

## Capacity Building - A Conceptual Overview

### **What is 'building capacity', how do you measure it and what does it have to do with approaches to sustainable environmental management?**

Capacity building is increasingly defining new approaches to policy, planning and management processes at national, state and local levels of government. It is a core component of community development, participation and environmental initiatives. Most recently, it has been particularly profiled as a new component in the NSW Urban Stormwater Program. This is partly reflected in initiatives such as the appointment of Stormwater Extension Officers, recruited with the brief to support, resource and facilitate local government activities on a regional and catchment basis. Building capacity has also become the new focus of environmental initiatives that use action learning, education and participation processes to produce integrated outcomes that can be sustained beyond the life of externally funded projects.

For all of the rhetoric that is bandied about in federal, state and community development arenas, it is unclear what is meant by 'capacity'. Nor is it clear how you 'build' it, demonstrate it and measure it. The concept has not been 'operationalised' or applied in a way that is meaningful - most particularly not at the local government and community level where the language of capacity building is most prevalent (and in its present form, least helpful).

The Bronte Catchment Project had three core components:

- Community engagement and development;
- Translating models of deliberative democracy into practice; and
- Review and analysis of Council stormwater policies and practices.

All drew on notions of 'capacity-building'. We have previously described the community engagement and development activities, and outlined the trial processes of the Citizens Tele-poll and Citizens Jury. The following describes how we applied concepts of capacity-building in a local government organisation.

We wanted to make the rhetoric concrete, by investigating organisational activities, policies and processes and analysing them within a framework of capacity-building. In doing so, we sought to make recommendations that Council could use to facilitate integrated policy and planning, and thereby enhance sustainable outcomes.

## Context

The Bronte Catchment Project had a particular focus on stormwater management through community engagement and participation, a trial of processes of deliberative democracy, and organisational development and analysis. Underpinning all three spheres of activity was a focus on building capacity, integrated policy, planning and management approaches, and sustainability. The organisational component was therefore critical.

We wanted to go beyond a standard organisational analysis and partnership approach to explore the notion of capacity building - what it is, what it means, how it may be demonstrated, integrated, and evaluated.

This approach renders the focus on stormwater management as largely irrelevant, except as a vehicle for analysis. There are two issues to consider:

1. The generally recognised importance of a wider environmental focus for sustainable, integrated approaches to policy and planning;
2. The increased emphasis on using an integrated treatment train approach (end-of pipe to source control) and developing a repertoire of responses along the continuum.

We maintain that sustainable solutions to environmental issues are most effectively and efficiently developed through integrated policy, planning and management. This was strongly advocated in the recent EPA State-Wide Review of Urban Stormwater Management Planning.<sup>1</sup> This approach was further highlighted during a recent review of Stormwater Management Plan Implementation for the Upper Parramatta River Catchment Trust.<sup>2</sup> It forms the basis of the new Stormwater Extension Officers Program, a core component of the EPA's current Urban Stormwater Program.<sup>3</sup>

Approaches advocated at the state level are often removed from the local government context of operational realities, funding and budgetary constraints, and political and community sensitivities. The difficulties of making new policy and planning approaches concrete, useful and achievable, are often left to local government without any real recognition of the challenges that this may involve.

Waverley Council has been a critical player in applying and evaluating the development of new approaches to stormwater management. Council has clearly identified the difficulties in the LGA (and Bronte Catchment in particular), where stormwater-specific

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<sup>1</sup> Ryan and Brown (2000) *State-wide Evaluation of the NSW Stormwater Management Planning Program* for the NSW EPA. [www.epa.nsw.gov.au](http://www.epa.nsw.gov.au)

<sup>2</sup> Ryan and Rudland (2001) *Review of Stormwater Management Plan Implementation for the Upper Parramatta River Catchment Trust*. The review involved extensive workshops and interviews with key organisational and community stakeholders, an evaluation of stormwater management planning activities, and a review of organisational capacity, integration and implementation frameworks.

<sup>3</sup> Elton and Ryan (2002), *Facilitation, strategic planning sessions, and development of needs analysis and work program*. (2002) Stormwater Extension Officers, NSW EPA Stormwater Unit.

structural approaches have been adopted as far as they can be, in the absence of recurrent funding. This has encouraged and supported the shift in focus to a treatment train approach, including source control initiatives that are interconnected with other approaches to environmental management. Council has underpinned this shift with increasing emphasis on an integrated planning framework to sustain initiatives on an ongoing basis, and support them through continual service and policy development and review. In this context, Waverley Council offered a key opportunity for testing the policy initiatives promoted at the state levels against organisational and community contexts, to embed rhetoric in reality.

