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How do Swedish Public Agencies understand, approach and operationalize Capacity Development work abroad?

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How do Swedish Public Agencies understand, approach and operationalize Capacity Development work abroad?

Working Paper No. 1

Jenny Iao-Jørgensen, Phudoma Lama, Joakim Anger, Mo Hamza
Swedish Public Agencies' Capacity Development (SPACAP) Project

SUMMARY

Capacity development (CapDev) support through various Swedish public agencies (SPA) to their sister authorities in low- and middle-income countries has been a salient feature of Sweden's institutional development cooperation since the 1980s. Despite constituting a small percentage of Swedish aid, the scale and scope of SPAs engagement in CapDev work abroad deserves more attention than currently being given in Swedish development policy debate and practice. Little is systematically studied so far beyond project-based evaluations about how SPAs understand, approach and operationalize CapDev and CapDev support. Global Agenda 2030 for Sustainable Development calls on governments to develop and implement integrated policies with multiple stakeholders, not just with national governments. Where does this mean for SPAs to support partner countries' change processes more effectively?

On this premise, Lund University in collaboration with the SPAs Network for Learning (N4L), with funding from Sida, started a one-year study project - Swedish Public Agencies' Capacity Development (SPACAP) in Dec 2018. The study aims to provide a constructive critical appraisal of the following questions:

1. What are SPAs' current thinking and approaches to their CapDev work abroad?
2. What are the factors that shape (enable or constrain) SPAs' CapDev thinking and practices?
3. What are possible directions for SPAs to provide more effective CapDev support in partner countries in light of sustainable development challenges?

While issues and challenges around SPAs' CapDev work abroad are well known among SPAs and Sida, the connections between some of the long-standing issues and challenges are less understood. The study hopes to stimulate timely discussion and critical feedback, and to shape ongoing debate and further research agenda on development cooperation. It is not the aim of the project to evaluate Swedish aid policy, audit SPAs' performance or prescribe concrete solutions moving forward.

This Working Paper is the first of two in the study. Based on quantitative and qualitative data collected between Jan and June 2019 (150 survey responses from 25 SPAs, 36 interviews and documents review), this Working Paper presents the key preliminary findings and analyses related to the first two research questions and sets the context for exploring the last question. A validation workshop with key SPA stakeholders are planned on 30 Sep 2019 in Stockholm. A final concluding synthesis report will summarize the study's results, with suggested critical reflections and mapping out possible directions going forward through co-creation processes with key stakeholders. The key findings and messages of this first working paper are summarized as follows:

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1) The SPAs have a common understanding of key elements of what CapDev entails

Contrary to recent CapDev literature on how development organizations frame CapDev, this study finds that SPAs generally shared a common conceptual framing about CapDev beyond individual learning to encompass organizational learning and institutional change. In the context of institutional development cooperation towards democratic governance and poverty reduction aid agenda, this common framing among SPAs entails a broadly defined CapDev approach that integrates all the three capacity levels (individual, organizational and institutional), promotes context-specific approach and alignment with partners' priorities. This common understanding largely mirrors how CapDev is defined, framed and discussed in Swedish development cooperation steering policies and strategies.

2) There is a gap between how SPAs think they should work with CapDev and what they actually do in practice.

Although the SPAs have a common understanding on how they should work with CapDev, translating this understanding into practice is often inconsistent and varies between SPAs and staff functions. The main reasons for this gap between theory and practice are, for example, that SPAs currently have:

- a few co-existing and sometimes conflicting logics and motivational factors for engaging in CapDev work abroad, e.g. political vis-à-vis solidarity/social goals, efficiency (get tasks promised to donors done quickly) vis-à-vis effectiveness (getting the right things done)
- the lack of strategic clarity from SPAs on the rationale of engaging in CapDev work abroad,
- limited time, processes and/or resources including tools and competencies to understand the context and power structures, to manage change, to engage broadly with other stakeholders and to measure results.

The above factors create space for different interpretations among SPAs. Consequently, less risk-taking or efficiency-driven SPAs tend to lapse back into earlier, more narrowly defined CapDev approach which tends to focus mainly on workshops and individual learning. In the cases where CapDev practices work well, it is to a great extent dependent on motivated individuals to champion and connect the dots instead of institutionalized processes within the SPAs. This often takes more time than expected.

3) The peer status and core competencies of SPAs are highly recognized as unique comparative advantage but reading the power structure under the surface is not easy.

Support to partner organizations within SPAs core competencies tends to perform well and is seen as unique comparative advantage in comparison to other foreign development actors. The peer relationship with sister authorities and core competencies is often seen as catalytic in building trust, credibility and enhancing partners' acceptance of a more broadly defined CapDev approach. This provides the SPAs with opportunities to deal with more complex and sensitive issues "hidden" under the "Iceberg of Culture" in partner organizations (e.g. management, leadership, gender or corruption issues).

However, despite recognition of this unique comparative advantage, it is not evident that the SPAs have harnessed this golden opportunity in a systematic way, i.e. to optimize/complement SPAs' core competencies where a broadly defined CapDev framing is adopted. Analyses to see the whole instead of only the parts of partner organizations and the functions they are performing (e.g. during project inception through a basic mapping of stakeholders, history,

ABBREVIATIONS

CapDev	Capacity development
DDD	Doing Development Differently
EBA	Expertgruppen för biståndsanalys (Expert Group for Aid Studies)
LM	Swedish land administrative authority
MFA	Ministry of Foreign Affairs
OECD	Organization for Economic Cooperation and Development
PDIA	Problem Driven Iterative Adaptation
RBM	Results-based management
SCB	Statistics Sweden
SDGs	Sustainable Development Goals
SEPA	Swedish Environmental Protection Agency
Sida	Swedish International Development Cooperation Agency
SPA	Swedish public agencies
UNDP	United Nations Development Program

drivers and incentives of change) are often missing to inform dialogues with funders and partners, align interventions, sourcing and advancing of relevant expertise (e.g. in context analysis, organizational development, change management or stakeholder engagement).

4) The myriad of Swedish development cooperation strategies is not helping SPAs to concretize their CapDev work in framing and in practice “as a whole”

The various thematic, geographical, bilateral and multilateral Swedish development cooperation strategies are individually well understood among SPAs. However, as a whole, they are perceived as incoherent and fragmented with short-term targets and results. Furthermore, the strategies do not specify SPAs’ role in building effective institutions. There is also a general perception that existing aid administration documents and processes lack clear guidance on how (much) resources should be used for understanding how change happens, addressing partners’ legitimacy issues and downward accountability for results in the recipient countries.

Moreover, mechanisms for coordinating with other Swedish and foreign development actors (including other SPAs) in the same country remain largely informal and dependent on individual SPAs to take initiatives. This undermines the opportunities for lifting politically sensitive issues that constrain partner organizations resources and domestic legitimacy (e.g. public administration policy, government budget appropriations), for harnessing new entry points in changing development priorities of partner countries, and for harmonizing CapDev framing and practices, resources and knowledge exchange. Staff turnover is another disincentive to strengthening domestic legitimacy along with budget allocation of partner authorities to create demand for them to improve services. New initiatives with a broader change vision that bring various SPAs to collaborate in their CapDev work have emerged (e.g. Swedish Tax Authority with SCB in Cambodia) and appear to demand different kinds of coordination mechanisms and support at all levels.

In this context, the incoherence and fragmentation with short-term targets and results tend to promote ‘efficiency’ logics in SPAs’ CapDev practice, in contradiction to the long-term and broader change envisioned in their CapDev framing.

