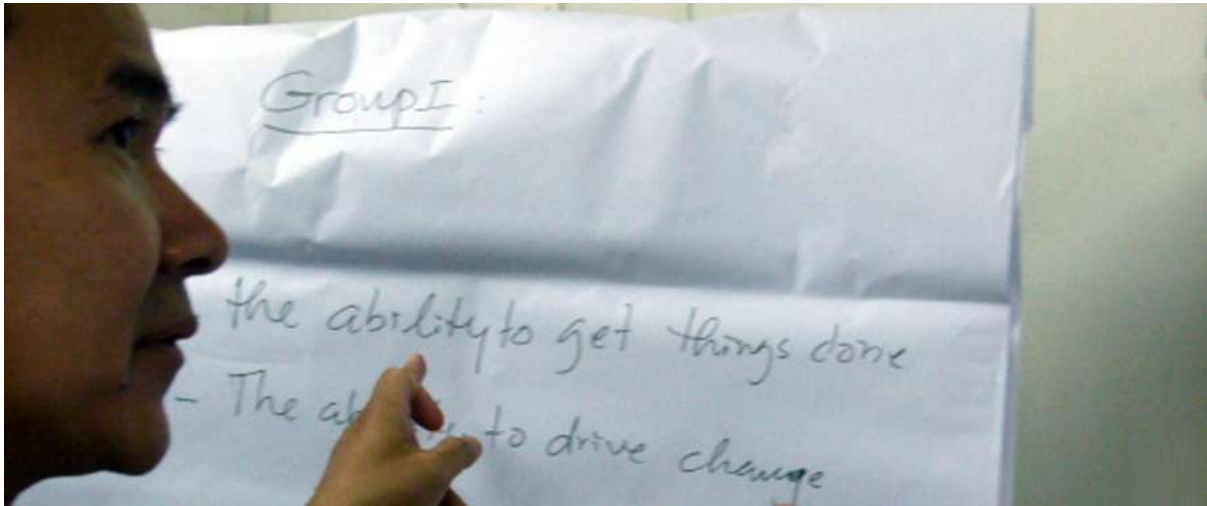**Part 1**

The Core Concept

Jenny Pearson

November 2011

www.lencd.org/learning

LenCD

Learning Network on Capacity Development

Contents

Introduction

The purpose of this resource is to provide an overview and synthesis of current thinking about capacity development. It has been developed in a collaborative process by a working group supported by LenCD and Train4Dev. **There is no intention either to create a new theory or approach to capacity development or to promote any of the existing theories and models as being better than others.** What is offered in the following pages is a summary of many different strands of current theories and practice from many different sources. This summary is presented in a way that can help readers get an overview of the issues and then access other resources for anything they want to explore further.

It is hoped that the resources in the package will be of benefit to many practitioners from multiple disciplines. However, all readers should be aware that the primary target audience for this resource is national practitioners working at national or sector level. Practitioners who have a different profile may need to explore additional resources or to adapt any advice or guidance offered in the package as necessary for their own context and mandate.

The first section is a short summary of the core concept that can be used as a resource on its own. This is followed by sections that go into different aspects of current thinking about capacity development in more detail.

If you need explanation about any of the words and phrases in the following pages there are two glossaries that you will find helpful:

UNDP: *Capacity Development: A UNDP Primer*, United Nations Development Programme, Capacity Development Group, New York, 2009. (The Capacity Development Glossary begins on page 53.)
http://content.undp.org/go/cms-service/download/publication/?version=live&id=2222263

WBI: *Shared Glossary to Build Understanding of Concepts in Capacity Development and its Results*, World Bank Institute
http://capacitydevelopmentindex.pbworks.com/w/page/4020156/FrontPage
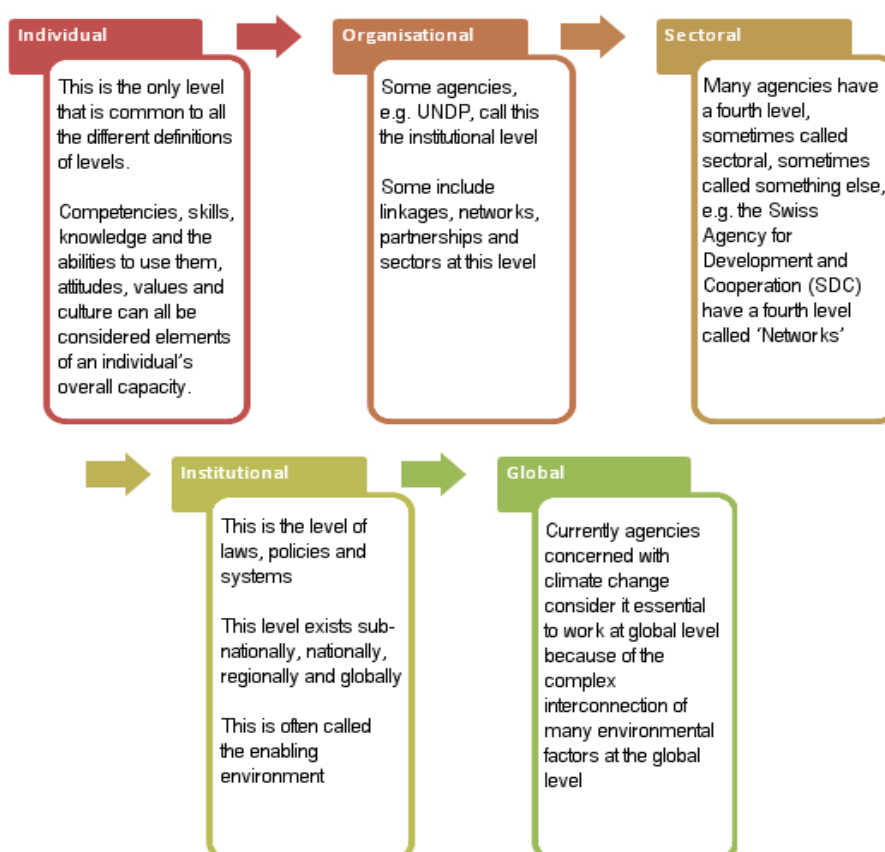
Capacity: a summary of the core concepts