### **What is ‘capacity-building’?**

There are many different ways to look at this, and there are no clear answers. A dictionary definition of ‘capacity’ refers to ‘the ability or power to contain, absorb, or hold’; ‘the ability to understand or learn’; ‘the ability to do or produce.’<sup>4</sup> These are essentially self-referential and self-limiting notions, that do not consider a capacity to interact, engage, respond, develop or change. In addition, they focus on the individual, rather than the organisational (within and across a council) or institutional (in partnership with other organisations).

We have developed the following definition in relation to environmental planning, policy and practice involving local government. This has been further developed by the EPA and Elton Consulting in a series of workshops with Stormwater Extension Officers<sup>5</sup>, working with local councils to ‘build capacity’ across the state. This is about learning and responsiveness across systems, structures and processes.

#### ***Capacity building involves:***

- Programs or initiatives aimed at enhancing the effectiveness of individuals, organisations and systems to achieve or define outcomes, by strengthening the knowledge-base, competence, resources, networks, infrastructure and other forms of support.
- Expanding possibilities of doing things together, finding ways to engage with problems that go beyond program goals.
- More broadly, the process by which these abilities are mutually developed in an ongoing and sustainable fashion.

Capacity building can occur on an individual, organisational, and/or institutional level (i.e between organisations and stakeholders).

However, we were particularly concerned with organisational and institutional capacity building, as the basis for sustainable and integrated policy and planning. We maintain that organisational capacity is not principally about an individual worker gaining knowledge and developing skills. Rather, it is about the interaction with organisational

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<sup>4</sup> The Collins English Dictionary (1986), Collins, London and Glasgow.

<sup>5</sup> Elton and Ryan (2002), *Facilitation, strategic planning sessions, and development of needs analysis and work program*. (2002) Stormwater Extension Officers, NSW EPA Stormwater Unit.

process and the way in which increased awareness, creativity and communication is supported and institutionalised.

***Organisational capacity building therefore involves:***

- Breadth of ownership, commitment and responsibility throughout an organisation;
- Participative capacity, reflected in broadly based organisational participation;
- Building a knowledge base to include the whole of the organisation;
- Coherence of management planning, and links to key organisational outcomes i.e. budget processes and Key Performance Indicators for senior staff;
- Clear communication of ideas, initiatives and progress of planning and implementation between levels of organisation; and
- Development of initiative, imagination and proactive thinking throughout an organisation.

***Institutional capacity is about the relationships between different organisations and stakeholders. It involves:***

- Breadth of networks and effectiveness of liaison;
- Scope of inclusiveness and effectiveness of participatory inputs at all levels;
- Openness of processes; and
- Sustainability of institutional networks throughout planning, implementation & evaluative processes.

***There are different dimensions of organisational and institutional capacity:***

- Integrative capacity: capacity to integrate policy initiatives, to coordinate between different policy arenas, organisations and ways of doing things;
- Cognitive and informational capacities: expanding knowledge base & coordination of expertise; and
- Ethical capacities: relies on a broadening ownership, mutual responsibility and a sense of shared benefit for all players.

***If this is capacity-building, how do you apply it?***

The Bronte Catchment Project carried out an extensive review of Council policy and practice through the following activities:

- Ongoing documentary audit and review – a systematic analysis of relevant Council policies and reports;
- Ongoing attendance at Council and staff meetings and forums;
- A survey of Directors, managers, and operational staff across Council departments (n = 51) – investigating environmental attitudes and knowledge, the impacts of Council policies and practices, identifying issues to be addressed, highlighting barriers and opportunities for change, assessing mechanisms for coordination and communication;
- Semi-structured interviews with Councillors, Directors, and selected managers, supervisors and operational staff (n = 36) – expanding on the above issues, using the Bronte Catchment as the specific case;

- Site visits to Bronte Park, Beach and gully areas;
- Site visits to the maintenance depot;
- Focus group discussions with rangers (n = 2);
- Focus group discussions with beach and parks staff (n = 2);
- Focus groups with operational staff in waste, recycling, street sweeping and grass cutting areas of work (n = 5);
- Observational and outreach activities across the catchment;
- Visual audits conducted by rangers across the catchment;
- Analysis of funding and resource allocations across management plans;
- Critical analysis and discussion through regular project presentations to the Executive Team.

