

Evaluation of Capacity Building Projects in Organizations in Developing Countries



Master in International Public Management and Public Policy

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1. Introduction

Reducing the poverty in this world, is an equally noble as it is a challenging task. One important aspect of promoting the development of the Least Developed Countries (LDC) is by promoting trade with and within these countries. As the OECD (2001: 7) reports: "Trade makes an essential contribution to development." To prosper the trade in such countries, Capacity Building (CB) is an important concept. This was already acknowledged by the World Trade Organization (WTO) in their Doha Ministerial Declaration in 2001. "Technical cooperation and capacity building are core elements of the development dimension of the multilateral trading system." (WTO 2001: 8) This research will focus on Capacity Building projects, shedding light on how they have been performed in the past, evaluating what can be learned and draw lessons for future projects.

1.1 Background and History of Capacity Building

Capacity Building is not a new phenomenon. The United Nations (UN) dates the first efforts in CB back to the 1950s (UN 1999: 14). However, in those days, CB was mainly focused on improving the institutional infrastructure of developing countries and to improve the ability of development organizations to implement donor-funded projects. Later on, the focus of CB shifted from improving the infrastructure of a country and moved to the level of service delivery organizations and Small and Medium-sized Enterprises (SMEs). "Support for the provision of Business Development Services (BDS) to SMEs has also been popular with donors since the mid 1970s. However, during the 1970s and early 1980s BDS interventions tended to be confined to training and technology and often involved donor and implementing agencies working directly with SMEs." (World Bank 1997: 5) CB in these days had a very narrow focus, limited primarily to training staff and importing technologies from the Western countries. This gradually evolved over time, and in the 80's, CB had grown to span a variety of services, such as counseling, facilitation of market access, development of networks and improvement of market information in SMEs (World Bank 1997: 5).

This was the period in which more attention was given to CB in the world of development organizations. As the UN reports: “Capacity issues began to take on an increasing importance in the late 1980s and early 1990s.” (UN 1999: 14) In the 1990s the wide span of activities in the field of CB was still in place. However, a shift emerged from haphazardly performing all kinds of services to dedicating resources to formulating best practices, success stories and guiding principles for Business Support Organizations (BSOs) and SMEs in the network. The World Bank reported that: “In the early 1990s, big strides were made in turning experience from credit programs for small businesses into a well-defined set of best practice principles that could be widely replicated.” (World Bank 1997: 5) Today, the need for guidelines and practices that can be applied to BSOs and SMEs in developing countries is still present. Although CB is very much ‘in vogue’ in the world of development (Schacter 1999: 1), the body of knowledge on guidelines in implementing CB projects still misses critical mass. “Today, there is a rich body of literature on capacity development. A difficulty remains, however, in pinning down what it actually implies in practical terms.” (Lopes & Theisohn, 2003: p1) Historically shown, the development of CB can be portrayed as follows (Figure 1.1):

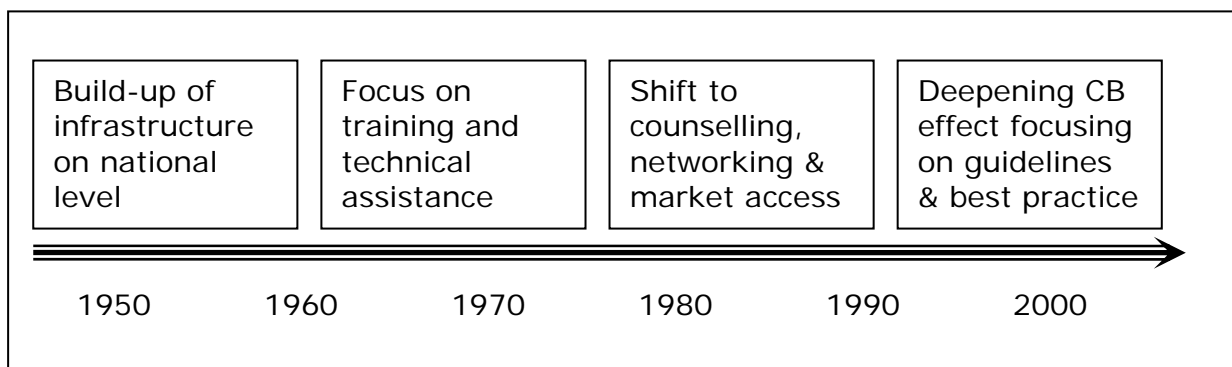


Figure 1.1: History of Capacity Building

1.2 Rationale for Capacity Building

Now that we've established that CB has had grown attention in the last decades, why should we specifically turn to investigating CB projects? In other words, what is the rationale for investing in a CB project? CB is a very prominent and important part of all development efforts directed at Third World countries. The

European Commission noted on the subject of 'capacity building', that: "nothing is more crucial for achieving sustained progress, growth and poverty reduction." (EC 2005: 4) Capacity building hence goes beyond the mere technical assistance such as providing a company with training. The goal is to embed this assistance in the organization in such a manner, that the organization can achieve sustained growth. An old analogy illustrates this point: *Give someone a fish, and he eats for a day; teach someone to fish, and he can feed himself for a lifetime.* This view is supported by the WTO. In the Doha Ministerial Declaration in 2001, it was declared that: "technical cooperation and capacity building are core elements of the development dimension of the multilateral trading system." (WTO 2001: 8) The capacity of organizations in the Third World countries to actively participate in the multilateral trading system should therefore be developed.

1.3 Aim of this Research

As mentioned, it is hard to pin down what CB in practice really implies. There is a need for better guidelines and best practices for practitioners. Although a lot of research has been performed in the field of CB, general knowledge on how to achieve better results in implementing CB projects is not well known. As the World Bank (1997: 5) reported: "Recent years have seen similar effort to identify practices in the area of non-financial services. (...) Guidelines for BDS interventions comparable to those for financial services have not yet been developed." This illustrates the fact that knowledge of financial interventions in Third World countries is far more advanced than that of building up organizations who deliver services. The aim of this research is to contribute to the knowledge of how to manage CB projects. By looking at the past, evaluating projects that have been implemented in the field of CB and by deriving lessons from theoretical knowledge already available, this research aims at providing insight into the world of CB. From these insights we can draw lessons and contribute to guidelines for CB projects in the future. By providing development organizations with these guidelines, a better understanding of a CB project should eventually lead to a better implementation of those projects, working more effectively, efficiently and at a higher quality.

1.4 Research Question

Providing insight into Capacity Building projects is the aim of this research. Its intention is to contribute to the current body of knowledge on CB projects. To come to better guidelines for professionals in CB, I will evaluate theoretical pieces on CB as well as CB projects implemented in practice. The central research question is:

What recommendations can be made to improve current guidelines for Capacity Building projects in development countries?

To answer this question, a multitude of sub-questions need to be addressed. In the first place, we have to establish what the term Capacity Building implies. Therefore, we have to find an answer to the sub-question:

1. What is Capacity Building?

As Capacity Building does not happen instantaneous, development organizations come into play. Development organizations aim to build up capacity in Third World countries by setting up Capacity Building projects. The next step therefore is to answer the sub-question:

2. What is a Capacity Building Project?

Once we have established what entails a CB project, we must identify how they have been performed and what lessons can be drawn from these experiences. To come to guidelines for CB projects, we therefore have to identify indicators for the evaluation of CB projects.

3. What indicators can be described for evaluating a CB project?

Consequently, we have to evaluate the CB projects that have been evaluated both in the field of theoretical knowledge, as well as in practice. This brings us to the final sub-questions:

4. What CB project guidelines can be found in the current theoretical field?

And;

5. What CB project guidelines can be found in practice?

By analyzing the CB project in theory and practice, we can establish theory and practice in the field of CB projects, and find any discrepancies between them.

Once we have answered these sub-questions, we will be able to give an in-depth answer to the research question, providing better guidelines for project managers involved in Capacity Building projects.

1.5 The Role of the BSO in Developing Countries

In this research, special emphasis is placed on the Business Support Organization (BSO). This is an organization that provides services to other organizations in the network (primarily SMEs) in order to promote the interests and service quality of these organizations. In short, a BSO in a developing country provides services to (small) businesses in that particular developing country. Hence, it is local based and provides services to local parties. The reason for investigating CB projects in these particular organizations is because the Centre for the Promotion of Imports for Developing Countries (CBI) has acknowledged their important role in the world of development aid, and those initiated CB projects in BSO to come to better core skills and service delivery. Current literature substantiates this view, which is further elaborated on in this chapter. It explores further why it is important to build-up the capacity of BSOs and gives a brief overview of the different BSOs that can be encountered.

There are several reasons for investigating the assistance to Business Support Organizations. Firstly, these organizations provide services specifically to Small and Medium-Sized Enterprises (SMEs). BSOs “can make a major contribution to the improvement of the environment SMEs operate in by serving as vehicles for the expression of their views, taking collective action, delivering core services, and networking among members and other stakeholders.” (World Bank 2005: 12) The role of SMEs in developing economies is very important, as Hallberg (2005: 5) notes: “Microenterprises and SMEs (...) account for a large share of

firms and employment [RW: in developing countries]." Simply put, SMEs are an important factor in developing countries and receiving services from BSOs is essential for their growth. Secondly, providing assistance to BSOs instead of directly to business enterprises is considered to be advantageous regarding the effectiveness and scope of the delivered services; it pays to invest in a BSO, thereby improving the trade capacity of numerous (affiliated) companies. One example is provided by Lederman et al. (2006: 3): "The resulting evidence suggests that on average EPAs [RW: export promotion agencies] have a positive and statistically significant impact on national exports." They calculated that, on average, each dollar invested in a national Export Promotion Agency, resulted in a 40 dollar increase in exports. This may imply that investing resources in EPAs (a specific kind of BSO) can be advantageous, because investing in a BSO has a higher payoff than investing in a single company. Two final remarks on the rationale for assisting BSOs rather than SMEs are provided by the World Bank (2005: 18): "...two major trends in promotional policies have influenced the rationale for supporting BSOs and not SMEs or government agencies as facilitators. One is the poor record of most traditional support programs. The other is the decisive change of attitude regarding the role of the state and its relationship to civil society." Based on this rationale, the World Bank (2005: 18) offers three reasons why Capacity Building in BSOs is pursued:

1. Economies of scale and scope: Donors can reach more SMEs more effectively.
2. Integrative Character: BSOs offer a wide array of services and are therefore suitable for improving the overall situation for SMEs.
3. Sustainability: Through the institutionalized participation of its members, BSOs can create a constituency for change.

Business Support Organizations come in all sorts and shapes, with a multitude of definition and acronyms. Without being exhaustive, other terms, which are often used, are: a Business Membership Organization (BMO), a Business Association (BA), a Chamber of Commerce (CC), a Trade Promotion Agency (TPO) and an Export Promotion Agency (EPA). For the sake of clarity and consistency, this research will limit itself to using the term Business Support Organization (BSO).

According to the World Bank, all BSOs have some common characteristics (2005: 13):

- They are non-profit organizations.
- They are guided democratically by the decisions of their members.
- They finance their operations by a mix of membership fees, service charges, voluntary grants and public subsidies.

So, more often than not, a BSO does charge for services it delivers to its affiliate members. However, it does not do this with the goal of making a profit. Concerning the second point, it should be noted that, in principle, the BSO should be open to any organization that is willing to become a member and is eligible to do so. Finally, concerning the financing of their operations, there is a wide span of possible finance mixes; from fully subsidized by government, to fully-funded by charging service fees or membership fees; and everything in between. A complete list of the different kinds of BSOs, their defining factors and their typical functions can be found in Appendix I. Although the organizations differ substantially, the possibility of implementing a CB project remains valid. The CBI has, for example, implemented projects in Trade Promotion Agencies (TPOs) as well as Industry Associations. In chapter 2, the concept of Capacity Building projects is explored. A thorough account is made of what CB projects look like, how they are managed and how they can be evaluated. In chapter 3, the methodology of the research is laid down. It indicates what has been researched, how it has been researched and why this particular method was chosen. In chapter 4, an account of the current state of guidelines in CB management is provided. It indicates what currently is viewed as good CB project management. In chapter 5 an evaluation is made of 4 CB projects carried out in practice. It indicates how these projects were managed, and assesses what can be learned from this experience. Finally, in chapter 6, the information derived from chapter 4 and 5 are confronted and new insights into guidelines are presented. A conclusion is presented, as well as recommendations for use in practice and further research.

2. Capacity Building

In this chapter, the concept of CB will be analyzed. It will give a thorough overview of all aspects within a CB project. Finally, this will result in a constructed model, with which we can analyze and evaluate CB projects.

2.1 What is Capacity Building?

There is no single definition of what actually constitutes 'Capacity Building'. To make things even worse, a lot of different concepts are used, to represent roughly the same process. They are all directed at building or developing capacity within an organization. This is acknowledged by the European Commission, which has stated that there are no agreed universal definitions of the many key concepts that are used in relation to institutions, organizations capacity and capacity development (2005: 5). Without being exhaustive, other concepts commonly used are 'capacity development', 'institutional development', 'institutions building' and 'organizational development'. However, in this research, for the purpose of being consistent, I will refer to the term 'Capacity Building'.

The OECD (2006: 14) has defined Capacity Building as: "the process whereby people, organizations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time". The European Commission (2005: 5) defined Capacity Building as "the process by which people and organizations create and strengthen their capacity over time." These are two very broad definitions, focusing on people and organizations, and the strengthening of capacity in general. The UNDP (1997: 3) defines capacity building as: "the process by which individuals, organizations, institutions and societies develop abilities (individually and collectively) to perform functions, solve problems and set and achieve objectives." This definition is broader in the sense that also institutions and societies are taken into account, but more defined as it is aimed at setting and achieving goals. This is an important implication, because this is what Capacity Building distinguishes from mere technical assistance; the recipient should

incorporate the capacity and use it to sustainably set new goals and achieve them. However, if we confine ourselves more to trade-related Capacity Building, the following definition seems more suitable: "A coherent set of activities by donors (bilateral and multilateral) and partner countries designed to enhance the ability of policy-makers, enterprises and civil society actors in-country to improve trade performance through policy and institutional strengthening as part of a comprehensive approach to achieve a country's overall development goals and poverty reduction strategies." (Prowse 2002: 1238) A definition provided by the Californian Wellness Foundation, a private donor organization provides even more insight (TCWF 2001: 4): "Capacity building is the development of an organization's core skills and capabilities, such as leadership, management, finance and fundraising, programs and evaluation, in order to build the organization's effectiveness and sustainability. It is the process of assisting an individual or group to identify and address issues and gain the insights, knowledge and experience needed to solve problems and implement change. Capacity building is facilitated through the provision of technical support activities, including coaching, training, specific technical assistance and resource networking." This lengthy definition says it all; it's about developing core functions within individuals and the organization, which is facilitated through technical support activities. It is important that we distinguish between Technical Assistance (TA) and Capacity Building (CB), where the former is focused at providing training and coaching activities, whereas the latter focuses on the aspect of embedding TA in the organization, providing sustained knowledge and skills to the organization and its staff. Combining the definitions and insights above, the definition of what Capacity Building is:

The development of an organization's capabilities, through a coherent set of activities aimed at embedding core skills and functions in order to build the organization's effectiveness and sustainability.

This concept of CB will be used throughout this research. To thoroughly investigate CB, we will therefore have to break down the definition into manageable pieces, which are clear and can be researched. In the following part of this chapter, the different concepts constituting CB will be analyzed and a model will be constructed in order to analyze CB projects.

2.2 Organizations

As noted earlier, CB projects can be implemented within an organization, as the aim is to build-up the capacity within the organization. But what actually constitutes an organization? A comprehensive definition of an organization is provided by Richard Hall (1999: 30):

“An organization is a collectivity with relatively identifiable boundary, a normative order (rules), ranks of authority (hierarchy), communication systems, and membership coordinating systems (procedures); this collectively exists, on a relatively continuous basis in an environment, and engages in activities that are usually related to a set of goals; the activities have outcomes for organizational members, the organization itself, and for society.”

Without attempting to dive deep into this complex definition, some key elements deserve some clarification. Some more attention to the elements is given by David Jaffee (2001: 5):

- A collectivity usually suggests that there is a group of humans who have something in common.
- The other characteristics (rules, hierarchy and procedures) are mechanisms designed to reconcile the potential conflict between collective and individual interests.
- Boundaries are put into place, to define who is inside and who is outside the organization.
- The continuous basis reminds us of the fact, that a repeated achievement of goals is aspired. In short, it is not a one shot operation.
- The fact that the organization engages in activities to achieve a goal provides direction for the organization.
- And finally, it becomes clear that an organization has an impact on its members, the organization itself and society.