The study of capacity and the practice of capacity development are dynamic and ongoing processes which are happening against the background of growing global inequity and limited progress on alleviation of poverty. Capacity development is about change and transformation through designing and facilitating culturally appropriate local solutions to development issues at a large enough scale to make a real difference for human development. The capacity development process is an endogenous one, led by national actors, which may (or may not) be supported by development partners. It is therefore up to the national actors to set their own capacity development objectives within their political and governance systems. Capacity development is also a complex process and inherently political as it deals with change, which leads to gains for some and losses for others that need to be managed. Ownership is a prerequisite for sustainable capacity development, as is having clarity about whose capacities are to be developed and for what purpose.

This section shows three dimensions of capacity, namely: **Levels, Types of capacity, and Themes for application**.

Levels

Any comprehensive analysis embraces the fact that capacity exists at multiple levels. One of the most frequently used specification of levels is **Individual – Organisational – Institutional**. However there are many variations on this theme, both in terms of what the levels are called, and how many there are.

The illustration below shows that it is not possible to offer clear cut definitions about levels, and it would not be wise to try to do so. Each agency needs to define the levels that are appropriate for their particular mandate and context. The really important point to stress is that, if capacity development initiatives are to have any chance of achieving sustainable results, **capacity needs to be considered not just at one level, but in terms of the linkages between levels and the complexity of the whole system.**

Individual

This is the only level that is common to all the different definitions of levels.

Competencies, skills, knowledge and the abilities to use them, attitudes, values and culture can all be considered elements of an individual's overall capacity.

Organisational

Some agencies, e.g. UNDP, call this the institutional level

Some include linkages, networks, partnerships and sectors at this level

Sectoral

Many agencies have a fourth level, sometimes called sectoral, sometimes called something else, e.g. the Swiss Agency for Development and Cooperation (SDC) have a fourth level called 'Networks'

Institutional

This is the level of laws, policies and systems

This level exists sub-nationally, nationally, regionally and globally

This is often called the enabling environment

Global

Currently agencies concerned with climate change consider it essential to work at global level because of the complex interconnection of many environmental factors at the global level

An example of using the levels to create a framework for action comes from Rwanda, where the Public Sector Capacity Building Secretariat has identified the need for capacity creation, utilization and retention and applied these at individual, organisational and institutional/policy levels to develop a matrix which guides the work on capacity development, as shown below:

	Capacity creation	Capacity utilization	Capacity retention
Individual level	Development of adequate skills, knowledge, competencies and attitudes	Application of skills, knowledge, competencies on the workplace	Reduction of staff turnover, facilitation of skills and knowledge transfer within institutions
Organisational level	Establishment of efficient structures, processes and procedures	Integration of structures, processes and procedures in the daily workflows	Regular adaptation of structures, processes and procedures
Institutional and policy environment level	Establishment of adequate institutions, laws and regulations	Enforcement of laws and regulations for good governance	Regular adaptation of institutions, laws and regulations

Types of capacity

As with other information given in this section about the core concept, the lists below of types of capacity are not intended to be definitive. These lists are simply a synthesis of current ideas drawn from many different sources. Different agencies differentiate types of capacity according to what fits best to their frameworks. It is advisable for anyone working on capacity development initiatives to spend some time to think about what types and differentiations of capacities fit best to their own needs.

As shown below, types of capacity are often distinguished under different headings such as 'hard and soft' 'technical/functional' and 'social/relational', or 'visible and invisible'. The distinctions between some of these capacities are not always as clear cut as the boxes suggest, they are presented in this way to highlight the classification of the types. There is now a growing recognition that in many circumstances soft capacities are essential underpinning requisites for other types of capacity to exist.

