

Information Sheet – Introduction to Capacity Building

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What is capacity building?

Capacity building is essentially about change. Change that enables individuals, organisations, networks/sectors and broader social systems, to improve their competencies and capabilities to carry out functions, and more effectively manage the development processes over time. Capacity building is a 'strengths' or 'asset based' approach to development. This paper will present an overview of capacity building, its key principles, and introduce three methodologies; Appreciative Inquiry, Asset Based Community Development and Sustainable Livelihoods; that can support the development work of Australian Volunteers International personnel.

The concept of capacity building emerged during the 80's in an effort to capture and describe an aggregate of many of the ideas and lessons from past development activities. Capacity building went on to become the central purpose of technical cooperation during the 90's (the terms capacity development or capacity strengthening are also commonly used). Other concepts and ideas that have dominated development thinking such as *institutional strengthening*, *organisational development*, *community development* and *sustainable development* have been brought under the broader umbrella of capacity building to describe an integrated vision for long term sustainable social change (Lusthaus, Adrien & Perstinger, 1999). Whilst there are a number of variations between specific definitions of capacity building, there are patterns in the way it is defined by development agencies.

Definitions of Capacity Building:

"Capacity development is a concept which is broader than organisational development in that it includes an emphasis on the overall system, environment or context within which individuals, organizations and societies operate and interact (and not simply a single organization)." UNDP 1998

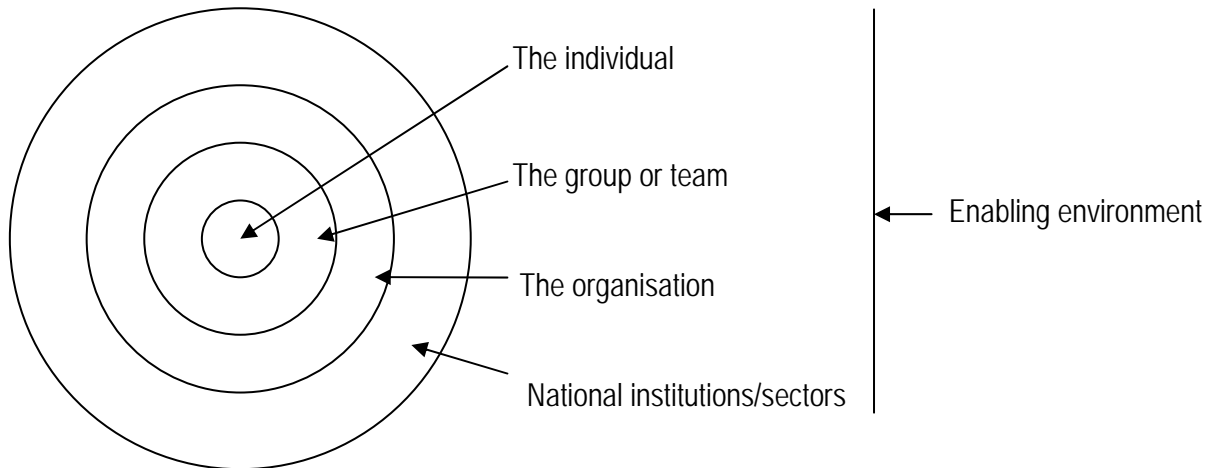
"...capacity is the combination of people, institutions and practices that permits countries to reach their development goals...Capacity building is...investment in human capital, institutions and practices." World Bank 1998

"The process of developing competencies and capabilities in individuals, groups, organisations, sectors or countries which will lead to sustained and self-generating performance improvement." AusAID 2004

Capacity building at the Individual level or human resource development is only one component of a multi-dimensional, integrated approach that comes under the rubric of capacity building. Transferring skills to an individual will only be effective when those skills can be exercised. For this to occur there must be support from an employer and colleagues to practise these new skills and, they must be integrated into role profiles, operational procedures and policies within an organisation, institution and/or sector.

It is important that volunteers are cognisant of the broad concept of capacity building in all their undertakings. Whilst in Australia, it may be reasonable to assume that many of the policies, procedures and attitudes required to support learning activities are in place, it cannot be taken for granted that these structures and attitudes are in place in the overseas context in which volunteers are working. In their role as 'facilitators of change' volunteers must be conscious of the factors that may enable or inhibit community change initiatives and identify where they might be able to provide the most effective influence.