5) There is often a mismatch between expected outcomes from SPA’s CapDev work and the capacities or competencies required to achieve those outcomes

SPAs’ strengths in specific public administration sectors and unique comparative advantage are highly recognized in Swedish development cooperation policy and strategies for supporting partner countries’ CapDev. Swedish development policy and budgeting in recent years suggest that SPAs are increasingly encouraged to participate in CapDev work abroad, including in fragile states. It is not realistic to think that the SPAs should have similar level of cooperation competencies to that of other multilateral or international aid implementers with often stronger contextual knowledge, and local networks and specific competence to address complex cross-cutting development challenges (e.g. gender, conflict sensitivity, corruption) on their own.

That said, Sida focal points in Stockholm and in embassies are generally accessible and engaging, as a ‘partner’ not just a ‘funder’ towards SPAs. However, the lack of coherence and clarity in terms of strategic and operational guidance including results capture tend to constrain SPAs from putting their broadly defined CapDev framing and approaches in practice.

In addition, there is ambiguity in terms of the role of SPAs in realizing Swedish commitment towards SDGs. Swedish development cooperation strategies have a strong reference to SDGs, especially in the new CapDev strategy, methods and partnership. And SPAs CapDev project documents have references to specific SDGs that their CapDev work intends to contribute to. However, four years since the global agenda was adopted, to many SPA staff, it remains unclear to SPA staff what the agenda entails in terms of SPAs’ role and responsibilities and how their current CapDev framing, approaches and practices are able to realize their full potential of their comparative advantage.

1. INTRODUCTION

1.1 Background

Sustainability challenges

It is widely acknowledged that the success of Global 2030 Agenda for Sustainable Development depends on the ability of governments at national, regional and local levels to develop and implement integrated policies with multiple stakeholders, from the public, civil, academic and the private sector. Sustainable Development Goal - SDG 16 underlines that developing effective, accountable and transparent institutions¹ at all levels is instrumental for reaching other goals. This all-of-government approach is no easy task and calls for the donor community to revisit their capacity development (CapDev) support to their partner countries.

At the same time, among top Aid Effectiveness agenda, from Paris to Accra and subsequently Busan has been increasing emphasis on strengthening national mechanisms and international cooperation for CapDev in low and middle-income countries. These fundamental principles widely agree: that CapDev cannot be imported, that it must be developed from within; that it must focus on measurable development results; that donors and their experts should only act as catalysts, facilitators, and brokers of knowledge and technique; and that all relevant partners participate fully (OECD, 2017a).

What is Capacity Development?

The Organization of Economic Cooperation and Development (OECD) defines CapDev as “The process by which individuals, groups and organizations, institutions and countries develop, enhance and organize their systems, resources and knowledge; all reflected in their abilities, individually and collectively, to perform functions, solve problems and achieve objectives”. Various definitions of CapDev (e.g. Sida, UNDP, OECD, etc.) are sufficiently broad enough in order not to constrain or restrict what objectives people choose to pursue or what counts as success in CapDev. However, when the term is loosely used, the concept becomes blurred and too broad to be useful for development purposes (Hagelsteen & Becker, 2013; Hagelsteen & Becker, 2014). Definitions are important but can be unhelpful when they are too generic to mean everything. Recent research suggests that unpacking what different aspects of this blurry concept entails in practice would be more useful (Hagelsteen & Becker, 2019).

Indeed, CapDev is often understood differently by different people. In development cooperation literature,

(e.g. OECD, 2017a) there are often three analytical levels on which objectives are pursued: 1) individual, 2) organizational, and 3) institutional or the enabling environment. In other literature these three levels are elaborated into a finer grain of further sub- or linking levels – Individual knowledge and professional skills; units in organizations; organizations; systems of organizations; institutional frameworks; and environmental/contextual factors (OECD, 2006). Until fairly recently, “capacity” was narrowly confined by various development actors to mere provision of training or transfer of technical know-how (Greijn et al 2015). In all, while this has produced some positive results at individual level, there is less success on organizational and institutional level – system approach is often lacking (Hagelsteen & Burke, 2016; Hagelsteen & Becker, 2019). This results in ‘reinventing the wheel’ too often (Hamza, 2018).

Shift of thinking

There have been some major shifts and important recognition that CapDev involves much more than enhancing the knowledge and skills of individuals (Greijn et al, 2015). The capacity of individuals in delivery on their organizations’ mandate and services depends crucially on the quality of the organizations where they work, influenced by the enabling environment in which such organizations operate and the structures of power and influence in which they are embedded. CapDev does not take place in a vacuum, start on a clean slate with a new development cooperation or end when a project finishes. It is complex and intertwined with organizational as well as cultures and can never be limited to merely imparting knowledge or raising the skills bar of professionals on a project (Schulz et al, 2005). It requires a holistic engagement in a process of “change” and “change management” not a quick fix (Hamza, 2018;). Context-sensitive, emergent and political economy approaches have consequently dominated the current thinking of CapDev in development cooperation in recent years. However, donor incentives and mandates tend to depoliticize development leading to asymmetric aid relationship for honest dialogue on endogenous, locally embedded, path-dependent political processes in partner countries from the outset (Boesen, 2015). The challenge remains in applying this CapDev thinking in practice. Uncritical notions or untested assumptions about what a public sector is and should be in partner countries continue to prevail (Boesen, 2015).

Functions, not formal set-up

While the last decades have seen more people lifted out of poverty than ever before, recent research and reviews agree that CapDev efforts and principles have persistently fallen short of commitments and

¹ Institutions are characterised as formal (regulatory) and informal (normative and cultural-cognitive) rules (Scott, 2012).

expectations from donors and partners (OECD, 2017b; Mansuri & Rao 2013; Hagelsteen & Becker, 2019). Institutional development is lagging behind human and economic development (Hydén et al, 2016). The focus has been on importing successes and adopting ambitious “best practice” modes of public administration reform from elsewhere. Building effective governance requires a stronger focus on the *function* (“what it does”) that public institutions need to perform for solving development problems, rather than the formal set up (or *form*, “what it looks like”) of the institutions themselves (Hydén et al, 2016; Andrews et al, 2017; World Bank, 2017). This kind of thinking may be welcome by donors but can be difficult to accept or apply operationally. Performance of CapDev support consequently tends to be inadequate, incoherent, unsustainable and reinforce elite capture (Janus et al, 2015; Greijn et al 2015).

Understanding context and managing change

For institutional CapDev to be effective, studies have shown that how to perform CapDev and promote change is an expertise in its own right (Bolger, 2000; Kotter & Cohen, 2002; Krznaric, 2007). Conventional tools and methods used to approach change, evidence and learning have often ignored the whole complex, interdependent system between multiple (individual, organizational and institutional) levels (Vähämäki 2017). Limited time and resources are allocated to understand the overarching historical, social, cultural and political factors including existing capacities, absorptive capacity, power structure, incentives and gender relations that influence change. (Hagelsteen & Becker, 2013; Hagelsteen & Burke, 2016). Obsessive beliefs in the virtues of results management among some donors continue to permeate development policy and practice, uncritical of the power imbalance between donors and partners (Boesen, 2015; Brolin, 2017). This consequently tends to undermine partner country ownership and accountability for change processes (Brolin, 2017). More problem-driven, locally-owned and adaptive approaches, e.g. Problem Driven Iterative Adaptation (PDIA) (Andrews et al, 2017) and Working with the Grain (Levy, 2014), have emerged in recent years with nuanced perspectives for development policy and practice.