Different types of capacity may be applied to individuals, groups, organizations, networks as well as to the systems and conditions in institutional enabling environments. According to the context different capacities are needed for different reasons, in different combinations and measures. Most usually capacity will be a mix of hard and soft components that fit to the context and enable individuals, organizations, networks and broader social systems to carry out their functions and achieve their development objectives. Support for the development of any capacity therefore needs to be approached in different ways. See the 'How to' pages for more information.

Types: examples of hard and soft capacities	
Hard	**Soft**
Capacities that are generally considered to be technical, functional, tangible and visible	*Capacities that are generally considered to be social, relational, intangible and invisible*
- Technical skills, explicit knowledge and methodologies (which for individuals can be considered as competencies) - Organisational capacity to function: appropriate structures; systems and procedures for management, planning, finance, human resources, monitoring and evaluation, and project cycle management; the ability to mobilise resources - Laws, policies, systems and strategies (enabling conditions) **Note:** tangible resources like infrastructure, money, buildings, equipment and documentation can be considered as the material expression or product of capacity, but they are not capacity in and of themselves.	**Operational** capacities such as: - Organisational culture and values - Leadership, political relationships and functioning - Implicit knowledge and experience - Relational skills: negotiation, teamwork, conflict resolution, facilitation, etc. - Problem solving skills - Intercultural communication **Adaptive** capacities such as: - Ability and willingness to self-reflect and learn from experience - Ability to analyse and adapt - Change readiness and change management - Confidence, empowerment and or participation for legitimacy to act

Themes for application

At national, regional and global levels capacity development cuts across multiple themes and their related disciplines and communities, serving to connect the knowledge and experience that exists in each. Many agencies define themes for application of their capacity development work as a way to operationalise the overall guiding concept to local context and need or their own particular mandate. In some cases the themes define the areas in which capacity is needed, in others the themes are the drivers of change. Some examples of themes for application are given below, grouped to show some of the more obvious linkages. These themes can bring together many technical disciplines, schools of thought and communities of practice.

Examples of themes for application according to need are:

- Human capacity; human resource development; leadership
- Fragile states (this is also considered to be a context)

A national level framework was developed as part of the Ethiopian Civil Service Reform Programme launched in 1998. It was built around three areas of capacity need, specified as: human capacity; systems and procedures; and organisational structures and interrelationships

Examples of themes as drivers of change are:

- Democratic governance; accountability and transparency; citizen participation; ownership
- Institutional arrangements; systems and procedures; incentive structures; managing for capacity development results; organisational structures and interrelationships
- Knowledge and knowledge management

As with the other aspects of the core concept the way themes for application are used differs from one agency to another because they each work out what is best for their context. For example, where some agencies have accountability as a sub-component of democratic governance, the UNDP framework has *accountability* as a one of its four 'Core Issues' (the other three are *institutional arrangements, knowledge* and *leadership*).

An example of using themes to structure a strategic approach to capacity development at a regional level is the NEPAD Capacity Development Strategic Framework, which specifies six cornerstones as the most critical success factors for capacity development in Africa as being:

1. Leadership transformation
2. Citizen transformation
3. Knowledge and evidence based innovation
4. Utilizing African potential, skills and resources
5. Developing capacity of capacity developers
6. Integrated planning and implementation for results.

Currently there are a range of different definitions of capacity and approaches to capacity development in use by different agencies, some of which are described on the following pages.

Capacity: what is it?

Definitions and meaning in the development context

Some development agencies have taken the ideas from general meaning of the word capacity and applied them to create a definition that relates specifically to development. This is good because it starts to make the word more relevant to the development context, but there are several of them from various sources, so it is necessary to think about which works best for the context under consideration.

Examples of capacity definitions

- **ECDPM**: That emergent combination of individual competencies, collective capabilities, assets and relationships that enables a human system to create value.
- **President Paul Kagame of Rwanda**: Capacity or "the ability to get things done" goes beyond formal qualifications and technical skills development to include the cultivation of intangible 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.
- **Ubels et al, Earthscan/SNV**: The ability of a human system to perform, sustain itself and self-renew.
- **UNDP**: The ability of individuals, institutions and societies to perform functions, solve problems, and set and achieve objectives in a sustainable manner
- **OECD**: Capacity is the ability of people, organisations and society as a whole to manage their affairs successfully.
- **WBI**: The availability of resources and the efficiency and effectiveness with which societies deploy these resources to identify and pursue their development goals on a sustainable basis.

Two examples about the NGO sector are interesting because they have been created to fit to a specific group of organisations and what they need to do:

- **Allan Kaplan/CDRA**: The ability [of an organization] to function as a resilient, strategic and autonomous entity.
- **New Zealand Council for International Development**: The measure of an NGO's ability to satisfy or influence stakeholders, consistent with its mission.

See *Background reading* below to find links to the documents that these definitions come from, with details of the sections/pages where more information can be found.

