Bridging the Capacity Gap

by Nadim Matta, Ron Ashkenas and Jean-Francois Rischard
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Despite significant successes, there is general agreement in the development community that many of the projects and programs undertaken over the last decades by international development institutions, bilateral aid agencies, and nongovernmental organizations have not brought the hoped-for results.

Many factors contribute to this state of affairs. Over the past few years we have talked to hundreds of development project managers. Invariably they conclude that the gap between aspirations and the ability to implement thwarts the most well-meaning, well-conceived efforts. We call this the capacity gap. It can lead to a vicious circle of effort and frustration on the part of both development experts and their clients—all working hard to implement complex and much-needed change, without experiencing success commensurate with their efforts.

In this article we present an approach to project design and implementation that helps organizations bridge the capacity gap. Developed initially in the private sector, the approach helps organizations learn to take effective collective action through the design and launch of small-scale, results-producing, and momentum-building initiatives that are then knit together into a larger-scale strategy.

Mind the Gap

The capacity gap hampers the ability to move from vision to a new reality—to drive, manage, and sustain the changes required to make the journey from present circumstances to a desired future. Three traps—well-meaning responses to this capacity gap—often undermine rather than build capacity:

The views expressed by Jean-François Rischard in this article are his own and do not represent those of the World Bank.
1. Ignoring the gap.

The reasons may vary, but wishing away the capacity gap and proceeding with a grand design project always results in failed project execution or the inability of clients to sustain and build on the initial gains. Typically, trouble surfaces downstream, after development experts and clients have invested significant human, political, and financial capital in the grand design approach.

2. Engaging in endless preparations.

Getting caught up in endless analysis and debate over the nature of the problem and the alternatives for action saps the energy of the parties involved and dissipates the goodwill toward development agencies and NGOs and the political capital of their partners. Preparations through analysis can be useful but they become dysfunctional when they are used as a substitute for real action or as an excuse for inaction.

3. Focusing solely on building client capacity.

The most common form of this response is to build a shadow “project implementation unit.” Such groups are intended to stimulate and sometimes manage the project work while increasing the capacity of the permanent institution to absorb and carry forward the effort. In principle, this makes perfect sense. The problem arises when resources, both money and motivation, are expended before significant results are realized. Rather than building capacity, these shadow units often deplete the capacity of an already weak civil service. Whenever they become the vehicle for implementing a development project, they deprive civil service institutions of the chance to participate directly in the cycle of action and learning that is fundamental to building capacity.

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Hit the Ground Running

Overcoming capacity gaps requires moving quickly from a preliminary, rough-and-ready version of what needs to be done, to pursuit of short-term goals. That is, go for results first. Before laying out the grand design. Before setting up project implementation units. Before investing heavily in study tours, client training, and extensive project preparations and design.

We call this the rapid-results approach and it is premised on two observations. First, today people and organizations are better able to do more than at any other time in history. This untapped ability manifests itself in crisis situations, when remarkable feats are accomplished in record times. Harnessing this hidden strength is key to bridging capacity gaps. Second, once people work on rapid-results initiatives and see for themselves how much can be accomplished in how little time, a snowball effect of positive expectations is unleashed. As client confidence increases with capability and capacity, the readiness and appetite for change expands. More ambitious results can then be pursued, leveraging the insight and learning gained in the previous initiatives to home in on the most productive areas of collaboration. (See the power of this concept in action in the box titled “Bringing the Port of Beirut Back to Life” on p. 42.)

Building on these two observations, this approach suggests an organic and adaptive path for driving change that has been tested and refined in over thirty years of consulting with large organizations in the private and nonprofit sector. Here are some of the elements that characterize this approach:
• Quickly move from an overall “policy” view of the comprehensive changes that may need to be made in favor of small-scale experiments designed to get results quickly, generate learning, insights, and feedback about what it takes to achieve broader results, while increasing confidence and capacity. Remember: development is about making change, not proving that a policy works.

• Create an evolving portfolio of short-term, results-producing initiatives linked with longer-term, more traditional activity-oriented projects that are shaped and refined based on what is learned from the initial short-term work. Training, pay-scale reform, regulatory reform, and infrastructure development are certainly necessary in most development efforts, but they are more likely to yield the desired outcomes after short-term initiatives create the context and urgency for these critical activities.

• Get as many people as possible working on urgent, results-producing initiatives, to give people at all levels in the country the experience of success and to jump-start the virtuous circle of positive expectations.

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Bringing the Port of Beirut Back to Life

In 1987, the U.S. Agency of International Development (USAID) donated 30,000 metric tons of food to Lebanon, for distribution by Save the Children Federation (SCF). Because SCF veterans were not allowed to enter the country at that time, a local development professional was asked to mobilize the effort.

Logistics is the biggest challenge to food distribution. This was particularly difficult in war-torn Lebanon. Much of its infrastructure had been destroyed and it was without the usual safeguards of law and order. Nevertheless, the SCF team secured warehouse space and lined up trucking companies. Two days before the shipment was to arrive, the shipping agent announced that the warehouse staff could not unload the trucks fast enough. Therefore the shipping agent was going to unload the food in the Port of Beirut, where it would sit.

The problem was that the Port of Beirut hangars had been closed for ten years. They were damaged as a result of years of brutal shelling and were infested with rats.