Critical reflection at an important juncture

There is a general sense that development cooperation is at an important juncture with the constant evolution of CapDev thinking and addition of new perspectives, approaches and tools. It is clear that traditional top-down, resource-driven and sector-specific CapDev approaches is, if not already, losing its relevance, especially in light of the emerging world order and

common global challenges, facing both rich and poor countries (e.g. climate change and migration) (Janus et al, 2015; Greijn et al 2015). Creating space for local agenda and change processes in partner countries require broader stakeholder engagement through strengthening network and alliance building, beyond the public sector. In some contexts, there may be more influential stakeholders than a specific national government authority (Boesen, 2015). Discussions on how donors can facilitate endogenous processes for transformational change remains largely rhetorical to date. Empirical evidence about adaptive and locally-driven programming is emerging but remains limited to supporting adaptation of policy and operational practices, especially in relation to institutional development cooperation through public authorities from donor countries.

This study is an opportune moment to address some of the above challenges facing concerned SPAs.

1.2 Swedish Context

The importance of development of good governance and a well-functioning public administration at the national, regional and local levels has been consistently highlighted in documents steering Swedish development cooperation. Since the 1980s, institutional CapDev through SPAs (*förvaltningsbistånd*) has been a salient feature of Swedish development cooperation when support for public management capacities to partner countries was prioritised. This support was reduced between 2003 and 2015 when the focus of Swedish development cooperation shifted to, among others, on conflict-sensitive contexts and civil society development. Building effective government institutions regained prominence following the shrinking demographic space in some parts of the world and the adoption of Global Agenda 2030.

An impressive number² of SPAs have been and continue to engage in institutional cooperation in different parts of the world, often in the form of sister-to-sister CapDev support through funding from Sida. Examples are twinning programs (EU, Sida-financed International Training Programs, and other collaborative twinning initiatives between Swedish agencies) as well as large partnership projects with other EU and UN agencies. Annually, this kind of institutional CapDev constitutes on average 10% of Sweden’s aid budget³ although estimates are higher if other funding sources are included. Seventeen out of 30 active SPAs with Sida-funded CapDev work abroad reported to this study that, in 2018 alone, more than 830 of staff (including country-based

² See EBA (2014). Another report in 2016 identified a total of 84 SPAs participated in 274 projects with different funding sources in 74 partner countries during 2015.

³ The total disbursement in 2018 was 569 million SEK. See Sida (2019).

and locally or regionally hired), 42 consultants, 163 partner organizations were involved in over 112 bilateral and multilateral projects. These projects were implemented in 64 countries of very diverse socio-economic, cultural and political contexts.

Sweden's new strategy for CapDev, methods and partnership aims to adopt an all-of-government approach to deliver on its development cooperation priorities (Government Offices of Sweden, 2018). It focuses on strengthening partnerships and broadening the Swedish resource base for CapDev of partner countries, drawing on the expertise and experience of Swedish actors (including national and local authorities, civil society, academia and the private sector) in international development cooperation. Understanding the current SPA's CapDev framings, approaches and practices will be essential for identifying options moving forward.

1.3 Purpose of the Study

This one-year study aims to provide a systematic and constructive critical assessment of how SPAs understand, approach and operationalize CapDev in their institutional development cooperation contexts. Specifically, this study seeks to explore the following questions:

1. What are SPAs' current thinking and approaches to their CapDev work abroad?
2. What are the factors that shape (enable or constrain) SPAs' CapDev thinking and practices?
3. What are possible directions for SPAs to provide more effective CapDev support in partner countries in light of sustainable development challenges?

This study does not intend to provide a prescriptive recipe for policy change with regards to Swedish institutional development cooperation. Rather, it serves as an open invitation to all those concerned with *doing development differently* and *seriously* to think more broadly and critically about the types of institutional conditions (motivations, rules, values and norms) that shape the SPAs' practices of CapDev support in different development cooperation contexts, as well as the implications of these conditions on the processes of resources, results and knowledge management of their CapDev work abroad. The final contribution of the study is to help identify interlinkages and possible directions to harness existing strengths and good practices, and to reconcile any discrepancies or tensions for the way forward, especially in light of Sweden's commitment to finding new ways of addressing sustainability challenges.

2. APPROACH AND PROCESS

2.1 Methods

This study is primarily anchored on an interpretive research design to explore the 'what' and 'why' questions in the current thinking and practices among SPAs in their CapDev work abroad. A mixed-methods approach was used to strengthen the validity of studies in order to capture different and deeper understandings of the same phenomenon from multiple perspectives, albeit requiring more time and resources (Creswell & Plano Clark, 2011).

A three-stage sequential design process was applied to inform the research design:

- a quantitative online survey adapted for the different categories of SPA staff;
- a qualitative process of semi-structured interviews in person and online, focus group discussions, documents review, direct and participant observations; and
- a qualitative process through co-creative workshops with key stakeholders to validate preliminary findings and consolidate possible directions moving forward.

The data from the three stages are connected in iterative analytical processes for triangulation, complementary and explanatory purposes. A total 150 online survey responses from staff (heads of international departments, project managers, long-term experts and short-term experts) of 25 SPAs were collected between January and May 2019. Respondents have CapDev experience ranging between *3 years or less* (35%) and *4 years or more* (65%). 32 semi-structured interviews and 4 focus group discussions were conducted with key informants from three case agencies (see Table 1 below for their summary profiles), including Statistics Sweden (SCB), Swedish Mapping, Cadastral and Land Registration Authority (LM), Swedish Environmental Protection Agency (SEPA), Sida in Stockholm and in three embassies between February and June 2019.

Among all SPAs involved in Sida-funded CapDev work abroad, the three case agencies under this study have the highest number of staff involved, the longest CapDev experience and the biggest CapDev support portfolios (together constituting nearly a quarter of Sida's 2018 total disbursement to SPAs). Strategic and operational documents were also collected to help assess how CapDev was framed, operationalized and discussed.

All annexes of this working paper (including the survey questionnaire, the survey result, the interview and focus group discussion guides, the list of interviewees and documents reviewed) can be found [here](#).



SPA	Sida disbursement 2018 ⁴ (SEK)	Main CapDev support features in 2018-2019 ⁵	CapDev support history	No. Staff involved 2018 ⁶
LM	53,2 million	9 programs: global, regional and 14 countries mainly in Eastern Europe and Africa	Since 1980s	115
SCB	54,5 million	11 programs: global, regional (Balkans) and 8 geographically spread countries	40 year	212
SEPA	37 million	15 programs: global, regional and 11 countries mainly in Balkans	Since early 1990s	78

Table 1. Summary profiles of the three SPA case agencies at a glance

2.2 Scope and Limitations

The scope of the study is as follows:

- An interpretive study⁷ of the *current* thinking and practices in CapDev work abroad among SPAs.
- CapDev work abroad, mainly in the form of bilateral *multi-year* projects in priority countries and regions under the regulative frameworks of Swedish development cooperation.
- Case studies of three Swedish public agencies and a sample of their CapDev projects from multiple perspectives (staff members and Sida as the main funder).

The following limitations have to be acknowledged:

- This working paper outlines early results that are considered most relevant to stakeholders for validation and further discussion, not the final research results.
- The findings may not be representative of all SPAs currently involved in CapDev work abroad. The knowledge however from the study should be transferrable to similar cooperation contexts.
- Biased views from SPAs' staff given the lack of documentation (or clarity) about formal and informal strategies, structure, interactions and processes. The study tried to interview SPA staff of different functions to cross-reference and mitigate this bias.

