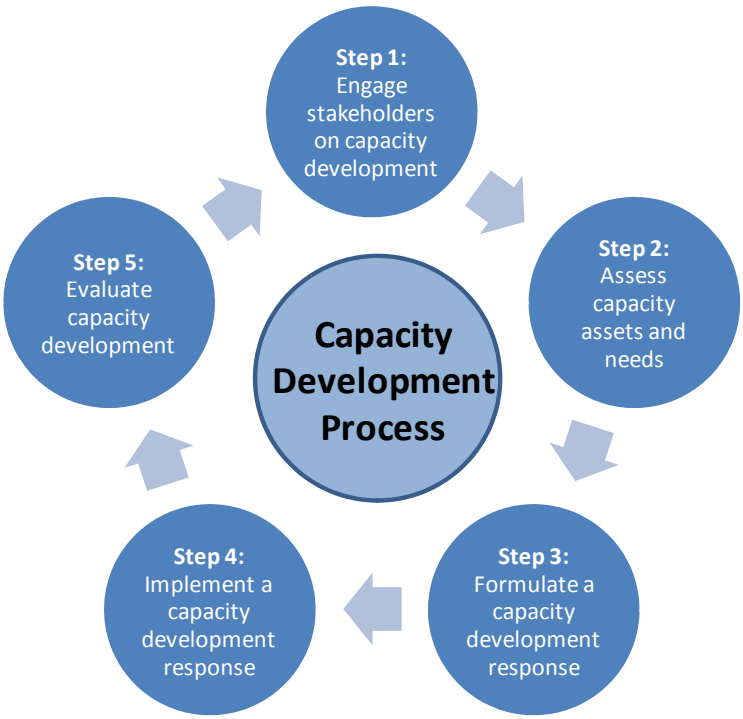
CAPACITY DEVELOPMENT

Frequently Asked Questions: The UNDP Approach to Supporting Capacity Development



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Frequently Asked Questions: The UNDP Approach to Supporting Capacity Development

The questions in this document have been raised by UNDP colleagues and partners during the many capacity development initiatives around the world in which UNDP has been involved. The answers are based on UNDP's experience and research and reflect the UNDP approach to supporting capacity development.

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If you would like to learn more about UNDP's approach to supporting capacity development, you may consult the brochure 'Supporting Capacity Development: The UNDP Approach' and the UNDP Practice Notes on Capacity Development and Capacity Assessment. UNDP staff may also take the self-paced online courses on Capacity Development and Capacity Assessment that are available through the UNDP Learning Management System.

1. How does UNDP define capacity development?

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

Despite some variation, there is general consensus among development practitioners on the key elements of the definition of capacity development.
OECD: The process by which individuals, groups and organisations, institutions and countries develop, enhance and organise their systems, resources and knowledge; all reflected in their abilities, individually and collectively, to perform functions, solve problems and achieve objectives. (Glossary of Statistical Terms, downloaded, April 2009)
GTZ: the process of strengthening the abilities or capacities of individuals, organisations and societies to make effective and efficient use of resources, in order to achieve their own goals on a sustainable basis. (GTZ, downloaded, 16 April 2009)
JICA: The ongoing process of enhancing the problem-solving abilities of developing countries by taking into account all the factors at the individual, organizational, and societal levels. (JICA, November 2007)

2. What is the difference between capacity development and capacity building?

Capacity development commonly refers to the process of creating and building capacities and their (subsequent) use, management and retention. This process is driven from the inside and starts from existing capacity assets.

Capacity building commonly refers to a process that supports only the initial stages of building or creating capacities and is based on an assumption that there are no existing capacities to start from. It is therefore less comprehensive than capacity development. The OECD/DAC writes that capacity building 'suggests a process starting with a plain surface and involving the step-by-step erection of a new structure, based on a preconceived design. Experience suggests that capacity is not successfully enhanced in this way.' Capacity building can be relevant to crisis or immediate post-conflict situations where existing capacity has largely been lost due to capacity destruction or capacity flight.

3. How does capacity development relate to human development?[1]

The human development approach – with its focus on the expansion and use of human capabilities – provides the conceptual basis for UNDP's commitment to capacity development. Defined as the process of enlarging the range of people's choices, it does not equate development to an increase in people's income but focuses on improving their overall well-being, which also depends on access to education and health care, freedom of expression, the rule of law, respect for diversity, protection from violence and the preservation of the environment. Whether these conditions exist, and whether people are able to use them to improve their well-being, depends on the existence of adequate capacities of individuals, organizations and the enabling environment.