It is clearly illustrated by Hall that there are three important parts within his definition; structures, processes and outcomes. “The first part of the definition emphasizes the social structural elements of the organizational reality (...); the second part highlights active processes that are goal directed; the third part

considers the consequence of organizational structure and process on members, the organization, and society at large.” (Jaffee 2001: 5-6)

This definition fits a wide range of different organizations. Organizations are formed to serve different goals and have different structures accordingly. Thereby, their effect on its processes, organizational members and the society differs from organization to organization. One of the most obvious distinctions made, is between private and public organizations. Rainey (1997: 55) cautions us not to oversimplify distinctions between public and private management. According to him “major studies that analyzed many different organizations to develop taxonomies and typologies have produced little evidence of a strict division between public and private organizations.” (Rainey 1997: 57) However, a division can be made, and can help us understand the differences in structures and goals of different organizations. Rainey admits, even though the strict division does not hold, that “scholars have provided useful insights into the distinction.” (Rainey 1997: 61) The distinction is not clear-cut, but can be viewed as a sliding scale, in which all kind of organizational arrangements are depicted. Examples are provided by Dahl and Lindblom (in: Rainey 1997: 65) ranging from a “Government Agency”, through “State-owned enterprises” (such as some postal services), “Government-sponsored enterprises”, onto “Private non-profit organizations” to the ultimate “Private Enterprise”. Ownership and funding are the most crucial factors in this division (Figure 2.1):

			Public Ownership	Private Ownership
Public	Funding	(taxes, government contracts)	Department of Defense Police Departments	Defense Contractors Rand Corporation
Private	Funding	(sales, private donations)	U.S. Postal Service Federal Home Loan	General Motors IBM

Figure 2.1: Public and Private Ownership (source: Wamsley and Zald (1973) in: Rainey 1997: 66)

The implication of the differences in organizational structure is that the organizations as a whole differ. Even though public and private organizations are very much alike, they are “fundamentally alike in all unimportant respects.” (Allison 1979: 27) Public management differs from private management on a range of topics, such as time-horizon (private company managers tend to have a longer term focus), performance evaluation (private organizations tend to work with hard measures such as return on assets), processes (public processes are open to much more public scrutiny), and equity and efficiency where the former is favored by public managers and the latter by private organization managers (Allison 1979: 30-32)

Putting aside the differences, this still leaves us the definition posted by Hall. Even though the specific components within the definition differ between public and private organizations, the three pillars of Hall’s definition remain intact. Hence, the research focuses on CB project implemented within an organization, consisting of (social) structures, processes that are performed which have a specific outcome for the organization, its members and society.

2.3 Organization’s Core Skills and Functions

Now that we have established what exactly constitutes an organization, it is important to analyze what the core skills and functions of an organization are, as this lies at the heart of a CB project. In our definition of CB projects we have established that they have the intention to embed core skills and functions into the organization. In this chapter, we will investigate what the core skills of an organization are.

Once a business organization is formed, there are five functions that have to be performed in the business process. Although every organization is unique, all businesses must perform some basic, core functions. These functions are provided by Blanchard et al. (1996: 6-7):

1. Management: Management is dealing with the question what work should be done, when and how by whom. Management is therefore responsible for all other functions and people in the business. In this respect,

management not only supervises current operations by employees, but also constructs long-term strategies.

2. Human Resources: People are at the heart of every business. Human Resource Management (HRM) deals with hiring and firing employees, motivating and training them and providing them with job descriptions, promotions and everything connected to personnel management.
3. Marketing: Marketing helps the business find customer need and fill it. The goal of a successful marketing strategy is to find out what your customers want, to help the business develop and produce it and bring this to the attention of your customers.
4. Control Systems: Control systems enable managers to make better decisions. They are used to set objectives, establish and implement policies and evaluate employee performance. With the help of control systems an organization can adjust to changing environments. An important part of controls systems are information systems; systems that are designed to collect, process and store information to support decision-making, control and analysis.
5. Financial Management: Financial management is the function to obtain funds, manage the day-to-day flow of funds and committing funds for the long-term expenditures.

Now we can establish that CB projects are aimed at strengthening and embedding management, HRM, marketing, control systems and financial management functions in an organization.

2.4 Change Management, Organizational Development and Sustainability

The definition of Capacity Building is now taking shape. A core feature of CB is that its aim is to develop an organization and to do this in a sustainable manner. But what actually is sustainably developing an organization? This section focuses on clarifying these important aspects of a CB project.

Before we talk of Organizational Development (OD) we must first consider the overarching principle of Change Management. Change Management can be characterized as “moving from an old state to one adapted to the future environment often requiring comprehensive change that involves many components, including human behavior, culture, organizational structure, work processes, and IT/infrastructure.” (Worren et al. 1999: 277) We see here that change management is directed at the core skills and functions of an organization. Change management deals with changing the structure or the processes in an organization to come to better outcomes (i.e. better service delivery, more profit, less scrap etc.).

Organizational development goes somewhat beyond change management. One way to typify organization development is recorded by Daft (2001: 375). He sees organization development as a method “which focuses on the human and social aspects of the organization as a way to improve the organization’s ability to adapt and solve problems.” According to Daft, it is an important step towards becoming a ‘learning organization’, where high value is placed on internal processes and human relationships. In this respect, organizational development can be characterized by adaptation of the human and social processes within an organization adapting to changes in the environment. Cummings and Worley come to an even more comprehensive definition of OD (2005: 1): “Organization development is a systemwide application and transfer of behavioral science knowledge to the planned development, improvement, and reinforcement of the strategies, structures and processes that lead to organization effectiveness.” From these typologies, we learn that OD is a process, in which a planned change to the organization’s strategies, structures and processes is implemented. The use of behavioral science points us to the fact that OD is not a mere technical operation, but that the ‘human’ aspects of change and knowledge transfer are important.

Finally, sustainability is an important connotation to the CB definition. Sustainability means (Dale 2000: 214): “the maintenance or augmentation of positive changes induced by the program or project after this has been terminated.” This points us to the core of CB; the aim is to build up the core

skills and processes in an organization in such a way, that the organization can replicate the process and sustain it long after the CB project is terminated.

2.5 Projects and Project Management

Capacity Building does not happen at once. They require projects in order to safeguard the sustainable development character of CB. In order to embed the core skills into an organization, a project is carried out. But what exactly is a project and how do we manage one? This section explores the world of projects and project management.

2.5.1 What is a project?

"A project is a unique endeavor to produce a set of deliverables within clearly specified time, cost and quality constraints" (Westland 2006: 2) Westland elaborates on the meaning and character of projects, which sets them apart from standard business operational activities. Projects (Westland 2006: 2):

- "Are *unique* in nature." They do not involve repetitive processes as operational activities do.
- "Have a defined *timescale*." Projects have a set start and end date, within which the project has to be carried out and the results must be delivered.
- "Have an approved *budget*."
- "Have limited *resources*." At the start, an agreed amount of labor, equipment and materials is assigned to the project.
- "Involve an element of *risk*." The outcome of a project is uncertain at the beginning.
- "Achieve beneficial *change*." A project is typically meant to improve an organization through implementation of change.

So this is what clearly entails a project; it's a unique undertaking, with defined beginning, ending and allocated resources, aiming to bring about change in an organization for the better. We now dive deeper into the project, analyzing how a project is build-up and how it can be managed.

2.5.2 The Project Life Cycle

To analyze the build-up of a project, we turn to Westland (2006: 4), who has drafted a “project life cycle” in which all stages of a typical project are depicted (Figure 2.2):



Figure 2.2: The Project Life Cycle (source: Westland 2006: 4)

- Project Initiation: In this stage an opportunity or problem is identified and several solution options are defined. A feasibility study is conducted to address the proposed solutions and investigate how the solutions are related to the problem. A final recommendation is put forward and when it is approved, a Terms of Reference (ToR) is set up outlining the objectives, scope and structure of the project. Once approval is given to the ToR, the project moves into the planning phase.
- Project Planning: In this phase, a complete and detailed project outline will be drafted including (Westland 2006: 4-5):
 - Project plan outlining activities, tasks and timelines.
 - Resource plan listing the labor, equipment and materials required.
 - Financial plan identifying the cost of all resources.
 - Quality plan providing targets, assurance and control measures.
 - Risk plan highlighting potential risks and the way to minimize them.
 - Acceptance plan listing the criteria to be met.
 - Communications plan describing the information needed to inform stakeholders.
 - Procurement plan identifying products to be sourced from external suppliers.

If the planning stage is completed, the project plan is ready to be executed.

- Project Execution: In this phase, all plans that have been drafted are put to action. The Project Manager or Program Manager (PM) monitors this process, “identifying change, risks and issues, reviewing deliverable quality and measuring each deliverable produced against the acceptance criteria.” (Westland 2006: 5) A PM performs the project management, which is described in detail in paragraph 2.5.3.
- Project Closure: This step involves handing over the final deliverables to the customer (even in CB projects we can speak of ‘customers’ indicating the organization receiving the CB project). The entire project is reviewed and all contracts are terminated. The success of the project is evaluated and lessons for future projects are identified.

Of course the steps identified are an ideal-type of a project. Sometimes steps are passed, people are thrown back in the process (i.e. reviewing the ToR that has been drafted) and elements of the project can be left out (i.e. a communication plan is not drafted). However, this is a comprehensive outlook of how a project should look like, including all steps that are deemed necessary for a successful implementation of a project. To ensure this successful implementation, the project needs to be managed. An arduous task is placed on the PM who has to execute the project. How a PM can manage a project is researched in the following paragraph.

2.5.3 Managing a Project

According to Westwood (2006: 3): “Project Management is the skills, tools and management processes required to undertake a project successfully.” These skills, tools and processes are three components that are required to set up a project, keep it on track and close it successfully. The roles of the three components are identified as follows (Figure 2.3):

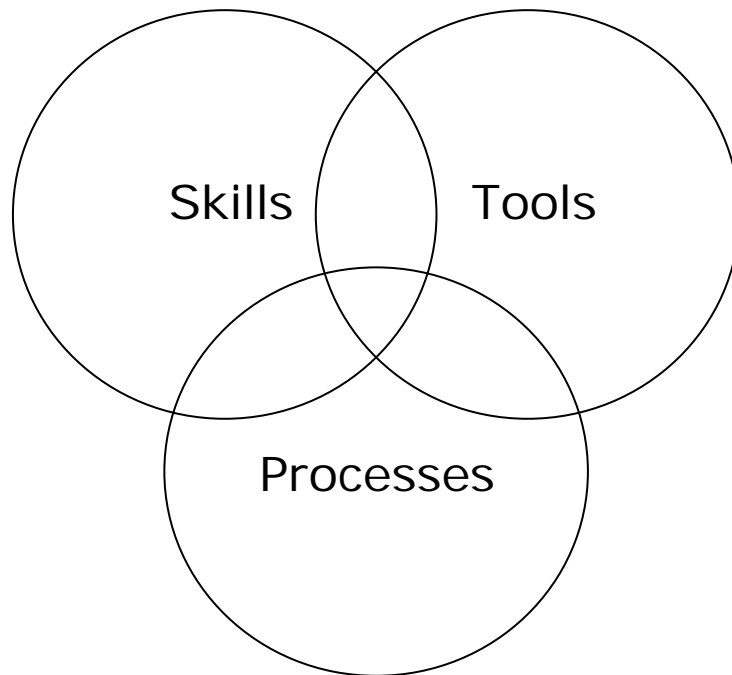


Figure 2.3: Project Management components (source: Westland 2006: 3)

- Skills: Specialist knowledge, skills and experience are required to reduce the level of risk and increase the likelihood of success of a project.
- Tools: Tools are used by PMs to improve the chance of success. Examples are checklists, specific software, templates etc.
- Processes: Various processes and techniques are used to monitor and control time, cost, quality and scope of projects.

These PM's skills, tools and processes are used to manage a CB project. Recall that the research question is formulated, in order to improve guidelines for CB projects in developing countries. The guidelines should therefore identify how a PM can improve its skills, tools and processes in order to improve the success rate of a CB project.

We have learned that a project consists of four phases; an initiation phase, in which a feasibility study is conducted and a ToR is formulated, a planning phase in which the entire project plan is described in detail, an execution phase in which the planned activities are executed and a closure phase in which the project is terminated, evaluated and lessons for the future are identified. To ensure the successful implementation of such a project, a PM has skills, tools and processes to monitor, review and operate all four steps of the project. In the

following section, we will investigate how a CB project is shaped, defining the character and activities of a CB project.

2.6 Capacity Building Projects

It has already been established that CB projects can be distinguished from other projects, as they have a long term horizon, aim at improving the core skills and functions within an organization in a developing country and build up the capacity in an organization to improve its effectiveness in a sustainable way. The activities within a CB project to achieve these results are various. However, there are some main examples.

“When relating to organizations, capacity-building may focus on a wide range of features and processes (...). Main examples are: policy – and strategy analysis; project planning; technology; management information systems; individual skills of various kinds; and issues relating to the organization’s form, culture and incentives.” (Dale 2000: 178) This teaches us that the focus, although broad, is mainly on processes of a strategic nature, which are related to the core skills of an organization. The capacity can be augmented through *direct* measures and *indirect* measures (Dale 2000: 178). Direct measures are actions taken by the donor organization that directly impact the organization receiving the support. For example, the benefit of better-trained employees or supply of office equipment has a direct effect on the capacity within the organization. Indirect measures are the learning effect that occurs in the organization receiving support when the CB project is carried out. By implementing formal staff training, the organization learns how staff training can be designed and “learn from experience with the work that they do.” (Dale 2000: 178) This effect is crucial for a CB project, as this process results in the sustainable development of capacity within the recipient organization. What activities particularly take place in such a CB project is discussed below.

As a project is a unique undertaking, each CB project is unique and therefore different. However, the 4 steps we have discerned earlier should be in place (in whatever format) in a CB project. The activities that take place within each step

differ per project. However a list of common CB activities in organizations in developing countries can be encountered. For each phase of the CB project, these typical CB activities are presented:

- Initiation: In the initiation phase, relative importance is placed on analysis and diagnosis. The organization, its institutional and environmental context are analyzed in order to see whether a CB project is feasible. Analysis that can be performed in this context are (Dale 2000: 94-95):
 - Problem Analysis: Identify what the core problem is and look for cause and effects.
 - Analysis of External Stakeholders: Identify all stakeholders who have a stake in the organization and in the CB project. It can be used to understand relevant actors and their behavior, interests and resources on the decision-making process (Brugha and Varvasoszky 2000: 239).
 - Participatory Diagnosis: This activity is presented by the UK Department For International Development (DFID). It consists of a SWOT analysis, analyzing Strengths and Weaknesses of the recipient organization and the Opportunities and Threats posed by the environment. These are identified with the organization in the form of an open dialogue. The main goal is to get the members of the organization 'on board' and develop a diagnosis and subsequent plan for the CB project together (DFID 2003: 5). The diagnosis is structured in a way, that all relevant components should be analyzed, which includes: the environment, the organization's strategy, the organization's people and HRM, the organizational structure, the inputs and resources of the organization, the culture, the systems within the organization and the organization's performance and output.
 - Formulation of objective: This is performed in a ToR. The donor organization and recipient organization both sign a formal ToR, constituting what is the objective, scope and structure will be.
- Planning: In the planning of a CB project, it is important that a specific timeline is presented including which activities will be performed and

when deliverables should be presented. Furthermore, all project plans (resource plan, financial plan, quality plan) must be formalized and underscored by both (or all in the case of multiple) organizations involved in the CB project.

- Execution: In the execution phase, the activities that were designed and planned are executed. In typical CB projects, these activities are aimed at improving the core skills as mentioned before. The project manager sees to the execution of the activities as planned and monitors the quality, cost and progression of the CB project.
- Closure: In the closure phase, the CB project is terminated. All contracts are ended and an evaluation is performed after which all documentation is handed over to the appropriate organizations. What is typical about evaluating CB projects is that it is hard to produce quantifiable outcomes. The CB project often has no hard evidence in outcome, such as higher turnover, higher margins or larger profits. Besides, the outcomes of the project usually do not become clear immediately after the project is terminated. Therefore, "final outcomes should be the basis for evaluating success, but many of these will be some distance in the future and the causal links with institutional development can be difficult to make." (DFID 2003: 28) Hence, most CB project evaluations take a qualitative evaluation of the project, in which for example both parties involved agree that the CB project has been carried out in a satisfying way.