3. FINDINGS AND DISCUSSION

The preliminary analysis of the collected data suggests that SPAs have a common, broadly defined CapDev framing but putting this framing in practice is challenging. The following sections explain why.

3.1 A common CapDev framing among SPAs

The SPAs have a common understanding of key elements of what CapDev entails, as outlined in Swedish development cooperation steering policy and strategy documents.

This framing is broad, aimed at support that integrates individual, organizational and institutional capacity changes, and promotes context-specific approach and adaptive alignment with partners' priorities.

This consistent understanding is evident in the key words given in the survey and interviews and focus groups, which centred around: *learning, knowledge, capacity change at all levels, long-term and sustainable process*. More specifically, survey results indicate reliance on the *Regeringskansliet* strategic documents (government instructions, regulatory letters and strategies including the new CapDev strategy, methods and partnership) (61%) compared to Sida's CapDev policy and guidelines (43%). These policy frameworks emphasize the importance of fostering the capacities of public institutions in partner countries as a salient feature of Swedish development cooperation aimed at poverty reduction. Through a combination of these frameworks and other non-Sida funding sources that SPAs find legitimacy for establishing partnerships and mobilizing internal resources for their CapDev support work abroad.

The current conceptual framing by SPAs about CapDev support has progressed from the earlier narrow focus on transferring *technical know-how* to partners, to the notion that capacity needs to be developed and adapted within the specific contexts and aligned with partners' priorities, and the role of SPAs is to facilitate change, i.e. not to do the job for the partners.

“If a country has reliable and good high-quality statistics that will support both the government and the agencies there, and also the citizens... will have statistics to follow up on decisions, or how their society is doing. And that's really an important part of being a democracy... So for me, that's not complicated at all to see how statistics fulfill in the building the democracy and that, of course, also I hope, will somehow reduce poverty and improve the way of society works.”

– SCB expert

⁴ See Sida (2019). CapDev strategy annual report 2018. Unpublished.

⁵ As per the Google form completed by individual SPAs.

⁶ As per the Google form completed by 17 SPAs.

⁷ Interpretive studies attempt to understand phenomena through the meanings that people assign to them.

Most of the interviewees identify this new CapDev approach as distinguishable from many other development actors, especially in combination with applying aid effectiveness principles in partnering contexts. The aid effectiveness agenda highlight partner country’s ownership of their own change processes and recognize CapDev as both a means and an end goal of development aid. These principles are articulated in the Swedish policy and strategic frameworks and are commonly identified by SPAs staff members as core cooperation principles for CapDev practices. Interviews and survey results both display a strong logic of CapDev as an end goal of SPAs CapDev support to partners, and aligning with partners’ CapDev priorities. However, none of the interviewees made an explicit reference to how their partners actually frame their own CapDev and external CapDev support.

Co-existing motivation factors that drive behind SPAs’ engagement in CapDev work abroad.

Fig. 1 illustrates, the most prevalent factors that drive SPAs’ CapDev work abroad as perceived to be responding to: 1) request from Sida, Ministry of Foreign Affairs, Swedish embassies, 2) sister authorities abroad, 3) the Swedish government mandate, 4) interest in sharing Swedish reform experience, and 5) Global Agenda 2030. Other “market-oriented” motivating factors (accessing donor funding, raising the agency’s profile) are less dominant.



Fig. 1 Staff perception of the most common motivational factors for SPAs’ CapDev work abroad

Unique Swedish competencies to improve partners public management capacities are among motivating factors to engage in CapDev work abroad.

A great majority of SPA staff see clear linkages between their agency’s CapDev work, SPA’s core mandate and expertise, and overall poverty reduction goal of Swedish development cooperation. The focus of CapDev support areas varies greatly between different SPAs. As the survey results illustrated in Fig 2. The most prevalent

support to partners among SPAs focuses on strengthening capacities to: 1) manage information and knowledge, 2) manage programs and projects, 3) formulate and implement policies, and lead policy reform, 4) engage broadly with local or regional networks, resources, alliances and partnerships, and, to a lesser extent, and 5) enable conditions that promote citizen-driven actions. The importance of going beyond workshop or training is acknowledged for fostering an enabling organizational learning diffusing news knowledge, ideas, norms and practices. They also acknowledged the importance of broad engagement with other stakeholders beyond the *sister* agencies as a “good practice” to address systemic or inter-related issues in specific public management sector.

SPA staff with management responsibilities generally find a stronger link than short-term technical experts between their agency’s CapDev work, SPA’s core mandate and expertise, and overall poverty reduction goal of Swedish development cooperation.

Informants were rather assertive about these linkages through applying the good governance normative framings.

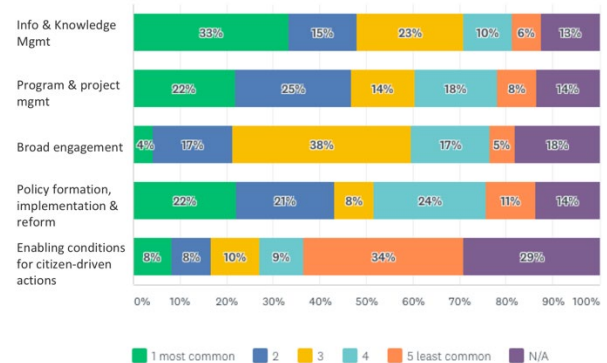


Fig. 2 Staff perception of common SPAs’ CapDev action areas

Involved SPA staff also get input into how to frame and approach CapDev from a variety of external sources.

These include internal learning networks and events (such as seminars or training) (66%), followed by Sida partnership forum events (54%), evaluations (34%), other Sida events (e.g. Development Talks) (30%), networking meetings and exchanges with other Swedish public agencies (29%), and to a lesser extent, EBA studies and events (10%). External references to UNDP, Learning Network on Capacity Development (LenCD) and agency’s own internal guidelines were made. These sources were said to serve as the *foundation, framing reference, point of departure* and *inspiration* when formulating project goals and ideas on activities. Some interviewees have also found inspiration in adaptive programming approaches such as PDIA that have been increasingly

featured in Sweden development cooperation discussion fora. Internal learning and exchange sources are however rather limited while external sources are often limited to specific individuals, e.g. SPA focal points for the network for learning (N4L).

Swedish democratic governance values and good governance principles in general, including transparency, accountability, gender-equality, human rights and rule of law have been highlighted as natural ingredients in framing their CapDev work abroad. On the other hand, partner contexts, CapDev priorities, absorptive capacity and legitimacy of SPAs support in partner countries are important factors setting cognitive frames of SPAs CapDev support. These multiple dimensions influence to varying degrees SPAs' choice of CapDev framing, approach and practice.

3.2 Gap between CapDev framing and practice

There is a gap between how SPAs think they should work with CapDev and what they actually do in practice.

This inconsistency varies between SPAs and between different staff functions and institutional development cooperation partnerships. To some degree, this also explains why some SPAs, when invited to participate in the study, were not even sure if their international cooperation work qualifies as CapDev support and/or if their agency belongs to the community of CapDev practice that this study aims to examine. Several factors explain this inconsistency.

