



# Capacity Development



## Summary

**Capacity development refers to the process whereby individuals, organisations, and societies obtain, strengthen, and maintain the capabilities to set and achieve their own development objectives over time. This sub-section introduces the core principles and levels of capacity development together with breaking down the capacity development cycle. Tools in this sub-section underpin capacity development serving as practical mechanisms to support the process.**

## Conceptual Shift to Capacity Development

Capacity development stands for “the process of individuals, organisations, and societies obtaining, strengthening, and maintaining the capabilities to set and achieve their own development objectives over time” (UNDP, 2009, 5). After years of debate within the development community, “capacity development” was advised to be used instead of “capacity building” alluding to a number of conceptual deficiencies of the latter. First, it defines a process which starts from the ground up involving creation of a new structure with a preconceived design meaning there are no existing capacities to start from (OECD, 2008). Second, capacity building is usually a one-off intervention supporting only the initial steps of creating capacities (UNDP, 2009).

## Key Attributes of Capacity Development

This conceptual shift was in line with the overall development policy evolution from

development aid focused on lending money to developing countries, technical assistance based on foreign expertise in projects disconnected from local goals, and technical cooperation driven by external forces neglecting to develop local capacities (UNDP, 2009). Capacity development rather emphasises the importance of knowledge and stronger local capacities to ensure effective and sustainable development (De Montalvo and Alaerts, 2013). Specific attributes of capacity development include (European Commission, 2010; Greijn et al., 2015; Zamfir, 2017):

- **Local ownership and leadership:** Capacity development must be owned and led by those whose capacity is being developed, while external partners only support the process and create right incentives. This is directly followed by the importance of partnerships between donors and local stakeholders (Tool B3.05). GWP's thematic capacity building focused on climate resilience is implemented, among others, via Water, Climate and Development Programme (WACDEP) developed by local actor in the regions, including GWP Regional Water Partnerships, relevant governments and regional economic development communities.
- **Sustainable change (Tools C5):** Change is central for capacity development in terms of knowledge, skills, attitudes, practices, and the formal rules influencing people's behaviour and relationships. The change achieved has to be sustainable over time.
- **Knowledge (Tool B4.01):** How people turn data into knowledge and wisdom subsequently based on the knowledge pyramid principle (Ackoff, 1989) underpins their capacity. Knowledge networks in the water sector connect academic institutions, water governance and community-based organisations (Tool B2.03) fostering participatory approach, knowledge flows, experience, and expertise sharing (De Montalvo and Alaerts, 2013). Cap-Net is a leading example of a capacity development network for sustainable water management.