One of the most important features of a CB project is the commitment from the recipient organization that has to be dedicated to the project to become successful. This commitment should be dedicated in two ways. Short-term commitment should be in place to make sure all stakeholders involved in the project are dedicated to the change process. Long-term commitment is important, so that after the project has been completed, the newly learned skills or processes are being incorporated into the organizational structure. The answer to the question: *What is a Capacity Building Project?* is:

“A Project consisting of 4 phases, namely an initiation phase, a planning phase, an execution phase and a closure phase, which aims at building the capacity of an organization in a developing country. An important feature is that commitment to the change project is crucial for its success.”

It is now clear, that although a CB project is in some way a typical project, it does have some unique characteristics. To evaluate such a project is no walk in the park. In the following paragraph, a model will be constructed, which will be used to analyze CB projects carried out in practice.

2.7 Model for analyzing Capacity Building projects

As mentioned in paragraph 2.6, it is not an easy task to analyze CB projects. However, by building a comprehensive framework, we can establish whether CB projects have delivered results. Dale (2000) has formed 6 evaluation categories, which “constitute a set of main variables which evaluators are commonly expected to address.” (Dale 2000: 212) These evaluation categories are:

1. Efficiency: Efficiency is the link between inputs and outputs. It establishes “the amount of outputs created and their quality in relation to the resources invested.” (Dale 2000: 212)
2. Effectiveness: Effectiveness is the link between targets and the output, or impact of the CB project. It “expresses to what extent the planned outputs, expected effects and intended impacts are being or have been produced or achieved.” (Dale 2000: 212)
3. Impacts: Impacts are the “longer-term, largely indirect, consequence of the program or project for the intended beneficiaries and any other people.” (Dale 2000: 214)
4. Relevance: Relevance establishes to what extent the project has addressed the right priorities and deals with the question whether the resources “might have been used with greater advantage for some alternative development measures.” (Dale 2000: 213)
5. Sustainability: This is the core of a CB project. It evaluates whether the positive changes induced by the project is sustained by the organization after the project has been terminated (Dale 2000: 214).

6. Replicability: This part of the evaluation is strictly for the purpose of the donor organization. In this part, the project is evaluated and the feasibility of repeating the project or parts of it for later use in another context, organization or CB project (Dale 2000: 215).

These evaluation categories will be used for analyzing CB projects that have been conducted in the past. By assessing all phases of a CB project along these 6 criteria, we constructed a model for evaluating CB projects that have been performed in the past. This model represents how a CB project is shaped and how we will evaluate the project. The four steps in a CB project will be analyzed and evaluated according to the relevant criteria. The '*Efficiency*' of the CB project will be assessed by investigating the relation between the inputs into the project and the outputs that have been produced. A relation between the inputs of the CB project, such as activities, resources and information should lead to an output, which is an increased capacity in the recipient organization's core skills and processes. Hence, by assessing the efficiency of the CB project, we analyze the relation between the resources allocated to the CB project and the increase in the management, HRM, marketing, control systems and/or financial management functions in an organization. The '*Effectiveness*' of the CB project will be assessed by investigating the relation between plans for the project that have been made and the impact that resulted from the CB project. By assessing the effectiveness, we investigate to what extent the planned development of the core skills and functions has been achieved. The '*Impact*' is the consequence of the outcome of the project. Here we analyze what the impact of the project has been on the organization's core skills and what the consequence of this core skills development has been on the organization and its environment. The '*Relevance*' is investigated in the closure of the project. Here the projected is justified; have the resources been well spent in this project or ought they been invested elsewhere better? The '*Sustainability*' is an important factor that is evaluated throughout the project. Here we evaluate whether the activities that are performed in the CB project resulted in a sustainable integration into the organization. This indicator should identify whether the CB project has changed the organization's core skills in such a way, that even after project termination, the change has been sustained. Finally, the '*Replicability*' of the project is evaluated. In this category we evaluate whether the insights in the CB project

prove to be replicable in other context, leading to guidelines or recommendations for future CB projects. Now we can answer the question: *What indicators can be described for evaluating a CB project?*:

Capacity Building Projects can be evaluated by using six indicators, namely efficiency, effectiveness, impacts, relevance, sustainability and replicability.

Combining the components of a CB project, with these 6 indicators has led to the following model, with which we analyze CB projects that have been performed in practice (Figure 2.4):

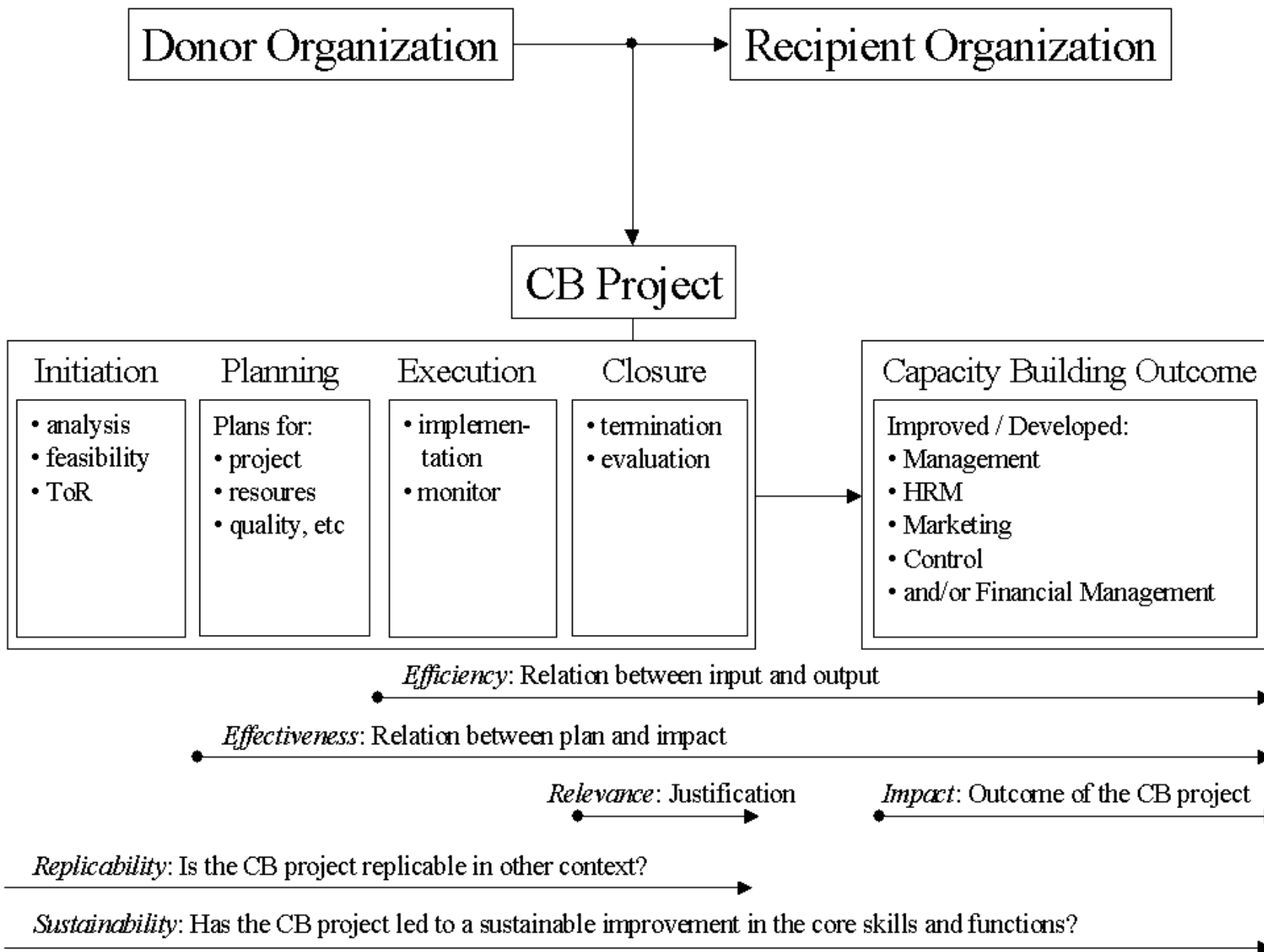


Figure 2.4: Evaluation model for analyzing Capacity Building projects

3. Methodology and Case Selection

In this chapter, the methodology and case selection will be presented. We will start by depicting how the model for evaluating Capacity Building projects, constructed in chapter 2 will be applied to the evaluation of Capacity Building projects in practice. Furthermore, the cases that are investigated and the way in which the research is performed is presented.

3.1 Indicators for the Evaluation of CB projects

Recall the model (Figure 2.4) for evaluating CB projects. In this section, we will introduce the indicators for using this model in evaluating CB projects. Indicators are used to assess and indicate whether a Project, Project Phase or Project Activity is performed effectively, efficiently, sustainably etc.

A mix of quantitative and qualitative indicators will be used to assess the relative success of the CB project. The quantitative side deals with hard facts. By analyzing quantitative data, hard evidence of the quantity of deliverables is presented. By analyzing qualitative indicators, the relative quality of the deliverables in the project is assessed. Each step of the project will be analyzed along both lines, indicating by fact what has been achieved (an example is that the BSO in which the CB project is implemented, has provided 25% more people with a training) and what the quality of the achievement was (an example is that satisfaction of the training has increased by 25%) (Examples provided by World Bank 2005: 72). As mentioned before, assessing a CB project outcome is very hard, as hard facts (i.e. increased turnover) are hardly realized. Therefore, the main indicators that are used in this study have a qualitative nature, and assess whether the project was viewed to be successful by the involved project managers and evaluators. Assessing the final outcome the project has for the developing country, or region is de facto so hard to measure, that this is not investigated. A project that is managed and evaluated satisfactorily is in this study deemed to have (some) positive influence on the position of people in the developing country in which the CB project was performed. Although this is a

bold assumption, the idea is that this form of development aid, has a long-term commitment tied a specific organization or region, and that people in this region eventually will benefit from the implementation of a CB project. Therefore, if both the PM and the evaluator are satisfied with how the Project, a Project Phase or a Project Activity was managed, then that specific Project, Project Phase or Project Activity can be viewed as successful. If for example both the PM and the evaluator deem the ToR to be of a high (or sufficient) quality, and hard evidence suggests that the ToR contains a complete list of goals, deliverables and planning, then we can say that a successful ToR is drafted. This is not a black or white exercise. The view of the PM and Evaluator are weighed against each other and against data retrieved from the documents. Taken together, they represent a fair and balanced account of what has been done and what has been achieved. If ultimately, the PM and Evaluator are linearly opposed in their opinion, the researcher's view, based on the documentation and interviews, has formulated his view on the project. Once this has been done for all projects, we can start investigating what can be learned. To have a successful ToR, for example is one thing, to evaluate the process how the ToR was drafted is yet another. By a qualitative assessment of the underlying factors causing the successful outcome, we learned how the outcome has been achieved. This leads us to assess the CB project according to the following criteria:

- Efficiency: An analysis of the contributed resources to the project will be made. If both the PM and evaluator agree that resources have been spent efficient, the project is considered to be managed efficiently. Moreover, if the project stayed within budget, this is viewed as an indicator that the CB project was efficiently managed.
- Effectiveness: An analysis of the project goal and final impact are made. If the intended impact has been achieved, the project was effective. If both the PM and the evaluator agree that the project goals have been reached, this conclusion is substantiated. This indicator is closely tied to the 'impact' indicator.
- Impact: An analysis of the outcome the project has had on the organization and the organization its external environment is performed. If both the PM and the evaluator agree that the project has had a profound outcome, positively influencing the core skills of the organization and the

development of core skills has led to improved organizational performance, the impact of the project will be considered significant. If other (objective) data indicates that there was an impact caused by the implementation of the CB project, then this contributes to the impact assessed in this research.

- Relevance: If both the PM and evaluator agree that the decision to start the project was right and that the project proved to be relevant for improving the capacity of the recipient organization, then the CB project is considered to be relevant.
- Sustainability: This indicator is used to establish whether the CB project has led to a sustained development of the organization's core skills. If both organizations agree that after project termination, the core skills of the organization remain improved, the CB project is regarded as being sustainable. Moreover, if the BSO that received training is still in operation and/or is still attached to the CBI, then this is an indication that the project had some sustainable influence on the recipient organization.
- Replicability: This indicator is measured by comparing the project in practice to the theoretical knowledge on CB projects. If the project showed any deviations or irregularities compared to the theory, recommendations for replicability will be provided. If the CB project was implemented following theoretical guidelines, the project is considered replicable. Another indicator to show replicability is to assess whether the project processes and its format have been used by the CBI in a later stage. If this is the case, then the project is considered to be replicable.

3.2 Methodology

Now that the indicators are defined, the way in which the research is carried out is elaborated on below.

Firstly, to thoroughly investigate and evaluate CB projects in practice, we must have a profound understanding of theoretical knowledge of successful CB project implementation. Therefore, in chapter 4 a thorough analysis of the current scientific literature on CB project implementation is presented. This knowledge

provided us with a clear understanding of what is considered to be “good practice” in CB project management in organizations in developing countries.

Secondly, the CB projects that have been performed in practice will be evaluated. These projects have taken place in the Centre for the Promotion of Imports from Developing Countries (CBI) an agency affiliated to the Dutch Ministry of Foreign Affairs. This agency has been chosen for its history of building up capacity in developing countries. The CBI has been established in 1971 and is part of the Dutch development cooperation effort (www.cbi.eu 2007). As this organization has performed various CB projects, the CBI provides us with CB projects performed in practice that are suitable for evaluation in this research. Therefore, a collection of CB projects, carried out by the CBI will be evaluated and analyzed in chapter 5. The CB projects will be evaluated as follows:

- First, a literature investigation is performed. In this literature review, all relevant documents and the final evaluation report are analyzed. This includes documents such as the feasibility study, ToR, project plan and documentation of activities that were carried out. As these documents are drafted by the CBI in conjunction with the recipient organization, this provides us with an account of the plans and performed activities. Because the studied documents were signed by both parties, they can be seen as a reliable source of information. This contributes to the reliability as well as the validity of the research. The reliability, which is the consistency or stability with which we measure something (Robson 2005: 101), is guaranteed due to the formal confirmation of the documents that were researched. The validity, which refers to the accuracy of a result (Robson 2005: 100), is guaranteed by the fact that the documents researched are confirmed by both parties. Moreover, the formal documents are a valid point of research, as they contain the information describing the entire CB project.
- Secondly, the Project Manager (PM) attached to each CB project is interviewed. This interview was semi-structured. All relevant topics, and all phases of the project were discussed and any underlying factors causing success or failure were discussed. The PM was the CBI representative that was responsible for the planning and execution of the CB project. The PM

is therefore involved in all stages of the CB project. Subsequently, he or she is formally informed of all actions, plans and events in the CB project. The PM is therefore an important source to validate and complement the information obtained in researching the project documents.

- Finally, the Evaluator of each project is interviewed. His or her view of the CB project is retrieved through a semi-structured interview covering all aspects of the CB project. The Evaluator has performed an objective evaluation of the CB project. He or she is not employed by the CBI or the recipient organization. He or she can therefore be seen as a reliable source of information regarding the implementation of the CB project.

To get a balanced picture from each project, for each project the evaluator and the PM attached to the project were interviewed. Regretfully, in the case of CORPEI, the evaluator has not been interviewed. Instead, the CBI Program Manager, overseeing the entire project from initiation to closure has been interviewed. As he was involved in the entire project and was ultimately responsible for the evaluator's report, this Program Manager has a thorough knowledge of how the project has been carried out and how it has been evaluated. For the FECAEXCA program, both the PM, evaluator and CBI Program Manager were interviewed (Appendix II). The interviews that were performed were unstructured, solely guided by 4 phases in CB projects that had to be dealt with (Appendix III). The interviewee was asked to share his vision, beliefs and experience with the 4 phases in the CB project he or she implemented or evaluated. This unstructured interview can be seen as an informant interview, because the prime concern was to get the interviewee's perception of the project context (Robson 2005: 271-272). This method of interviewing was most appropriate for this research as the PM and Evaluator's perception of the CB project could be matched with the documentation available, providing us with a rich picture of the project initiation, planning, execution, closure and outcome. For this research, PMs and evaluators were interviewed, as they have an independent role and are neither on the payroll of the donor, nor the recipient organization. This decreases the tendency of the interviewee to produce socially desirable answers. The interviews were held in Dutch, and for the purpose of this research translated on account of the researcher. Even though this makes direct quotes impossible, for being consistent, wordings by the interviewee in this

research have been referred to as quotes. Original transcripts of the interviews are available upon request.