Majority of the SPAs lack budget appropriations and full-cost recovery for fact-finding missions, proposal formulation, continuous learning

As aforementioned, the Swedish development cooperation regulative frameworks provide many SPAs with a strong and legitimate mandate and funding to engage in CapDev work broad. However, some SPAs are given more explicit mandate than others. Some do not have any written instructions at all and are likely to face more resource challenges than those with clear mandate (Sida, 2019). Most EU-funded projects require some form of co-financing, limiting further some SPAs' participation. Some SPAs have to use their own resources to bid for Swedish development cooperation funding while few others receive grants directly without undertaking similar due processes. These variations imply different enabling

and constraining realities in translating the generally adopted CapDev framing into practice.

There is a lack of internalized and methodological framework on how best to apply a broadly defined CapDev framing and principles in practice within their specific development cooperation context.

Even where an inhouse definition of CapDev exists, not all staff involved are aware of it, especially within the short-term experts' group. SPAs staff strongly acknowledge the importance of a common CapDev methodological framework to guide their practices, although their views about having a common inhouse framework or not differ. Among the case agencies, e.g. SCB and LM have initiated a *components concept* to frame their CapDev approach and in the process of devising internal framework to enhance the quality and coherence of their CapDev support. SEPA is adopting and testing a more open, adaptive approach to their CapDev work abroad.

The peer status and unique comparative advantage have given SPAs legitimacy and credibility, on the one hand, to support certain capacity areas of certain corresponding agencies. On the other hand, sister agencies are often in a reality far from these values and capacities. SPAs'

“The proposal was discussed over a two-day workshop with the [partner] staff [...] although the project has run for many years... there has not been much time given for reflection or opportunity to revise and adjust [the project] properly.”

– SPA project manager

legitimacy to address more sensitive longer-term organizational, broader public management agenda and systemic change may have to be constantly (re)negotiated between the two parties, externally with other stakeholder groups, and internally with SPAs resource

base. Development cooperation is not SPAs core competencies (see further discussion in the next section).

CapDev work abroad is often seen as a “loosely coupled” side business within SPAs and rely on motivated individual champions.

Despite regulative and normative frameworks that legitimate SPAs' CapDev work abroad, tensions and contradictions constrain to varying degrees their access and availability of expertise in demand, constraining individual and organizational, strategic vision of CapDev work abroad. Recruiting experts from other units of the SPA depends to a great extent on the buy-in of the respective unit managers but perhaps more importantly experts' individual motivational factors to engage in CapDev work abroad. Institutionalization of the general

CapDev framing tends to rely on motivated individuals to champion and connect the dots – which takes time.

There are clearly motivated individuals to get involved in SPAs' CapDev work. Motivational factors, identified in the survey, regardless of staff groups include: opportunities for peer learning (87%), relevance of their knowledge and expertise (86%), better/broader understanding of own agency's work processes (43%). Other factors include the possibility of contributing to a better world, job requirement and employability in the sector. The study reveals that different motivational factors co-exist and interplay, as manifested in the SPAs' preferences, decision-making and interventions for supporting CapDev of certain partners and in certain contexts.

The room for maneuver is big for staff taking risks. Others adopt mimetic and path-dependent behavior towards earlier narrow CapDev approach.

“We want to get started very very fast. Maybe we are not really sitting down, thinking, reflecting and both by ourselves and together with the receiving organization.”

– SPA expert

The lack of strategic clarity in relation to the role of SPAs in the broader context of partner countries, together with the lack of time, processes and resources including tools and competencies (e.g. context analysis, change management and cooperation) create space for different interpretations and risk SPAs lapsing back into earlier, narrow CapDev approach in practice. On a positive note, the lack of clarity and ambiguity have in turn allowed creative spaces for novel practices, new partnership models or organizational forms to support their CapDev work. It is however not evident if and how risks, benefits and any trade-offs from any new practices are systematically or sufficiently analyzed and assessed by respective SPAs.

Awareness of the basic principles of aid effectiveness and CapDev framing doesn't mean things are done differently.

All the above factors tend to create tensions with Aid Effectiveness agenda that set principled practice framework for needs-based, context-sensitive, country-owned and country-based processes. SPAs staff are very aware of the Aid Effectiveness principles but struggle to reconcile these strategies and principles with their financial and technical resource base in practices.

3.3 Core and non-core competencies

The peer status and core competencies of SPAs are highly recognized as unique comparative

advantage but reading the power structure under the surface is not an easy task.

Support within SPAs core competencies tends to perform well and valued by partners. It is seen, especially in new partnerships, as catalytic in building trust, credibility and partners' acceptance of a broader CapDev approach to deal with partners' less visible, more politically complex or culturally sensitive issues under the partners' organizational “Iceberg” of culture. This takes time, resources and specific competencies. These sequential and temporal dynamics are, however, less consciously reflected in practice, than claimed, to optimize or complement SPAs' core competencies in project inception (e.g. through basic mapping of incentives and stakeholders), funder and partner dialogues, SPAs' sourcing and advancing cooperation expertise.

Informants accredited the key comparative advantage for SPAs' engagement with CapDev work abroad to

include: Sweden's long history of general public sector reform, public trust in government institutions, SPAs' national policy implementation experience and Sweden as a “trusted”, “open-minded” and “humble” development partner in general. SPAs engage with different partner stakeholders in broad and comprehensive CapDev work as shown in Fig. 2 above.

Identifying the corresponding 'peer' to engage is not always straightforward. Broad stakeholder engagement was seen as important for synergies, advocacy and sustainability.

The *peer* support nature, commonly used to characterize unique advantage of the Swedish public agencies' bilateral CapDev work abroad and their relationships with partner agencies, may not be as straightforward in some partnering contexts and have implications on who to engage as partners and key vertical and horizontal stakeholders for a particular Swedish public agency, and what desired change could be leveraged.

Understandably, public administration structures and operations in partner countries differ from those in Sweden. While similar or corresponding functions are relatively identifiable in partner countries, the administrative structure and decision-making processes may fall under different or even multiple ministries, susceptible to a set of political, administrative, organizational and cultural institutional conditions and changing dynamics. As one project manager pointed out, identifying the corresponding organizations, understanding their way of working, formal and informal

rules and incentives, and establishing the appropriate cooperation mechanisms could be demanding and resource intensive with increased complexity, uncertain results and different expertise and competencies that may not always be available. Mismatches could happen and opportunities for holistic and systemic change could be missed if only one actor or component of an entire decision chain was engaged.

Surveyed SPAs staff identified that their agencies' CapDev support involve primarily their corresponding national sister public administration agency (89%), but also other national government agencies (70)%, regional inter-governmental networks or organizations (e.g. SADC, ASEAN etc.) (52%), sub-national government agencies including, for example, local governments (32%). Some exceptional practices are observed. LM, for example, has a long-standing partnership with a strong civil society organization in Belarus (social goal logic) to leverage entry points to the public sector (state logic), whereas SCB engages with other government agencies in Kenya to enhance the statistics users' perspective (state and market/business logic) as a mechanism to help legitimate their sister agency leadership identity on statistical issues. SEPA partners with UNDP in a global governance program with a secondee expert to broaden their legitimacy and expertise (albeit implicitly, to share risks) to experiment with the integration of human rights and rule of law in environmental administration, and to engage multi- sectoral actors in program countries.

Facilitating South-South cooperation or using local and regional experts with similar contextual experience also permeate in normative practices of context-sensitive CapDev approaches. This broad stakeholder engagement in partner countries, horizontal and vertical, was seen as an important practice to address more complex and interconnected governance issues for better synergies, advocacy and sustainability purposes. But SPAs also acknowledged limitations on their core resources and competencies to facilitate broad engagement.