Capacity development is, therefore, one of the most effective ways of fostering sustainable human development. By strengthening the capacities of individuals, organizations and the enabling environment, the foundation is laid for meaningful participation in national and local development processes and thereby sustainable development results. Conversely, improved human development (e.g. functional literacy, a healthy workforce) is conducive to capacity development.

[1] Based on UNDP's "A Think Piece on the Link between Human Development and Capacity Development," (forthcoming).

4. How does capacity development relate to the Millennium Development Goals?

The MDGs are a set of development outcomes; capacity development is a means of achieving them. UNDP therefore supports countries to develop their capacities to effectively access and manage the resources required to deliver on the MDGs, which involves the formulation, implementation and review of relevant policies, strategies and programmes. On a related note, while needs assessments focus on **what** needs to improve (interventions) and how much it will cost, capacity assessments focus on **how** improvements will occur.

5. What's 'new' about capacity development?

Technical cooperation[2] was the most common approach to development cooperation in the 1970s and 1980s. At the time, priority was given to technical training and the introduction of models and systems from the North. A foreign 'technical expert' would come into a country for a short period to provide expertise and technology. This would frequently be followed by financial resources. Little attention was paid to the transfer of skills or the sustainability of interventions.

In the early 1990s, the thinking on the role of technical cooperation began to shift and the idea of capacity development began to evolve. The appropriateness of using short-term 'technical experts' was questioned. Issues of sustainability and the 'fit' of a solution became more important. The provision of training, support to training-of-trainers and the organization of study trips became the norm, including for UNDP.

Experience has shown, however, that such stand-alone training activities are not enough. This recognition has led to a shift in perspective. External support is no longer seen as the sole vehicle through which capacity development takes place. Instead, capacity development is seen as a long-term effort that needs to be embedded in broader change processes that are owned and driven by those involved, that are context-specific and that are as much about changing values and mindsets through incentives, as they are about acquiring new skills and knowledge.

While external actors may be able to facilitate and promote local processes, they can also serve to undermine ownership and local capacity. External actors may pay careful attention to play a more facilitative role related to the management of change processes, rather than a more interventionist role that has been played in the past.

[2] OECD Glossary of Statistical Terms: There are two basic types of technical cooperation: (1) free-standing technical cooperation (FTC), which is the provision of resources aimed at the transfer of technical and managerial skills or of technology for the purpose of building up general national capacity without reference to the implementation of any specific investment projects; and (2) investment-related technical cooperation (IRTC), which denotes the provision of technical services required for the implementation of specific investment projects.

6. How has UNDP's support to capacity development evolved?

Over the years, UNDP has invested heavily in training and skills building of individuals. But, there is growing recognition that the other two levels of capacity (organizational and enabling environment) must also be supported to promote sustainable capacity development.

A political shift is also underway, building on the acknowledgement that UNDP can support countries without playing a direct execution role. For example, in a country in Latin America, UNDP is transitioning from providing procurement services to strengthening the capacities of government procurement agencies.

7. What is UNDP's comparative advantage in supporting capacity development?

There are many public and private organizations that support capacity development.
UNDP's unique value comes from its:

- Building on a human development value base and combining that with a strong conceptual framework and a methodology that is based on its years of experience on the ground in countries around the world;
- Being in it for the long run. Because of its long-standing system of working through Country Offices, UNDP is able to stay engaged for the duration of a programme and beyond so that it can engage continually and then track and measure the results of its capacity development efforts. Since UNDP supports multiple programmes at any given time, it is able to provide capacity development support synergistically across all of these and reap economies of scale.
- Drawing on knowledge, examples and experiences from around the world. Its presence in 166 countries, its strong research base, and a long institutional memory in each country allows UNDP to draw intra-regional and intra-country comparisons and facilitate South-South learning and exchange.

8 What are the three levels of capacity and how do they relate?

The three levels of capacity are the following:

- E**nabling environment:** the broader system within which individuals and organizations function and one that facilitates or hampers their existence and performance. This level of capacity is not easy to grasp tangibly, but it is central to the understanding of capacity issues. They determine the 'rules of the game' for interaction between and among organizations. Capacities at the level of the enabling environment include policies, legislation, power relations and social norms, all of which govern the mandates, priorities, modes of operation and civic engagement across different parts of society.
- **Organizational level**: the internal policies, arrangements, procedures and frameworks that allow an organization to operate and deliver on its mandate, and that enable the coming together of individual capacities to work together and achieve goals. If these exist, are well-resourced and well-aligned, the capability of an organization to perform will be greater than that of the sum of its parts.
- **Individual level**: skills, experience and knowledge that are vested in people. Each person is endowed with a mix of capacities that allows them to perform, whether at home, at work or in society at large. Some of these are acquired through formal training and education, others through learning by doing and experience.