The spheres of influence of capacity building

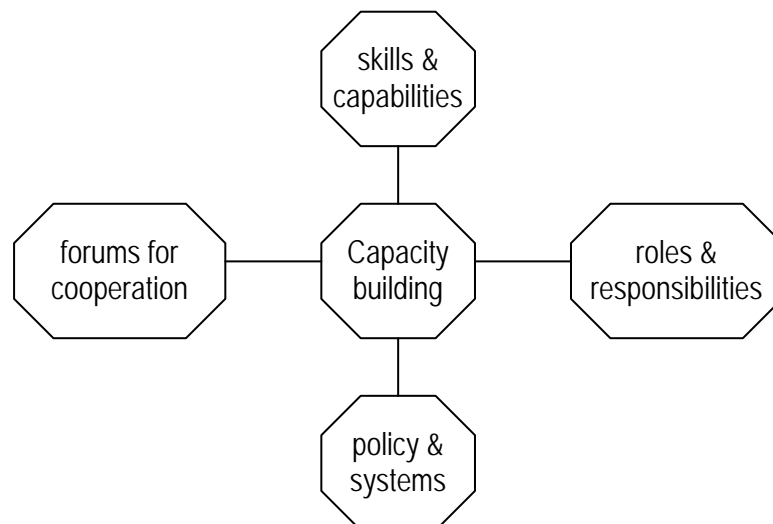


Adapted from presentation by Chris Dureau (2004)

Capacity building is not a single objective and cannot be undertaken in a discrete training session. It is a methodology which underlies all development practice supported by Australian Volunteers International. Capacity building is a process. It takes place over time and requires a number of strategies and activities to be sustainable. Organisational performance can be impacted on as much by factors in the external environment (eg. laws, regulations, attitudes, values) as by factors internal to the organisation, (skills, systems, leadership, relationships etc.). The interrelatedness of the different spheres of capacity building compels us to be aware of, and responsive to, the relationships among them when engaging in capacity building activities. If the environment in which activities are taking place is not supportive of the changes it may limit the success and sustainability of any given initiative. Capacity building initiatives thus need to be considered from a systems perspective taking into consideration the dynamics and inter-relationships amongst issues and players in the different spheres (Bolger, 2000).

Entry points for capacity building

Effective capacity building requires influencing multiple entry points to bring about sustained changes in the total environment through a cumulative effect.



Chris Dureau (2004)

Reflective questions:

1. Describe the difference between skills transfer and capacity building?
2. What are some of the environmental factors that might impact on capacity building in the country you will be working in? Consider both the internal and external environments of the organisation you will be working for.

The principles of capacity building

Capacity building facilitates people and institutions to realise *their own* development objectives and recognises that recipients of aid must be empowered to manage their own development agenda. This change in paradigm from donor driven to recipient led agendas acknowledges that top-down approaches focusing on only the quantity rather than the quality of assistance have failed. The goals of capacity building should not result in an attempt to impose a foreign model or way of doing things, but strive to identify and use local expertise and develop a grassroots domestic model. There are a number of general principles underpinning capacity building that hold the process of *change and learning over time* as core values and need be considered when developing initiatives and strategies .

Foundations for developing initiatives for effective capacity building are that they:

- are owned and directed by the local community
- use participatory approaches at all stages
- utilise and build on local knowledge and existing capacity to develop a vision for the future
- are sensitive to the existing environment (internal and external) and the constraints and opportunities it presents
- are gender and culturally sensitive and equitable
- integrate activities at various levels to address complex problems.
- seek to utilise a variety of methods that suit the local context to facilitate change in the total environment
- seek to be sustainable through building strong relationships with and between stakeholders generating a high level of buy-in.

Reflective questions:

3. *How might you ensure you integrate capacity building principles into your work overseas?*
4. *What are some of the barriers you might encounter? What strategies might you use to overcome them?*

Measuring capacity building

Capacity building can be difficult to measure and evaluate. Its multi-layered meaning and inter-locking elements make it challenging to assess unless the component parts are broken down to manageable, elements, such as 'training', or 'systems development' (see table 1). The long time scales associated with capacity building compound the complexity of assessing its progress.

