

# Managing for Capacity Results

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There is increasing recognition of the crucial contribution that capacity makes to sustainable development. Its importance as a fundamental objective of aid is also more and more acknowledged. These trends suggest that developing countries and their partners who are committed to managing for development results (MfDR) need also to find ways to effectively manage for capacity results.

As the President of Rwanda, Paul Kagame, recently noted, capacity or “the ability to get things done” goes beyond formal qualifications and technical skills development. It includes the cultivation of invisible or “soft” attributes such as the ability to drive change and to build processes, organizations, and institutions which can deliver public services over the long term.

Yet, many developing countries and their partners find it challenging to get recognition for such results and the fact that they underpin “hard “or visible development outcomes and their sustainability. This makes it difficult to change approaches to program design (including how results are defined) and implementation so as to support the development of such “soft” kinds of capacity.

Building on a literature review and consultations, the paper provides examples of promising approaches for designing, managing and reporting on capacity results. Some are based on planned linear methods with definable links between inputs, outputs and outcomes, while others depend on open processes where results emerge out of the various interactions between actors, activities and the context. Some are well established with accompanying tools and years of experience, others are less developed. Many still remain outside the mainstream of management systems used by public bureaucracies and development agencies to design, manage and monitor development activities.

The approaches presented fall into three groups that naturally have overlaps. The first group includes a sample of general methodologies that can be used to support capacity development, including action research, a method of progressive problem solving led by individuals working with others in teams. Complexity-based approaches can help to better understand and cope with unpredictable processes and storytelling can articulate how CD actually unfolds in space and time.

The second group includes methodologies that address one or more of the “soft “dimensions of capacity, such as IDRC’s *Outcome Mapping*, which looks at changes in behaviours, relationships and actions of stakeholders. The World Bank Institute’s *Capacity Development and Results Framework* stresses learning and adaptive management as critical processes for CD. And UNDP’s *Defining and Measuring Capacity Development Results* considers sustainability as a key element of national institutional capacity.

The third group includes approaches that focus on one or more aspects of how capacity development activities are carried out. *NEPAD’s Capacity Development Strategic Framework* calls for a paradigm

shift in capacity development to capitalize on African resourcefulness. The *Danish Development Cooperation's Addressing Capacity Development* stresses operational concepts such as change readiness and change management capacity. And Keystone Accountability aims to improve downward accountability. The paper goes on to discuss issues brought out in the consultations which would, if addressed, help to ensure that capacity results are adequately captured and monitored in aid programs. These include the need to:

- Build awareness of the link between the “soft” intermediary or process results to be expected from much CD work such as motivation, cooperation, and leadership and “hard” development or service delivery outcomes,
- Build agreement among stakeholders at country level on what capacity results are sought in any intervention and how best these can be achieved and actual progress be appreciated,
- Explore the potential for using complexity-based approaches to help define, monitor and evaluate capacity interventions,
- Develop a better understanding of the contexts in which various methods for measuring or assessing capacity are most suited,
- Give accountability for capacity development the same attention as accountability for more tangible kinds of results,
- Ensure that monitoring and evaluation of capacity development programs gives more attention to their learning potential and to encouraging uptake for decision making, and
- Improve the capacity of both developing country and donor organizations to address capacity as a key development challenge.

Improving the record of capacity development implies changing current practices to engagement and appreciation of what constitutes progress. At the heart of this is being clear about how capacity results are understood, supported, perceived and reported on by all parties concerned. This is in part a technical challenge but it is a political one too. At a time when there is increasing pressure to account for development results, to demonstrate quick wins and concrete outputs, and to upscale spending, politicians need to be convinced that investing in long-term capacity development makes sense. The presence of non-OECD donors is important here. Already the fact that these donors offer aid with few strings attached make them attractive competitors to traditional donors who see their influence slipping. Does this provide an incentive for OECD donors to change the nature of their relationships with developing countries?

The consultations brought out the interest in a concerted in depth exploration of the issues that this paper has only begun to articulate. A workstream, perhaps in the framework of LenCD, would open an opportunity for further collective analysis and strengthening of the evidence base. The momentum building up for HLF IV in Busan later this year offers an excellent opportunity for a serious, well resourced and sustained learning and advocacy effort that could make a difference for development practice in the years to come.