THE LUTHERAN WORLD FEDERATION

A COMMUNION OF CHURCHES – EINE KIRCHENGEMEINSCHAFT – UNA COMUNIÓN DE IGLESIAS – UNE COMMUNION D'ÉGLISES

LUTHERISCHER WELTBUND – FEDERACIÓN LUTERANA MUNDIAL – FÉDÉRATION LUTHÉRIENNE MONDIALE

Department for Mission and Development – Human and Institutional Capacity Development

Human and Institutional Capacity Development (HICD)
Planning Framework –Africa- *(final draft)*

Outcome of the Strategic Leadership Seminar/Consultation in Africa, held in Nairobi, Kenya; 8-12 August 2011

Table of Contents

1 Introduction

The LWF Strategy for 2012-2017 recognizes that all member churches have assets and strengths as well as capacities that need further development. In an effort to respond to these needs, LWF is committed to facilitating spaces for regional and global accompaniment of the member churches.

Human and Institutional Capacity Development - HICD is a series of structured and integrated processes designed to enhance the achievement of an institution's goals and objectives. HICD involves systematic analysis of all the factors that affect performance; followed by specific interventions that address gaps between desired and actual institutional behaviors. HICD interventions include training to address skill and knowledge gaps, and to deal with other performance barriers such as dysfunctional organizational structure, unsupportive work atmosphere, or lack of necessary tools and incentives. Success of training and other capacity development interventions is measured by improvement in overall organizational performance and output, not the number of persons trained

Neglecting the institutional aspect of capacity development may limit the effectiveness of human capacity development. Hence, it is imperative for the churches to have a strategy which enables them to maintain a good balance between human and institutional capacity development. This framework is developed to serve the churches as a tool for articulating such strategies and plans to direct their holistic ministries in a sustainable manner.

2 Background

The Strategic Leadership Seminar/Consultation (SLS/C) held in Nairobi was planned as a follow-up of the LWF International Scholarship Program Evaluation and the subsequent Global Consultation on Education and Training Impact and Strategy, both of which took place in 2010. Among other key strategic issues that were to be discussed and thoroughly analyzed by the SLS/C include the following:

- Strategic Needs Assessment and Planning in the areas of Leadership Development, Theological Education, and Diakonia/Development Capacity;

- Development and application of Human Resources/Capacity Development Plans and Policies;

The Strategic Leadership Seminar/Consultation sought to achieve the following specific objectives:

- Practical approaches and methods of human resources management, strategic needs assessment, planning, and policy development are presented; and key priority areas of the churches and communities in relation to human resources development and capacity development are identified for adaptation and follow-up.
- Frameworks for HRD & CD policy and planning are developed for adaptation and use by the churches according to their respective contexts and needs.

This framework is an outcome of the Strategic Leadership Seminar/Consultation in Africa, comprising presentations, group exercises and plenary discussions ; and thorough reviews made at the LWF Communion Office through subsequent follow-up.

3   *Purpose and Relevance of the HICD Framework*

The purpose of the planning framework is to provide the church leadership, staff and stakeholders with systematic approaches to "capacity development", including outline of pertinent steps and definitions of conceptual terms. The framework provides not only basic principles of capacity development but also concrete steps that can be used to formulate, monitor and evaluate activities. Assumption is made that each member church has (or will have) developed its Strategic Plan, which describes its mission, goals, priorities and programmes/projects to be implemented and achieved within a specified period of time. While the Strategic Plan describes "why" and "what" each member church is doing, the Capacity Development Framework provides "how" it will achieve these mission and goals.

4   *HICD Planning Framework*

4.1 Definition of Terms and Concept

There are various definitions of "capacity" and "capacity development". Sometimes the terms are used without being defined properly or in ambiguous manners. Hence, it is necessary to have a common and clear understanding of basic concepts and terms to understand the HICD Planning Framework.