Table 1

Requirements for capacity building	Examples of activities or entry points for capacity building
Human resources or skills development	Skills transfer, mentoring, coaching, observation, apprenticeships, praxis, supervision
Organisational policy/process development	Development, streamlining or re-engineering of procedures, systems & processes, manuals, checklists & pro-formas, strategic planning, job re-design, benchmarking
Networks for communication	Community outreach, communities of practice, professional associations, working groups, focus groups

It is important however that capacity building activities follow a continuous cycle of analysis, action and assessment. During the analysis phase, existing abilities and competencies are assessed and opportunities for performance improvements are identified and prioritised, taking into consideration, the constraints in both the internal and external environments. During the action phase, a future vision is articulated, and an implementation plan is developed and implemented. Throughout the life of the activity, periodic assessments are made against the baseline established during the initial analysis. Targets set in the action plan, and the change plan, can then be updated or modified as circumstances demand.

Reflective question:

5. *Consider a time when you can describe what you were doing as capacity building. Was it successful? If so, what elements contributed to the success? If not, what inhibited the success? How would you approach the same situation differently next time?*

Australian Volunteers & capacity building

Historically, individual training has been central to volunteering programs both in formal and informal settings. Whilst capacity building has at its centre, a premise that goes beyond the individual to impact more broadly on organisations and societies, it is undeniable that learning and change begin at the level of the individual.

Australian Volunteers International personnel undertake capacity building in a variety of ways at all levels of development: grassroots, community, civil society, and the public sector. Often engaging with a range of individuals, communities and organisations. All assignments have a capacity building role, the crucial issue is how this leads to sustainable improvements in the performance of partner organisations the achievement of their goals (AusAID 2004).

Living in local communities for extended periods places volunteers in a unique position that enables the development of a strong understanding of local cultures and issues. The perspective gained allows volunteers to promote a holistic approach to their assignments and is fundamental to facilitating effective capacity building activities by 'leading from behind'.

Reflective questions:

6. *Considering your assignment description, what entry points of capacity building might you be able to influence (ie. skills & attitudes, roles and responsibilities, policy & procedures, communication networks/forums)? How might you influence change? Who will you need to consult?*
7. *What are the attitudes and behaviours you bring to development work that might assist your role as a 'capacity builder'?*

Approaches to capacity building

Historically, approaches to development were aligned with a 'needs based approach'. Needs based approaches focus on perceived weaknesses and deficiencies in communities that require 'fixing'. Using this model, 'problems' are identified and 'solutions' designed by development practitioners. This approach often fails to notice the existing community knowledge, strengths and ideas, failing to harness community motivation for change by suggesting that communities do not possess the capacity to solve their own problems. The power differentiation between the 'donor' and 'recipient' of aid is emphasised and risks leaving 'recipient' communities with the impression that they were the 'problem' and 'solutions' can only come from an outside 'expert'.

A key feature of capacity building is that it is *demand driven* and focuses on the enhancement and strengthening of *existing capacities*, emphasising the importance of a partnership or participatory approach. A partnership approach involves the development of relationships that recognise the strengths and needs of all partners and allows the decision making power to rest with those whose 'capacity is to be developed'. This approach represents a change to the role of the development worker from one of problem analyser, solution designer and implementor, to that of facilitator. It symbolises a move away from donor driven priorities to client-defined priorities and recognises that capacity can often be increased more effectively by reinforcing *existing* structures than by building new ones.

There are a number of approaches and methodologies and that are utilised to support development work. The approaches most compatible with the paradigm shift that capacity building represents are Appreciative Inquiry, Asset Based Community Development Approach (ABCD), and Sustainable Livelihoods Approaches.

Appreciative Inquiry

Appreciative Inquiry grew out of organisational development theory and draws on lessons learned from educational psychology about the sources of personal and collective motivation and theories of knowledge construction and communication (Mathie, 2002).

The assumptions of appreciative inquiry

1. *There already exists something that works in every organisation, group or society*
2. *What is focussed on will become reality*
3. *There are multiple realities and they can be created in the moment*

4. *Asking questions of groups or organisations influences them in some way*
5. *People are more confident and comfortable about moving forward to the unknown if they can take something with them that is known from the past*
6. *If we take things with us from the past they should be what is best about the past*
7. *Its important to value differences*

Appreciative inquiry utilises the '4D model' of Discover, Dream, Design and Delivery. In the discovery phase storytelling is utilised through interviews to gather insights into what has made a community or organisation successful in the past and identify exceptional or peak moments and the associated enabling factors. During the 'dream' phase a vision for the future is developed building on the assets and past experiences discovered during the discovery phase. An action plan including the strategies to be employed is then developed of how the past successes could manifest themselves into the ideal vision. The final delivery stage involves implementing the action plan to make the dream a long term sustainable reality.

