined in this brief will require increased investments in the issue by outside interveners. It will need to be seen as a speciality requiring dedicated resources. It will require more incremental planning processes and more organisational incentives to encourage staff to develop in-depth cultural understanding of partner countries. Monitoring and evaluation will have to put more emphasis on intangible aspects of development such as legitimacy and self-empowerment, as well as on the tangible outcomes.

**Notes**

- 1 *The research programme arose from a request from the UK's Department for International Development (DFID) to build on earlier work by UNDP on technical cooperation and capacity development. It was subsequently included in the workplan of the Network on Governance and Capacity Development (Govnet) of the OECD's Development Assistance Committee (DAC).*
- 2 *The case studies adopted an appreciative perspective, focusing on what has worked well and why.*
- 3 *see back page of this brief for details*
- 4 *See [www.accralf.net](http://www.accralf.net)*
- 5 *[www.oecd.org/dataoecd/4/36/36326495.pdf](http://www.oecd.org/dataoecd/4/36/36326495.pdf)*
- 6 *Although not part of the study's original conceptual framework, many of the findings of the research are informed by complex adaptive systems thinking. For further information, see: *The Idea and Practice of Systems Thinking and their Relevance for Capacity Development* (Peter Morgan, 2005)*
- 7 *In an earlier phase of this study, the capabilities were referred to as (1) the capability to act, (2) the capability to generate development results, (3) the capability to relate, (4) the capability to adapt and self-renew and (5) the capability to achieve coherence (see Morgan 2006; Engel et al., 2007).*
- 8 *As reflected in international agreements such as the 2005 Paris Declaration on Aid effectiveness and the recently adopted Accra Agenda for Action (see [www.accralf.net](http://www.accralf.net)). Pressures placed on development agencies to increase spending and disbursement rates also encourage investment in larger programmes.*



## Bibliography Capacity, Change and Performance

### Case studies with Summaries

Hauck, A. 2005. *Resilience and High Performance amidst Conflict, Epidemics and Extreme Poverty: The Lacor Hospital, northern Uganda*. (Discussion Paper 57A). Maastricht: ECDPM. [www.ecdpm.org/dp57a](http://www.ecdpm.org/dp57a)

Lacor Hospital in Gulu District, northern Uganda, formerly an isolated missionary hospital, is now fully integrated into the Ugandan health system. The case study describes how the hospital has grown into a centre of excellence, setting an example for the rest of the health system and helping to build health care capacity for the whole country. It is an extraordinary example of capacity development, adaptation and performance in a region characterised by civil war, extreme poverty and outbreaks of virulent epidemics.

Land, A. 2005 *Developing Capacity for Participatory Development in the Context of Decentralisation: Takalar District, South Sulawesi Province, Indonesia*. (Discussion Paper 57B). Maastricht: ECDPM. [www.ecdpm.org/dp57b](http://www.ecdpm.org/dp57b)

This case study examines how Takalar district in the Indonesian province of South Sulawesi took up the challenge of tackling rural poverty through the use of participatory development and community empowerment methodologies. The study looks at the capacity that was required of various local stakeholders, traces the processes through which the district, in partnership with JICA, undertook to develop the necessary capacity, and discusses the challenges encountered in sustaining interest in and the capacity for participatory development.

Saxby, C. 2005. *COEP - Comitê de Entidades no Combate à Fome e pela Vida – Mobilising against Hunger and for Life: An Analysis of Capacity and Change in a Brazilian Network*. (Discussion Paper 57C). Maastricht: ECDPM. [www.ecdpm.org/dp57c](http://www.ecdpm.org/dp57c)

This case examines a Brazilian social solidarity network, COEP (the Committee of Entities in the Struggle against Hunger and a Full Life) through the lens of organisational and social capacity and change. COEP is committed to building a just and inclusive society, one without hunger and poverty. Its members include government agencies, parastatals and organisations from the private sector and civil society. The case examines how the network has evolved and identifies the capabilities that have enabled it to become a thriving and dynamic network active through-out the country.