For the purposes of this framework, the term "capacity" will be defined as follows: Capacity implies organizational and technical abilities, relationships and values that enable countries, organizations, groups, and individuals at any level of society to carry out functions and achieve their development objectives over time. Capacity refers **not only to skills and knowledge but also to relationships, values and attitudes, and many others** (adapted from Morgan, 1998).

Furthermore, it is crucially important to take account of **levels of capacity** in a system context. This can be done at least at three levels: "**Environment**", "**Organization**", and "**Individual**" as shown in Figure 1.
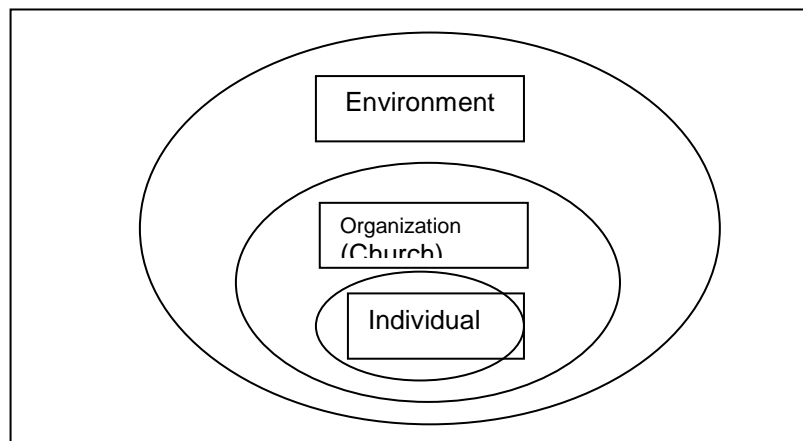

Figure 1: Levels of capacity

The definitions and examples of capacity at different levels are summarized in the table below.

Levels of Capacity	Definition of Capacity	Elements on which the capacity is based
Environmental	The environment and conditions necessary for demonstrating capacity at the individual, organizational and community levels. It includes: systems and frameworks necessary for the formation/implementation of policies and strategies beyond an individual organization. It includes administrative, legal, technological, political, economic, social and cultural environments.	Formal institutions (laws, policies, decrees, ordinances, membership rules, etc)
		Non-formal institutions (customs, cultures, norms, etc)
		Social capital, social infrastructure, etc.
		Capacities of individuals, organizations and communities within the environment.
Organizational /institutional/	Anything that will influence an organization's performance.	Human resources (capacities of individuals in organizations)
		Physical resources (facilities, equipment, materials, etc) and capital
		Intellectual resources (organizational strategy, strategic planning, business know-how, production technology, program management, process management, inter-institutional linkage, etc.)
		Organizational structure and management methods which affect the utilization of the resources (human, physical intellectual assets) such as organizational culture, incentive and reward system, etc.
		Leadership of managers
Individual	The will and ability to set objectives and achieve them using one's own knowledge and skills.	Knowledge, skills, value, attitude, health, awareness, etc.

Table 1 above summarizes capacity at the three levels.

4.2 Approach to HICD

There are various approaches to capacity development. Although the details of the approaches differ, there is a lot in common among the alternatives. Some of the common perspectives and principles that appear in these approaches include:

1) Emphasizing the importance of ownership of the LWF member churches;

2) Paying due attention to capacity development at the various levels, in particular, to the institutional (Church) and the environment levels;

3) Recognizing capacity development as a long-term process. Based on these perspective and principles, the following approach is proposed for human and institutional capacity development.

I. Respecting Ownership:

1. **Member churches are owners of their HICD initiatives.**

   The ultimate responsibility of the HICD initiatives is the responsibility of each member church. Each member church should plan, discuss the long-term strategy and identify areas of preparation, changing organizational structure (if need be), establishing incentives, ensuring finance, etc., paying attention to the various levels of capacity. Member churches have to be committed to their HICD initiatives, for example, by identifying time, efforts and money they are willing to devote to its implementation and upkeep.