Asset Based Community Development

ABCD was pioneered by John McKnight and Jody Kretzmann (1993) in the US. Whilst ABCD utilises a number of the same techniques as appreciative inquiry, it has a more comprehensive framework. It recognises that all communities have a diverse and strong set of assets and utilises participatory approaches that promote empowerment and ownership of the development process. Assets include human capital (individuals skills, knowledge and health), social capital (networks, membership, political, rights), financial capital (savings, pensions, insurance), physical capital (shelter, machinery, infrastructure) and natural capital (land, water, livestock). The basic assumption of this approach is that, although communities have both strengths and weaknesses, focussing on existing strengths is more likely to empower the community and mobilise its members to initiate positive and sustainable changes from within.

McKnight and Kretzmann (1993) propose five steps towards community mobilisation:

1. *Develop a comprehensive map of the existing capacities and assets of individuals, associations and local institutions. ABCD utilises storytelling to articulate community successes and identify existing assets.*
2. *Existing relationship networks are strengthened and new ones created between local assets to facilitate mutually beneficial problem solving within the community*
3. *Mobilise the communities assets fully for economic and information sharing purposes*
4. *Gather a group (eg. Village development committees) that is broadly representative of the community to develop a community vision and plan*
5. *Strengthen civil society through collaborative approaches that link micro-assets to the macro environment to leverage activities, investments and resources outside the community to support asset-based, locally defined development.*

ABCD places a high value on communities' 'social capital' and its central role in mobilising communities development potential. Linking assets within a community to each other and developing bridging relationships to position communities advantageously to supporting external resources or institutions creates a framework for sustainability.

Sustainable Livelihoods

The term 'sustainable livelihoods' is defined by Chambers and Conway (1991) as "comprising the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generations; and which contributes net benefits to other livelihoods at the local and global levels and in the short and long term".

The central tenants of these approaches are that household or communities assets (social, physical, human, financial, natural) are what buffer them against shocks and stresses (eg. floods, conflict, seasonality of production, prices, health difficulties, etc) as well as enable increased access to resources. Resources are used to meet basic needs (water, health, shelter, food, education, participation) and can be built up over time to improve well-being, food security, income and reduce vulnerability. Assets and access to resources can be strengthened (or weakened) by 'transforming structures and processes' such as cultural norms and beliefs, power relations, institutions, organisations, policies and

legislation. Sustainable Livelihoods approaches recognise the interrelationships between the factors mentioned above and attempts to positively influence their interactions to improve the level and sustainability of communities livelihoods. One of the key challenges of these approaches is to recognise and understand a holistic perspective and then to be able to select key interventions that can make a significant difference (Hussien, 2002).

The sustainable livelihoods approach, like appreciative inquiry and assets based community development, is a way of thinking about and approaching development practice that puts people at the centre. Its core concepts are that it is people centred (and participatory), holistic, dynamic, builds on strengths, develops macro-micro links (between individual, communities, policy and institutions) and seeks sustainability (DFID, 2001).

All three of these methodologies shift the development focus from outputs to people. They do not intended to gloss over or ignore issues, but shift our focus from 'weaknesses' and 'threats' to 'strengths' and 'opportunities'. The priorities set by poor communities and the broader context within which they operate must be considered, and the assumptions of historical approaches to development questioned. Capacity building seeks to mobilise existing social capital for economic development. Engaging communities in a process of describing where they are now, identifying what their successes have been and the strengths that these successes reveal. These approaches seek to identify the tools that communities already posses to solve their own problems. They seek to uncover what inspires communities, asking them to imagine where they want to be and what they want the future to look like.

Reflective questions:

8. *Who makes up the 'community' or 'stakeholders' you will work with?*

9. *How are long term assignments conducive to using strengths based approaches to development?*

10. *Which of the approaches introduced above might assist you in your development activities? How? What might be some of the challenges in using these approaches?*

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