

Study on Capacity, Change and Performance

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Objectives of the Study

- To improve understanding of:
 - *the meaning/dimensions of capacity*
 - *the complex connections between capacity and performance*
 - *how organisations/systems develop the capacity to perform*
- To offer insights /good practice on how to facilitate the capacity development process

Different Approaches to Capacity Development

- CD as TA
- CD as good development in general
- CD as empowerment
- CD as governance
- CD as broad institutional change
- C as a design element

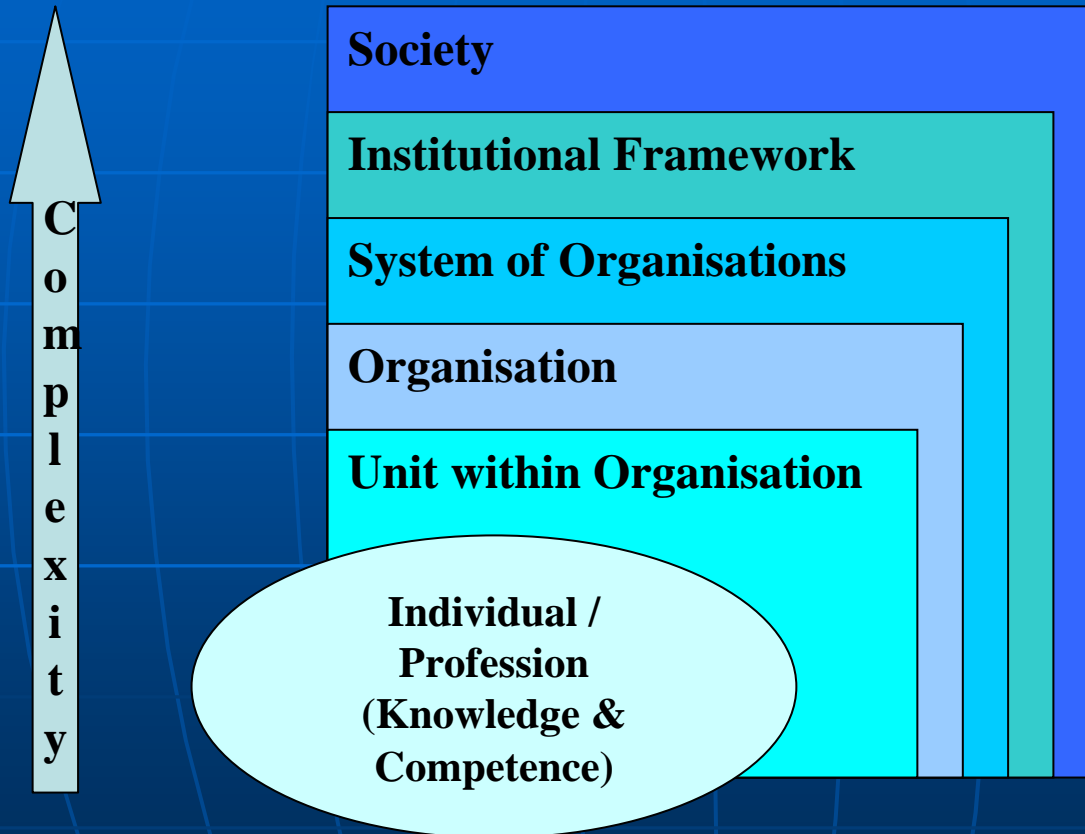
Approach

- Case-based enquiry (18):
 - Public sector: *CSR Tanzania*
 - Civil society: *IUCN Pakistan-Asia*
 - Entity level: *Lacor hospital N. Uganda*
 - System level: *Participatory dev Indonesia, Pakistan and Ethiopia education*
 - Networks: *COEP Brazil*
 - Stable environment: *ESDU E. Caribbean*
 - Fragile environment: *PNG Health sector reform*
- Feeding in learning from other processes incl from outside devpt cooperation

Status

- 12 cases finished or in good drafts
- 6 cases in process
- Draft bibliography prepared
- Series of occasional papers begun
- Preliminary findings published –
Capacity.org # 19
- Draft interim report

Levels of capacity



Strategies for Change

EXISTING SITUATION	BUILDING A STRATEGY	DESIRED SITUATION
What is the problem? Where are we now? What are the opportunities for change?	<i>Objective:</i> move from existing to desired situation <i>Steps:</i> Understanding the broad context – institutions Understanding what activities will lead to desired change -- level of broad policy -- technical level	What capacity is required? What are the elements of this? What are the long-term goals? What can be done in the short term? How will we know when we have succeeded?

Ethiopia and Pakistan

- Political and fiscal decentralisation after fight
- Reforms introduced top down

Components of capacity

- Break down concept
 - Hard and soft elements
 - Some permanent, some transitory
 - Create value internally or externally
- Examples -

Definitions

- Capacity – overall ability of an organisation or a broader system or institutional context to perform. It brings together individual competencies and collective capabilities.
- Capability – collective skill or ability of a group of individuals to perform a task or a function
- Competency – ability of an individual to perform

Approaches to change management

- Mainstreaming
- Social marketing
- Responsive engineering

Change enablers

- Relationships
- Intangible assets
- Tangible assets
- Structures, systems and procedures
- Leadership and management

Implications for donors

- Having mechanisms for voice
- Shared understanding of values and concepts

Approaches to leadership

- Heroic
- Empowerment of staff
- Consensual
- Building leadership within organisations
- Needs for leadership change with evolution of organisations

Learning

- Few organisations learn
- Requires systematic approach
 - Sharing of experiences/brainstorming
 - mentoring
- Part of regular work, NOT add on
- Include all staff
- Incentives – leadership, professionalism

Importance of legitimacy to building capacity

- Performance – service delivery, research, etc.
- Competence – knowledge, relationships, values
- Accountability
- Legitimacy

Dysfunctional environments

- Find niches

Role of donors

- Buffer for outside forces
- Provide time for learning
- Rethink old assumptions about use of mechanisms

Monitoring

- Many systems do not encourage learning
- Build on need of org
- Need simpler systems
- Importance of process monitors for capacity