Reflection questions (for group discussion or self-study)

Everyone concerned with capacity, whatever their roles and responsibilities, needs to have a good understanding of what the word is about in their context and for the area in which they are operating. So you might find that the definitions given above are not specific enough to be particularly helpful for your context. Before going on to any of the other sections, it is worth taking some time to clarify what you and your colleagues understand about capacity.

- How would you describe the main ideas that are coming across in these definitions?
- Which words and phrases stand out as being really important for your organisation and context? Which words or phrases are not important, and why?
- In what ways does this fit with or change your previous thinking about how capacity is defined?

See also the **Trainer and Facilitators' Guide** for more exercises to explore applying the ideas about capacity to your context.

Resources for further reading

The sources of the definitions given in this section are listed below. Each reference tells you where you can find the definition and more discussion about it in the document.

ECDPM (2008) **Capacity Change and Performance: Insights and Implications for Development Cooperation**, Chapter 3: The Concept of Capacity – introduction section on page 23. European Centre for Development Policy Management, Maastricht, 2008.
http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/5321BD4DC0C1DB09C1257535004D1982/$FILE/PMB21-e_capacitystudy.pdf

President Paul Kagame (2011): **Address to the gala dinner to celebrate the 20th anniversary of the African Capacity Building Foundation**, Kigali, February 8, 2011. Office of the President.

OECD (2006) **The Challenge of Capacity Development: Working Towards Good Practice**. Organisation for Economic Co-operation and Development, DAC, Guidelines and Reference Series, Paris. See 'Basic Understandings' on page 12. http://www.oecd.org/dataoecd/34/29/42389282.pdf

Ubels et al (2010) **Capacity Development in Practice**. Earthscan, London, 2010. See "The issue of definitions" (page 3) and "A living view on capacity" (page 5).
http://www.snvworld.org/en/Pages/CapacityDevelopment.aspx

UNDP (2009) **Capacity Development: A UNDP Primer**, United Nations Development Programme Capacity Development Group, New York. See Introduction Section, p. 5, and Capacity Development Glossary, p. 53.
http://content.undp.org/go/cms-service/download/publication/?version=live&id=2222263

WBI (2009) **The Capacity Development Results Framework**, World Bank Institute, Washington. See "Two essential definitions", p. 3.
http://siteresources.worldbank.org/EXTCDRC/Resources/CDRF_Paper.pdf

Kaplan, A (1999) **The developing of capacity**, Community Development Resource Association Cape Town. See page 20.
http://www.cdra.org.za/images/publications/The%20Developing%20Of%20Capacity%20-%20by%20Allan%20Kaplan.htm

New Zealand Council for International Development (1999) **Resource Kit for Working with NGOs**.
http://www.cid.org.nz/training/Resource_Kit_-_Capacity_Building.pdf

Capacity development

The starting point for thinking about capacity development is in some short questions - 'Whose capacity?' and 'Capacity for what?' and, when those questions have been answered, 'How?'

'Whose capacity?' and 'Capacity for what?' should always be answered in terms of a development result, so that it is clear why the capacity is needed. General definitions of capacity development link to broad target groups and general development results, as set out in this very clear example from CIDA:

> *The activities, approaches, strategies, and methodologies which help organizations, groups and individuals to improve their performance, generate development benefits and achieve their objectives.*

An example of how to answer the questions within a specific context, i.e. the '*capacity for what?'* question is:

> *The aim of capacity development is to ensure that local health authorities have the conditions and resources needed to provide national immunisation coverage in order to reduce infant mortality.*

Answering the 'How?' question is dependent on many factors and this learning package has been created to offer some help and guidance to those looking for ideas.

Definitions

Before looking at any definition the first point to mention is the use of two different terms – capacity building and capacity development. In general it can be said that capacity building was in use before capacity development. One of the primary reasons for the change in terminology is that capacity building is now seen to imply starting at a zero point with the use of external expertise to create something that did not previously exist, and that this concept neither acknowledges nor respects the inherent capacity and organic development processes that exist everywhere. Capacity development, on the other hand, emphases the inherent existence of endogenous development processes in all countries and communities, and addresses the need to support and or facilitate processes that are already underway. However, a point that links both these ideas together is the concept of '*building on existing capacities'*. So there is yet to be universal agreement about which is the most appropriate term and as a result both are still in common usage, though many organisations have moved away from capacity building in favour of capacity development.

As with the definitions of capacity different agencies have their own definition of capacity development. The definitions reflect, in some cases quite strongly, the specific business processes and logics of the agencies that defined them, and that is entirely appropriate because a definition should always be context-relevant. Below are a few examples of the best known definitions:

Examples of capacity development definitions

ECDPM: The process of enhancing, improving and unleashing capacity; it is a form of change which focuses on improvements.

NORAD: Capacity development is a process by which individuals and organizations increase their abilities to successfully apply their skills and resources toward the accomplishment of their goals and the satisfaction of their stakeholders' expectations.

