

Joint Scandinavian Evaluation of Support to Capacity Development - Synthesis Report -

Capacity development is an essential component of the development support provided by the three Scandinavian donors. A thorough understanding of context, priorities and capacity needs at all levels is necessary for successful programmes. Specific attention to capacity development in all project phases is necessary for development results.

These are some of the highlights of the synthesis of the evaluations of support to capacity development conducted jointly by Danida, Norad and Sida. The aims of this joint Scandinavian evaluation were to generate knowledge and assess the results of the agencies' portfolios of support to capacity development in public sector organisations and provide guidance for the design of future capacity development programmes. This report synthesises the findings and conclusions of the Danida, Norad and Sida evaluations and identifies learnings to the development community more widely.

The synthesis employed a method of content analysis of documentation from the three evaluations, the background studies to the joint evaluation and other literature on the subject of capacity development. It focuses on the common findings and conclusions that were backed by sufficient evidence in the three evaluations, but also highlights particularities of individual donors' support that are especially illustrative or instructive.

Capacity development is a process whereby people, organisations and society as a whole unleash, strengthen, create, adapt and maintain capacities over time. These include generic capacities to plan and manage changes in organisations, and specific capacities to deliver improved services or products. (OECD-DAC definition of capacity development.)

The capacity development support by the Scandinavian donors is considered credible by its partners

Important aspects for the credibility and acceptance of the Scandinavian support include (i) the alignment of the support with the partner country's strategies and in-country systems, and (ii) efforts to promote government ownership. This often involved direct engagement of partner organisations in the design and implementation of the intervention.

The evaluations found that fostering ownership and commitment to the capacity development process by the cooperation partners were related to the following: the degree of partner steering of the intervention; the duration of the donor commitment; the degree of flexibility exercised by the donor towards partners; other stakeholders and the technical advisors; and the degree of direct donor engagement in the capacity development process. Commitment by political and senior management actors is particularly important for ensuring leadership and space for change. In its absence donors might consider not engaging in support to capacity development at all. It was found more difficult to foster shared ownership and commitment when a larger number of stakeholders were involved.

Scandinavian-supported interventions helped strengthen capacity and performance in different sectors

The evaluations reported several cases of Scandinavian-supported interventions leading to enhanced performance of partner organisations and the sectors. This was in some cases associated with capacity gains at the individual and organisational levels. Despite weaknesses in the evidence base, the three evaluations found that when changes in organisational performance and capacity were observed they could largely be attributed to the donor-funded intervention.

Capacity gains may be threatened by financial instability and difficulties in retaining staff at the partner organisations

Shortage of financial resources was a particularly acute problem in low-income countries, where donor financing is the norm, and in non-revenue-generating sectors. In commercial sectors, such as oil and gas, the ability of public sector partner organisations to mobilise financial resources appeared more likely. In some of the interventions studied retaining technically skilled staff was a major challenge to the sustainability of the capacity gains, given the greater attractiveness of such staff to other employers. Positive incentives such as supplementary income-earning possibilities, and negative ones such as non-transferrable certifications were attempted in some of the interventions to retain qualified staff.

A good understanding of the context is necessary for aligning the capacity development support to the needs, interests, priorities and capacities of the partners

In the interventions studied, contextual or capacity needs assessments were seldom performed in a structured and comprehensive manner. Rather the design of the interventions relied more on *ad hoc* than on structured assessments. All three evaluations concluded that such informal assessments were insufficient for a thorough understanding of needs and context, especially in more complex interventions. Thorough assessments enable (i) the understanding of the policy drivers supporting or hindering the capacity development process; (ii) the identification and assessment of the actors capable of affecting the process and their readiness to support the change process; and (iii) the identification of the most pressing capacity priorities and gaps. The evaluations did not prescribe a specific form or timing for the realisation of capacity needs or contextual assessments.

The capacity of the Scandinavian donors' staff and of technical advisors to manage capacity development processes varied considerably.

Donor staff often manages large portfolios, which was seen to limit their ability to adequately oversee capacity development interventions or to engage regularly and directly with partners. This limited the insight and knowledge of the interventions, the amount of learning and the ability to do meaningful follow-up. Despite the availability of considerable guidance on capacity development produced by the Scandinavian donors, donor, partner and technical advisory staff seldom used this material, which was particularly criticised for its alleged lack of clarity and practical applicability.