“What we’re trying to achieve in our projects is to have this partnership approach. In the beginning, it’s quite difficult [...] you don’t really have that relationship it’s built on trust, it’s built on common understandings and so on. And that doesn’t exist in the beginning.”
 – SPA expert

Some SPAs experiment with cluster collaboration with other SPAs (e.g. LM in Albania) and EU delegations (e.g. SCB in Cambodia and Africa). But these approaches are said to require a lot of commitment and resources, especially at the preparation phase, and challenge SPAs mandate and identity as a *peer* as well as funders' financial and administrative requirements.

The choice of roles and partnership modalities are adapted to the context and the needs of partners. But it is not apparent if decision-making and analysis follow a structured or systematic process.

SPAs staff take on different roles for different partnership and mission contexts, although they do not make explicit reflection (for most experts involved in the in-depth study, this topic was discussed for the first time). Using the 9-coaching-roles model of Champion, Kiel and McLendon (1990), SPAs adopt more the role of a coach than of a hands-on expert (see Fig 3).

50% Counsellor ‘You do it, I will be your sounding board.’	74% Coach ‘You did well; you can add this next time.’	52% Partner ‘We will do it together and learn from each other.’
50% Facilitator ‘You do it; I will attend to the process.’	65% Teacher ‘Here are some principles you can see to solve problems of this type.’	20% Modeller ‘I will do it; you watch so you can learn from me.’
24% Reflective observer ‘You do it; I will watch and tell you what I see and hear.’	43% Technical advisor ‘I will answer your questions as you go along.’	26% Hands-on expert ‘I will do it for you; I will tell you what to do.’

Fig. 3 Surveyed perception of common roles undertaken by SPAs experts (adapted from Champion et al, 1990).

These roles are understood to evolve over time and place according to the projects, mission terms of reference, context at the time, expectations and capacities of partner agencies. These tendencies reflect more the effectiveness logic (framing CapDev as the end goal of development cooperation) as they are more process-oriented than the efficiency logic (framing CapDev as the means of development cooperation). This is a good practice of Aid Effectiveness agenda. SPAs tend to drive initial processes whereas partners assume more responsibility over time. One focus group of SPA project managers suggested that *equal* partnership does not happen and when it does, that signals the partner becomes sufficiently capacitated, and SPAs have less legitimacy to continue their CapDev support.

Here some regional differences are observed. For example, in Asian and Balkan countries, where partners are perceived to have relatively better capacities, SPAs' CapDev support tended to be more needs-based and focus on soft or functional capacities (management issues for example). Whereas in some African contexts, particularly where donor presence was intense, partners often lacked the capacity (or incentives) to articulate their own needs, providing mixed CapDev support at the

start can be catalytic in identifying real priority needs and solutions.

SPAs reported the following deliberate efforts in the survey:

- linking project structures with partners' long-term organizational structures (77% very or moderately)
- clarifying with partners on collaboration, ownership and decision making (89% very or moderately)
- promoting dialogue and information exchange broadly across project stakeholders (84% very or moderately); and
- developing knowledge collectively with partners (82% very or moderately).

However, SPAs' roles are not usually clarified, nor were there regular joint discussions or reflections on the shared responsibility and accountability for both implementation and results beyond formal partnership agreements. Learning and reporting on progress and results often remain the sole or main responsibility of SPAs, undermining partners' ownership and accountability of their own change processes.

Despite aforementioned efforts, the study reveals that SPAs have generally limited knowledge or processes in place and over time to understand how change happens, what entry points and incentives exist, what prerequisites are needed of partners, in the specific context beyond a fact-finding mission at the start of the project. This creates a risk of mismatch between what SPAs can offer within their comparative advantage and the realistic conditions for change to happen. Some context knowledge exists among involved and experienced SPA staff about critical success factors and assumptions influencing their CapDev work and desired changes. But they may not always be involved in the fact-finding or project inception.

Long-term experts are often required in complex partnership especially in the beginning.

The deployment of a long-term expert, often embedded in partner agencies, is seen as a practical, albeit more costly, strategy to support the understanding of how change happens in the partner contexts. This is especially critical for complex partnerships and country contexts, especially in the beginning. Long-term experts, with the right competencies, are seen as having the benefits of generating and brokering the understanding of the political and cultural landscapes between partners, other SPA colleagues, other local stakeholders and development actors for better synergies and alignment of priorities. They can also assess project risks, identify project adjustment needs and capture emerging signs of outcomes. However, the deployment of a country-based

long-term expert is perceived as a costly strategy, involving high security concerns in some fragile political contexts and competence profiles that may not be readily available from SPAs core resource base.

“Sometimes we think we are so good [...] and we are doing things great but we are not really [...] our self-image is so extremely positive. I think we need to be more humble. We lack understanding of local context.”

– SPA expert

Internal priorities and structures inhibit the SPA to advance CapDev work abroad

As previously mentioned, SPA's internal mindset towards CapDev work abroad tends to inhibit the availability and development of expert resources. The different types of experts needed for engaging with a broader range of capacity issues and stakeholders may not be readily available within the SPAs. Experienced experts with CapDev work abroad are always preferred to reduce risk, undermining the opportunity of less experienced experts. In one SPA, a generation gap has emerged as senior experts reach retirement age. Given the lack of full-cost recovery in development cooperation, there are limited financial incentives (business logic) for developing or expanding internal resource and competence base, especially where short-term experts are concerned.

Many of the short-term experts involved in the study felt they are often not aware of the bigger picture, or they come in too late in the process to know that prerequisite skills are missing in partner agencies, or they have to resort to their judgement on the ground, and own time and resources to acquire further learning and knowledge to optimize their short-term CapDev missions. There is often no formal structure to incentivize or facilitate internal learning or Knowledge sharing between project managers, short-term and long-term experts beyond project-related interactions and terms of reference. SCB, for example, has started a new initiative, such as annual learning meetings targeting short-term experts. Others are very interested in replicating another SPA's internal CapDev online training model.

3.4 Fragmentation in the Swedish development cooperation strategies

The myriad of Swedish development cooperation strategies is not helping SPAs to concretize their CapDev in framing and in practice “as a whole”

In the 2018-2019 period, there are 49 different Swedish development cooperation strategies which are many, despite continuous reduction from previous years (OECD, 2019). Despite institutional development cooperation through SPAs constituting about 10% of Sida's annual budget and involving over 30 SPAs, 830 SPA staff and 163 partner organizations across 64 countries (in 2018 alone), they lack clarity and specificity with regards to SPAs' role in building effective institutions in partner countries. Although dialogue processes are available with strategy owners and Sida's SPA focal points, many SPA project managers feel that navigating through these strategies, seeking clarity and guidance take a lot of time and effort in the project proposal stage. This further complicates their decision-making processes. While acknowledging the importance of in-depth institutional context analysis to fill the void, it was not clear to many SPA staff how far and how much funding would be legitimately allowed by donors for the due process.

It is unclear who's accountable for what results between Sida and SPAs given their different but interconnected mandates in CapDev work abroad.

There are observed ambiguities about who is accountable for what level of results between Sida and SPAs, and between SPA staff categories, regarding mechanisms and goalposts to account for results in their CapDev work beyond or within regulative audit requirements. Some SPAs project managers felt Sida and SPAs should both be more accountable for outcome⁸-level results, not just focusing on outputs⁹. Others suggest that Sida could provide more specific guidelines with good practice examples to reduce ambiguity around outcome-based reporting. Some SPAs, such as LM, are turning to internal measures in the spirit of enhancing their own learning. SEPA is collaborating with a university to pilot an ongoing evaluation approach to capture change.