OECD: The processes whereby people, organisations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time. (Many agencies, for example EuropaAid, GIZ and ADB, have decided to adopt this definition.)

SDC: The process to improve performance at the individual, organisational, network and broader system levels with the aim of increasing management and resource potentials.

UNDP: The process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time.

USAID: Approaches, strategies, or methodologies used by USAID and its stakeholders to change, transform, and improve performance at the individual, organizational, sector, or broader system level.

WBI: A locally driven process of learning by leaders, coalitions and other agents of change that brings about changes in sociopolitical, policy-related, and organizational factors to enhance local ownership for and the effectiveness and efficiency of efforts to achieve a development goal.

Looking at these definitions as a group, a few interesting points emerge, because despite the differences, some ideas are common to all or most of them. The definitions all describe the purpose of capacity development as some form of improvement in the lives, performance and circumstances of those concerned. Change is a common theme in the definitions, but the implicit assumptions about how change happens are different. The OECD and ECDPM definitions are based on the belief that change comes from within and capacity development 'unleashes' it; CIDA and USAID focus on inputs as necessary to 'improve performance'; and WBI states that change is a 'driven process of learning'; and SDC's approach emphasises the two dimensions of developing organizations and networks within a systems perspective.

Reflection questions (for group discussion or self-study)

Within your organisation or network of capacity development practitioners you might find it useful to explore two related questions that will help you to define your approach to capacity development.

- Which theory of change do you feel is most appropriate for your context? This question links to the approaches to capacity development in use in your work environment, including any national or local strategies, or approaches being used by donor agencies working in your sector.

- How do you conceptualize organisations, their dynamics and relationships with the environment? Some concepts in current use are organizations as: machines; networked social organisms; families or communities; fitting with their environment; and, political arenas. How you understand your organisation influences very much how you look at related capacity development issues.

Where has it come from?

Capacity development has been emerging as a central approach within development for more than two decades. The table below shows how development started in the 1950s with a very simple focus on financial aid and has gradually, since then, changed through shifting approaches/paradigms. The table shows step by step how thinking has evolved and brought new ideas into the practices of development through the decades. The various approaches of the past are building blocks, all of which are still in place. It's important to remember that **capacity development has not replaced aid, technical assistance or technical cooperation**; its introduction alongside those other approaches has brought about a paradigm shift for development. However, it has to be noted that the overall paradigm is now very complex, with many different – sometimes conflicting – component parts.

The Paris Declaration and Accra Agenda for Action

The consensus on the importance of capacity development was strongly articulated in the 2005 Paris Declaration and the 2008 Accra Agenda for Action. Both highlighted the importance of partnerships, and the Accra Agenda for Action also stressed the importance of country ownership and leadership. One of the outcomes of these statements is an understanding that development partners' role is not to introduce their own initiatives but to support partner countries in translating capacity development concepts into their own tangible solutions, and work towards mutual understanding and support on both sides.

It is inherent in this paradigm shift that there are strong links between capacity development and aid effectiveness and that technical assistance and technical cooperation should be used as mechanisms to support capacity development. Because in the past technical assistance and cooperation were often donor driven, applying the change in thinking to the practice can create considerable challenges and as a result capacity development frequently gets caught up in the debates about mechanisms for aid. The really important message is that capacity development is and should be about locally led endogenous processes.

For the full text of these guiding documents, see:
Paris Declaration: http://www.oecd.org/dataoecd/15/3/46874580.pdf
Accra Agenda for Action: http://siteresources.worldbank.org/ACCRAEXT/Resources/4700790-1217425866038/AAA-4-SEPTEMBER-FINAL-16h00.pdf

---

The table below shows how capacity development has emerged. The paradigm shift has been from an approach based on technical capacities to one emphasising the need to enhance existing human and organisational assets through close collaboration with individuals, organisations and societies. The focus is now on national ownership and leadership with regard to the broader political and social context. The paradigm is still shifting as experience informs policy, practice and theory all the time.

The origins of capacity development[1]

DEVELOPMENT APPROACH	PRACTICES	STARTED	ASSUMPTIONS	RESULTS
Development Aid Developed countries lend or grant money to developing countries	**Institution building** • Objective was to equip developing countries with the basic inventory of public sector institutions that are required to manage a program of public investment • Focus was on the design and functioning of individual organizations, not broader environment or sector • Imported or transplanted models from developed countries were often used	1950s and 60s	Developing countries need money	• Greater focus on investment and reporting than on results • Mounting debt • Dependence on foreign aid • Projects end when money runs out
Technical Assistance Foreign experts come in to operate their own projects, which they expect to yield similar results to those seen in developed countries ***Technical Cooperation*** Greater emphasis on training, transferring knowledge, based on national policies and priorities	**Institutional strengthening/development** • Shift from establishing to strengthening institutions • Focus was still on individual institutions and not a broader perspective • Tools were expected to help improve performance	1960s and 70s	Developing countries should just model themselves after the developed ones Few or no resources available locally Developing countries should partner with developed ones	• Projects launched, but disconnected from local goals or priorities • Dependence on foreign experts • Expertise not always transferred from foreigners to locals • The externally driven models often ignore local realities • Idea of 'assistance' highlights unequal relationship between developed and developing countries • Local expertise enhanced • Projects somewhat more in line with local priorities and goals • Driven by outside forces,
	Development management/administration • Objective was to reach special public or target groups previously neglected • Focus was on delivery systems of public programs and capacity of government to reach target groups	1970s		
	Human resource development • Development is about people • Stressed the importance of education,	1970s, 80s		