In chapter 4, a study is made comprising the guidelines on CB project management that is provided by current scientific literature. This paints a picture of what currently is considered to be “good practice” in the field of CB project management in developing countries. In chapter 5, an evaluation will be made of four CB projects that are performed by the CBI, a Dutch developmental organization that is attached to the Ministry of Foreign Affairs. This evaluation is performed on the basis of the model we constructed in chapter 2. The specific guidelines for CB project management in developing countries retrieved from practice are then compared to the theoretical guidelines in current literature in chapter 6. In this chapter, the answer to the research question will be presented, providing improved guidelines to CB project management in developing countries.

3.3 Cases

Four cases are analyzed in this research. The four cases that were selected are:

- Business Support Organization Development program (BSOD) CORPEI. This project was implemented in the Corporation for the Promotion of Exports and Investment (CORPEI); a BSO in Ecuador.
- BSOD FECAEXCA. This project was implemented in network of organizations in El Salvador, Costa Rica and Guatemala.
- Train-the-Trainer (TTT) SAAA. This project was implemented at the South African Agriculture Academy (SAAA), a BSO in South Africa. TTT’s build up capacity by training local trainers in an organization to train people in their organization or organizational network.
- TTT IEECI. This project was implemented at the Indian Electrical and Electronic Components Industry, a consortium of Indian electrical and electronic components organizations.

The projects will be investigated in depth in chapter 5.

These specific cases were selected for several reasons. Firstly, the projects were not only implemented in different countries, but even in different parts of the world. The organizations were based in developing countries ranging from South Africa, to Guatemala, Costa Rica etc. This provides us with a general view on CB projects, which is less susceptible to cultural bias as evaluating projects from one specific country only. Secondly, the projects range in duration (between 1 to 5 years) and scope (between 1 and several organizations), providing an evaluation that cuts across a range of CB projects. Finally, these projects were chosen as they represented a complete picture of the CB efforts the CBI has undertaken in the last 8 years. The reason for investigating such a broad pallet of CB projects is because it enables us to draw more generic conclusions, as opposed to researching very (country/culture) specific CB projects. As this research aims at closing a general knowledge gap on CB projects by providing recommendations for CB projects in general, this set of cases seems most appropriate. Finally, a more practical point, these projects were selected because they were well documented and closed and evaluated, providing ample opportunities to research the entire CB project from initiation to closure.

4. Literature Review on Capacity Building Projects

In this chapter, an analysis is of the current scientific literature on CB projects is performed. The goal of this chapter is to make a comprehensive assessment of what is already known on initiating, planning, implementing and closing CB projects, and what guidelines are formulated. This chapter gives answer to the question: *What CB project guidelines can be found in the current theoretical field?* Each specific phase of the CB project will be investigated in the following chapter. In chapter 6, these guidelines will be confronted with the practical guidelines researched in chapter 5. It therefore serves a fundament for the projects that are researched in chapter 5.

4.1 Initiating a Capacity Building Project

In this section, we investigate current guidelines, prescriptions and (best) practices in initiating a CB project in a developing country. There is quite a vast amount of literature on this phase of the project.

4.1.1 Assessment

The first step in initiating a CB project is making a thorough assessment. In this assessment, several items are analyzed, such as the capacity of the organization, the market for its services, its environment etc. To make a comprehensive assessment before initiating a CB project seems logical: "It is not possible to remedy poor development outcomes without a proper understanding of both the institutional problems and the technical problems which stand in their way." (DFID 2003: 6) However, how should such an assessment be designed according to current scientific literature? This section reflects different views on the assessment in CB projects. According to the UNDP Technical Advisory paper on capacity development (1997: 14) the first step in initiating a project is to perform a capacity assessment. This approach involves four steps: mapping the starting point, determining the objectives, determining a change strategy and determining what capacities are needed to get there. These capacities can be changed on three levels: larger system themes, such as sectors and institutions, entities such as organizations and the individual level. A market assessment is the first step according to the World Bank committee of donor agencies for SME development (2001: 5). This assessment should assess the needs for the services of the recipient organization in the CB project. A distinction is made between "perceived needs" by the recipient organization, and "real needs" assessed by the expert carrying out the CB project. An insight in this assessment is that "appropriate weight should be given to perceived needs, relative to the more traditional expert assessment of real needs." (World Bank 2001: 5) This shows us that it is important to incorporate the recipient organization's views in the assessment, rather than letting an expert perform an assessment of the organization and its environment on its own. In providing a best practice model for institutional strengthening and technical cooperation, Jacobs (1998: 401)

calls for a “comprehensive assessment of institutional capacity.” In this assessment, several factors need to be included. “Factors of history, management capacity and absorptive capacity need to be included in any institutional analysis along with other more obvious but no less important characteristics such as: organizational structure, information systems, financing arrangements, staffing and communication.” (Jacobs 1998: 401) This illustrates that the assessment of the CB project, have to be linked to the core skills and the capacity of the organization to manage these core skills, such as the finance, personnel and information function within an organization. The bottom line of current publications is that the assessment should cover all aspects of the recipient organization; not only the organization’s capacity itself, but also an analysis of its stakeholders. Furthermore, not only an analysis of the organization’s capacity should be made, but also on the market needs for its services. For example, an organization can have the capacity to provide a service efficiently and at high quality, but if the service isn’t valued (or needed) by the market, providing the service is useless. All in all, a “holistic diagnostic effort” (DFID 2003: 6) is required to assess the recipient organization and its stakeholders. A “holistic diagnostic effort” in this sense means that the diagnosis should not be limited to the organization in itself, but also to its place in the region, industry and environment. This is underscored by Howes (1997: 599-600) who acknowledges that “a donor organization must begin with a careful reconnaissance of the context, thereafter using the knowledge on the existing configuration of institutions to identify what should be done to address the organizational needs”.

We can conclude that there are no specific guidelines prescribed regarding the tools to assess the recipient organization and its environment. However, it is important that a holistic approach is taken and the assessment should cover all aspects of the organization, the market for its services, the environment it operates in and the stakeholders that are (or could be) involved in the CB project.

4.1.2 Feasibility and Terms of Reference

After the first step of assessing the recipient organization and its environment has been taken, the donor organization should use the information provided by

the assessment and evaluate the possibility of a CB intervention. Together with the recipient organization, the donor organization will assess what ought to be achieved and what can be achieved by implementing a CB project. This will result in a Terms of Reference (ToR), which explicitly states that the parties are engaging in a project, what activities will be performed and what results are to be achieved.

An important aspect mentioned above is that the donor organization works together with the recipient organization in assessing the organization and its environment and assessing the feasibility of a CB project. This aspect is so important, because the learning effect of performing this kind of analysis safeguards the sustainable character of the CB project. A recurrent theme in current literature on this part of the project is 'ownership'. The recipient organization should take ownership in the CB project. As the OECD remarks: "Capacity building would be ineffective so long as it was not part of an endogenous process of change, getting its main impulse from within." (OECD 2006: 15) They report that an important aspect of capacity development lays in the fact that organizations in developing countries should take responsibility for the change process, letting the donor organization play a supportive role. The importance of local ownership cannot be underestimated (OECD 2001: 59; OECD 2006: 15; Jacobs 1998: 403; World bank 2005: 83; DFID 2003: 4 & 21). Closely tied to the ownership is the commitment to the CB project. The success of the project is dependent on the commitment of all involved stakeholders (DFID 2003: vi) and therefore, when analyzing the feasibility of the CB project, a thorough assessment of the commitment to the project should be performed. As the DFID (2003: vi) notes: "It is usually not worth proceeding if this commitment isn't there."

After assessing that the CB project is feasible and sufficient commitment to the project is demonstrated, a ToR (or similar document) is drafted. In this document all parties' involved (usually the recipient and donor organization) sign an agreement to engage in a project and define what will be done in the project and what should be achieved. Jacobs (1998: 402) acknowledges that the assessment should lead to "a joint investigation and understanding of the problem leading to a mutually agreed design." Hence, in the ToR, the organization engaged in the

CB project agree to the analysis that has been made, agree on the problems that have been identified and agree on the steps that will be taken in the project to reach a specific goal. An important component of this ToR is therefore the goals that are to be reached and, closely tied, the indicators to measure whether this in fact happened. In the ToR, the goals that are stated are in fact priorities on which both the recipient and donor organization agree. "There will almost certainly be too many difficulties to tackle at once (...). Priorities will need to be agreed by the partner institution, along with criteria for determining them." (DFID 2003: 11) What criteria are used are open for discussion, and as we previously noted, depends on the priorities of the organizations involved in the CB project. Several possible criteria that are worth mentioning are (DFID 2003: 11):

- Cost
- Impact on overall aims of the project
- Prospects for quick wins
- Level of resistance expected

The UNDP (1997: 29-30) notes that an objective basis for assessment should be articulated, including clear cause-and-effect relationships that link the objectives, performance indicators that provide a valid, reliable and practical basis and precise targets that define expectations of quantity, quality and timeliness for each indicator. How these are incorporated in the ToR specifically changes from project to project. However, in order to safeguard the sustainable character of the CB project, the goals should be targeted at improving the core skills of an organization. What indicators are used depend on the goals that are stated in the ToR. Important is to note that the most important factor is that both parties are committed to the project and underscore the problems, actions, goals and indicators formulated in the ToR.

We can conclude that in the initiation phase a thorough assessment of the recipient organization and its stakeholder should be performed. What analytical tools are used for this assessment is open for discussion and appropriateness of the tools differ between projects. What is important however, is that the recipient organization is committed to the change project and takes ownership of the CB project. A feasibility study should identify the feasibility of the project, from both

the recipient as well as the donor point of view. Once this is done, a ToR can be drafted, in which all parties agree on what should be done and what should be achieved. The planning of the project, which rests on the basis laid down in the initiation phase, is discussed in the following paragraph.

4.2 Planning a Capacity Building Project

After the feasibility analysis has been conducted and all parties involved have agreed on the Terms of Reference of the CB project, the project has to be planned. As we have established in chapter 2, planning a project should go beyond the mere planning of the activities and dedicating resources to perform the activities. Quality plans, acceptance plans and communication plans should be included in this stage. In this section, we will dive deeper into the characteristics and guidelines of current CB planning practices. Recall from chapter 2 that in a “typical” project, several planning issues need to be addressed, being a project plan, resource plan, financial plan, procurement plan, quality plan, acceptance plan, risk plan and communications plan.

4.2.1 Project plan, resource plan, financial and procurement plan

To start the planning exercise, one first needs to find out who should be involved in drafting and overseeing the planning (Dale 2000: 97). Therefore, a clarification of four parties involved in the project should be made (Dale 2000: 97):

- who is in charge of the overall planning (usually this is the task of the PM)
- which members of the donor and recipient organization should participate in the project
- which other organization (if any) should be involved
- which other groups or individuals should be involved

Once this is sorted, the project plan tied to a resource plan and financial plan can take shape.

The first focus of the planning of the CB project should to plan a short-term activity. A straightforward activity in the early stage of the project functions as a

catalyst for the further implementation of the project. Howes (1997: 600) notes that the donor and recipient should identify an initial activity around which the project can be designed. This activity should be something with which people identify and which justifies the transaction costs of their participation. This view is underscored by several other authors. Dale (2000: 101) notes that “decision takers should then express immediate preferences and identify short-term courses of action that are judged to be relatively safe.” This ensures that resources are used wisely and keeps the organizations committed to the project. The commitment is also deepened by the gains provided by so-called ‘quick wins’ that are visible early in the process (OECD 2006: 18). This is an illustration of short-term commitment to the CB project. An example of how the commitment within the recipient organization can be fostered is provided by the DFID. They claim (DFID 2003: 17) that “joint “visioning” can be a powerful way of gaining agreement on new strategic goals. By using team-based planning, all levels in the organization are involved in a highly effective team-building effort, illustrating clearly where individuals contribute and the need for a team to cooperate to succeed. All in all, this teaches us that in CB projects, fostering the commitment of the parties involved is important. Hence, the planning of the activities in the CB project should reflect this important notion. Tied to these activities both organizations are able to dedicate enough resources and finances to the scheduled activities, in order to carry out the CB project. Once the resources and their financial implications have been sorted a procurement plan can be set up. This factor is less important in CB projects, as they usually involve little or no products to be sourced. Instead, emphasis is placed on personnel dedicated to the CB project.

Another important factor in the planning of the activities and their timing in the CB project is that, according to current literature, an incremental approach should be taken. Incremental steps are favored over ‘big-bang’ turnarounds in CB projects. The DFID (2003: 13) acknowledges that “reform is traditionally slow” and therefore an incremental approach should be taken to carry out the project. Howes (1997: 600) proposes a refinement of this form of planning, where “the NGO should pilot new ideas carefully with small groups of people in one or two locations, before attempting to ‘go to scale’”. Once the pilot is performed successful and the necessary skills are transferred to the recipient

organization, a “rapid acceleration becomes a possibility.” (Howes 1997: 601) Howes claims that two or three years should be devoted to the pilot testing phase, before going to scale. This is in line with the characteristic of a CB project, usually spanning several years before completed. This acknowledges that long-term commitment to a CB project is therefore of great importance. As Lopes and Theisohn (2003: 3) gracefully note: “Don’t rush. Building and developing sustainable capacities is a long endeavor, whether that involves educating individuals, establishing viable organizations or fomenting major societal change.” This notion is one of ten default principles that are drafted for capacity development, which can be found in Appendix IV. This view is underscored by the World Bank (1998: 22), which stated that “long term commitment is needed from both donor and counterpart to a process that normally requires caution and time, not uncommonly in the range of five to ten years.”

4.2.2 Quality and Acceptance plan

On quality and acceptance plans, prescriptive guidelines are still lacking. It is very hard to pin down what targets for CB projects should be formulated and which criteria should be used to assure that the CB goals are met. As we have established in the paragraph 4.1, the ToR should include a mutually agreed upon goal and indicators to assess whether the goal has been reached. The DFID (2003: 28) has stated on the matter that before starting the implementation, “a baseline has to be stated with objectively verifiable indicators”. So according to DFID the quality and acceptance plans should contain mutually agreed indicators that are objectively verifiable.

4.2.3 Risk plan

Besides aiming for quick wins and fostering long-term commitment by incrementally introducing changes to the recipient organization, current literature highly regards flexibility in the CB project planning. Planning should not be rigid and the activities and dedicated resources should be open to change whenever a new situation calls for it. Howes (1997: 601) acknowledges this principle and urges managers to “recognize that institutional development is a long term undertaking, and that strategy must adapt to changing circumstances.” The

flexibility is not only in place to adapt to new circumstances, it is also in place “to deal with unforeseen risk.” (DFID 2003: 23) By building in flexibility in the design of the project, risk can be mitigated.

4.2.4 Communications plan

A communications plan is an important part of the planning phase. It is designed not only to inform the employees of the donor and recipient organization of all relevant information, but also to communicate the CB project intervention with other stakeholders, suppliers and developmental organizations. A donor organization on its own can only do so much. As the UNDP (1997: 7) notes: “Donor-led development programs that work primarily with one national development partner are missing the great potential and capacity to be found with others in a country.” It is therefore relevant to communicate the implementation of a CB project with other (possible) stakeholders, in order to team up and increase the payoff of the project.

In conclusion we can state that planning a project should go beyond the planning of activities and dedicating (financial) resources to the project. The project should take an incremental approach to safeguard the sustainable character and emphasis should be placed on gaining commitment from the recipient organization’s management and employees to the CB project. One way to do this is by creating ‘quick wins’ which deepen this short-term commitment. For creating long-term commitment, the project should take an incremental approach and create incentives for organizational members to change. On hard targets and criteria, less clear formulations for guidelines are provided. However, donor and recipient should agree on criteria and goals in the ToR, and should define them in an objectively verifiable way, to see to it that these are met during the project. Risk should be mitigated by being flexible, adapting to changes in circumstances. Finally, the project should not only be communicated internally within the involved organizations, but also publicly and to other stakeholders. As the organizations team up with other individuals or organizations, the impact of the CB project can be increased.

4.3 Executing a Capacity Building Project

Once the CB project has been planned, the actual fieldwork can begin. The project has to be implemented. As we have seen in chapter 2, in the execution phase, great emphasis is placed on the role of the PM. He or she has to see to it, that the CB project is executed properly and keeps on track. When necessary, he or she needs to intervene or adapt to new circumstances. What guidelines to CB project execution are prescribed in current literature is displayed in this section.