Land, A. 2005. *Developing Capacity for Tax Administration: The Rwanda Revenue Authority*. (Discussion Paper 57D). Maastricht: ECDPM. [www.ecdpm.org/dp57d](http://www.ecdpm.org/dp57d)

This case study explores the process through which Rwanda's revenue collection capability was transformed from that of a moribund government department into to respected and performing organisation in just 6 years. The Rwanda Revenue Authority was established in 1997 as a semi-autonomous executive agency. With substantial financial and technical support from Dfid and driven by high level political commitment to change from Rwanda's leadership, the authority has helped raise revenue collection from 9.5% of GDP to 13% of GDP.

Hauck, V., A. Mandie-Filer and J. Bolger. 2005. *Ringling the Church Bell: The Role of Churches in Governance and Public Performance in Papua New Guinea*. (Discussion Paper 57E). Maastricht: ECDPM. [www.ecdpm.org/dp57e](http://www.ecdpm.org/dp57e)

This case examines the role of Christian churches as institutional actors within Papua New Guinea's governance and service delivery landscape. It discusses their existing capabilities to engage in advocacy and policy related work, as well as to function as a partner of government in the delivery of social services. In so doing, it looks at the interplay of endogenous change processes and the development of capabilities to see how this has translated into the performance of various church-based institutions and the capacity of the church sector as a whole.

Bolger, J., A. Mandie-Filer and V. Hauck. 2005. *Papua New Guinea's Health Sector: A Review of Capacity, Change and Performance issues*. (Discussion Paper 57F). Maastricht: ECDPM. [www.ecdpm.org/dp57f](http://www.ecdpm.org/dp57f)

This case study looks at the recent reforms in Papua New Guinea's health sector from a capacity development perspective. It addresses a number of factors influencing capacity development, change and performance including issues internal to the National Department of Health, capacity issues at sub-national levels, the institutional "rules of the game" that guide attitudes, behaviour and relationships in the PNG context and in the emerging health sector SWAP, and broader contextual factors.

Watson, D and A. Q.Khan. 2005. *Capacity Building for Decentralised Education Service Delivery in Pakistan*. (Discussion Paper 57G). Maastricht: ECDPM. [www.ecdpm.org/dp57g](http://www.ecdpm.org/dp57g)  
 The Pakistan case is one of two that examine capacity issues in relation to decentralised education service delivery. The study explores the institutional environment and broader governance context within which institutional reform and capacity development has taken place. The study identifies factors that have either facilitated or constrained capacity development across the sector from the classroom level to the policy making level within central government.

Watson, D and L. Yohannes. 2005. *Capacity Building for Decentralised Education Service Delivery in Ethiopia*. (Discussion Paper 57H). Maastricht: ECDPM. [www.ecdpm.org/dp57h](http://www.ecdpm.org/dp57h)  
 The Ethiopia case is one of two that examine capacity issues in relation to decentralised education service delivery. The study explores the institutional environment and broader governance context within which institutional reform and capacity development has taken place. The study identifies factors that have either facilitated or constrained capacity development across the sector from the classroom level to the policy making level within central government.

Watson, D. 2005. *Capacity Building for Decentralised Education Service Delivery in Ethiopia and Pakistan: A comparative analysis*. (Discussion Paper 57I). Maastricht: ECDPM. [www.ecdpm.org/dp57i](http://www.ecdpm.org/dp57i)  
 This comparative analysis of the two cases on decentralised education service delivery in Ethiopia and Pakistan does three things. It summarises the main features of the two cases in terms of contexts, and features of the capacity building experience the two countries have had; compares the main features of contexts and capacity building experience with a view to drawing conclusions about the apparent significance of various aspects of this experience; distils conclusions about what factors appear to matter most in the relationship of change, capacity and performance, and as determinants of the feasibility of building effective capacity for devolved education service delivery over time. The paper is not a substitute for reading the full texts of the two cases.

Morgan, P. 2005. *Organising for Large-scale System Change: The Environmental Action (ENACT) programme, Jamaica*. (Discussion Paper 57J). Maastricht: ECDPM. [www.ecdpm.org/dp57j](http://www.ecdpm.org/dp57j)  
 This case looks at the Environmental Action (ENACT) Programme, a collaboration between Jamaica's National Conservation Resources Agency and the Canadian International Development Agency. ENACT's mandate was to work with Jamaican public, private and non-profit organisations to

improve their capabilities to identify and solve national environmental problems. Programme design began in 1990 but field activities only got under way in 1994. It took until 1999, to put in place all the pieces to make ENACT a high-performing support unit.