---

[1] This table is a combination of two other tables: ***Conceptual Predecessors to Capacity Development***, on page 2 of *Capacity Development: Definitions, Issues and Implications for Planning, Monitoring and Evaluation* Charles Lusthaus, Marie-Hélène Adrien, Mark Perstinger Universalia Occasional Paper No. 35, September 1999 available at http://209.104.93.164/site/files/occas35.pdf and ***The evolution of UNDP's Capacity Development approach*** on page 8 of *Capacity Development: A UNDP Primer* available at http://www.undp.org/capacity/publications.shtml. Both documents are helpful background reading to understand the general concepts of capacity and capacity development.

DEVELOPMENT APPROACH	PRACTICES	STARTED	ASSUMPTIONS	RESULTS
	health, population • Emergence of people centred* development			opportunities missed to develop local institutions and strengthen local capacities • Expensive
	New institutionalism • Focus was broadened to sector** level (government, NGO, private) including networks and external environment • Attention given to shaping national economic behaviour • Emergence of issue of sustainability and move away from focus on projects • Rooted in field of institutional economics • Set the scene for the emergence of the 'governance' focus that is now prominent	1980s, 90s		
Capacity Development A focus on empowering and strengthening endogenous capabilities	**Capacity development** • Emerged in the 1990s as an aggregate of many other development approaches • Re-assessed the notion of technical cooperation (TC) • Stresses importance of ownership and process • Has become "the way" to do development	Late 1980s and 1990s	Developing countries should own, design, direct, implement and sustain the process themselves	• Makes the most of local resources – people, skills, technologies, institutions – and builds on these • Favours sustainable change • Takes an inclusive approach in addressing issues of power inequality in relations between rich and poor, mainstream and marginalized (countries, groups and individuals) • Emphasizes deep, lasting transformations through policy and institutional reforms • Values 'best fit' for the context over 'best practice'; as one size does not fit all

* Some of this change was influenced by political emancipation frameworks, conceived by Paolo Freire and others outside the aid sector, that were highly influential in the emergence of 'participation' as a concept and practice for development.
** The word sector most usually refers to functions – health, education, agriculture, etc. but in this context the word was used to denote types of organisation and institution.

Links to some models and approaches

Below are links to some models that have been developed by development agencies and institutes, together with the IDRC Outcome Mapping model.

- ECDPM (2008) **Capacity Change and Performance: Insights and Implications for Development Cooperation**, European Centre for Development Policy Management, Policy Management Brief no. 21, Maastricht http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/5321BD4DC0C1DB09C12 57535004D1982/$FILE/PMB21-e_capacitystudy.pdf
- EuropeAid (2009) **Toolkit for Capacity Development**, Tools and Methods Series, Reference Document No. 6, European Commission, Brussels http://ec.europa.eu/development/icenter/repository/backbone_strategy_toolkit_technical_coop eration_en.pdf
- IDRC: Various documents about IDRC's Outcome Mapping model are available at: www.idrc.ca/en/ev-26586-201-1-DO_TOPIC.html
- SDC: Capacity development framework. Available at http://www.deza.admin.ch/en/Home/Themes/Learning_and_Networking/Capacity_Developme nt
- UNDP (2009) **Capacity Development: A UNDP Primer**, United Nations Development Programme Capacity Development Group, New York, 2009 http://content.undp.org/go/cms-service/download/publication/?version=live&id=2222263
- WBI (2009) **The Capacity Development Results Framework**, World Bank Institute, Washington, 2009. http://siteresources.worldbank.org/EXTCDRC/Resources/CDRF_Paper.pdf

The relevance of culture and context

In general terms a country's culture is the system of values, beliefs, norms and practices of its society, including religious and traditional beliefs. Culture can vary a great deal from one country to another and sometimes even within countries between different geographic regions and or social groups. Aspects of culture that might be particularly relevant to development are, for example, traditional beliefs and practices about ownership of land, justice, and social hierarchies. Such beliefs and practices are often highly influential in terms of where and how progress can be made towards the achievement of development goals, and the pace of change. Concepts such as participation, for example, need to be adapted to local contexts, because how it is understood and applied in one culture might be very different to how people work with it in a different setting. This is why capacity development initiatives need local leadership and ownership at the point of implementation.