First and foremost, implementation should be seen as a joint effort. According to Jacobs (1998: 403): "Joint implementation is a natural sequitur to participative planning and the chief way in which local ownership of the project can be encouraged." Once again, the keyword ownership can be noted. It is therefore crucial that the PM enables the recipient organization to take ownership of the project, fostering commitment to the change operation. Commitment can also be fostered by establishing positive incentives (Appendix IV). As Lopes and Theisohn note (2003: 13) "motives and incentives need to be aligned with the objective of capacity development." In the planning guidelines, we already established that gaining "quick wins" can foster the commitment of the recipient organization. The DFID (2003: 23) notes on this topic that we should include "milestones and opportunities for celebrating success" as this can bring skeptics on board and create momentum for the CB project.

To safeguard the sustainable character of a CB project, an important aspect of CB projects, several steps should be taken. Experience from the UNDP (1997: 9) "has shown that capacity development is most sustainable when programs are responsive to the needs of people and stakeholders." (see Appendix V) The people and stakeholders that are involved in the project should see the benefit of the program. This is underscored by Jacobs (1998: 403), as he notes that "new systems can only become embedded when they have demonstrable value." He views this as an important factor for the success of a CB project; when the need for a new system or working method is demonstrated clearly to the recipient organization, and the stakeholders have been involved from an early stage, "this will build confidence, commitment and ownership; three factors essential in a

successful institutional strengthening program.” (Jacobs 1998: 403) Also, incentives should be provided to the persons involved in the CB project. Incentives to change can reduce barriers or inertia in an organization, fostering the commitment to the project. Incentives do not necessarily imply monetary rewards. “In some cases, non financial incentives such as access to training and development, or greater control over the working environment, may be effective.” (DFID 2003: 19)

As we have established in chapter 2, an important characteristic of CB projects is that it aims to improve the core skills and functions of an organization. To build up management capacity “training has its most important contribution to make.” (Jacobs 1998: 403) However training should not be viewed as an individual experience; a more strategic approach is required. To achieve this strategic approach, Jacobs recommends that “donors should first help organizations define and shape their corporate policy and strategy. [...] Core management skills which are the teeth of policy reform can be trained for through a management development program.” (Jacobs 1998: 404) In his best practice model (see Appendix VI) he not only urges the PM to establish a joint implementation of the project, but also to define a development program for the management of the recipient organization.

Previously, emphasis has been placed on commitment and cooperation as requirements in order for the CB project to be successful. Another important driver for the success of the CB project is a so-called ‘project leader’ or ‘project champion’. As the UNDP notes (1997: 10) “Policy changes need leadership and commitment. Where major policies and institutions are involved, strong political commitment is required to introduce change. This usually means champions and leaders willing to take risks and help identify processes and new opportunities that can serve as entry points for change.” Hence, a ‘project leader’ should pave the way for the changes the CB project will entail. He or she is an important factor in diminishing the barriers for change and promoting the CB project to all relevant stakeholders. The DFID (2003: 21-22) has defined three key roles that players in a change project can play: that of sponsor, change agent and change participant (Figure 4.1).



Figure 4.1: The roles within change management (source: DFID 2003: 21)

- Sponsor: “The sponsor’s role is critical. This is a person at the top of the organization who undertakes leadership of the change program.” (DFID 2003: 22) As mentioned earlier, this ‘project leader’ plays an important role in securing commitment and dealing with problems in the implementation of a CB project.
- Change Agent: “The change agent is the individual (or group) who manages the implementation of the change program.” (DFID 2003: 22) He or she is the PM that is in charge of the execution of the CB project.
- Change Participants: Change participants are all persons (employees and stakeholders) that are involved or affected by the CB project.

As we saw in Figure 4.1, the roles can and do sometimes overlap.

To sum up what is depicted in current theoretical guidelines in implementing the CB project, initiative should lie with the recipient organization. Commitment should be fostered by identifying a ‘project leader’. This ‘project leader’ can enhance commitment and incentives of the persons involved in the project. The value and importance of the change process should be clearly demonstrated to all participants. By creating incentives for change, the willingness to change and the commitment to the CB project is increased.

4.4 Closure of a CB project

In this section, we will discuss the closure of a CB project. An important aspect of this phase of the CB project is an evaluation of the entire project. How such an evaluation should take place according to current guidelines is discussed in this paragraph.

The evaluation of a CB project is not an easy endeavor. As we have discovered in chapter 2.6, it is hard to measure the outcome of a CB project, as hard indicators are lacking and a lot of results only become obvious after several years. As it may seem obvious, good evaluation starts with a good design. As we concluded in chapter 4.1, already in de ToR, goals and indicators should be agreed upon. The UNDP (1997: 29) states that, “monitoring and evaluation must involve key stakeholders so that it becomes an exercise in learning and capacity development.” This is in conjunction with the definition of capacity building provided in chapter 2, allowing for the recipient organization to incorporate this function in their organization in a sustainable way. The UNDP (1997: 29) adds that “evaluations add value when the focus is on strategic issues and questions about why things happened, rather than what. Moreover, evaluations should be forward-looking, learning from experiences.” The evaluation should therefore be an exercise in reconstructing what has happened, why it happened and what can be learned from it, rather than merely assessing what the outcome of a project was. Jacobs (1998: 405) contributes to this view by asserting that “the inclusion of a counterpart on the evaluation is obviously a step in the right direction, but much more needs to be done to set up self-monitoring and evaluation systems which are able to generate information an institution requires for the successful management of its own operation.” He goes beyond the view of the UNDP, indicating that not only should the evaluation be seen as a joint effort, it should also be seen as a strategic starting point for the formation of an independently operating information tool for the recipient organization. This view is underscored by the DFID (2003: 28), which states: “they [RW: proxy indicators] should be seen as a monitoring not an evaluation tool. These proxy indicators tend to focus on inputs and processes rather than products, outputs or outcomes.”

A mix of quantitative and qualitative indicators may be useful to evaluate a project. Quantitative are needed, however, qualitative indicators may be more appropriate. "One instrument for assessing the outcomes of capacity development initiatives in service-providing sectors is collecting the views of intended clients or end-users." (OECD 2006: 32) This implies that an evaluation should not be restricted to the persons and organizations involved in the CB project. Also, parties that have an interest in the product or service provided by the recipient organization should be included in the evaluation.

In conclusion, we can say that according to current literature, evaluating a CB project has two purposes. As Jacobs (1998: 405) defined: "Evaluation is seen as a specialist and objective function to consider the costs and benefits of any activity and guarantee financial integrity to the tax payer. A secondary purpose is to learn from mistakes." This secondary purpose is most important in CB projects. Evaluation is not only viewed as a function to assess how well the project has been executed; it should be viewed as a learning exercise, integrating a monitoring and evaluation function into the recipient organization. It is therefore that focus not rests on outcomes and efficiency and effectiveness, but rather on relevance, replicability and sustainability.

4.4 Results of a CB project

If we pay attention to the guidelines presented in the four phases of a CB project, this must lead to better-managed CB projects, theory presumes. But what effect do the guidelines have using the indicators we have established earlier in this research? If a proper initiation phase is carried out, with an extensive analysis of the organization and its environment, the real needs of the recipient organization can be addressed. This leads to a more *effective* CB project, as the CB project can have more *impact*. An explicit statement of a ToR containing the goals that are to be achieved and how they should be achieved, makes way for a more *effective* CB project, as the *impact* the project should have are clearly stated and can be better controlled by the project manager. The importance of the ownership mentioned in this chapter, has a direct effect on the *sustainability* of the project, as it leads to an "endogenous process of change,

getting its main impulse from within." (OECD 2006: 15) A careful planning of the project can ensure an *efficient* implementation of the project, as indicators are drafted to keep the project on schedule. Objectively verifiable criteria also help the PM to make sure the project has *impact* and is *effective* in delivering the intended goals. In the execution phase (4.3) we established that it is important to foster the commitment and to safeguard the sustainable character of the CB project. Finally, a thorough evaluation must result in a learning experience for the recipient and donor organization, leading to a better replicability of the project.

Now that we have a better understanding of the current guidelines for implementing capacity building projects, a thorough evaluation of four capacity building projects will be performed in the following chapter, focusing on contributing to guidelines for managers who engage in capacity building projects. All four phases of the project will be assessed and will be evaluated on the basis of their efficiency, effectiveness, impact, relevance, sustainability and replicability. Finally, the conclusions from this analysis will be confronted with the current guidelines recorded in chapter 6. The objective of chapter 6 is to compare the lessons derived from chapter 4 and 5, and to provide recommendations for better guidelines for CB project managers.

5. Evaluation of Capacity Building projects in practice

In this chapter an evaluation will be made of four CB projects carried out by the CBI in different developing countries throughout the world. By doing so, an answer will be generated to question: *What CB project guidelines can be found in practice?* In this evaluation, use is made of project documentation, evaluation documents and interviews with persons involved in the CB projects. They are assessed along the 6 indicators, efficiency, effectiveness, impact, relevance, sustainability and replicability, which were articulated in chapter 3 and 4. Of all

four projects, the lessons learned are articulated, and will be compared with the lessons derived from current literature in chapter 6.

5.1 The SAAA project in South Africa

In 2002 and 2003, the CBI executed a Train the Trainer (TTT) program in collaboration with the South African Agriculture Academy (SAAA). The purpose of the program was to educate trainers for the agricultural sector in South Africa and to educate them especially in increasing the capacity for African farmers to export to the European Union (EU) and European Free Trade Area (EFTA). The direct goal of the project was to ensure that the BSO (SAAA) was capable of training South African companies in exporting fruit and vegetables to the European markets (CBI 2001: 1).

5.1.1 Initiation

Prior to the start of the project, an analysis was made of the SAAA and the environment in which it operates. The two most important questions that were dealt with in the feasibility phase were “is an agricultural academy potentially viable in South Africa?” And if so, “is the SAAA the right partner to undertake a project with?” (Reg Leenes, 13/09/2007) This analysis was, as he put it “Formed on rather limited data and was performed very practically.” This view is underscored by the evaluator of the project. He claims that: “The analysis prior to the start of the project was meager.” (Prof. Dr. Rob van Eijbergen, 10/10/2007) In the evaluation report, the remark could be found that: “Very little time was taken for preparation, which advanced a quick start of the program. The disadvantage of this [RW: quick start] concerns the lack of an extensive problem-stakeholder analysis, prior to the program.” (CBI 2004: 5) The proposition that a market for exporting agricultural products to the EU was promising was substantiated by market data the CBI gathers¹. Now, the idea of the CBI was that this promising market should be turned into a profitable one, where South African farmers were better able to export to the EU. This meant

¹ Besides providing assistance to organizations in developing countries, the CBI gathers market information and keeps a database of trends and opportunities on EU markets.

that the farmers should possess an in-depth knowledge of EU markets, regulations and financing and logistical issues, some of the core functions an organization should possess to export to the EU. In this phase of the project, it was therefore decided that, in cooperation with the SAAA, a Train-the-Trainer (TTT) program would be implemented, spanning a period of one year, in which South African consultants and business owners were trained in the core skills to export agricultural products to the EU *and* were trained to pass on this knowledge to others in their network. This last part was incorporated for two reasons; firstly to safeguard the sustainable character of the project and secondly to create a spillover effect to people outside the reach of the CBI. Within the “start-document” of the project, the goal was to train and educate 40 trainers in “EU market structures and developments in the fruit and vegetables industry in the EU.” (CBI 2001: 1) This training should contribute to the overall objective that was formulated as: “Service delivery of SAAA to the industry is improved.” (CBI 2001: 1) However, the analysis of the SAAA “did not take into account the examination of the SAAA as an organization and offer support on weak spots. This would have been wanted in a starting organization.” (CBI 2004: 5) This indicates that the analysis of the recipient organization has fallen short of what would be considered acceptable. Due to this negligence, the Capacity Building component of the project was lost for a great part, as the goal of CB projects is to enhance the skills of an organization. In this case, the enhancement of the core skills was harder to achieve, as the analysis of the organization and its structure had fallen short.

5.1.2 Planning

The planning of the project was rather short and occurred straightforward (Reg Leenes, 13/09/2007). Simply put, the activities were scheduled within appropriate timeframes, consisting of four separate training modules, which all handled a specific part of exporting to European markets. One training week was related to marketing issues, one week to production and logistical issues etc. Tied to this activity planning, appropriate consultants were selected who were experts in the respective field of knowledge. A budget was formed on the basis of these activities and consultants that were hired. The SAAA was left in charge of selecting and recruiting suitable candidates for the training weeks. The SAAA had

reported to the CBI, that didactic skills was not deemed to be a necessary part of the project, as the selected trainers were sufficiently equipped to provide training and lessons to others. Therefore the didactic component was removed from the project (CBI 2004: 4). However, the PMs in charge of the project considered the didactic skills of the participants in the first phase of the project to be insufficient. Therefore, “didactic skills were added to the program for the second group.” (CBI 2004: 4) This omission could have been prevented if a coherent “training need analysis was conducted in the analysis phase.” (CBI 2004: 5) Other planning schemes (as proposed in chapter 2) were less explicitly mentioned. In the “start-document” of the project, several indicators were formulated which were tied to the project goals of training. The indicator tied to the overall objective of the project, was that “by attending training provided by the SAAA, industry companies have more knowledge, information and competence on exporting to the EU.” (CBI 2001: 1) The CBI used a questionnaire to assess whether this was the case, asking respondents whether attending training courses has improved their knowledge on exporting fruit and vegetables to the EU. A second indicator was used to assess whether the people who attended the training contributed to the spillover effect that was envisioned in the project initiation. A target of 60% respondents indicating they provided training themselves to others in the industry was set. This was an important goal, as it lay at the heart of the capacity building core of the project. Planning the budget as mentioned was tied to the activities that were planned, and were estimated to accumulate a little less than €500.000 over a 3 year period (CBI 2001: 2), in which the bulk would be spent on the training courses. Monitoring of the project, its budget and goals was residing with the Program Manager of the CBI (CBI 2001: 2)

5.1.3 Execution

The implementation of the project was mainly focused at providing the training components in four separate modules. The third training week was held in Rotterdam, so as to actively confront the South African trainers/consultants with the EU fruit and vegetables industry. In his interview, Reg Leenes indicated this was a mistake, as this training week was the highlight of the curriculum. Thereafter, the interest in the final training was lost and the commitment to the project was diminished (Reg Leenes, 13/09/2007). A positive point of the

implementation of the project, was that the cooperation with the SAAA ran very smoothly. In his interview, Mr. Leenes indicated that the trainers were well picked by the SAAA, along clear criteria. The competence of the group of trainers in his opinion clearly contributed to the success of the project. A negative point of the program that was brought about was the influence of politics that had an effect on the project. In South Africa, "Black Empowerment" has an important and fundamental impact on doing business. According to Mr. Leenes, this influence was not well established in the initiation phase and negatively influenced the project. The result was, that only a few "black" South African trainers attended the course in the first year, which resulted in some stir with the political officials in South Africa. As the evaluator found out, "it was hard for black farmers to attend training weeks." (Prof. Dr. Rob van Eijbergen, 10/10/2007) To correct this problem, during the project, an addition to the course was made, which was named "the mentorship system" (Prof. Dr. Rob van Eijbergen, 10/10/2007). A shift was made from training trainers and consultants, to providing coaching and acting as mentors, especially for black South Africans. This illustrates that the CBI proved to manage the project in a flexible way.

5.1.4 Closure

In the last stage, the project was closed and evaluated. The evaluation of the project was designed atypically, as the evaluator was sent with the mission not only to evaluate to what extent the formulated goals were met, but also to assess whether the CBI should continue to cooperate with the SAAA and whether or not it should start a new project or changes to its current cooperative efforts (CBI 2003: 1). From an evaluative perspective, the consultant in charge of the execution of the program mentioned that, due to the extensive monitoring and internal evaluation of the program, the 2nd year of the TTT training was substantially better than the 1st (Reg Leenes, 13/09/2007). According to his view, a learning effect could be discovered at the CBI as well as the SAAA. He also indicates that due to the experimental nature of the TTT, although not all goals were met, the program was carried out satisfactorily. This view is underscored by the evaluator of the project, Prof. Dr. Rob van Eijbergen. He claims that: "although the first phase did not directly deliver the intended results. For the second phase, the capacity building has not succeeded in whole, although it was successful for the mentorship system." (Prof. Dr. Rob van Eijbergen,

10/10/2007) Based on the evaluation, a follow up was made and a renewed project in the form of the “mentorship system” was designed.

5.1.5 Results

In this paragraph, the results of the entire project will be evaluated. The indicators established in chapter 3 serve as a basis for the results the project produced. Moreover, the lessons that can be learned from this project are accumulated.