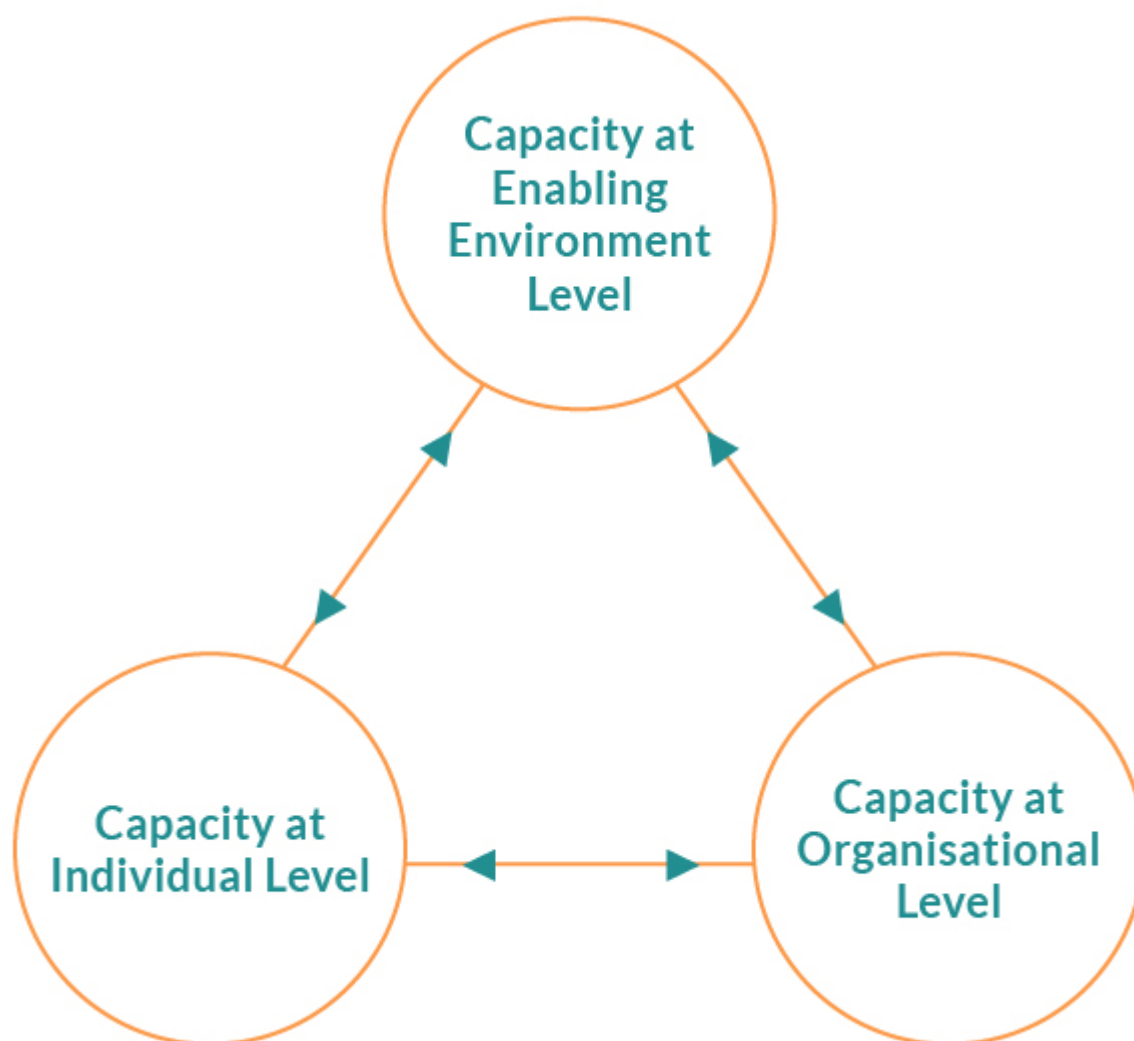
## Levels of Knowledge and Capacity Development

Both knowledge and capacity should be addressed at several interconnected levels, i.a., (Figure 1):

- **Individual:** Improving skills and gaining knowledge via training and experiences driven by incentives, values, and motivation. Both explicit (training, education) and tacit (learning-by-doing) knowledge may be gained throughout the process when the latter is considered more valuable as it shapes deeper attitudes (Alaerts, 2009). A growing number of educational programmes adopt interdisciplinary approach to combine deep functional knowledge and the breadth of knowledge following T-shaped water professional model (McIntosh and Taylor, 2013) (Tool B4.02).
- **Organisational:** Improving performance through strategies, plans, partnerships, and roles in place. Organisations in the water sector adopt knowledge management techniques ranging from human resources management and internal knowledge

sharing, such as peer-to-peer exchange, to encouraging networking and communities of practice ([Tool B4.03](#)) ([De Montalvo and Alaerts, 2013](#)), such as those accessible via GWP Toolbox Action Hub for IWRM. Organisational learning implies learning from successes and failures based on the learning loops approach ([Tool B4.02](#)).

- **Enabling environment** ([Tools A](#)): Improving economic, political, environmental, and social factors, comprising rules, laws, policies, power relations, and social norms within which people and organisations function.



**Figure 1.** Levels of capacity development (Adapted from [UNDG, 2017](#))

Civil society ([Tool B3.03](#)) may be seen as a separate level of capacity development representing groups of people with their votes and values ([De Montalvo and Alaerts, 2013](#)).

### Capacity Development Cycle

Capacity development is a process of growth ([UNDP, 2009](#)) incorporating 5 iterative steps

(Figure 2):

1. Engaging stakeholders on capacity development ([Tool B3.05](#)).
2. Assessing capacity assets and needs.
3. Formulating a capacity development strategy.
4. Implementing a capacity development response.
5. Evaluating capacity development.