II. Putting Interventions in a Broader Picture:

2. **Focus on the needs and priorities of the church as a whole.**

   Each member church should consider the context it is located in and identify their priority. It is, therefore, essential to identify its priority; ensuring its willingness and commitment before starting the initiative. When the member church has other competing initiatives which demand higher priorities, it should ensure how it will be able to manage its time and efforts to provide for all. Coping mechanisms in such contexts of multiple initiatives may include:

   - Contextualizing activities such as training workshop, seminar, etc. in a bigger picture.

- Encouraging or supporting the participants in utilizing the skills, knowledge, and practices in their daily work.
- Discerning an environment (leadership of their supervisors, rules, incentives, etc.) which will encourage participants.

3. **Create conducive environment for trained persons to utilize their skills and knowledge.**

   When a member church launches a new initiative, decision makers in the church should deliberate on the importance of making an environment that is conducive to learning and change by fostering openness when discussing learning, being aware of strengths and weaknesses, and in the event of redirecting efforts. Team-based training—bringing together team members rather than individuals for training events—also help build support for implementing change in trainees' home churches.

III.   Recognizing HICD as Long-Term Efforts:

4. **View capacity development as more than a one-off event.**

   Training must be contextualized in a boarder picture. For instance, whenever a training workshop/session is to be organized, it must be made sure how the participants will utilize the skills and knowledge they acquire through the workshop. It is necessary to put in place mechanisms to trace how they utilize the skills and knowledge and/or to organize another meeting/workshop to follow up the progress. Furthermore, it is necessary to plan how the member churches can sustain the activities with their own financial recourses available including negotiation with their Dioceses and regional expressions, etc. If enough financial resources are not available, include activities that will enable the member church to generate revenue enough to sustain the intervention activities.

5. **Build in monitoring and evaluation at the outset of a Capacity Development initiative.**

   Developing a plan for monitoring and evaluation—deciding which indicators to use to monitor the progress of a Capacity Development process—can help you and the member churches sharpen the objectives and become more

aware of their assumptions. Developing a logical framework of the Capacity Development venture can support this process.

6. **Create a sustainable mechanism after project completion**.

    Each member church should ensure the sustainability of the Capacity Development initiatives. They should plan how to maintain and expand the initiative with their own resources. During this process, it is also important to involve other stakeholders, in particular, those organizations who are in a position to be able to decide the budget and personnel allocation to the targeted organizations. If physical facilities and equipment are provided through the intervention activities, ensure that the member church can maintain the facilities, for example, electricity, toners, papers, maintenance, etc.

4.3 Steps for HICD

Based on the six steps proposed by Horton et al. (2003), the following steps for Capacity Development are proposed.

Step 1: Monitor the external environment to identify needs and opportunities for organizational change.

Begin by monitoring and studying the external environment. In the case where a church runs a school, they may need to monitor and study international and national education policies, major trends in education in the country, etc. in order to identify and ensure the needs and opportunities for organizations (e.g., teachers colleges).

The church may seek LWF's support in identifying its strategic needs and available opportunities through dialogue and consultation. LWF may also inform the church of experiences in other regions. Dialogues with regional expressions as well as LWF Communion office are encouraged.

Step 2: Review the organization's strategy.

Review the mandates, missions, future plans and strategies of the organizations. HICD needs can be identified or clarified through this process.

Step 3: Identify capacity needs and plan for Capacity Development.

Understanding the external environment and the organizational strategies makes it easier to identify the capacity needs as well as to ensure whether assumptions on the needs are appropriate. This can be achieved through:

- using the Capacity Development Matrix (Appendix 1) to identify capacity needs at the three levels: environment, organization (Church) and individual;
- giving a breakdown of the capacity and clarify what capacity—skills, knowledge, understanding, attitude, leadership, management style, standards, equipment, etc.—needs to be developed; and
- designing activities that will enable the organization to develop capacity.

It is recommended to develop a logical framework based on the capacity needs identified.

Step 4: Discuss and agree on the external support to be secured (if any).