Culture can often be slower to change than context because it is based on strong patterns of social beliefs and behaviours from the past. In this respect it is helpful to be aware of the syndrome of 'path dependency' which means that people continue to make decisions based on past or traditional practices or preferences even if apparently better alternatives are available. However, even though they may be slow and difficult to achieve changes in culture-based beliefs are often very important for capacity development. A clear example has been shown in places where the cultural barriers to girls education have been overcome, resulting in long-term positive impacts on family health and economy, and through them improved community wellbeing.

Context is a way of describing the combination of factors that apply to a place or situation at any given time. These include political and institutional systems, relationships between the country and its neighbours in the region and the world, the political economy underpinning the relationships between political and economic powers, the power dynamics between social and economic groups, and other economic, geographic and social factors. For example, a country's agriculture sector might have the potential to produce food surpluses that could be sold into world markets to generate much needed income, but the route to ports is through neighbouring country B that is currently in the grip of civil war. Thus the context of the neighbour is a huge contextual factor in country A's ability to expand its agricultural capacity and the national economy.

Capacity is always contextual in that it can only be appropriately defined and understood in relation to the innumerable environmental and cultural factors in the context under consideration. Context changes constantly, for example through the election of a new president and political party, the enactment of new legislations, or the signing of important trade agreements with neighbouring countries. In the example above if peace came to the neighbour country B it would likely be possible for country A to establish the necessary agreements and logistic arrangements to export its produce, resulting in significant capacity development for both farmers and the national economy. Sometimes the change can be very quick and dramatic, as in several Asian countries in a matter of hours following the tsunami of 26th December 2004. Previous development priorities for the affected areas needed to be put aside because of the urgent need to respond to the humanitarian crisis, and then later to rebuild after the devastation caused through loss of life and damage to many communities.

The relationship between culture, context, capacity and change – whether achieved slowly over time or in a dramatic incident – is very complex in that capacity and change are embedded within context while at the same time it is the context that offers the potential levers for change. The context both impinges on and is influenced by a capacity development process, and it might also change for other reasons such as happened during the global economic crisis, people's uprisings, regional instability, or a natural disaster. Without doubt one of the most important factors is the socio-political environment of a country and how it influences the leadership to promote change, to sequence it or to block it. For instance in a country emerging from an ethnic conflict there might be strong resistance to the devolution of power to local-regional councils, if the conflict brought one ethnic group to power and devolution means empowering the other in regions where it represents the majority.

Many agencies now recognise that assessment, implementation and learning processes need to start with the 'big picture' issues of power and politics, economic factors and cultural perspectives on gender and human rights. However, the big picture analysis needs can also be helpfully informed by consideration of any locally led initiatives that have proved successful and could, therefore, potentially make very constructive contributions to policy development at the national level. Awareness and understanding of the context at the start of a capacity development process is not enough, it is important to keep monitoring and responding to changes in the context in order to ensure continuing relevance.

As the examples above show culture and context define the relevance and limits of any type of capacity development intervention, at all levels. Most important of all in any circumstance, national or local, is understanding whether or not the political will to change exists. There would be no point in expanding educational facilities to cope with all primary aged children without simultaneous initiatives with the local community leaders to overcome the resistance to educating girls. Decentralisation and deconcentration systems will not work if the political structure is fragmented by ethnic rivalries. Country A might never be able to negotiate safe passage of its goods to ports if country B's governments has a vested interest in keeping country A poor. Cultural and contextual issues also affect the options for scale up and spread of good practice from one location to another. There have been many instances where resources were wasted on inappropriate initiatives because complex contextual factors, especially the political economy, negated the potential effectiveness of the interventions. Scale up activities are most likely to be appropriate when their design is informed by in-depth understanding that the same intervention or processes might lead to the creation of different results in different places.

Reflection questions (for group discussion or self-study)

Working through the following reflection questions might help you to pull together what you have understood and learnt from this information about capacity development.

- What are the main ideas coming across about capacity development?
- What are the interesting similarities and differences between the definitions used by different agencies?
- Which ideas resonate for your organisation and context? Which ideas are not important, and why?
- In what ways do any of these ideas add value to the way capacity development has been conceived and practiced in your context?

Resources for further reading

OECD: *The Challenge of Capacity Development: Working Towards Good Practice.* 'Organisation for Economic Co-operation and Development, *DAC Guidelines and Reference Series* Paris. 2006. Available at: *www.oecd.org/dataoecd/34/29/42389282.pdf*

Ubels et al: *Capacity Development in Practice* Earthscan, London, 2010. Also available at http://www.snvworld.org/en/Pages/CapacityDevelopment.aspx

Kaplan, A: *The developing of capacity*, Community Development Resource Association Cape Town (1999) www.cdra.org.za

Towards a shared understanding about the principles and values of capacity development

Why is agreement needed?