The SCF team members decided they had no choice but to get a hangar ready over the weekend. They picked the least damaged hangar, brought in an engineering team, and mobilized the Beirut fire brigade to turn its high-pressure hoses loose inside the hangar. The Beirut port authority sent in an old hand to teach the team how to set up a warehouse, including proper counting and accounting techniques, procedures for dealing with damaged bags, and so forth. The team had a model operation up and running in two days.

From there the team built on its success. It established 40 distribution outlets around the country and supplied them with food rations every two months. It surveyed and screened for program eligibility more than 100,000 displaced and war-affected families. The program expanded and became a model operation for USAID food programs around the world.
Focus on Results

Apart from having challenging, short-term, measurable goals, rapid-results initiatives differ from traditional pilots in a subtle but fundamental way. They focus on a real benefit that requires the integration of multiple activities rather than on any single activity or solution that it is presumed will yield a benefit some time in the future—which is to say that the challenge of these initiatives is to produce results, not to try a process or theory and see if it works, which is the usual rationale for a pilot.

To illustrate, contrast the differences between the following initiatives: “Increase the passing rates on national math exams in five towns in Western Province of Ivory Coast from 50 percent to 70 percent in next exam cycle (in five months)” and “Develop and test new math curriculum in five Ivory Coast schools in the next six months.” The team that takes on accountability for the first (rapid results) initiative has to figure out and integrate all the dimensions of the challenge. These will likely include working with parents to support the student study program, working with teachers on their skills, and helping the right players to address the environmental factors that affect the success of the effort—absenteeism, incentives, extreme poverty in many households. The new curriculum might also be necessary, but it is likely to be one aspect of the various solutions required to achieve the desired outcome. (See box on p. 44 for other examples contrasting rapid result initiatives with pilots and other activity-oriented projects.)

Rapid-results initiatives are likely to succeed because the people who are accountable for the results are people who can influence the results. They are on the ground. They own the outcomes. They work with passion, diligence, caring, responsibility, and creativity, because they are working at the local level.

Moreover, rapid-results initiatives create a great deal of learning. Unlike pilots, where people are handed a “solution” to test, participants in these projects are challenged to come up with a mix of solutions that work. This enhances the group adrenaline effect: the challenge of pursuing a result is more exciting than the challenge of implementing a predetermined task or solution. And passionate engagement is the most effective catalyst for learning.

Implications for Leaders

The rapid-result approach suggests a critical shift for leaders.

First, it calls on leaders to frame the challenges for organizational teams in terms of actual results, rather than activities. This might sound like trivial advice to the many people whose performance is evaluated based on preset goals. The phrase results-orientation has become a mantra among executives, consultants, and academics. But in reality, most teams are asked to implement solutions. This is a far cry from being asked to achieve results.

Consider typical team challenges:

- Implement a new tracking system for inventory.
- Establish a new sales model targeting larger accounts.

Each of these challenges is framed around a preconceived solution that members of the leadership team have already determined is critical for success and for
achieving ultimate results. Contrast that with challenging teams with the following assignments:

- Achieve 95 percent on-time shipment performance in the month of June.
- Achieve 25 percent market penetration of large account segment by the end of the first quarter.

When asked which type of challenge is likely to generate enthusiasm and commitment, and to spark their creativity, managers and staff at all levels of organizations point to the latter types of challenges. And yet these same managers too often gravitate to the former when commissioning teams. Probed further on this, some managers offer the following explanations:

- It is not fair to ask teams to be accountable for influencing things beyond their control.
- We as managers and leaders need to take the risk of whether these solutions will lead to the desired results. We cannot ask our people to take these risks.

In effect, though, by challenging teams to go after solutions rather than results, leaders send an inadvertent signal about lack of trust.

This symptom of activity-oriented or solution-oriented challenges also stems from a lack of clarity about the shift that needs to take place as managers move up the leadership chain and take on higher-order responsibilities in organizations.

For most managers, early career success was all about problem solving. But as these managers take on broader responsibilities, they are expected to make a shift from direct problem solving to working through others to achieve better results. For many managers, this simply translates into solving larger and more complex problems by deploying more people against the various elements of the solution.

For example, when tackling the on-time shipment challenge, these managers might figure out, with their colleagues and advisers, what they think it would take to achieve this. Then they would deploy teams to work on the various aspects of the solution: one team tackles the inventory system, one team tackles product consolidation, and one team tackles the order entry and fulfillment process, and so on.

This approach might indeed work. But it does not take managers out of the problem-solving mode. Nor does it build the capacity of the organization. Contrast this approach with challenging one team, representing the various contributing departments, with achieving 95 percent on-time shipment performance during a particular month. The manager who sponsors this kind of challenge is operating in a different mode altogether, challenging the right players in the organization to achieve the right type of results. Learning to operate in this mode, and to shed their problem-solving mode, is a key challenge for leaders as they move up in the organization. The rapid-results approach gives leaders at various levels of an organization an opportunity to develop their capacity to make this shift happen.

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<thead>
<tr>
<th>ACTIVITIES VERSUS RESULTS</th>
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<td><strong>Pilots and Activity-Oriented Projects</strong></td>
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<tr>
<td>Conduct civil awareness program targeting indigenous communities in Bonito, Brazil</td>
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<tr>
<td>Introduce new irrigation system in Parsa district in Nepal and train all farmers in the next 60 days</td>
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<tr>
<td>Pass additional legislation within the next three months, levying higher fines on environmental offenders in three target states in the Amazon Region</td>
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