The *efficiency* of the project is hard to determine. The indicator we use is the allocation of the budget related to number of people trained, of which in this case the target was 40. The project stayed within its budget of about €500.000 and the target of training 40 trainers/consultants in the fruit and vegetables industry in South Africa was achieved. In this respect, the program was managed efficiently. The *effectiveness* of the program is however doubtful. The idea was that the persons trained, would in turn train others in their network, creating a sustainable spillover effect. The PM of the project, indicated that only 5 or 6 persons trained are still active in providing services for the SAAA (Reg Leenes, 13/09/2007). The evaluation report indicated that “some of the participants find it hard to apply what was learned to practice.” (CBI 2004: 4) This could be a reason for the low percentages of people providing services on behalf of the SAAA after the project was completed. As the effectiveness was quite disappointing, the *impact* of the project was deemed to be disappointing. However, though a low number of participants were able to provide training themselves, “the majority of trainers were able to apply the learned materials in their own working environment.” (CBI 2004: 4) The decision to start a project in the fruit and vegetable industry in South Africa is considered to be *relevant*. As the PM remarked in the interview: “There is an enormous need for training and consultancy in this area in South Africa. The country is very “production” driven, but lacks the insight into the EU markets, especially with an emphasis on marketing.” (Reg Leenes, 13/09/2007) The evaluation underscores this view, as it stated that the project “has been an eye-opener to most of the participants in relation to the European import demands.” (CBI 2004: 4) The agricultural sector is still an important part of the South African economy, although accounting for

3.9 percent of GDP, it provides work for a million South Africans (CBI 2005: 7). Moreover, “sustainable agricultural development is of extreme importance to the country” (CBI 2005: 7) and therefore, the choice to start a CB project in that particular industry in South African is considered to be relevant. However, the choice for the SAAA was less convincing. As the evaluator indicated in his interview (Prof. Dr. Rob van Eijbergen, 10/10/2007): “The SAAA already existed. However, it was not a fully-grown organization. In retrospect, you could ask yourself the question if we should have started the program with them.” In my opinion, this provided a unique opportunity to build up the capacity of this organization. However, the CBI at that time opted for a more straightforward implementation of the TTT, thereby neglecting the opportunity to increase the capacity of the partner organization. As the project was considered to be a pilot, the *replicability* of the project is a contradictory topic. On the one hand, lessons were learned on how to tackle such a project, as both the PM as the evaluator acknowledged in their interviews. On the other hand, the project clearly missed the core of a CB project, as it was focused more on providing modular trainings instead of integrating the training into a bigger framework. As the evaluator indicated: “The program consisted of separate training activities. After the evaluation, the decision was made to start a new project. This project was placed into a more integrated framework and was adopted the ‘mentorship model’.” (Prof. Dr. Rob van Eijbergen, 10/10/2007) An even more troubling aspect of the project that hampers the replicability is the importance of the ‘black empowerment’ factor in this project. This aspect is so case sensitive, that replication to other contexts would be useless. However, overall as Mr. Leenes indicated “parts of the concept of the TTT were later used in Ethiopia and Vietnam”. (Reg Leenes, 13/09/2007). We can therefore conclude that the concept of training consultants and trainers with the intention of a spillover effect can be replicated in other contexts. It is however crucial, that it is placed in a framework, so that the project transcends a mere technical training module. Finally, the *sustainability* of the project is evaluated. This is evenly ambiguous as the replicability. As the PM noted: “The SAAA is still in operation, it remains a partner organization of the CBI and programs are still being implemented there.” (Reg Leenes, 13/09/2007) However, the evaluator has judged that it was the sustainable character of the project that was lacking. As indicated, the focus on embedding the skills in the organization and its members was lacking. This

problem was greatly corrected after the first phase of the project, during which it was established that the didactic skills in the South African trainers/consultants were lacking.

What can be learned is that a CB project starts with a profound analysis of the organization and its needs. Important is to take the time and resources to do this, and more importantly to go look beyond the information provided by the recipient organization. In this case, the wrongful indication by the counterpart that no didactical skills training was necessary for the participants training could have been invalidated by a (thorough) needs assessment. The evaluator also indicated that the provided assistance did not always meet the needs of the persons involved in the project. A thorough analysis of the recipient organization could also have indicated that the recipient organization was rather weak and still in development. In the project, appropriate assistance to the organization could have improved its capacity. Finally, what can be learned is that a flexible attitude towards a CB project is crucial. After the 1st phase of the project, the CBI added didactical skills training and even proposed a follow-up in a 'mentorship model' with a more integrated framework, which is now being implemented.

5.2 The CORPEI Project in Ecuador

In the period of 1999 to 2005, an Integrated Institution Development Program (IIDP) was designed and implemented in Ecuador. This program was the first IIDP program implemented by the CBI and can therefore be considered a pilot experience (CBI 2006: 5). This is not to say that the CBI had no experience in Ecuador. However, "after years of experience with supporting Ecuadorian institutions in their endeavors to identify and pursue market opportunities in the EU, the CBI wanted to go one step further in its assistance to CORPEI, resulting in a comprehensive institution building support." (CBI 2006: 8)

5.2.1 Initiation

The initiation phase of this project started even before the analysis phase. In an interview, Mr. Krufft indicated that the idea to start an IIDP came from within the

CBI. As he claims: "The CBI had gotten some critique from the Directorate General for International Cooperation (DGIS) that a lot of incidental training was provided to BSO with little correlation. It noticed that a lot of training was provided but that a translation into practice was lacking." (Anton Krufft, 17/09/2007) From his point of view, burdened with this knowledge, the CBI set out to design a program in which this problem could be solved. This resulted in the Integrated Institution Development Program (IIDP). In Ecuador, a new organization was established; CORPEI. CBI established contacts with this organization in 1999 and first performed an identification mission to Ecuador, researching CORPEI, as well as stakeholders and other organizations (Titus Swartjes, 11/10/2007). A few months later, the CBI returned and performed a feasibility analysis. In this feasibility analysis, the macro economical factors were investigated. This report was "accepted positively" (Anton Krufft, 17/09/2007) Thereafter, a formulation study was performed. Anton Krufft was one of the co-writers of this report, but, as he claims, ownership of the document resided with CORPEI. This is an important annotation. He indicated that the decision to place the document (and its contents) with CORPEI, had two grounds: "Ownership and Sustainability. Ownership resided with CORPEI, so they could influence the content of the project, increasing their commitment. Because of their influence in the program, they would be able to repeat the project internally, creating a sustainable program." (Anton Krufft, 17/09/2007) An important feature of the project, which positively influenced the commitment of CORPEI to the project, was that the identification and feasibility analysis, and the implementation of the project, was supervised by one and the same consultant. In an interview, Mr. Swartjes (11/10/2007) indicated that this step was taken, as it "encouraged tailor-made work in the project and you don't burden a new consultant with a project he might disagree with. Moreover, the consultant is already familiar with the organization, its members and its network." Of course this creates a potential problem that a consultant provides his own work, as he can advise to start a program, in which he will be hired later on. However, M. Swartjes deemed the potential benefits in relation to CORPEI and its network to be greater than this potential risk. One noteworthy aspect of the CB project is, that it was initiated "very timely, in support of the National Export promotion plan 2001-2010, that CORPEI had started to develop together with representatives of the public and

private sector.” (CBI 2006: 13) This led to increased support for the project, internally, as well as with stakeholders and government representatives.

5.2.2 Planning

The formulation mission resulted in the program document. “This document focused on a number of priority actions, grouped into 6 projects.” (CBI 2006: 11) These 6 projects combined formed the IIDP, which was implemented in the CORPEI organization. The 6 projects that were formulated in the program document were (CBI 2000: 3):

1. Organization Development. A thorough analysis of the various processes on the strategic, tactical and operational level would be made. Subsequently, measures would be implemented to achieve an effective organization.
2. Skill Training for executive staff-members of CORPEI and Export Associations.
3. Expanding Product Range for Export. Identifying a group of 15 products in Ecuador, which are promising for future export.
4. Consultancy Sector Development in Export Services to SMEs. Developing training modules to provide consultancy services to SMEs in the network.
5. Training External CORPEI Staff and Commercial Embassy Staff in Export Related Activities Abroad.
6. Ambassador Trade Promotion Meeting. Increasing the promotion of Ecuadorian products abroad.

This illustrates that an extensive framework was built to start the CB project in Ecuador. However, “one would have expected more emphasis for synergy among the six projects in the very design of the project.” (CBI 2006: 13) How the project was designed, it looks as though 6 separate projects are launched together with CORPEI, in which one seeks to improve the processes, one aims at training the staff etc. In fact, no synergic effect is explicitly mentioned throughout the design of the project. Moreover, no indicators are tied to the program document indicating what goals should be achieved and how they should be measured. This is a serious omission, indicating a lack of quality, acceptance and risk plans. The evaluation of the project underscores this view (CBI 2006: 13). Furthermore, a financial plan did not constitute an “integral part

of the program document.” (CBI 2006: 13) All in all, this indicates that the design of the program had some serious weak spots. However, some positive notes were to be found as well. As mentioned by the PM, CORPEI’s commitment to the project was extensive. The evaluation of the report acknowledges this important aspect. Besides, a communication plan was adopted which assured that the project was brought under the attention of other donor organizations in the region. In his interview the PM indicated that already in an early stage the project was communicated to other donors. This way “other donor organizations in the region were aware of what was going on with CORPEI and some activities could be organized together, creating synergic effects for the project.” (Anton Krufft, 17/09/2007) By cooperation between different donor organizations, a more holistic aid program can be constructed. This way the best help can be offered as donor organizations each have their own strengths, weaknesses and mandates. For example, as one interviewee indicated: “The sector-specific programs of the CBI are greatly appreciated by BSOs. The ITC [RW: International Trade Center] does not provide this.” (Reg Leenes, 13/09/2007) The planning of the resources was performed extensively. In the program document all activities were defined and man-hours were assigned to them. Each quarter this planning was reviewed and adjusted when necessary. About this planning, the consultant remarked: “There were little guidelines imposed on us [RW: the consultants] by the CBI. Therefore, we were able to remain creative and flexible.” (Anton Krufft, 17/09/2007) So although planning wasn’t extended to formalized finance, quality, acceptance and risk plans, the planning phase was successful, mainly because CORPEI was consulted from the outset and was actively involved in the design of the program (CBI 2006: 13).

5.2.3 Execution

The execution of the project lasted for almost 5 years, from 2000 to 2005. As noted in the planning, every quarter the progression of the project was monitored and adjustments were made. Each quarter, a consultant was actively engaged in Ecuador for roughly two weeks (Anton Krufft, 17/09/2007). By means of this active involvement of the project, the consultant was able to intervene when necessary. As the consultant in charge clarified: “At one stage, 2 expensive consultants were sent to Ecuador to provide a training session. Only a handful of

people showed up. We immediately cancelled the training altogether. CORPEI didn't like this, however, from that moment on, participation was never in issue in the project." (Anton Krufft, 17/09/2007) This illustrates that close monitoring is necessary in such a large-scale project. The former quote illustrates, that although commitment was very high in the beginning of the project, it gradually declined. The fact that the entire program consisted of six different projects has probably contributed to this decline in commitment. CORPEI invested more time and interest in some of the projects than in the other. As the interviewee (Anton Krufft, 17/09/2007) noted: "What disappointed me is that regarding the training facilities, CORPEI was advised, but this advice wasn't followed. Their focus was directed to export instead of training and consultancy." In my opinion, this isn't necessarily a weak point; it does illustrate that CORPEI took ownership of the project and committed itself to the projects they aspired to achieve. This point is acknowledged by the evaluation report, which indicated that regarding the implementation phase of the project, CORPEI was highly committed and had taken ownership of the project. CORPEI also ensured that "interventions contributed to selected program targets of the export strategy." (CBI 2006: 31) This indicates why CORPEI opted for focusing on the export part of the project, as this was in line with the export strategy plan that was drafted. However, this also resulted in insufficient coordination between the several projects of the IIDP.

5.2.4 Closure

The project lasted until 2005 and was evaluated externally in 2006. There was some controversy over this evaluation, as the coordinating consultant of the project, Mr. Krufft, was not interviewed during the evaluation. He considers this a "fundamental mistake." (Anton Krufft, 17/09/2007) Another topic that raised some debate, is that the evaluators were critical about the substantial amount of CBI resources that were spent guiding and monitoring the implementation of the programs and projects of other donors (CBI 2006: 35). This opinion of the evaluators was directly conflicting with that of the PM, who indicated that it was the extensive role of the CBI in getting support from other donors which lead to the real improvements CORPEI made in practice (Anton Krufft, 17/09/2007). Despite this controversy, the evaluation was thoroughly performed and was

conducted in compliance with the evaluation policy of the Policy and Operations Evaluation Department (IOB).

5.2.5 Results

The program initially had a planned budget of €1.056.000 for a 3.5-year period. The actual duration was extended to about 5 years, with only a minor increase of the total expenditure, which totalled €1.112.000, a 5% increase (CBI 2006: 8). This indicates that the project was pretty *efficiently* managed. However, the evaluator has made a critical note of project number 2, the training of people within CORPEI and its network. "The costs of this project represent more than 20% of the total budget. However, the quality of the training was disappointing and the number of people trained were below expectations." (CBI 2006: 17-18) The *effectiveness* of the program is harder to establish. The core skills and activities within CORPEI definitely improved. This was accomplished under project number one. The evaluation report states: "it can be concluded that the organization of CORPEI professionalized over the years. Management was restructured, the organization was aligned to the descriptions of roles and responsibilities, processes and working instructions and the head office received ISO 9001:2000 certification." (CBI 2006: 15-16) This indicates that the main improvements in core skills were reached in the management and control sphere. The training provided under project 2 was valued as being useful by the participants that were interviewed by the evaluator. The effectiveness however is doubtful, as most of the participants were employees of CORPEI or employed in sectors other than consultancy. This leaves only a small group of trainees to actively put their training into practice, greatly diminishing the effectiveness of this particular project. The *impact* of the CB project paints the same picture. As the people trained may not have used their experience to train others, they explicitly stated that the training sessions were of great help and that they use the insights in their daily work (CBI 2006: 25). This is a point that was also made in the project in South Africa; once you train someone, with the intention for the person to train others in turn, when this spill-over effect does not occur, the training is not effective as you don't have the impact you planned. However, the knowledge is not lost, and most probably, will be used by the person in his daily working life, thereby having an impact on his work and his environment.

Although this impact is hard (if not impossible) to measure, one can assume this impact to exist. Another impact that was created by the CB project was the professionalism of the organization which was increased, resulting in an improved image of CORPEI. "To illustrate, the Dutch ambassador indicated that he values CORPEI as being a well-managed organization with enthusiastic, motivated and well educated staff." (CBI 2006: 16) More quantifiable impacts of the project are judged to be hardly measured. As indicated in the initiation of the CB project, the start of the project in Ecuador at that time was very *relevant*. It was at that time that an export plan for Ecuadorian products was designed, and this way, the CBI and CORPEI could benefit from the heightened attention for export in the political domain, as well as the business domain. Another benefiting factor for the start of the project was that "just prior to the start of the project, a banking crisis in Ecuador had passed. This was a blessing in disguise, as from that moment on things could only turn out for the better in Ecuador." (Titus Swartjes, 11/10/2007) This provided the opportunity to get major support for structural change programs in Ecuador. The program proved to be *replicable* as the integrated approach is still used by the CBI. As the evaluation suggested, it was recommended to consider refinement of some of CBI's program / project implementation modalities. These referred mostly to the use of training materials and procedures, and less to the project processes as a whole (CBI 2006: 37). The *sustainability* of the program is its strong point. This was also one of the main focus points of the CB project. The evaluation report stated that: "It can be observed that, after the IIDP program ended, the organization has kept developing in the direction which was set in the IIDP. Quality management procedures put in place in its head office will be implemented in other locations of CORPEI as well." (CBI 2006: 16) Another indication that CORPEI is sustainably improving is that the organization has grown from a staff of 42 in 2000 to a staff of 74 in 2006 (CBI 2006: 15).

