Is Results-Focused Capacity Development the New Meta of Development?

Samuel Otoo¹
Capacity Development and Results
World Bank Institute

Capacity Development Results Measurement in World Bank Projects

A recent World Bank Institute (WBI) review of nearly 200 World Bank lending operations indicated that results measurement in capacity development (CD) projects is lacking in a variety of ways but that there also promising opportunities in current practices for future improvement.²

The review found consistent patterns of missed opportunities for focusing on and measuring results in World Bank CD projects over the last five years. The most fundamental challenge that was presented in the review of Bank projects was the weak focusing of CD efforts on results to advance institutional reforms and development goals. In general the quality of results measures was inconsistent both within individual projects and across sectors in how outcomes were characterized and measured. For instance, the Bank projects often emphasized outputs instead of outcomes. Another common mistake in the Bank projects was the misrepresentation of intermediate outcomes from CD activities as results that indicate impact or final outcomes.

The good practice examples that emerged from the Bank project review confirmed the use of high-quality, precise results measures in select instances across sectors, and types of CD interventions. A consistency in focus on results made it possible to clearly communicate how the outcomes of diverse CD activities contributed to results for reform agendas and country development goals, as well as to collaborative learning about ‘what worked and did not work’ to drive the needed changes.³ The presence of these good measures points to the feasibility of implementing the use of more precise and comprehensive results measurement systems. So why are such good practices not more widespread?

¹ Inputs provided by Cristina Ling, Violaine Le Rouzic, Jenny Gold and Nicola Smithers.


³ For example, an HIV/AIDS project in Africa measured the results of their media campaigns and community education program to reduce stigma against persons with HIV/AIDs and change behaviors so treatment and prevention programs would be supported and sought out. Surveys were conducted to assess attitude and report behavioral change. In yet another case, CD activities focused on reforming the organizational arrangements of an electric company to promote long-term sustainability through cost recovery. The improved financial viability of the company was measured by the self-financing ratio, the rate of return on revalued assets, and the debt service coverage.
Focusing results on factors that constrain or enable reforms and goal achievement

There is wide acceptance of the importance of CD to the achievement of development outcomes. It underpins the Millennium Development Goals and the 2005 Paris Declaration on Aid Effectiveness. The OECD (2006, p.11) lays out the nature of the challenge, contrasting this importance with the difficulties experienced in trying to achieve it, noting: "CD has been one of the least responsive targets of donor assistance." One of the main stumbling blocks has been very broad and varied understanding of what is meant by capacity and CD, such that consensus on an effective operational set of definitions is lacking. This undermines a strategic, results-focused approach to CD. Lack of clear links between CD interventions and development goals, externally-driven technical solutions, inadequate consideration of stakeholder incentives, lack of clarity and rigor in setting objectives and measuring results of interventions and poor fit to local institutional context have also been among the culprits.

The constraint placed by inadequate capacity on development and poverty reduction, and the disappointing achievements from interventions to date, signify the urgent need to advance CD knowledge and practice. In response, in consultation and collaboration with partners, the World Bank Institute (WBI) has developed an operational approach that addresses the problems noted above, which is termed ‘results-focused CD.’ Central to results-focused CD is self-directed institutional change for improved development results. The approach recognizes the need to go beyond ability and competence, to address the impact of the institutional environment on the willingness of stakeholders to act.

WBI’s results-focused approach emphasizes strengthening stakeholder ownership, improving efficiency of policy instruments, and enhancing effectiveness of organizational arrangements as the core objectives of CD. This separation allows attention to be focused more accurately on what concerns the demand for capacity (the stakeholder ownership part) and what concerns the supply (policy or incentive instruments, and organizational arrangements). CD interventions can work to improve the likelihood of better development results by fostering changes in institutional conditions in each of the three areas through action by any segment of society. Hence, the objectives of CD are focused on changing constraining or enabling characteristics of institutional conditions; facilitating improvements in institutional capacity dynamics to advance reforms and development goals.

