

This article was first published in 'DPUNews' No.34, July 1996.
It has since been reproduced on several websites.



Capacity building for better cities

[Patrick Wakely](#)

University College London

An adequate institutional organisation to cope with the challenges of an increasingly integrated world economy is a dimension of development to which policy makers and development agencies are turning their attention. Professor Patrick Wakely, who co-authored a background paper for Habitat II on capacity building, argues here that this term embodies much more than simply training and human resource development.

Why capacity building (the new paradigm)?

Capacity building is in! It is part of the new jargon that expresses the not-so-new concepts that were embraced and championed by Habitat II and several of the other international events that preceded it: 'empowerment', 'enabling', 'partnerships' and 'support'; 'decentralisation', 'devolution', 'deregulation' and 'privatisation'.

Empowerment for the governance, planning and management of cities and settlements is about handing down authority. It is about increasing the efficiency, enhancing the effectiveness and ensuring the sustainability of development by passing responsibility to those people, communities and enterprises to whom efficiency, effectiveness and sustainability matter.

Enabling is about ensuring that those who are empowered have the information, technology, skills and support to exercise their new authority (power) responsibly. It is about roles: who should do what and in partnership with whom. Therefore it is about relationships and interfacing between the different fields and the different levels of responsibility.

Capacity building is the business of equipping all actors to perform effectively both in doing their own thing in their own field and level of

operation, and in working in collaboration or partnership with others operating in other fields and at other levels. It is an essential component of both empowerment and enabling.

What is capacity building?

To many people capacity building means training or human resource development. Certainly this is a very major component of it. However, if decision-makers, managers, professionals and technicians are to operate at full capacity, they need more than just their own abilities. They need an institutional and organisational environment conducive and supportive of their efforts, energies and capacities. Institutional and organisational constraints present as great an impediment to the effective management of cities and settlements as the inability of professionals, technicians and ordinary people. To be effective capacity building must embrace all three aspects: human resource development; organisational development; and institutional development.

Human resource development (HRD) is the process of equipping people with the understanding and skills, and the access to information and knowledge to perform effectively. It includes motivating people to operate constructively and efficiently through the development of positive attitudes and progressive approaches to responsibility and productivity. Good human resource management provides incentives and rewards; opportunities for continuous training and re-training; clearly recognisable career opportunities; and competitive pay scales. To achieve these aspects of HRD, the organisational environment must be dynamic and responsive.

Organisational development is the process by which things get done collectively within an organisation, be it a central government ministry, a local authority department, a private sector enterprise, a non-governmental organisation (NGO) or community group. It is to do with management practices and procedures; rules and regulations; hierarchies and job descriptions: how things get done. It is also to do with working relationships; shared goals and values; team-work, dependencies and supports: why things get done. The increasing demand for more flexible and responsive management styles for the development and management of cities and settlements, calls for new and very different organisational structures and relationships particularly within local government. It also calls for new relationships between different organisations that have a role in urban development and management. However, bringing about such organisational

changes often depends upon institutional changes that are beyond the capacity of any single organisation or network of organisations.

Institutional development encompasses the legal and regulatory changes that have to be made in order to enable organisations, institutions and agencies at all levels and in all sectors to enhance their capacities. It embraces such issues as regulations controlling the financial management, borrowing and trading capacity of government agencies and municipal authorities; the ability of local government to negotiate contracts and form partnerships with private enterprises and community organisations; centrally regulated conditions of employment, salaries and career structures; land use and building bylaws, and other development controls; and democratic legislation that allows, enables and encourages communities to take responsibility for the management of their own neighbourhoods and services. Such institutional issues generally need the political and legislative authority of national government to bring about effective change.

Whose capacity should be built (the demand)?

Capacity needs to be built at every level and across all fields of activity that impinge upon the development and management of cities and settlements. However, in every situation there are priorities which, for reasons of urgency or deficiency, take precedent over others in their need for attention and resources. These vary with the particular circumstances of any specific country or region, though it is becoming increasingly apparent that, globally, the weakest link in the chain is at the level of local government and municipal or metropolitan administration.

Municipal governments and administrations are the key actors in the management of towns and cities. Yet, over the last 40 years, in all but a handful of countries they have been starved of authority and resources. They have been constrained by obsolete legislation, restrictive practices, outmoded equipment and inappropriately trained staff. Many of their traditional development and management roles have been usurped or bypassed by central government corporations and utility companies. But the new paradigms are changing all this and calling for an urgent and massive exercise in re-building the capacity of local government and administration. This can be crudely characterised by three types of activity.

First, is the task of equipping municipal governments and administrations, and the private sector and communities with which

they interact, to confront and command the new urban agendas. These are dominated by the issues of the globalisation of urban economies and capital markets; the sustainability of urban environments; the reduction of urban poverty; the new concern for democratic, gender aware and accountable government and the eradication of corruption.

Second, is the task of 're-tooling' and, in many countries completely re-structuring, local authorities, enterprises and citizens' organisations to enable them to initiate and sustain a new style of operation. This includes the processes of decentralisation, devolution and the privatisation of the delivery and maintenance of urban infrastructure; the formation of new partnerships for the supply and management of public services and amenities; the provision of enabling supports to households and communities in the control and management of their own neighbourhoods and dwellings.