Sida has a mandate to work "on behalf of the Swedish government, with the mission to reduce poverty in the world" (Sida website). The Swedish Ministry of Foreign Affairs with Sida input is responsible for formulating and implementing development cooperation strategies and, as other SPAs, is to be held accountable for delivering on

its mandate, to the Swedish parliament, taxpayers, and, in this context, also to the people in partner countries. At the same time, Sida is identified strongly as a funder, despite its recent efforts to integrate "partner" alongside, to many SPAs involved in CapDev work abroad. It is not clear to SPAs staff what these integrated identities mean in practice given different connotations the two identifies entail on their power relations, responsibility and accountability for development results. It is apparent that there are incoherent expectations and a lack of reflections between Sida and SPAs about who should really be accountable for what and to whom as development strategies for building effective institutions and reducing poverty become *outsourced* to other actors in smaller segments with short-term targets and results.

Conventional project and change management tools still dominate practices and feed upward accountability.

The choice among SPAs of management tools and processes tend to adhere to funders' preferences. In comparison to EU and other donors, Sida is more flexible and positive towards tools (such as RBM) that promote a broader CapDev approach. However, the interpretation and application of project and

change management tools vary between SPAs.

The survey results show that conventional project management tools are used in parallel with change management tools. This includes results-based management (RBM) 90% and logical framework analysis/approach (56%), theory of change (59%), outcome mapping (32%) and problem-driven iterative approach (PDIA) (15%). Many SPA managers and experts acknowledged a strong need to continuously improve their understanding of CapDev and effective application of available and new tools and processes for managing projects, organizational change and associated risks in increasingly complex contexts.

Review of project document and how SPAs staff discuss these tools suggests that SPAs often use these different tools interchangeably without critical reflection on the different purposes of - project management (i.e. focus on

"Often, I find myself: should my job be satisfying the funder or the partners' needs, or both?"

- SPA expert

"We could at least put up some general criteria for an agency that is wanting to engage in this kind of work. So, even though... the formal stance of Sida is that we do not have these kinds of templates, I think ... it would be so much more transparent... if we could be a little bit clearer on what [results] we are looking for."

- Sida focal point

⁸ Outcomes are actual or intended changes in development conditions that development cooperation projects seek to support. E.g. women's access to job markets, policy change.

⁹ Outputs are specific products or services as immediate results of project activities. E.g. working or training completed.

delivering on time, to quality and within budget) and change management (i.e. focus on adoption/business readiness as a result of project inputs), and on how to get the two management processes to work in partnership. There is often expectations of SPA project managers or long-term experts to have the competencies and skills to manage both elements.

Moreover, the concern around the choices of different management tools tends not to take account of partners' ownership and accountability for delivering on their committed resources and results.

The theory of change and assumptions are often unclear to SPA staff involved

Many SPA staff acknowledge that the expected end results of SPAs CapDev work tend to be "ambitious". The linkages between actions, effects and end results and where SPAs can best leverage influence through which interventions and approaches (including the use of public management theories in favor of good practice, innovative practice and/or emergent practice in similar contexts) are not always clear or analyzed. While better quality assurance and results reporting beyond outputs are increasingly acknowledged among staff of the case agencies, practical and methodological tools for change management, risk management and project management tailored for SPAs specific need are in demand, as survey results indicate.

Long-term outcome statements are often formulated in an overambitious way

Many SPAs project managers felt that their project objectives are in general realistically set but intermediate or long-term outcome statements, often formulated in consultation with partners but also in compliance with the *language* of certain funding strategies, are overambitious. Some SPAs are refining their internal quality assurance processes or collaboration with researchers to capture those outcomes from short-term targets and results. Others intend to develop more long-term framework and processes to guide institutional analysis and development. In general, there is a strong recognition among SPA staff to go beyond monitoring and reporting on outputs, integrate systems thinking, and articulate and capture outcome-level results. Some

short-term experts felt they were often excluded from any formal learning and feedback loops, although they were expected to anticipate and provide feedback on the "unexpected" during missions.

Coordination mechanisms in partner countries for aligning long-term visions and synergies (interests, influence and resources) can be complex for SPAs to deal with.

These shortfalls tend to go against solving complex long-term organizational and systemic problems entrenched in poor governance and poverty, and risk reinforcing top-down, linear, "business as usual" mindset, furthering fragmentation and narrowing of CapDev approaches. More importantly, these tend to undermine partners' ownership and accountability for change.

3.5 Mismatch between expectations of outcomes and existing SPA capacities

The expectations of what different SPAs can actually make by themselves are not aligned with the capacities or competencies required to achieve those expectations.

Sida acknowledges that SPAs are a key player in building capacity of partner countries and that SPAs' strength lies in specific public administration sector, not in development cooperation or cross-cutting issues (e.g. gender, anti-corruption, conflict-sensitivity) in Swedish development cooperation policy and strategies for supporting partner countries' CapDev.

There are, however, inherent expectations from the MFA and Sida of SPAs to address complex cross-cutting governance challenges, including in fragile states, and to display similar cooperation competencies as other Sida grantees (UN agencies, international NGOs, development consultancy firms) who have stronger contextual knowledge and local networks.

Lack of a specific strategic framework on the expected role of SPAs in institutional development cooperation.

"To get the [Swedish public] agencies to understand that we live in a global world. They should focus not only on the circumstances of Sweden and Europe but there is a big benefit of them trying to also contribute to the global agenda and finding ways to advocate for this."

– Sida focal point

"It would really help to have a stronger capacity at Sida to actually support that capacity development innovation, etc. ... and also maybe to work with us as different partners."

– SPA project manager

Despite the new CapDev strategy and additional 100 million SEK in the last cycle to enhance SPAs engagement in development cooperation, among the 49 different Swedish development strategies there is a lack of a specific and coherent reference to the roles of SPAs and their unique comparative advantage in contributing to the broader Swedish development cooperation agenda and to building effective institutions for sustainable development in poorer countries. The positive support and guidance from Sida's focal points through dialogue processes have compensated for some of these shortcomings and the administrative and financial processes have recently been simplified to be more aligned with other SPAs' own systems.

As previously mentioned, given decision-making uncertainty and ambiguity, the room for individual maneuver is large and can lead to new practices or mimetic (imitating others) and path-dependent (continuing historical preference or use) behavior that promotes certain types of capacity issues (e.g. technical skills) through certain types of partnership modalities (e.g. teaching, coaching) in certain geo-political contexts (e.g. English speaking, middle-income). Without careful thought process, these tendencies risk reinforcing SPAs' thematic and geographical concentrations, fragmented, short-term results. Despite the good intentions, new, untested but uncritical approaches may bring harm when the trade-offs and power structures of the specific context are not carefully analyzed.

Establishing and maintaining regular engagement and dialogue with Sida are essential strategic practice for SPAs decision-making processes.

Sida focal points in Stockholm and in embassies are generally accessible and engaging, as a 'partner' not just a 'funder' towards SPAs. This accessibility is particularly useful to align ambition, expectations and reduce uncertainty (particularly in the preparation phase of a new partnership to ensure a good match with relevant funding strategies), to seek advice on normative practice, flexible and adjustments project, and on broader cooperation issues.