Support to capacity development is more likely to succeed when the partners have some capacity to manage the process and to make use of the new capacities

Donor-supported interventions are likely to generate greater capacity gains when cooperation partners have the capacity to invest the necessary time and resources in the process. Donors should assess the degree to which the cooperation partners possess such capacity and should not transfer management responsibilities to them without adequate support. The evaluations found that organisations with the capacities to network, reach out and retain staff achieved better and more sustained capacity results. A successful capacity development support strategy might therefore involve supporting organisations develop those capacities along the development of other capacities.

Recognising the interdependencies between the individual, organisational and institutional levels of capacity development is necessary for selecting the adequate modalities for support.

The manner in which the three levels affect each other is specific to the context of the partner country and organisations and to the capacities being developed, and should therefore be part of the initial contextual assessment. Overall, the evaluations found that the Scandinavian donors prioritised individual knowledge and skills over support to the development of organisational and institutional capacities. However, the support was considered more effective when the goals in terms of organisational capacity and performance were given priority and used to guide capacity development at the individual and institutional levels. At the same time evidence from the interventions also shows that strong institutional support is required to ensure effective performance of partner organisation. The choice of support modalities in itself does not have a discernible effect on the effectiveness of the donor support, the evaluations showed. Rather, it is the specific relevance vis-à-vis the capacity development goals and the capacity of partners to manage and absorb the new capacities that seems to dictate effectiveness.

Whether and how to combine supply- and demand-side approaches in donor-supported capacity development needs to be assessed case-by-case.

The evaluations did not discern any generic effect of combining these approaches in the Scandinavian support to capacity development. Despite recognising the importance of support to the demand-side for strengthening the institutional environment for capacity development, none of the interventions studied conducted a thorough assessment of how demand-side organisations could be supported or used. Adopting a case-by-case approach in which supply- and demand-side actors in donor-supported capacity development interventions may be combined must be based on an assessment of the likely dynamics of such combinations and what effectiveness they may have on the capacity development intervention. An assessment of the dynamics and the benefits of combining supply- and demand-side approaches can guide the choice of priorities and modalities for more effective support.

Specific skills are required for monitoring and evaluating capacity gains

Most interventions included in the evaluations employed rather poor result based management procedures. The diffuseness of the concept of capacity development and especially the limited capacity of the key stakeholders to design and use results management frameworks were considered the two main reasons. An important limitation in the joint Scandinavian evaluation was the shortage of capacity development-specific monitoring systems. This constrained the ability of the evaluations to assess the contribution of the donor support to capacity changes in the partner organisations. A clear vision of the results to be achieved may help the donor and partners develop a common understanding of purpose and channel resources towards attaining it. However, the important link between the quality and use of results framework and the need for measuring effectiveness is critical for determining the success or the failure of support to capacity development.

Donor-supported interventions that are flexible and adaptable yield better results

In the support granted by the Scandinavian donors, this aspect was seen to depend on how flexible the management structures and how formal the authority at the partner organisations were. It was found that rigid and formal hierarchies resulted in low delegation of management decisions to lower operational levels, which rendered communication between different authority levels more difficult and delayed corrective action. The ability to adjust course based on the experiences of implementation is linked to the quality of the follow-up of capacity development progress and results.

Support that combines a long-term commitment with 'quick wins' is more likely to be efficient and lead to sustainable results

Long-term engagement allows sufficient time for trusting relationships to develop and for new capacities to be absorbed and put to use in the partner organisation. Recognising the distinct dynamics of change at the individual, organisational and institutional levels of capacity development enables donors and partners to combine a long-term engagement with short-term 'quick wins'. These provide smaller and more immediate returns that help keep the motivation for and the momentum of the long-term capacity development processes. Sustained capacity gains were observed when the Scandinavian donor support extended for longer periods.

Sida Joint Evaluation 2016:1: Synthesis Report of the Joint Scandinavian Evaluation of Support to Capacity Development.

The report was jointly commissioned by Danida, Norad and Sida. It was written by Svend Erik Sørensen (lead author) and Gonçalo Carneiro under a contract with NIRAS, between October 2015 and June 2016. The report can be downloaded from www.sida.se/publications.

The synthesis is based on the following evaluation reports:

- *Support to Capacity Development – Identifying Good Practice in Swedish Development Cooperation, 2015.*
- *Evaluation of Capacity Development in Danish Development Assistance, 2015.*
- *Evaluation of Norwegian Support to Capacity Development, Norad, 2015.*

The reports can be downloaded from the respective donor's website: www.sida.se; www.norad.no; and <http://um.dk>.