9. How do functional and technical capacities relate in a capacity development response?
UNDP makes a distinction between functional and technical capacities and supports the development of both. The exact mixture of capacities to be addressed through a capacity development response will depend on the outcome of a capacity assessment. Generally speaking, the functional capacities underpin or support the technical capacities needed in a certain sector or thematic context. For example, supporting the capacities of an electoral commission may require support for its capacities to plan, implement and review its activities, combined with specific technical skills to design an electoral system.

10. What do the core issues represent?
There are four core issues: 1) institutional arrangements; 2) leadership; 3) knowledge; 4) accountability. They represent the capacity issues that UNDP's empirical evidence suggests to be most commonly encountered within and across a variety of sectors and themes. Put differently, they are the four areas where capacity change happens most frequently. They provide a comprehensive set of issues from which an assessment team can choose as it defines the scope of an assessment and against which to check the issues already identified. They can also drive the formulation of a capacity development response. Not all four will necessarily need to be analysed in any given assessment but the assessment team should at least consider all of them as it defines the scope of the assessment. They can be amended based on the needs of the client and the situation.

11. What is the capacity development process?
The five steps of UNDP's capacity development process are: 1) engage stakeholders on capacity development; 2) assess capacity assets and needs; 3) formulate a capacity development response; 4) implement a capacity development response; and 5) evaluate capacity development. Approaching capacity development through this process lens provides a rigorous and systematic way of supporting it; improves the consistency, coherence and impact of efforts; and helps promote a common frame of reference for a programmatic response to capacity development.

12. How does the capacity development process relate to a national planning or programming cycle?
UNDP's capacity development process can be used by governments and other development practitioners as they design, implement and evaluate their development plans and programmes. For example, if a country is developing it strategic plan, it is often helpful to conduct an assessment to identify capacity assets and needs and define an appropriate capacity development response, which could then in turn inform policy and investment choices. In addition, it may be worthwhile to conduct mid-term capacity assessment to confirm direction or make course corrections, as necessary. Similarly, if a country is approaching the end of a planning or programming cycle, a capacity development lens may be applied in the evaluation so that insights and learnings regarding capacity development challenges are generated for the next cycle. It may be feasible to incorporate the capacity development process at the level of programmes and projects as well, across the formulation, implementation and review phases.

13. Where to find more information about integrating capacity development into programming?

For detailed guidance on the integration of capacity development into programme and project formulation, you may wish to look at the UNDP Programme and Operations Policies and Procedures. The checklist for quality programming, which is used by a Project Appraisal Committee to evaluate a project, offers further guidance.

With regard to the broader UN system, the 2007 CCA/UNDAF guidelines, the UNDG position statement on capacity development and the accompanying UNDG Capacity Assessment Methodology provide further information. These are available from www.undg.org

14. What is a national capacity development facility?[3]

A national capacity development facility can be defined in two ways, depending on the specific country situation:

- During periods of transition, a national capacity development facility offers a common government-donor platform to support capacity development efforts, from short-term injections (e.g. salary support) and technical assistance for the drafting of a legal framework, to support for public administration and civil service reform and change management. National capacity development facilities allow different forms of fund management and programmatic engagement, through pooled funds, to be administered either by the government or by a lead donor.
- In less volatile development situations, a national capacity development facility functions as a platform that brings together all capacity development services that are provided to clients and partners in a country or sector under one umbrella. It covers services provided with regard to each step of the capacity development cycle as well as services provided to address specific priority application areas (aid management and coordination, climate change, HIV/AIDS or the delivery of local health care services). As such, it is a vehicle for bridging the gap between shorter- and long-term capacity development visions that must be linked to the on-going national reform processes and that need to be closely intertwined. A national capacity development facility provides support for capacity in incremental steps, ushers in economies of scale, and helps move capacities along a continuum of change.

15. What is a national capacity development strategy or framework?

A national capacity development strategy helps to institutionalize a country's focus on and investment in capacity development and the activities to support it, within the framework of a poverty reduction strategy, national development strategy or sector plan. Through systematic identification of capacity assets and needs and allocation of roles and responsibilities (who does what) for meeting those needs and leveraging the assets, a national capacity development strategy helps to efficiently deploy resources and investments in capacity development in conjunction with a country's overall development framework. Such resourcing and operational responsibility allocation allows a country to carry the capacity development agenda forward in the long-term and provides a birds-eye-view picture to senior policy makers and managers about needs and priorities in the arena of capacity development.

[3] Based on UNDP's "Capacity Development Facilities," (forthcoming),