Morgan, P. 2005. *Building Capabilities for Performance: The Environment and Sustainable Development Unit (ESDU) of the Organisation of Eastern Caribbean States (OECS)*. (Discussion Paper 57K). Maastricht: ECDPM. [www.ecdpm.org/dp57k](http://www.ecdpm.org/dp57k)  
 This case looks at the experience of the Environment and Sustainable Development Unit (ESDU) of the Organisation of Eastern Caribbean States (OECS) located in St. Lucia. The unit, originally conceived as the regional implementing arm for projects funded by (GTZ) at the beginning of the 1990s, has since become a facilitating and bridging organisation responding to the needs of the Member States of the OECS. The study explains ESU's effectiveness in enhancing its organisational capabilities for performance over the period 1996–2003.

de Campos, F. and V. Hauck. 2005. *Networking Collaboratively: The Brazilian Observatório on Human Resources in Health*. (Discussion Paper 57L). Maastricht: ECDPM. [www.ecdpm.org/dp57l](http://www.ecdpm.org/dp57l)  
 This case looks at a network of university institutes, research centres and one federal office dealing with human resources questions in the health sector of Brazil. The study explores how informal networking developed into a formal network delivering outputs and outcomes and potentially impacting the well-being of society. The network is seen as a unique and successful case of state–non-state interaction in health, and has raised interest among regional and international observers from the health sector, from network specialists and from development agencies dealing with institutional development.

Rademacher, A. 2005. *The Growth of Capacity in IUCN in Asia*. (Discussion Paper 57M). Maastricht: ECDPM. [www.ecdpm.org/dp57m](http://www.ecdpm.org/dp57m)  
 This study explores the growth of capacity in IUCN in Asia over the period from its inception in 1995 to early 2005, and assesses how capacity was built, maintained, and strengthened. In the first decades of its existence, the management of the global IUCN program was highly centralized. The effort to create an Asia Regional Program followed a global directive to decentralize in the mid-1990s. A regionalized IUCN was expected to be more responsive to its membership, more financially sound and sustainable, and more likely to realize IUCN's overarching goals.

Agriteam Canada. 2006. *The Philippines–Canada Local Government Support Program: A Case Study of Local Government Capacity Development in the Philippines*. (Discussion Paper 57N). Maastricht: ECDPM. [www.ecdpm.org/dp57n](http://www.ecdpm.org/dp57n)

This study explores capacity development and related performance improvement within the context of local governance in the Philippines. The paper describes the local government units and the enabling and regulatory environment as a system that is evolving and becoming stronger at the same time as the individual local government units are developing. Given the political and social context conducive to devolution and democratisation, after the fall of the Marcos regime, and the enabling policy environment created by the Local Government Code, endogenous local government capacity development began to occur. Certain external interventions were very effective in enhancing this endogenous local government capacity development process because of the specific approaches and methodologies that characterised these external interventions.

Rourke, P. 2006. *Strategic Positioning and Trade-related Capacity Development: The case of CTPPL and Russia*. (Discussion Paper 57O). Maastricht: ECDPM. [www.ecdpm.org/dp57o](http://www.ecdpm.org/dp57o)

This case explores the evolution and transformation of a trade-related capacity development initiative aimed at supporting Russia's accession to the WTO. At the outset, the programme focused on training provision and short-term technical assistance and worked mainly with government authorities. Lack of impact led to a rethink of strategy and an overhaul of the programme. The new programme aimed at developing a sustainable institutional capability across the government and private sector divide that could respond to emerging needs and serve itself as a provider of capacity development support and catalyst of change. This was achieved through a partnership arrangement between the Canadian Centre for Trade Policy and Law and a newly established policy institute led by Russian trade experts.

