

## Capacity WORKS

The Management Model for Sustainable Development

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**giz** Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH

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# Capacity WORKS

The Management Model for Sustainable Development

# An update of the manual

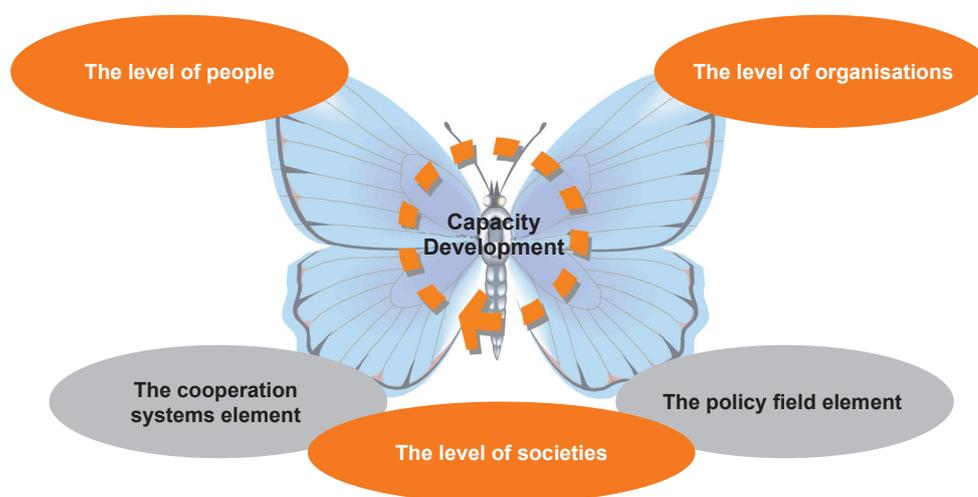
## The understanding of capacity development in Capacity WORKS

The understanding of capacity development in Capacity WORKS has been modified, making it more precise. The key changes are explained below with reference to one tool affected by the changes: 'Consultancy Strategies in Capacity Development' (Success Factor Strategy).

### Definition

In development cooperation we understand capacity development to be the process through which people, organisations and society as a whole are enabled to shape their own development and adapt it to changing conditions and frameworks. When supporting capacity development, German development cooperation bases its conceptual approach on these three levels (i.e. people, organisations and society). The level of society can, however be broken down further into two constituent elements: cooperation systems and policy field (see the capacity development butterfly below).

### The capacity development butterfly (Capacity WORKS manual, p. 60)



### Explanation

The targeted support of external partners' capacity development is a key instrument of development cooperation. Delivering in-process consultancy inputs to support partner capacity development requires a clear strategy that is aligned with the project context, and takes into account the interplay between the various levels of capacity development. Measures to support capacity development processes at the three levels are agreed on with the relevant partner organisations such that a joint strategy for capacity development support can be elaborated. This strategy operationalises the system of objectives contained in the contract placed by BMZ or another commissioning party. The matrix below can be used to check how the various capacity development strategies can complement each other.



Consultancy Strategies in Capacity Development (Capacity WORKS manual, page 63)

The three levels of capacity development				
Phase from... to...	The level of people	The level of organisations	The level of society	
			The cooperation systems element:	The policy field element:
	Human resource development	Organisational development	Cooperation within the sector	Frameworks
Measures and results hypothesis				
Interrelationships with the other two levels and elements				
Complementary measures of other actors				
Interaction with other phases of the contract				

Which tools are affected by the changes?

The understanding of capacity development explained above affects the following tools:

- Success Factor 1, Tool 5: Consultancy Strategies in Capacity Development (p 57 ff.)
- Success Factor 5, Tool 10: Learning and Development Objectives of the Project and its Network (p. 273 ff.)
- Success Factor 5, Tool 11: Learning Strategy Review (p. 277 ff.)

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# Introduction

Capacity WORKS\* is GTZ's management model for sustainable development. It helps provide answers to the following questions: How does GTZ make an effective contribution toward capacity development, and how do we help structure the management and steering of projects and programmes so that the results of capacity development are as effective and sustainable as possible? The structure of Capacity WORKS "translates" the corporate policy concept of "sustainable development" into practical questions.