In practice, results-focused CD is a strategic and country-led approach to CD, focused on local agents designing and implementing their own change process. It is concerned with collective action across society, and extends beyond individuals and organizations to institutions and the enabling environment. It supports country stakeholders in a systematic process from problem

identification and design, to implementation, monitoring and evaluation. At its core is a results focus that enables objective-setting and measurement of achievements while facilitating flexibility and innovation in the change process. This approach provides the basis for systematic learning about what works and why. It also aims to assist in applying the specialized knowledge across the broad spectrum of governance, political economy, social accountability and institutional development to CD initiatives. The conceptual framework and processes for this approach are captured in the Capacity Development and Results Framework (CDRF).\(^5\) WBI has coupled the new approach with new instruments that go beyond structured learning to encompass platforms that facilitate practitioner knowledge exchange, experiential learning, innovation and serendipity.

The focus on change and the definition of CD as the process whereby change is enabled makes the challenge of monitoring and measuring results conceptually more tractable. Another feature of the CDRF that facilitates results monitoring and measurement are standard sets of intermediate and final outcome indicators that can be flexibly applied across sectors and countries. The integration of monitoring and evaluation at all program stages also promotes adaptive management and a systematic learning loop to determine what works and what does not. The CDRF features a rare adaptability—institutional indicators try to focus on underlying characteristics, which can take different forms depending on the actual context. This is very different from standard sector indicators that tend to assume institutional arrangements have the same meaning in different contexts.

Although still in its early implementation stage, the CDRF has already had a profound influence in WBI's shift to results-focused CD, not only seen in the business processes of the Institute, but more importantly in its renewal strategy. WBI is now more concerned with the "how" of the change process to understand how we can systematically promote change, and—through its experience and that of others—advance the thinking, practice and learning of results-focused CD globally.

**Observations from WBI’s Emerging Practice**

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Promising practices and positive incentives from your experience that support results-driven capacity development processes.

WBI’s approach seeks to address many of the challenges faced by development partners and donors in their CD efforts, including those highlighted by the concept paper of this meeting. Some points are offered below to facilitate group discussion.

1. **How to fill the "missing middle" of capacity results?** The international community has struggled with the "missing middle"—a fatal flaw of many CD programs. The CDRF has

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precisely been created in part to address the "missing middle" issue, and responds to it through careful attention to specifying and tracking the intermediate outcomes that drive the change process. Thus the CDRF requires users to articulate and test their theories and assumptions about what will lead to a desired institutional change. When more information becomes available or underlying circumstances change in the program, it can be adjusted accordingly.

2. How to deal with the attribution versus contribution issue? WBI’s strategy emphasizes the importance of partnership in CD and its approach explicitly recognizes the leading role of local agents in the change process. Accordingly, WBI focuses on how it contributes to development results through intermediate capacity outcomes that enable local leaders, coalitions and other change agents to make changes in institutional capacity.

3. How can CD pursue ambitious results? CD interventions can be designed and managed to enable ambitious results—with the understanding that they only contribute to these results. By anchoring CD initiatives in locally-defined change strategies it is possible to define a clear results logic that explains how CD activities contribute to behavioral changes, new processes and relationships, as well as new products and services (i.e., intermediate capacity outcomes) that drive change in institutional capacities (i.e., stakeholder ownership, policy instruments, and organizational arrangements). This logic can then be adaptively managed to guide the simultaneous implementation and testing of the change strategy.

4. How to deal with the non-linearity of CD and evolving contexts? WBI’s approach encourages adaptive management based on results and partners’ context. CDRF users focus on articulating their results logic anchored in solid diagnostics of institutional capacity conditions that constrain or enable the achievement of reforms and development goals, monitor progress and revisit the logic and M&E approach as needed. The iterative learning approach allows for the complexity of the change process by emphasizing intermediate capacity outcomes that relate to collaborative solutions (such as coalition building) as well as more experiential outcomes that accommodate discovery, innovation and serendipity. The overall emphasis is on learning about the how of reform and development solutions.

5. How to deal with the burden of M&E for capacity development? WBI has developed tools that enable its staff and other practitioners to embed results monitoring in their program design and implementation. Data are collected at key points in time throughout the project life-cycle with the dual intent of using these data to adjust programs as needed and to document results. The approach is flexible and simple. Further, at the country level, the WBI approach puts local agents of change at the center of the results through a process that starts with validation of the development goal. Accordingly, the results achieved are those of local agents. In addition to using WBI’s specially administered data collection instruments, WBI teams are encouraged to agree on M&E plans that country partners would generate for their own use.