What can be learned from this project is that a thorough analysis before the start of the project is crucial for its success. Before the IIDP started, CBI had already established contact in 1999 in Rotterdam, performed an identification mission and a feasibility mission. Besides a careful analysis and planning, this case proved that timing is essential in CB projects. The timing of the IIDP was perfect, as Ecuador was just recovering from a banking crisis, which increased the

support for (intense) change operations. Moreover, the Ecuadorian government was in just launching a renewed strategy plan for the Ecuadorian export in the period 2001-2010, so help from international donor organizations, especially those specialized in export promotion were warmly welcomed. An interesting feature of the project which Mr. Swartjes remarked was the decision to let the consultant who performed the analysis also perform the implementation of the project was greatly appreciated by CORPEI as well as the CBI. This had a positive influence on the commitment of CORPEI to the project. What also became clear is that one donor organization can only do so much. If capacity building projects truly want to become successful, cooperation with other donor organizations becomes almost inevitable. The troubling factor that an organization cannot take responsibility for another organization's actions is a valid point of the evaluators. Finally, the lesson that was learned articulated by the evaluators was that "strong ownership, high degree of commitment and adequate resources at the end of the client organization is crucial for a program to achieve results and have lasting effects." (CBI 2006: 35) In this case ownership was achieved by letting CORPEI take responsibility of the program document and define priorities in the projects that were designed. Commitment was fostered by maintaining the same consultant throughout the project and by starting the project at a time, which was most favourable to CORPEI's commitment. The fact that CORPEI had adequate access to resources, both financial and human) was well discovered in the feasibility and identification study.

5.3 The FECAEXCA Project in Central America

From 2003 to 2004, a TTT project in Central America was designed and implemented. This project was a regional cooperation effort, aimed at creating a pool of skilled consultants and trainers in Costa Rica, Guatemala and El Salvador, who had an in depth knowledge and training skills specialized in Export Marketing and Management. The TTT was provided to organizations attached to the Federation of Central American Chambers of Exporters (FECAEXCA).

5.3.1 Initiation

This program already had some major shortcomings in the analysis phase. All three respondents interviewed signaled that the analysis and preparation before the project commenced was not well performed. One of the consultants in charge of the implementation of the project noted: "It was intended to be a regional program with three organizations. But regional management of the project wasn't thought through. It resembled more to be 3 different programs, with 3 different organizations who each had their own agenda and expectations." (Alfons van Duijvenbode, 05/10/2007) The CBI program manager, in charge of supervision of the project confirmed this view as he indicated that the analysis was "not good enough." (Titus Swartjes, 11/10/2007) The evaluator of the report shared this opinion, stating that "in the preparation of the project, too little was thought about how the 3 organizations could be committed to the project and how the 3 organization could cooperate in it." (Prof. Dr. Rob van Eijbergen, 10/10/2007) The general picture that emerged from the interviews was that the decision to start a project in this region was not well thought through. Mr. Swartjes indicated that the reason to start the program was, because the three organization attached to FECAEXCA knew what they wanted; they were attracted to the TTT-project CBI had designed.

5.3.2 Planning

The TTT FECAEXCA resembled in a way, pretty much the TTT that was implemented in South Africa. The CBI chose for a modular approach, with training sessions that treated specific topics tied to export marketing and management (EMM). However, since this was a regional cooperation effort, a standard approach would not be sufficient. As the evaluation report indicates: "Summarizing the program design was standard, while the local situation demanded a more customized approach." (CBI 2005a: 9) To each country, one consultant was assigned to oversee the implementation and monitoring of the project. This meant that 3 consultants were active in this project, all dealing with their respective counterpart. This hampered the idea of a regional cooperation effort. As one consultant noted: "It is good that every country had its own coordinator; you have to be flexible and adjust to your environment. But, there are boundaries, and if you want to accomplish a regional cooperation effort, you

must know exactly what you want and set boundaries.” (Alfons van Duijvenbode, 05/10/2007) Already in the planning of the process, no clear boundaries were set of what would be done regionally and what would be handled locally. A communications plan was absent, so coordination between the different consultants and recipient organizations was difficult. Besides the lack of cooperation and coherence between the planned training activities in the three countries, “the training activities were also not sufficiently embedded into the organization and network infrastructure.” (Alfons van Duijvenbode, 05/10/2007) They project became a sort of ‘stand-alone’ training effort.

5.3.3 Execution

In the implementation phase, some problems had arisen. For starters, it became apparent that the three countries were on different levels in the development process, they had different agendas and different social and economical characteristics that influenced the entire project. For example, in the opinion of the consultant in charge, El Salvador wasn’t even ready for training consultants. How noble the idea was, there was no market potential for it. At that time, the market was dominated by foreign consultants, mostly paid by donor organizations. Therefore, there was no demand for local consultants who would have to be paid.” (Alfons van Duijvenbode, 05/10/2007) All in all, the idea to implement the TTT program in 3 countries at the same time seems not to be thought through. The omission of a communications plan was also reflected in the execution phase. In the evaluation report, the conclusion was drawn that “the CBI consultants have not worked together as a team. The exchange of ideas did not go well.” (CBI 2005a: 13) Once all these problems were encountered, the idea of a true regional cooperation effort, by pooling resources into one network of consultants and trainers was left. The program shifted more to rigid training modules in each respective country. This program was carried out conform planning (Titus Swartjes, 11/10/2007).

5.3.4 Closure

It became apparent during the implementation that some things, mainly the didactical component of the course, transferring the skills to other, were lacking.

Therefore, in this phase, the PM of the CBI chose to correct this problem, by sending out the evaluator on a dual mission; the evaluator was asked to evaluate the program and perform a follow-up seminar, correcting the omission of transferring didactical skills to the trainees (Titus Swartjes, 11/10/2007). This did not go well with the consultants in charge of the project, as they felt they were already criticized before the evaluation had taken place. The evaluator acknowledges this point. In his interview he literally said: "During the evaluation I also conducted workshops in consultancy skills. I did not take into account how this would fall with the consultants." (Rob van Eijbergen, 10/10/2007) The evaluation was performed immediately after the project was closed. This was to make sure the problems that had arisen could be corrected. However, on the downside, it made an analysis of the effects of the program rather difficult, as results were not yet visible.

5.3.5 Results

The FECAEXCA project was a very troublesome project. The regional component hampered the implementation of the TTT. The effect of synergy and a communal pool of knowledge were never achieved, as the agendas and capacity of the organizations were just too different. The *efficiency* of the program is hard to determine. The project reached the goal of training 25 consultants and stayed within the budget of €470.000 over a two-year period (CBI 2003a: 1). Even most trainees were satisfied with the workshops and training they received (CBI 2005a: 9-10). However, it should be stated that this project is not considered to be run efficiently. The idea of embedding the project into a regional network was quickly abandoned and the skills transferal was lacking in such a way, that even during evaluation this needed to be corrected. If the project was set out as a modular training activity in 3 different regions, than the program was efficient. However, this program had larger goals, and did not reach them with the resources they had available. The *effectiveness* of the project was also a disappointment. A regional training facility, which was envisaged, has not been realized. Only the organization in Guatemala has reportedly set up new training modules (CBI 2005a: 11). The *impact* of the TTT is therefore also considered to be disappointing. Substantiating this view, the evaluator's report indicated that "on a regional level I do not see an impact for the future." (CBI 2005a: 15) The

relevance of the project was doubtful. As the evaluation report indicated, every single organization was an appropriate partner to work with. However, the FECAEXCA network is mainly a lobby organization. "Within the operational field there is not much happening. As far as I am aware of, there are no common cross border projects that have been carried out." (CBI 2005a: 8) The relevance to start this project per se in cooperation with the FECAEXCA organization is therefore considered to be lacking. The *replicability* of the project is low. As Mr. Swartjes indicated in his interview: "A regionally coordinated project is very hard to manage, as there are so many different agendas, cultures and stakeholders." (Titus Swartjes, 11/10/2007) However, the evaluator indicated that a lot of lessons were learned by the CBI, and it was considered a learning experience for the PMs of the CBI (Prof. Dr. Rob van Eijbergen, 10/10/2007). The *sustainability* of the project is also low. Although the trainings were appreciated and can still be used by the trainees, no training foundation was set up, which was intended. Also the regional cooperation between the participating organizations did not result in a network with a pool of consultants, who could share experience and training modules. All in all, the project lacked a coherent framework and strict boundaries to really enhance the capacity of the organizations involved.

What can be learned from this project is that it is very difficult to implement a project regionally. Due to the different agendas, cultures and development of the respective countries, it is hard to come up with a program that is suitable for all stakeholders. The evaluation report (CBI 2005a: 16) also indicated that two lessons could be learnt; firstly, in the preliminary process, a thorough 'Training Needs Assessment' should be made. In this case, the assessment was too meager and not a lot of attention was paid to the complex nature of such a regional project. Secondly, a communication plan is indispensable when working in a regional cooperation with multiple organizations, stakeholders and consultants.

5.4 The IEECI Project in India

The Indian Electrical and Electronic Components Industry (IEECI) TTT, was a TTT program implemented in India in cooperation with three BSOs cooperating in the

IEECI. These BSOs were the Consortium of Electronic Industries Karnataka (CLIK), the Electronic Components Industry Association (ELCINA) and the Indian Electrical and Electronics Manufacturers Association (IEEMA). The program was designed and implemented in the period 2003-2004. The goal of the project was to build up the trainings capacity of the three BSOs, especially with regards to training organizations and individuals to export electrical and electronic products to the EU (CBI 2003b: 1). It was a rather small project with a small number of participants and a short life cycle.

5.4.1 Initiation

The reason to start a program here was taken because a serious request was placed with the CBI by the consortium of BSOs in India. They had a profound knowledge producing electronic devices, but profound marketing knowledge about how to bring these products to market was lacking. As the CBI specializes in the import of products from developing countries, it performed a feasibility analysis in India. In this analysis, "the core of the problem was that Indian companies had a poor orientation on matters other than production." (CBI 2003b: 1) The feasibility also uncovered that, in general, trainers in this industry are highly educated and have little need for theory and little affinity with interactive sharing of knowledge. This means the focus of the program should strongly lie with training didactic skills." (CBI 2003b: 2) The evaluator indicated that insufficient thought was given to how a training program should be designed after the TTT was completed (René de Baaij, 15/10/2007).

5.4.2 Planning

The design of the TTT project was, in line with that of the TTT South Africa, very straightforward. Over a period of 1 year, 4 weeklong training sessions would be given to Indian consultants and trainers in the electrical and electronic component industry. The IEECI would recruit and select viable candidates. This was an important aspect of the project, as the IEECI consortium had full ownership on who took part in the TTT. The only problem this decision brought with it was that the CBI had presented "no clear definition for the trainee selection process, although constituting a critical success factor of a TTT." (CBI

2006a: 12) Regarding the planning of the training workshops, René de Baaij (15/10/2007) indicated that too much focus was placed on the content of the course and less on the transferal of skills. This is somewhat awkward, as the feasibility study indicated that this was the most prominent weakness in the skills of Indian trainers and consultants. Hans Verhulst, the coordinating consultant of the project indicated that the 4 training weeks all represented one step in the marketing of your product: market research, market access, market exposure and market entry. This indicates that indeed, a strong emphasis was placed on content of the course. What was also remarkable was that the goal of the number of trainers to be trained was 75 in the feasibility analysis, then reduced to 60 in the program document and finally further reduced to 30. This final reduction was implemented because of a significantly smaller budget for the TTT, from €487.000 to €290.428 (CBI 2006a: 11). What was unique about the design of this project was that an incentive structure was coupled to the four training weeks. As the consultant of the project explained in an interview (Hans Verhulst, 12/10/2007): "A sort of competition was started, in which all participants should create a workshop and perform a presentation about a marketing related topic. The winner of the contest was awarded a contract with the CBI to perform a (real) training session in the future." This form of incentive greatly increases the motivation and commitment of the participants in the TTT.

5.4.3 Execution

During the implementation, no major problems or obstacles occurred (Hans Verhulst, 12/10/2007). The only thing he noticed was, that some of the selected trainees were, as he called it, 'political nominees'. These persons were recruited by the IEECI on the basis of politics or closeness to the BSOs, resulting in a lower than desired number of trainers that were going to start training other people in their network. One aspect of the TTT, which was new to the CBI, was that the consultant made use of 'participative working methods'. According to Hans Verhulst, this method less resembled the training methods in earlier TTT's, but focused on a "meta-level, from where all aspects were viewed from a consultant's perspective. This working method is very place –and culture specific. In India it worked great, in Jordan for example it was a total failure." (Hans Verhulst, 12/10/2007) All in all, the implementation went rather smoothly. The

evaluation report also noticed the shift from content to didactics (CBI 2006a: 13) and this flexible attitude in the execution phase has served the TTT well.

5.4.4 Closure

The evaluation of the TTT project was performed following the guidelines of the IOB. In the evaluation report, the implementation of the TTT project was deemed to be satisfactory. However, the follow up of the project was definitely not (CBI 2006: 20). The participants were overall positive about the learning experience. However, no clear pathway for after the TTT was formulated, nor for the BSOs, nor for the trained consultants. This was an omission that could have been prevented.

5.4.5 Results

The *efficiency* of the TTT India was judged to be pretty good. Through a huge budget slash, imposed by the Ministry of Foreign Affairs, the goal of number of people to train was reduced by half. However, considering there are some fixed costs in the process, the project was run pretty efficiently, as it stayed within the new budget and trained 27 consultants, where the target was set at 30. As the input (resources) into the project was cut, in relation also the output (people trained) was lower. The *effectiveness* of the TTT was less than satisfactory. This was mainly caused by the fact that the people selected by the IEECI, which resulted in only 12 real consultants being trained (CBI 2006a: 14). Of course the skills trained to the other participants (members of the three BSOs and managers from member enterprises), however for the effectiveness the CBI envisioned this is meager, as the plan was to train about 30 consultants. Tied to this conclusion, the *impact* of the project was "less than satisfactory, as only 27 participants were trained." (CBI 2006a: 18) However the project had some unforeseen outcomes in some areas. The impact on the consultants was indicated by the participants to be high. However, this result was less than satisfactory "The impact of the TTT on the BSO was that it enhanced their visibility as a service provider/facilitator. For the CBI, it had the unintended benefit of being able to utilize Indian experts as trainers in other programs." (CBI 2006a: 18) This illustrates the fact that the project indeed had an impact on the BSO and its environment that was extended

beyond the 27 participants. The project can certainly be valued as *relevant*. The needs addressed by the BSO were genuine and also assessed by the CBI in the feasibility analysis. It was clear that marketing functions were underdeveloped in this Indian industry and the decision of the CBI to start a program in hindsight seems logical. The project is also *replicable*, as the TTT program has been extended to other BSOs as well. As René de Baaij indicated in his interview: “The project certainly wasn’t a failure. Even though the initial targets weren’t met, it doesn’t make it a failure. Now, such a TTT is performed more often, however in combination with an IDOS [RW: Institutional Development and Organizational Strengthening] module.” Sustainability of the project was seriously hampered, as “a TTT follow-up strategy should have been an integral part of the report.” (CBI 2006a: 19) The fact that some of the trainers were in turn hired by the CBI as consultants does however indicate that there is confidence in the trainees’ newly acquired knowledge and skills.

What can be learned from this project is that although its good to turn over ownership of the project to the recipient organization, some part of the project needs boundaries. In this project, the selection of candidates was exclusively turned over the IEECI, with little or no restrictions or criteria for the selection procedure. What seriously enhanced the commitment of the IEECI to the project was that it came to the CBI with a genuine question for support. This demand-driven approach to capacity building definitely works better than a supply driven approach, where a donor organization offers help to a developing organization.

6. Putting Practice to Theory

In this chapter, the insights and lessons learned from the evaluation of the four projects that were carried out by the CBI are used to make a contribution to the current theoretical guidelines that were articulated in chapter 4. Once we have confronted the insights from practice with the theories from chapter 4, we can give an answer to our research question: *What recommendations can be made to improve current guidelines for Capacity Building projects in development countries?* Finally, in the final paragraphs, recommendations for use in practice and recommendations for further research will be explored.

6.1 Conclusions

Summing up the findings of chapter 5, we come to the following overview (Figure 6.1):

Indicator	Project	SAAA	CORPEI	FECAEXCA	IEECI
Efficiency		Managed within budget and achieved the goal of 40 trainers	Efficiently managed, although cost of training was considered high	Goal of no. of trainers reached, but ultimate goal not achieved	Good efficiency, nearly on target for goals after budget slash
Effectiveness		Doubtful, spill over effect not achieved	Core skills definitely improved, mainly in management & control	Disappointing. Only in Guatemala set up of training facilities	Less than satisfactory
Impact		Disappointing, although new skills were applied	Impact on organization's skills improved. Spill over effect in training doubtful	No impact on a regional level	Less than satisfactory, but unintended benefit for CBI to hire some consultants for later work
Relevant		Applicable, South African demand genuine	Very relevant, mainly due to superb timing	Not relevant. FECAEXCA mostly considered lobby organization, not service provider	Relevant, well formulated request for specific aid in the field of marketing
Replicable		Served as pilot for other projects	Integrated approach used for BSOD program	Low, although lessons were learned from the project	Served as pilot for other projects
Sustainable		Follow-up provided by mentorship program	Strong point. Significant growth of the BSO	No long term impact	Hampered by lack of coherent follow up

Figure 6.2: Overview of CB projects results

If we compare the specific processes in the four respective phases that led to the outcomes indicated above, we can make recommendations for revising current CB project guidelines. In the following part, this comparison is drawn.