Intervention and support that need to be secured; such as equipment and training, have to be clearly and mutually agreed on at the outset. Strategies for sustaining and expanding/optimizing the effect of external support/intervention need to be part of the overall HICD plan. It is important to ensure the commitment of the constituencies (regional expression, churches and subsequent levels) by evaluating how much time and resources they are willing to devote (cost sharing).

It is recommended, at this stage, to plan how to monitor and evaluate the Capacity Development activities. It is necessary, at least, to identify indicators that will help measure achievements.

Step 5: Implement and manage the capacity development process.

Support from the decision makers in the church is essential at this stage. As HICD processes call for organizational changes, effective management and environment conducive to changes are needed. If effective and supportive management does not exist, activities to develop effective management and supportive environment need to be included in the plan. Even when the management is supportive, it is recommended to involve the managers and decision makers in the project by, for example, inviting them to attend workshops/conferences, meeting with them, and keeping them informed regularly.

Step 6: Monitor and evaluate the capacity development process.

You should not be bound too much by the goals/objectives that are set at the outset of the project; since HICD process is not a one-off event. HICD is not a "project" in a rigorous sense as a project only aims at achieving goals within a timeframe set at the outset. Since not only the outcomes, but the process of HICD is important; monitoring the process is essential. Based on the results of monitoring and periodic evaluations, each church needs to discuss and negotiate the strategy being implemented.

5 Conclusion

Finally, it is strongly recommended that each church has a responsibility to own and internalize their HICD needs and interventions. Whereas, external support for capacity development may be forthcoming from time to time, the responsibility of evaluating, planning for, implementation and evaluations lies squarely on the leadership of each member church.

6   Appendix

Appendix 1: Capacity Development Matrix

In order to help to identify needs and activities for HICD, the matrix shown below is proposed. As explained in **Step 3** above, it would be helpful to know what capacity at each level—individual, organization and environment—needs to be developed and to understand what capacity exactly needs to be developed. The matrix will help you to pay attention to these aspects.

Overall Goal	(#1)				
HICD Goal	(#2)				
		Whose capacity? (#4)	**Capacity to do what?** (#5)	**Breakdown (Element) of the capacity** (#6)	**How to develop the capacity** (#7)	**How to sustain the capacity** (#8)
	Environment (policy framework, legal system, etc.)					
Target Organization (#3)	**Organization** (infrastructure, budget, decision-making process, leadership, administrative structure, organization culture, etc.)					
	Individual (skill, knowledge, attitude, value, experience, etc. of staff)					

HICD Matrix

How to use the matrix:

1. Fill in the overall goal. (#1). An overall goal refers to what the Church wants to achieve in the long-run. An overall goal can be defined as one of the impact level outcomes of the project.

2. Fill in the project goal (#2). A project goal refers to what is to be achieved by the end of the HICD process. The HICD goal is a subset of the overall goal.

3. Think and decide which church ministry will be targeted by the HICD process (#3). Depending on the envisaged process, the church may need to have one or more targets. For example, if the HICD process aims to develop the capacity of Bible colleges to manage a distance education programme, the target organization should be the Bible college.

4. Fill in the columns for "Whose capacity" (#4) and "Capacity to do what" (#5). In general, to influence the capacity at the environment level, organizations in higher hierarchical level than the target organization need to be approached.

5. Then, specify what kind of "capacity" you are referring to (#6). These may be skills, knowledge, attitudes, values, practices, system, etc. This process will help you to come up with activities for developing the capacities in the next column "How to develop the capacity" (#7).

6. It is also important to develop a plan as to how the developed capacities will be sustained and expanded (#8).

7. Based on the activities identified in the process above, develop a program implementation plan (See Figure below). It is recommended to develop a logical framework to ensure the logical sequence of the activities.

Task	2012											Budget (US$)
	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1.												
2.												
3.												
4.												

Example of the format for HICD plan

Points to note for HICD Matrix

1. The HICD Matrix can be used as a sort of checklist. When you fill in the matrix, it will help you to realize which levels of capacity are addressed and which are not. In many cases, you have plenty of activities in the row of "individual", but very few in the row of "organization" and "environment".