6. How to deal with the risk of not using a results framework after it is developed? Part of the answer is ensuring that WBI, as a promoter and supporter of the use of the framework, embeds it into its own results management and monitoring processes. Therefore, in
addition to using a results framework that is adaptable and meant to provide value to its users, WBI has recently started incorporating reviews of results considerations as a regular feature of its business processes and portfolio reviews. A central unit will aggregate and analyze results from individual initiatives, and produce periodic analytical reports. These outcome-level results are part of WBI’s Key Performance Indicators, which are themselves based on six characteristics of effective organizational arrangements—clarity of mission, focus on results, operational efficiency, financial viability and probity, communications and stakeholder relations, and adaptability and innovation. A growing number of organizations globally are looking to adapt this approach to their practices.

7. More to the point perhaps, the above question may soon be dated. Governments and citizens around the world are keen to understand the results of their development efforts and of CD as an explicit and transformative focus within country development. The burgeoning growth of institutions of demand-side governance, demand for south-south knowledge exchange, and proliferation of open information initiatives driven in part by technology all point to an irreversible worldwide demand to understand whether and how results are achieved in order to assess accountability, value for money and replicability.

8. What should country and development partners do differently in their engagement with each other to get specific meaningful CD results? How can this be monitored to ensure the quality, impact and sustainability of results? WBI’s approach helps country and development partners get specific meaningful results by encouraging a frank dialogue and explicit agreement among stakeholders on their development goals and the related institutional constraints. This leads to clearer country ownership of the locally-developed change process, including monitoring the process and results for decision-making. Country and development partners can embed quality and results monitoring in their CD initiatives to use the data collected to inform their next steps. Monitoring is not viewed as a separate add-on exercise undertaken to document information for accountability purposes.

(ii) **Operational challenges and constraints faced in supporting results-driven capacity development processes.**

Implementing results-focused CD requires a cultural shift that inherently takes time. A key challenge, common to many organizations, is internal resistance to accountability for outcomes. Understandably, teams in aid agencies working on CD initiatives may be reluctant to be held accountable for CD results, which by design and nature, depend more on the country situation and partners than their efforts. Nevertheless, through a series of integrated efforts toward encouraging the achievement of higher CD results, WBI has started to shift from resisting this level of accountability to asking questions about how to make the achievement and demonstration of CD results possible. While this improved disposition to accountability for results is an encouraging step, it is clear that more efforts and time will be needed before the entire Institute is efficient in this practice. Close monitoring is needed to learn from the experience what works or not and to adjust thinking of how results-driven CD can best be done.
The greatest challenge is managing the expectations of the entire international community with regard to the additional time, efforts, and financial resources required for results-focused CD. In the case of the World Bank, universal implementation of the additional efforts towards local ownership of the change process and a serious diagnostic of constraining and enabling institutional capacity characteristics could increase at least transitionally the preparation time and cost of CD operations. Evaluation of results-driven CD would require more efforts as stakeholders should not be satisfied with assessing whether the CD intervention did things right, but more importantly add the assessment of whether CD was the right thing to do, and what results was CD driving, beyond intermediate outcomes that may or may not be part of a critical change process. The resource implications include the fact that a monitoring and evaluation culture and skills are needed to operate this approach, and ensure its effectiveness and results.

WBI is still in the early stages of the implementation and evolution of its results agenda, and likely not all challenges have fully emerged. Some of the issues already identified for further attention include:

- More tools and pilot applications, including rapid results initiatives
- Alternative ways of measuring and monitoring intermediate capacity outcomes
- Weak local M&E systems and culture, and low-resource tools for tracking and measuring change processes and results
- Guidance for design and selection of different CD platforms
- Need for more systematic reviews and evaluations of CD practice for systematic learning about what works and what does not; beyond one-off story sharing and unchallenged practice
- Knowledge sharing and learning services, and operational support services
- Prioritizing and identifying critical mass for change when facing a broad array of institutional constraints and tradeoffs
- Identifying processes that will yield institutional innovations with good characteristics in different contexts
- Shifting the local focus to results, not on what is missing or what is dictated by imported good practice
- Leveraging local leaders as agents of change

Against the many practical challenges must be set the excitement seen in countries among partners about what they have achieved and being able to explain coherently their results story, the scope for massively increasing global learning about the how of reforms, and the potential for powerfully affecting development effectiveness. A strong partnership within the development community is vital to developing the concept and practice of results-focused capacity development, and WBI proposes the launch of a major collaborative effort in this regard. Results-focused CD has to be the new meta of development!