This extensive review and analysis identified key opportunities for change within and across Council departments; it highlighted staff expertise, knowledge and skills; suggested mechanisms for coordinating and integrating outcomes; and outlined future directions for strategic policy and practice.

## Overview of a best practice capacity-building model

We have worked with a number of different councils, institutional stakeholders and state government agencies around these issues. Their perspectives have informed the development of a broadly based model of integrated environmental management and planning processes. This model offers a general framework to assist the ongoing processes of organisational review and development in local government.

A best practice capacity building model is:

- Based on an identification of the underpinning vision for the catchment, with a well-developed understanding of community expectations and values.
- Grounded in a rigorous and accessible set of evidence of water quality and key sources of contamination.
- A clear process for strategic planning within councils and between all catchment managers to coordinate and facilitate the delivery of objectives. This recognises the significance of coordination and the resources dedicated to these activities.
- Closely linked with business, management and strategic planning, to provide organisational integration within councils. These processes must be directly related to the budget cycle of councils and incentives to influence senior staff and councillor behaviours.

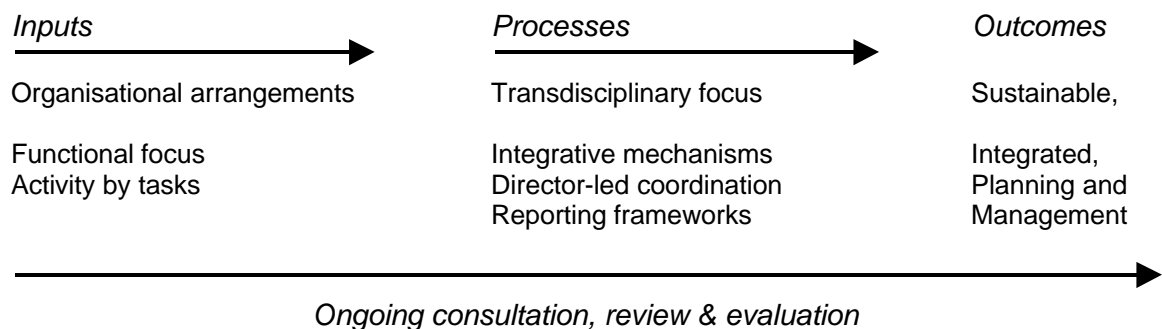
Best practice capacity building is:

- Directed by operational and planning guidelines, underpinned by project management, performance objectives and good service systems models of review and evaluation, costing data and simple tools for performance management.
- Specified implementation processes by adequately skilled staff, supported centrally and directly linked to the overall strategic vision of the councils, performance objectives of council directors, and other senior management, and with direct line management within a section of the organisation that will facilitate organisational integration.
- Directly informed by the strengths of the catchment including environmental and water assets, political support, tactical use of media, and available resources.
- Subject to on-going review and evaluation.

### **In conclusion - if this is capacity-building, how do you demonstrate and evaluate outcomes?**

The Bronte Catchment Project evaluated all project activities and outcomes from start to finish. It used the NSW EPA hierarchy of outcomes evaluation framework to plan, assess and evaluate initiatives. The hierarchy acted as an overall project management tool, as well as a developmental resource, assessing the outcomes of each project phase against the implications and directions for the next. In addition to this overall evaluation framework, a separate but interlinked evaluation framework was created for each project component – hence the project evaluation was supported by an evaluation framework of community engagement and development activities, an evaluation framework of the trial of deliberative democratic processes, and a third relating to an assessment of organisational capacity-building and review activities.

This third dimension of evaluation took as its starting point the following:

***An outcomes versus inputs model of environmental management planning:***

We subsequently developed a hierarchy of outcomes evaluation framework of organisational capacity building, based on the dimensions of organisational capacity outlined above. This enabled us to assess Council policies and practices against notions of capacity, identify opportunities for learning and change, demonstrate shifts over time, and outline future directions.

This has established organisational benchmarks and informed a broader review of Council policy, planning and practice. Council has used project outcomes and recommendations to develop sustainable approaches to environmental management based on the introduction of ongoing community consultation processes; coordinated policy priorities; an integrated stormwater management plan; identified budget allocations; and a Director-led Officer Stormwater Working Party.

These initiatives offer a sustainable framework for ongoing capacity-building processes.

## References

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