Good practice for capacity development has already been identified and documented in resources such as the OECD's 2006 publication *The Challenge of Capacity Development: Working towards good practice,* and others. The challenges are now in how to operationalise what is known so that practice on the ground becomes more effective in contributing towards sustainable capacity and development results. A step towards reducing the challenges of introducing change in operations and practice would be to achieve a degree of shared understanding about the principles and values of capacity development between development actors from all perspectives. This would give everyone the means to talk the same language when working together to try to overcome challenges and agree about best practice for specific contexts. The point is not to try to make everyone adopt one set of ideas and think and work in exactly the same way: there are many risks in such an idea, not least stifling the creativity and diversity that are needed to respond in different contexts. It is more about having a shared understanding so that everyone operates within the same general framework of principles. A sporting analogy might be that at present there are times when some development activities can seem like a football team trying to play a cricket team and neither finding that the game proceeds as they expect it to. Whereas football teams from opposite sides of the world are able to play together because they share the same understanding about the game and how to play it, even if they have different strategies, tactics or skills.

Having a common understanding, underpinned by some shared principles and values, of what capacity development is, why it is needed, and how to approach it would help all actors to resolve the challenges of operationalising good practice and agreeing on the level of results.

What is agreement needed about?

1) Capacity development as a locally driven process

Local ownership is a prerequisite for capacity development. Donors are external actors, with a role to support the process of achieving locally defined objectives. As with other challenges the issue now is how to operationalise this shift and change the nature and pattern of past relationships. This requires alignment and harmonization of donor support, flexibility to modify approaches as required, as well as context-specific knowledge and understanding. This also implies certain limits where country conditions are unfavourable. Ownership, in its broad and inclusive sense including decentralized structures as well as civil society, private sectors, etc., should be openly and trustfully acknowledged from the beginning of the dialogue. This implies true and realistic commitment from the partner countries as well as flexibility from the donor's side supporting leadership. More transparency is needed for mutual accountability, both for capacity development results and for the costs of mutual investment.

2) Start from and build on existing capacities

The next challenge is about the recognition of existing capacities and how to use them as the basis for moving forward. The shift to starting with an appreciation of what already exists and how to build on endogenous processes is not yet complete. All actors can do a lot to make this shift by changing the way they approach capacity assessments and the formulation of capacity goals and assessments before beginning activities.

3) Shift the balance from supply to demand-driven support to capacity development

As noted elsewhere there is the recognition that sustainable capacity development is an endogenous process of change. This means that local actors know what capacity they need, how they think it can best be developed in their culture and context, and what support they need from development partners to achieve it. It also involves shifting all projects and activities towards programmatic and

longer-term approaches tied to locally formulated capacity development strategies. Everyone needs to work together to understand and agree how to make the strategic and operational shifts away from capacity development activities being based on external assessments and embedded in projects, to locally owned processes based on theories of change developed by local change agents.

4) Defining and measuring capacity results

There are many different ideas about how to define and measure capacity results within specific contexts. Among the challenges is the fact that sustainable results are often only achieved over time through multiple methods that address intricate and changing relationships between context and hard and soft capacities. Another is that in many contexts capacity development is a long-term process tied to political agenda, without a predictable, linear path. Yet another is that the search for effective methodologies also needs to embrace recognition that soft capacity results are often essential prerequisites for hard capacity results to come into place. Results based approaches answer a lot of needs for some development actors, especially donors and taxpayers who need to see that their money is being spent to good effect. Alongside this complexity theories hold that some aspects of capacity cannot be predicted and measured and that for multi-dimensional, multi-level and multi-sectoral contexts like large urban systems or post-conflict countries results can only be defined in broad terms that do not fit easily to many of the current ways of measurement. At present a lot of attention is being paid to finding effective approaches for 'managing for capacity results' i.e. to defining, implementing, monitoring and evaluating and adjusting capacity development efforts to effectively support sustainable development i.e. understanding not only 'what' has been achieved, but also 'how' it was achieved.

Reflection questions (for group discussion or self-study)

- What are the most important principles and values that need to be agreed among all development actors?
- What would be the advantages and disadvantages of trying to agree a common understanding?
- What will help you and those you and those you work with agree a common language that reflects a shared understanding about capacity development?

Resources for further reading

This section is drawn from the following documents, all of which go into these issues in more depth:

Managing for Capacity Results: A paper for the Cairo Workshop on Capacity Development. Heather Baser, 2011.
http://www.lencd.org/files/group/busan/document/2011/Managing_for_capacity_results/CAIRO_Managing_for_Capacity_Results_PAPER.doc

The Cairo Consensus on Capacity Development: Call to Action. March 2011 available at http://www.LenCD.org/event/2011/cairo-workshop-capacity-development-concepts-implementation

Training and Beyond: Seeking Better Practices for Capacity Development. Jenny Pearson, 2011, OECD, Development Co-operation Working Papers No. 1. Available at http://www.oecd-ilibrary.org/development/training-and-beyond-seeking-better-practices-for-capacity-development_5kgf1nsnj8tf-en;jsessionid=4ld21rkgpd5gq.delta