Morgan, P and H. Baser. 2006. *Building the Capacity for Managing Public Service Reform: The Tanzania Experience*. (Discussion Paper 57Q). Maastricht: ECDPM. [www.ecdpm.org/dp57q](http://www.ecdpm.org/dp57q)

This case study is about how Tanzania built its capacity to manage a complex process of institutional and organisational change. It explores why the support for reform and change has been more pronounced in Tanzania than in other African states and how this allowed the government to position its programme in the mainstream of global public sector reform. The heart of the strategy was based on the "new public management" and has been largely top down and supply driven, with many simultaneous institutional and organisational reforms. It is likely, however, that more pressure from the demand side will be needed to keep the reform programme energised over the medium and long term.

Morgan, P. 2006. *National Action Committee Western Cape (NACWC), South Africa*. Mimeo.

Summary at [www.ecdpm.org/capacitystudy](http://www.ecdpm.org/capacitystudy)

The National Action Committee Western Cape (NACWC) case was unique in a number of respects. It came at a time of rapid institutional and organizational change in South Africa as the country moved into the post-Apartheid period. It was an effort by groups in the non-profit sector to introduce a 'new institutional form' that would be aimed at reforming the public sector from the outside. And despite many advantages, the experiment ended up with outcomes that none could have foreseen at the outset.

### Thematic/reflection Papers

Brinkerhoff, D. 2007. *Capacity Development in Fragile States*. (Discussion Paper 58D). Maastricht: ECDPM. [www.ecdpm.org/dp58d](http://www.ecdpm.org/dp58d)

Engel, P., N Keijzer and T. Land 2007. *A Balanced Approach to Monitoring and Evaluating Capacity and Performance: A Proposal for a Framework*. (Discussion Paper 58E). Maastricht: ECDPM [www.ecdpm.org/dp58e](http://www.ecdpm.org/dp58e)

Banerjee, N. 2006. *A Note on Capabilities that Contribute to the Success of NGOs*. (Discussion Paper 57P). Maastricht: ECDPM. [www.ecdpm.org/dp57p](http://www.ecdpm.org/dp57p)

Brinkerhoff, D. 2006. *Organisational Legitimacy, Capacity and Capacity Development*. (Discussion Paper 58A). Maastricht: ECDPM. [www.ecdpm.org/dp58a](http://www.ecdpm.org/dp58a)

Morgan, P. 2006. *The Concept of Capacity*. Mimeo.

Watson, D. 2006. *Monitoring and Evaluation of Capacity and Capacity Development*. (Discussion Paper 58B). Maastricht: ECDPM. [www.ecdpm.org/dp58b](http://www.ecdpm.org/dp58b)

Taschereau S. and J. Bolger. 2005. *Networks and Capacity*. (Discussion Paper 58C). Maastricht: ECDPM. [www.ecdpm.org/dp58c](http://www.ecdpm.org/dp58c)

Morgan, P. 2005. *The Idea and Practice of Systems Thinking and their Relevance for Capacity Development*. Mimeo.

### Synthesis Papers

Baser, H. and P. Morgan. 2008. *Capacity, Change and Performance. Study Report*. (Discussion Paper, 59B). Maastricht: ECDPM. [www.ecdpm.org/dp59b](http://www.ecdpm.org/dp59b)

Morgan, P., T. Land and H. Baser. 2005. *Study on Capacity, Change and Performance. Interim report*. (Discussion Paper, 59A). Maastricht: ECDPM. [www.ecdpm.org/dp59a](http://www.ecdpm.org/dp59a)

Morgan, P. 2003. *Bibliography on Study on Capacity, Change and Performance*. Mimeo.



[www.ecdpm.org/infocentre](http://www.ecdpm.org/infocentre)  
[www.ecdpm.org/capacitystudy](http://www.ecdpm.org/capacitystudy)

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- L'Organisation Internationale de la Francophonie (OIF)
- Swedish International Development Agency (Sida)
- SNV Netherlands Development Organisation
- St Mary's Hospital Lacor, Uganda
- United Nations Development Programme (UNDP)

## Interested to read more?

Consult [www.ecdpm.org/capacitystudy](http://www.ecdpm.org/capacitystudy) to access published and unpublished documents linked to this research programme

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