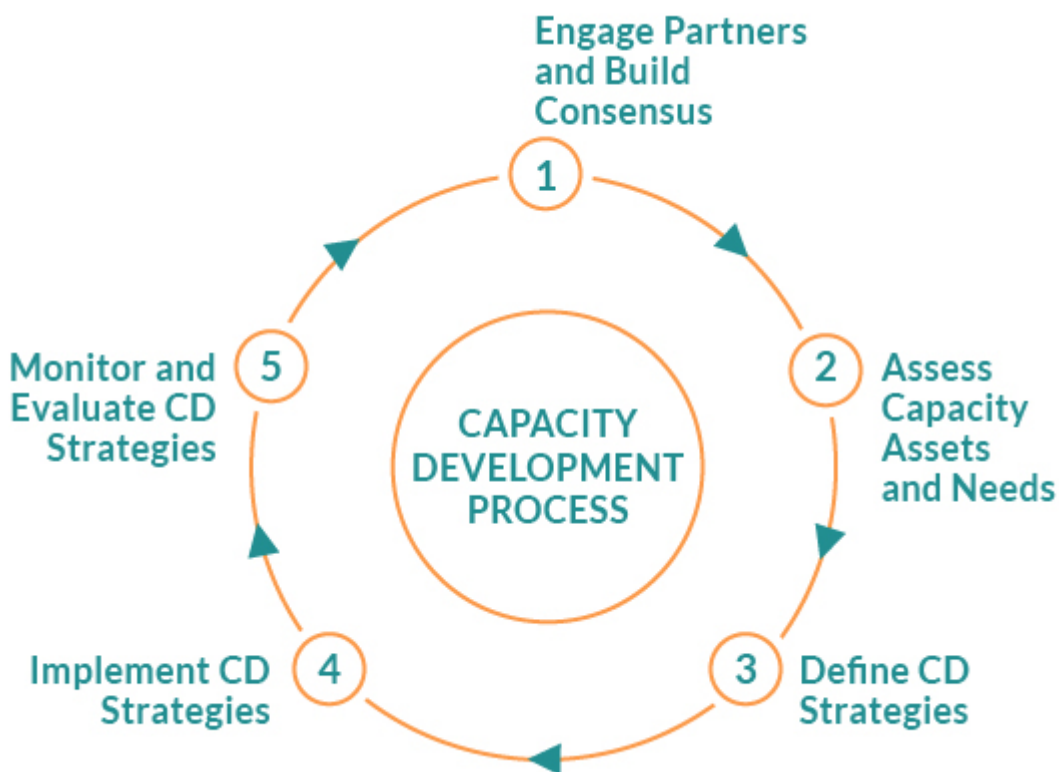


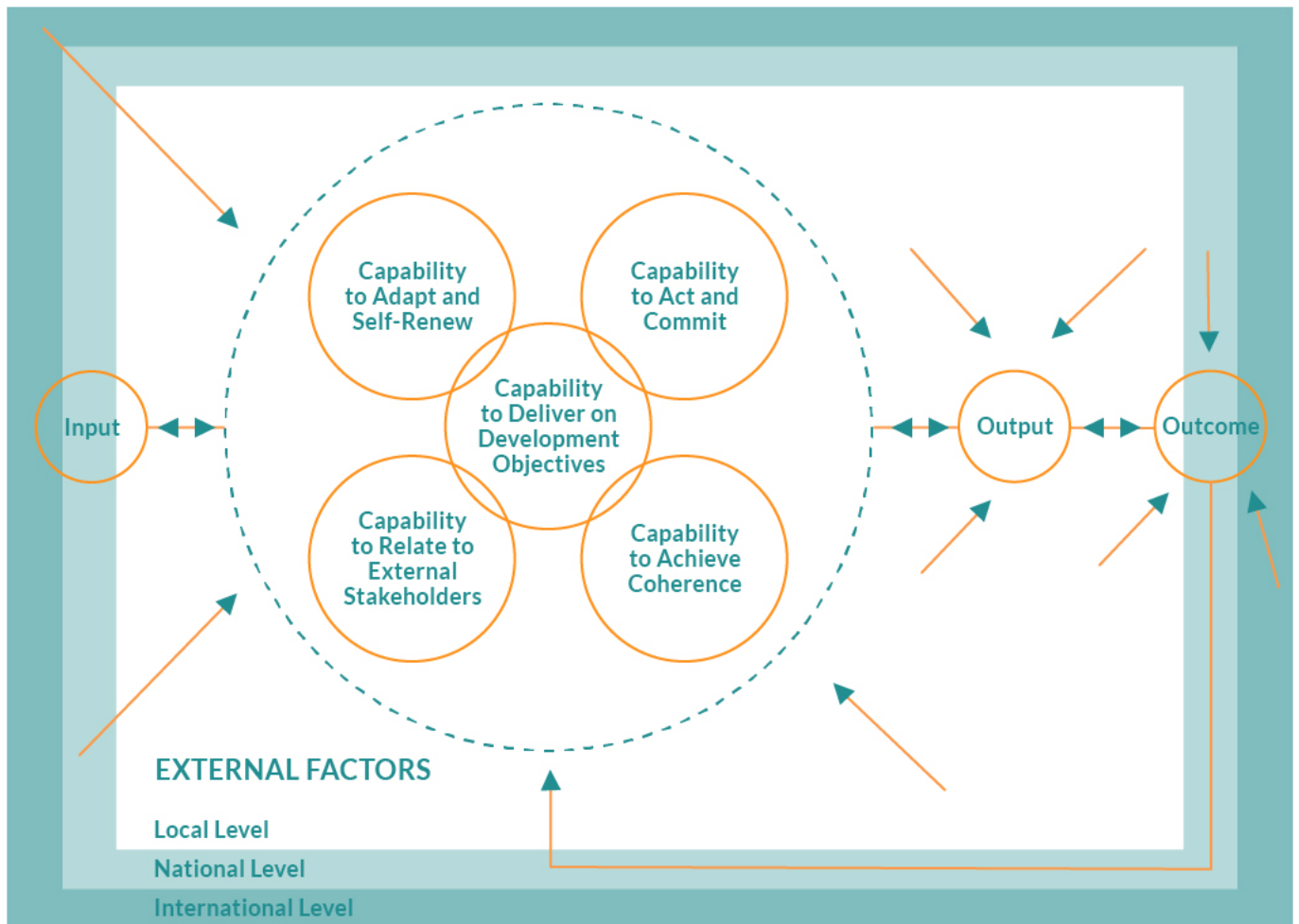
Figure 2. Capacity development cycle (Adapted from [UNDP, 2008](#))

### **Evaluating Capacity Development**

In regards to the last stage of the cycle, there are two predominant approaches used: logical framework analysis (positivist model) and systems thinking theory (complex adaptive systems model). The former supposes a linear relationship among different parts of capacity development activity. The latter claims that capacity comes from complex

interactions (Mvulirwenande, De Montalvo and Alaerts, 2017).

5Cs framework (Figure 3) as an example of systems thinking theory may be used to monitor and evaluate the results of capacity development processes applicable for organisations in the Global South. The framework implies that an organisation/a system should have five core capabilities to ensure sustainable capacity development. The five capabilities are closely connected and together contribute to an organisation's capacity to bring about social change (ECDPM, 2011).



**Figure 3.** 5Cs framework (Adapted from ECDPM, 2011)

### Contextualising Capacity Development

Importantly, the five capabilities together with the overall capacity development process need to be contextualised at all levels. For the enabling environment this may be realised via political-economy studies, including institutional analysis, drivers of change analysis or conflict assessments (Tools C6). On the organisational level, SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis as well as stakeholder analysis (Tool C1.03) might be a starting point for understanding the context. Finally, social influences (Tool C1.04) need to be assessed along with personal capabilities on an individual level (OECD, 2008).

### Sub-Section Overview

In the IWRM framework, capacity development are skills and capabilities of people and institutions at all levels – local, regional, and international – utilised to make progress towards a broader goal. The process involves equipping people and organisations with appropriate tools and resources to fix their hardships (Agarwal et al., 2000). Tools in this sub-section are considered interconnected applicable instruments used in the capacity development process. Information Gathering and Sharing Networks ([Tool B4.01](#)) play a significant role in advancing IWRM implementation based on the concepts of knowledge pyramid, learning-by-doing approach, 5E' learning cycle, and Delphi technique. Training Water Professionals ([Tool B4.02](#)) discusses key training formats and methods, highlights the need to design interdisciplinary training initiatives, and suggests how learning loops can contribute to building organisational learning. Communities of Practice ([Tool B4.03](#)) presents the organisational characteristics of CoPs and how to set up a CoP charter highlighting some of the key recognised principles used to enhance the effectiveness of CoPs.

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