There are no specific guidelines within Sida for its focal points to support SPAs. Some Sida focal points, especially those originally from other SPAs, expressed empathy towards SPAs for the lack of specific guidelines for SPAs' CapDev work and their implementation challenges in fragile contexts. Some provide hand-holding, problem-solving support, bridging communication gaps in the tangle of development actors in the partner country. Some are more open-minded than others about project adjustments and deviations, and providing constructive feedback on project report. Others leave SPAs alone until problems come to their attention. All relationships between Sida and SPAs tend to be different, depending on individuals.

Current support on CapDev including methodological tools and learning opportunities in this area is perceived as insufficient

"[SPAs experts] are not development specialist or [country] specialist... unless you understand [the way you do business here...things happen at a different pace, you won't be able to move things forward...even though I was told it's not our role, we at the embassy can [help] with the contextual understanding...provide a bigger picture...bringing actors together...it comes down to your attitude... There is no clear guidelines [how we should support SPAs]... We are on the same team. How can I facilitate them so they have the best possible opportunity to bring about change...How can they help me so I can do a better job?"

- Sida focal point in embassy

Context analysis is recognized by SPA staff as very important, but a general capacity gap, for setting a realistic level of expected results and to facilitate adaptive programming approaches. Current support including methodological tools and learning opportunities in this area is perceived as insufficient. This reportedly has led to delays in decision-making, occasional mismatch of cooperation and unrealistic expectations. The overall support mechanisms, in Sweden and in partner

countries, for SPAs' CapDev work are not always connected for the tangle of staff involved. Opportunities to share lessons and good practices with other SPAs or development partners are limited at the country level or in Sweden, undermining harmonization and synergies for collective impact.

Balancing partners' needs with available resources requires two parties to cooperate. However, within partner agencies with weaker capacities, regular turnover of political leadership, and sometimes contradicting practices of other development actors are common barriers to the cooperation. There is a general expectation among SPAs staff with risk and project management responsibilities that Sida staff in the headquarters and embassies could give more guidance and support to help them understand more in-depth the partner countries' political, cultural, security and

historical landscapes so they can make organizational decisions more efficiently on what, who and how to engage while focusing on their unique comparative advantage.

Many different learning opportunities for SPAs on CapDev. However mainly the “usual suspects” (e.g. project managers) participate.

Sida’s learning events (courses provided by Partnership Forum in Härnösand and Sida Development Talk series) come second to SPAs’ internal ones as the most useful sources of learning and knowledge about CapDev-related issues. However, SPAs have to finance their own participation. Many SPAs expressed appreciation of these learning opportunities, especially the new *Beyond Workshop* initiative but finding time and resources especially as a team remain a challenge to many SPAs. Participation in these learning events is often limited to the usual suspects among SPA project managers or officers. Learning is not always shared broadly back in the agency.

The N4L and *myndighetsfora* (authorities’ forum) are well appreciated by SPA staff as informal professional networks and communities of practice in which SPAs’ engaged in CapDev work abroad voice common concerns, share resources (e.g. training material) and learn from each other. The N4L has become more structured since its inception in 2015 (with regularly updated email list, annual work plan and regular meetings on specific CapDev topics). These learning and networking platforms are seen as useful to advance ‘tacit’ knowledge about how to operationalize CapDev work more efficiently and effectively – indicating a strong need there. Individual agencies are expected to finance their own participation in these activities.

There are currently limited online learning events for broader outreach and knowledge connection of the large number of involved SPA staff. There is growing interest in NORADS knowledge bank approach and possibly applying it in Sweden. There is also no platform that links experts, such as on gender, from one agency with others from another agency.

There is a need for more coordinated and structured approach to facilitate change processes

There was an expressed demand among SPA staff for more coordinated, concerted and structured approach to institutionalize existing knowledge, facilitate competence development and knowledge exchange between SPAs and with other international CapDev professional networks and entities. Elements SPAs staff identified in

the survey as weak or missing in current support mechanism include: coordination support in partner countries for a “Team Sweden” approach in which multiple SPAs work together, potentially also with the private and civil society sectors; context analysis, socio-cultural, and security analysis; linguistic, adjust learning skills; online learning resources and access to such information (specially for field-based experts); parallel project management training for partners.

There is ambiguity about the role of SPAs in realizing Swedish commitment towards SDGs. Swedish development cooperation strategies have a strong reference to SDGs, especially in the new CapDev strategy, methods and partnership. SPAs CapDev project documents have references to specific SDGs their CapDev works intend to contribute to. However, four years since the global agenda was adopted, to many SPA staff interviewed, it remains unclear what it entails, across the board, in terms of what SPAs role and their current CapDev framing, approaches and practices that can help realize their full potential in institutional development cooperation.

4. CONCLUSION

This paper has so far presented the key observations and preliminary findings from the study about how SPAs frame, approach and operationalize CapDev in their institutional development cooperation work. It has discussed both the internal and external factors that influence the CapDev framing and practical applications in different institutional development cooperation contexts.

All the above points to three main and overarching conclusions, without resorting to repeating anything that has already been mentioned. First, is that the issues around CapDev are not only complex. They are also relational in terms of how SPAs relate to and connect with Sida and the MFA from one end and their partner agencies from the other. In those terms, addressing the challenges is not about fixes of specific or separate points addressed in this paper. It is important to look at the whole structure of complex configurations that influence both SPAs’ conceptualization and operationalization of CapDev support to partner countries. It is more about taking a step back and reviewing the entire model of international development cooperation in as far as CapDev support is concerned.

Second, revisiting the model of international development cooperation would also require revisiting strategies. As highlighted in the paper, there is a gap between SPAs’ CapDev thinking and their CapDev practice. More specifically, although the strategies aim to

focus on *function*, external and internal constraints tend to pull SPAs back to the technical focus on *form* or formal set-up. This paper has highlighted that the focus on *form* is essential, given the SPAs' comparative advantage, but not adequate to bring about sustainable organizational or transformational change in partner agencies. Business as usual approach thus persists.

Third, in this regard, understanding context is crucial to facilitate change. However, issues such as cultural norms and organizational behavior are occasionally mentioned in project and program proposals and needs assessment. Additionally, it is still not clear nor explicit how CapDev professionals understand and address contextual factors/set ups which can be radically different from the Swedish one, especially in fragile, post-conflict or new states. Some of the issues in this paper alluded to that.

Finally, and this is more of a conclusion from the process that this research project followed rather than a specific

finding, and that is how important co-creation and inclusive processes are. The Swedish model of institutional development cooperation is unique in that it is characterized by a high degree of openness and transparency among SPAs and with Sida. This project is a testament to collective efforts and initiatives (the N4L or LenCD are further evidence). As introduced in the beginning of this paper, development cooperation is at an important juncture. Discussions on the Global Agenda 2030 have paved the way to new thinking about development and collaborative approaches. Moving forward, it is important to follow the same inclusive model where SPAs and Sida engage and have full ownership of the jointly developed solutions and the support mechanism that has been repeatedly called for and clearly expressed in the course of this research project.

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In accordance with research ethical norms, we are reporting that all our team members are currently engaged in commissioned work for two Swedish public agencies that may be affected by the study. We have disclosed those interests fully to Sida and to the concerned agencies, and have put in place measures in the research processes to mitigate biased views, preconceptions and any other potential conflicts arising from these engagements.

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More information on SPACAP study can be found on the website <https://lu.box.com/v/SPACAP2018-2020>.



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