The conclusion that in the initiation phase a thorough assessment of the recipient organization and its stakeholder should be performed, which is posed in current literature, is underscored by experiences in practice. What becomes clear is that there is no 'best-way' of assessing the recipient organization and its environment; the differences between projects in scope, scale, cultural background and goals are too large. Also, the importance of commitment to the CB project from the recipient organization to the change project and the necessity for the recipient organization to take ownership of the CB project is in line with the evaluation of CBI projects. A contribution to the current literature with regards to the initiation phase of a CB project, is that a serious and underpinned request for a specific need is contributing to a successful project. In the case of IECCI, the IECCI made a request for learning to market their electrical products to European markets, after which the TTT was specifically related to EMM topics. However, the information provided should not be taken for granted. In this case, the CBI performed a feasibility analysis, after which the decision to start the EMM related TTT. In the case of the SAAA, the SAAA claimed that transferal of didactical skills would not be necessary. This assumption later on in the project hampered its success, as it turned out that didactical skills were lacking with the participants.

Theory suggested that planning a project should go beyond the planning of activities and dedicating (financial) resources to the project. The project should take an incremental approach to safeguard the sustainable character and emphasis should be placed on gaining commitment from the recipient organization's management and employees to the CB project. One way to do this is by creating 'quick wins' which deepen this short-term commitment. For creating long-term commitment, the project should take an incremental approach and create incentives for organizational members to change. On hard targets and criteria, less clear formulations for guidelines are provided. However, donor and recipient should agree on criteria and goals in the ToR, and should define them in an objectively verifiable way, to see to it that these are met

during the project. Risk should be mitigated by being flexible, adapting to changes in circumstances. Finally, the project should not only be communicated internally within the involved organizations, but also publicly and to other stakeholders. As the organizations team up with other individuals or organizations, the impact of the CB project can be increased. This last point was underscored by the findings in the CORPEI case. By contacting other donor organizations, the impact of the programs could be greatly increased. A contribution that can be made with regards to the planning of a CB project, is to time the project carefully. As was experienced in the CORPEI project, the project started at exactly the right time; after a crisis which increased the perceived need of the stakeholders to change and in conjunction with a large-scale operation to form a new export strategy in Ecuador. This greatly increased commitment to the project and increased its success.

The theory about how to execute a CB project was somewhat limited. Theoretical guidelines concluded that in implementing the CB project, initiative should lie with the recipient organization. Commitment should be fostered by identifying a 'project leader'. This 'project leader' can enhance commitment and incentives of the persons involved in the project. The value and importance of the change process should be clearly demonstrated to all participants. By creating incentives for change, the willingness to change and the commitment to the CB project are increased. The CB project with CORPEI suggests that it is advisable to let the consultant who performed the feasibility analysis also perform the implementation of the CB project. As he is already familiar with the recipient organization and has made a lot of valuable contacts, he is able to jump-start the implementation. This increases the 'quick wins' found in current literature and thereby increases the commitment and success rate of the CB project. Of course, the donor organization should be aware of the possibility that the consultant will 'provide its own work'. The donor should therefore always be critical about a feasibility analysis that advises to start a project in a particular organization. Also the importance of flexibility in managing a CB project was underscored by the lessons learned in the TTT in South Africa.

Finally, theory on the closure of CB projects, suggested that evaluating a CB project has two purposes. As Jacobs (1998: 405) defined: "Evaluation is seen as

a specialist and objective function to consider the costs and benefits of any activity and guarantee financial integrity to the tax payer. A secondary purpose is to learn from mistakes.” This secondary purpose is most important in CB projects. Evaluation is not only viewed as a function to assess how well the project has been executed; it should be viewed as a learning exercise, integrating a monitoring and evaluation function into the recipient organization. It is therefore that focus not rests on outcomes and efficiency and effectiveness, but rather on relevance, replicability and sustainability. Within the CBI, evaluation was mainly used to consider the costs and benefits of its operations (in line with IOB rules) and to learn from mistakes. However, the involvement of the recipient organization in the process was rather limited, so no further guidelines or recommendations can be made on the basis of this research.

If we return to our research question:

“How can guidelines for Capacity Building projects in development countries be improved?”

We can form one striking conclusion, and that is that although a large set of guidelines, principles, best practices and recommendations can be found in current literature, in practice they are not always used. If PMs involved in CB project took the time to learn them and use them in their CB project management, some difficulties in implementing projects would surely be overcome.

What this research suggests, is that in all stages of the CB project cycle, an addition to the current practices can be formed (Figure 6.2). In the initiation phase, a demand driven attitude taken by a donor is valued over supplying aid to recipients offered from the donor’s initiative. The CORPEI project taught us that in the planning phase, the timing of the project is crucial, as favorable conditions can have an enormous positive effect on the implementation and result of a CB project. This research also teaches us, that in some cases, it is considered wise to keep the consultant who performed the initial analysis of the project involved in the implementation, as he or she has already built up a network and relationship with the recipient organization and other stakeholders. Furthermore,

the evaluation should not be limited to an assessment of the impact of the project. As the FECAEXCA project showed, it is wise to evaluate different parts of the project on different occasions.

Project Phase	Contributed Guideline	Use in Practice
Initiation	A serious and underpinned request for aid is valued over a supply driven offer to aid	Donor organizations should be reluctant to offer 'help' on their own account. It is important for a recipient organization to figure out what is 'wrong' in their organization feeding the perceived need for change
Planning	Timeliness of the CB project can improve the commitment and success of the CB project	Start a project when conditions to change and commitment are most favorable
Execution	The consultant who has performed the feasibility analysis is (in some cases) favored to implement the CB project as well	A consultant who performs a thorough analysis builds up a network within the organization and its environment. It also creates a sense of trust and stability to provide for more commitment
Evaluation	Evaluate right after a project as well as in a later stadium to get a complete picture of the project	Evaluation should be designed not only to evaluate the outcome or impact, but also the processes. Processes could best be evaluated right after the project was closed, the impact only later becomes visible

Figure 6.2 Contributions to current guidelines.

6.2 Recommendation for Use in Practice

This research presents an interesting contribution to the current body of knowledge. People who are involved in Capacity Building Projects or Development Projects, can benefit from this research, as it gives a clear insight

into how a CB project can be designed and implemented, illustrated not only by a broad analysis of current theoretical guidelines, but also illustrated by real-life examples of problems and successes encountered by the CBI. The information provided should not be taken as 'true for every case'. The world of CB is a very complex one, and no CB project is alike. What works in some settings, may not work in others. However, by using the insights of this research, a consultant or manager burdened with the task of implementing a CB project can make an educated judgment call, about what will probably work, and what will probably fail.

6.3 Limitations and Recommendation for Further Research

As proposed earlier in this research, Capacity Building is not well researched yet. This research does not assume to have closed the gap. CB is complex, differs from project to project and organization to organization. However, every bit of research to close the gap is warmly welcomed.

This research is limited in that the projects that were researched were CBI's first true endeavors into the CB world. Therefore, a lot of problems were encountered. A recommendation for a future research would therefore be, to perform a similar form of evaluation, but at an organization that is more experienced with CB projects. It is most likely, that in a renewed research, the focus could be placed upon refinement of the 'best practices' that are proposed by current literature, rather than the 'lessons that were learned' from investigating these four projects. Moreover, the conclusions from research are somewhat limited, as some of the projects lacked some true "CB" characteristics. It is advisable in this light, to investigate more "true CB projects" to come to more substantial results.

Finally, I can only underscore what Schacter (1999: 1) has proclaimed. That the body of knowledge on guidelines in implementing CB projects still misses critical mass. So the strongest recommendation for further research I can make, is to investigate CB projects in whichever setting possible, so as to complement this body of knowledge.

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Appendix I: Types of BSOs

BSO type	Defining Factor	Typical Functions and Services
Business Associations		
• Trade/Industry association	Occupation/Industry	Arbitration, quota allocation, industry standards setting, lobbying, quality upgrading
• SME associations	Size of Firm	Entrepreneurship training and consulting, finance schemes, group services
• Women's association	Gender	Entrepreneurship training, microfinance, gender-specific advocacy
• Employers' association	Labour Relations	Interest representation vis-à-vis unions, professional information, and training
• Confederations	Apex Bodies	High-level advocacy, general business information, research, coordination of member associations
• Bi-national associations	Transnationality	Trade promotion, trade fairs, match-making
Chambers		
• Chambers	Geographic Region	Delegated government functions, arbitration courts, basic information services, matchmaking, local economic development

Characteristics and functions of different types of BSOs (source: World Bank 2005: 15)

Appendix II: List of persons interviewed

- Reg Leenes: Consultant attached to the implementation of the SAAA project. Interviewed 13/09/2007.
- Prof. Dr. Rob van Eijbergen: Consultant attached as evaluator to the SAAA project and the FECAEXCA project. Interviewed 10/10/2007.
- Titus Swartjes: CBI Program Manager attached as supervisor for the overall execution and evaluation of the CORPEI project. Interviewed 11/10/2007.
- Hans Verhulst: Consultant attached to the implementation of the IEECI India project. Interviewed 12/10/2007.
- Alfons van Duijvenbode: Consultant attached to the implementation of the FECAEXCA project. Interviewed 05/10/2007.
- René de Baaij: Consultant attached to the evaluation of the IEECI India project. Interviewed 15/10/2007.
- Anton Kruft: Consultant attached to the implementation of the CORPEI project. Interviewed 17/09/2007.

Appendix III: Interview Structure

Interview structure:

1. Initiation:

Ask the respondent how he viewed the initiation phase was designed and performed.

Ask him what he thinks worked well, and what hindered a proper design and execution of the initiation phase.

2. Planning:

Ask the respondent how he viewed the planning phase was designed and performed.

Ask him what he thinks worked well, and what hindered a proper design and execution of the planning phase.

3. Execution:

Ask the respondent how he viewed the execution phase was designed and performed.

Ask him what he thinks worked well, and what hindered a proper design and execution of the execution phase.

4. Closure:

Ask the respondent how he viewed the closure phase was designed and performed.

Ask him what he thinks worked well, and what hindered a proper design and execution of the closure phase.

5. Ask the respondent if anything has been missed discussing the project and he has any recommendations or comments on managing a CB project in practice.

Appendix IV: 10 Default principles for Capacity Development

10 DEFAULT PRINCIPLES FOR CAPACITY DEVELOPMENT

-
- 01 *Don't rush***
Capacity development is a long-term process. It eludes delivery pressures, quick fixes and the search for short-term results.
-
- 02 *Respect the value system and foster self-esteem***
The imposition of alien values can undermine confidence. Capacity development builds upon respect and self-esteem.
-
- 03 *Scan locally and globally; reinvent locally***
There are no blueprints. Capacity development draws upon voluntary learning, with genuine commitment and interest. Knowledge cannot be transferred; it needs to be acquired.
-
- 04 *Challenge mindsets and power differentials***
Capacity development is not power neutral, and challenging mindsets and vested interests is difficult. Frank dialogue and a collective culture of transparency are essential steps.
-
- 05 *Think and act in terms of sustainable capacity outcomes***
Capacity is at the core of development; any course of action needs to promote this end. Responsible leaders will inspire their institutions and societies to work accordingly.
-
- 06 *Establish positive incentives***
Motives and incentives need to be aligned with the objective of capacity development, including through governance systems that respect fundamental rights. Public sector employment is one particular area where distortions throw up major obstacles.
-
- 07 *Integrate external inputs into national priorities, processes and systems***
External inputs need to correspond to real demand and be flexible enough to respond to national needs and agendas. Where national systems are not strong enough, they should be reformed and strengthened, not bypassed.
-
- 08 *Build on existing capacities rather than creating new ones***
This implies the primary use of national expertise, resuscitation and strengthening of national institutions, as well as protection of social and cultural capital.
-
- 09 *Stay engaged under difficult circumstances***
The weaker the capacity, the greater the need. Low capacities are not an argument for withdrawal or for driving external agendas. People should not be held hostage to irresponsible governance.
-
- 10 *Remain accountable to ultimate beneficiaries***
Any responsible government is answerable to its people, and should foster transparency as the foremost instrument of public accountability. Where governance is unsatisfactory it is even more important to anchor development firmly in stakeholder participation and to maintain pressure points for an inclusive accountability system.

Appendix V: Sustainability in Capacity Development

Capacity development and good governance: the how of capacity

Another key dimension of sustainability relates to how capacities are developed. UNDP's experience shows (figure 2) that capacity development is most sustainable when programmes are:

Capacity development, depends on deeper dynamics in society

- Responsive**—to the needs of people and stakeholders.
- Participatory**—all men and women affected should have a voice in decisionmaking throughout the process.
- Transparent**—built on the free flow of information.
- Equitable**—all men and women have equal access to opportunities and assets.
- Accountable**—decisionmakers in government, the private sector and civil society are accountable to the public as well as to institutional stakeholders.
- Consensus-oriented**—differing interests are mediated on what is in the best interest of the whole group.
- Effective and efficient**—individuals, processes and institutions produce results that meet those needs, while making the best use of resources.

Safeguards for sustainable character of CB projects (source: UNDP 1997: 9)

Appendix VI: Best Practice Model

<p>1 Comprehensive Assessment of Institutional Capacity</p> <ul style="list-style-type: none">- what is the history of TC involvement?- what is the local management capacity?- what is the absorptive capacity?- is there a culture of change?- how committed are key staff?- what systems, structures, skills, & information networks can be strengthened?
<p>2 Mutual Understanding and Design of Support Project</p> <ul style="list-style-type: none">- are the local staff involved in designing their own solutions?- is there adequate consultation to build wide scale commitment?- can mutual understanding be enhanced by linking institutions?- what are the terms & conditions of the partnership?
<p>3 Joint Implementation</p> <ul style="list-style-type: none">- are systems well developed & sufficiently robust to be sustainable without TC?- how can participation be maximised?- where can joint projects be embarked upon & results shared?
<p>4 Building up Management Systems, Skills and Capabilities</p> <ul style="list-style-type: none">- is there a training plan in place to assist development?- can motivated staff be identified to act as catalysts for change?- is there provision for a management development programme?- is there a management information system to encourage learning?- can a critical mass of staff be identified & trained to mobilise change?
<p>5 Interacting with Key External Institutions</p> <ul style="list-style-type: none">- recognise political, financial and regulatory bodies- Establish benefits through backward and forward linkages- move from early stage of dependence to self reliance
<p>6 Integrated Monitoring and Evaluation</p> <ul style="list-style-type: none">- what activity needs to be monitored on a regular basis?- how often does the monitoring and evaluation need to occur?- what systems are present which can encourage learning & review?- are methods adequately adapted to the local environment?- to whom should the results be feedback? The trainees, other stakeholders and/or the donor, the customer or the institution?

Best Practice Model (source: Jacobs 1998: 400)

Appendix VII: List of Acronyms

BDS – Business Development Services
BSO – Business Support Organization
BSOD – Business Support Organization Development program
CB – Capacity Building
CBI – Centre for the Promotion of Imports from Developing Countries
CLIK - Consortium of Electronic Industries Karnataka
CORPEI – Corporation for the Promotion of Exports and Investment
DFID – Department For International Development
DGIS – Directorate General for International Cooperation
EC – European Commission
EFTA – European Free Trade Area
ELCINA - Electronic Components Industry Association
EMM – Export Marketing and Management
EU – European Union
FECAEXCA - Federation of Central American Chambers of Exporters
HRM – Human Resource Management
IDOS – Institutional Development and Organizational Strengthening
IEECI – Indian Electrical and Electronic Components Industry
IEEMA - Indian Electrical and Electronics Manufacturers Association
IIDP – Integrated Institution Development Program
IOB – Policy and Operations Evaluation Department
ITC – International Trade Center
LDC – Least Developed Countries
OD – Organizational Development
OECD – Organization for Economic Cooperation and Development
PM – Project / Program Manager
SAAA – South African Agriculture Academy
SME – Small and Medium-Sized Enterprise
TA – Technical Assistance
TCWF – The Californian Wellness Foundation
TPO – Trade Promotion Agency
ToR – Terms of Reference

TTT – Train the Trainer

UN – United Nations

UNDP – United Nations Development Program

WTO – World Trade Organization