2. In terms of the row of "environment", it is often the case that you cannot find many activities. In a logical framework, most of the activities falling into this category are treated as assumptions, external conditions or risks. What is important is that you are aware of those factors, which may give positive or negative impacts on the Capacity Development efforts.

3. This matrix may give you a wrong impression that the interaction and relationships between the three levels are linear and simple. The relationships and interaction among the three levels are actually complicated. This matrix discards such an aspect for the sake of simplicity.

Appendix 2: Levels of Capacity

Definitions and examples of capacity at different levels are summarized below.

1. Capacity at the individual level

    Capacity at the individual level is the most fundamental element of capacity. It becomes the foundation for organizational capacity and refers to <u>the will and ability of an individual to set objectives and to achieve them using one's own knowledge and skills</u> (JICA, 2004). Capacity at the individual level includes knowledge, skills, value, attitude, health, awareness, etc. It can be developed through various ways such as formal, non-formal and/or informal education, training, on-the-job-training (OJT), independent reading, etc. In the context of organizational development, it is also referred to as human resources development.

2. Capacity at the organization level

    Capacity at the organization level will determine how individual capacities are utilized and strengthened. It refers to <u>anything that will influence an organization's performance</u> (JICA, 2004) and includes: human resources (capacities of individuals in the organization); physical resources (facilities, equipment, materials, etc.); intellectual resources (organization strategy, strategic planning, management, business know-how, production technology, program management, process management (e.g., problem-solving skills, decision-making process, communications, etc.); inter-institutional linkage (network, partnership, etc.); incentive and reward systems; organizational culture and leadership of managers.

3. Capacity at the environment level

    Capacity at the environment level refers to <u>the environment and conditions necessary for demonstrating capacity at the individual and organizational levels</u> (JICA, 2004). It includes: systems and frameworks necessary for the formation/implementation of policies and strategies beyond an individual organization. There are various dimensions on environment such as administrative,

legal, technological, political, economic, social and cultural, stakeholders, etc., that impinge on and/or mediate the effectiveness and sustainability of Capacity Development efforts.

Elements on which capacity is based on at the environment level include: formal institutions (laws, policies, decrees, ordinances, membership rules, etc.), informal institutions (customs, cultures, norms, etc.), social capital and social infrastructure, and capacities of individuals and organizations under the environment.

Appendix 3: Definitions of HICD (adapted from Lusthaus, 1999)

No.	Definition
1	Capacity is the ability of individuals, groups, institutions and organizations to identify and solve development problems over time. (Peter Morgan, 1996)
2	Capacity development is a concept which is broader then organizational development since 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)
3	Capacity development is "…any system, effort or process… which includes among its major objectives strengthening the capability of elected chief executive officers, chief administrative officers, department and agency heads and programme managers in general purpose government to plan, implement, manage or evaluate policies, strategies or programs designed to impact on social conditions in the community." (Cohen, 1993).
4	"…capacity is the combination of people, institutions and practices that permits countries to reach their development goals…Capacity Development is…investment in human capital, institutions and practices" (World Bank, 1998)
5	Capacity Development is any support that strengthens an institution's ability to effectively and efficiently design, implement and evaluate development activities according to its mission. (UNICEF-Namibia, 1996)
6	"Capacity Development is a process by which individuals, groups, institutions, organizations and societies enhance their abilities to identify and meet development challenges in a sustainable manner." (CIDA, 1996)
7	Capacity development: "The process by which individuals, groups, organizations, institutions and societies increase their abilities: to perform functions, solve problems and achieve objectives; to understand and deal with their development need in a broader context and in a sustainable manner" (UNDP, 1997)
8	Capacity strengthening is an ongoing process by which people and systems, operating within dynamic contexts, enhance their abilities to develop and implement strategies in pursuit of their objectives for increased performance in a sustainable way" (Luthaus et al. for IDRC, 1995)