Third, is the task of developing an enterprising and challenging work environment and career structure within local government that attracts and motivates the best professionals, technicians and managers and rewards their creativity and innovation.

Some of the knowledge and skills required to carry out these tasks are readily available. Others, such as working with local communities and with the private financial sector are new and need to be developed before they can be transferred. And some global, regional and local processes affecting the development of cities are so new and complex that substantial basic research is necessary before they can be usefully transferred to those who need them.

Community-based organisations and local NGOs rank very close to formal local government in the league of priorities for capacity building. The emerging role of neighbourhood and community groups, as a new tier of local governance that comes between individual households and municipal authorities, is almost without precedent. (Though, in many countries, there are parallels with traditional village, guild or parish councils, there is a fundamental difference in that, although such urban communities are rightly taking on many of the traditional management functions of municipal authorities, it is important that they remain non-governmental in the formal sense so that they can maintain a 'watch-dog' role over municipal authorities, guarding the interests of their constituents). The capacity building support that they need is generally as much to do with the skills of political negotiation as it is with community management and the administration of local infrastructure, services and finance.

The private sector which, by definition, is only in the game to make a profit, must generally take responsibility for building and maintaining its own capacity to compete. There are situations, however, where the informal private sector and some formal sector enterprises need assistance in the form of legislative deregulation and incentives that encourage and enable them to enter the market, particularly for the production of low cost housing and infrastructure. In many situations there is also the need for easy access to management training for small and informal sector enterprises. This is often as much in the interests of small contractors' clients as their own competitive ability.

Who builds capacity (the supply)?

Capacity building should be a continuous, flexible and responsive process that involves all stakeholders. It is not a one-off event that is undertaken and 'ticked off' as having been achieved, and then forgotten. Nor is it the activity of a particular group of specialists to whom it can be abandoned. There are institutions and organisations that rightly specialise in supplying capacity building services: institutions that build the capacity to build capacity.

Training establishments, agencies and departments, play the dominant role in the human resource development component of capacity building and should continue to do so. However, their inability to respond to the current conditions of radical and rapid change is often a major constraint.

Many training establishments are trapped by tradition, inertia and lack of contact with the real and fast moving world of municipal and metropolitan development and management. They tend to offer a fixed menu of training courses of marginal relevance to the changing roles and responsibilities of their clients and unable to respond to demands for training in topics or skills other than those offered by their syllabuses.

Thus, there is an urgent need for a review and re-definition of the roles and practices of training establishments, leading to the development of a new generation of training institutions that see their role as one of initiating changes in approaches to urban management and supporting the practices to sustain them. Such strategies for redesigning training systems and institutions will generally require fundamental changes, not only to approaches to the delivery of training, but also to the relationships between the suppliers and their clients; that is, agencies of local governance and management. This, in turn, will require a

substantial support system able to build the capacity of the capacity builders.

Intermediary organisations operating at regional and international levels can, and already do, provide such support to local authorities and training establishments. In addition to developing and supporting new processes of human resource development, intermediary organisations have a potentially very major role to play in both the organisational and the institutional aspects of capacity building.

Their role in organisational development goes well beyond the traditional conduct of training needs assessments or the design of performance improvement programmes, which tend to be static and merely concerned with the needs for training to meet out-dated objectives and targets. Their new role must be much more proactive, assisting municipal organisations to initiate and implement managerial and, where necessary, structural changes, that will enable them to operate effectively within the new paradigm. This may well entail new types of relationships between executive authorities, such as local councils, management consultants and training establishments at different levels and across several fields of operation. They should also use their position and resources to assist the restructuring and upgrading of the local training establishments through which they operate.

In the field of institutional development intermediary capacity building organisations have an important lobbying role to play in bringing pressure to bear on governments to reform legislation, regulations and controls that currently inhibit the effective development and management of cities and settlements. They should assist the formulation of national and local capacity building strategies and the design of sustainable implementation programmes and procedures for them.

What is to be done?

A series of resolutions, relating to the issues discussed above, emerged from the events on capacity building at Habitat II organised by the DPU and IHS (see p.1) and were endorsed in a United Nations press statement issued on 12 June. They embraced the need for both national and local governments to formulate coherent and sustainable capacity building strategies as part of a programme for institutional and organisational reform for the development and management of cities and settlements. They called for the commitment of funds for capacity

building by both national and local governments and for the endorsement of support to capacity building by both multi- and bilateral aid agencies. And they recommended the establishment of an operational network linking local, national and international education and training institutions.

The function of the Network should be to provide institutional and professional support to all levels of capacity building through the exchange of information and experience, and a strong lobby to pressure for changes in approaches and the content of capacity building activities, with particular emphasis on training and education. For such a network to succeed it is essential that it has at its centre a strong and active core with sufficient international standing and resources to give it the intellectual authority and ability to initiate and coordinate action globally.

Source:

DPUNews, Journal of the Development Planning Unit,
University College London.

Prof. Wakely - {p.wakely@ucl.ac.uk} is
Professor of Urban development, and
Director of Development Planning Unit,
University College London.