As 2006 drew to a close, GTZ's Committee of Executives decided to utilise Capacity WORKS in the future as a model for successful project management. In 2007 and 2008 it was tested in 67 pilot projects worldwide. The experience gained in that pilot phase was utilised to further develop the model into its present form. In 2009 and 2010 Capacity WORKS will be introduced in all GTZ projects and programmes.

## What is Capacity WORKS?

Project management is one of GTZ's core services. GTZ is able to look back on a long tradition of methodological developments and applications, such as objectives-oriented project planning (ZOPP); project cycle management (PCM), or the managing for development results project. Capacity WORKS builds on these experiences, and supplements the methodological repertoire with a view to the future. Capacity WORKS is a management model to support contract and cooperation management especially during the implementation phase, though it is also suitable for the project appraisal and preparation phases, as well as the concluding phase. The model is designed to guarantee the necessary coherence with existing procedures and tools such as project preparation, approval of the offer concept (ZAK), project progress review (PPR), etc.

Capacity WORKS supports the operationalisation of our capacity development approach. The model comprises a management toolbox for flexible application in the context of extended networks with cooperation partners. It can be adapted to different sociocultural conditions, and applied in GTZ's various business sectors and modes of delivery.

The key points of reference for Capacity WORKS are the objectives and results jointly agreed with partners. In development cooperation projects, the procedure to be applied is reviewed, designed, monitored and corrected on an iterative basis, in relation to the five success factors presented below. The concept and action in each success factor are guided by key questions. The model provides a structuring framework that creates scope for action. This is further supported by the GTZ-specific consultancy principles. In other words, Capacity WORKS does not relieve the user of the need to perform the conceptual and creative work and to act accordingly, nor does it provide blueprints.

## How does Capacity WORKS work?

Capacity WORKS begins by addressing current management issues and problems. Consequently, the question as to which success factor should be addressed first will be decided in the context of the given situation. Projects applying Capacity WORKS for the first time may find it helpful to start by obtaining an overview of the cooperation landscape.

The key innovation of this systematic orientation of management toward the success factors consists in its transparency. This is to say that each officer responsible for contracts and cooperation will be enabled to provide

\* "Capacity WORKS" is protected as a word mark both in Germany and internationally.

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soundly articulated and differentiated responses to the questions raised in the context of the respective success factors. This will support and guide the dialogue on the quality of our services.

Capacity WORKS can deliver standardised rationales that will enhance the comparability of good practices, which in turn will facilitate both individual learning and organisational knowledge management.

### What can Capacity WORKS do?

Capacity WORKS is a response to changes in project stakeholder landscapes. The fundamental goal of development cooperation is to achieve negotiated and measurable results that address specific problems in partner countries. As a rule projects are now no longer designed to include just one partner, but involve more complex configurations of organisations and institutions. These projects are based on a goal-oriented cooperation between representatives of these organisations, institutions and networks, each of which constitutes a centre of interest, power or influence in their own right. Each actor also always represents the particular interests of his or her organisation in this context. Projects are therefore supra-organisational. Since partnerships are entered into on an equal footing, and thus involve non-hierarchical cooperation, decisions are based on an underlying rationale of mutual dependency. These decisions constitute the challenge for successful cooperation.

GTZ helps steer supra-organisational projects, i.e. helps establish and secure cooperation frameworks that function. Networks require structures, processes and rules of sufficient quality to allow management for joint objectives and results. None of the participating organisations or institutions is legitimated to “lead” these cooperations in the traditional sense, since decisions are not based on hierarchies. In development cooperation, projects are cooperation systems involving many partners; these systems are based on negotiatory processes, and act – in whatever way – in political processes. Capacity WORKS helps identify, focus on and work through the relevant negotiatory processes.

### How does Capacity WORKS fit together with our in-process consultancy interventions?<sup>1</sup>

Development cooperation advisors and consultants play a catalytic role in helping initiate processes of self-reflection among actors within sub-systems, and helping structure processes of innovation. These processes involve many actors, who in turn maintain relationships with numerous other actors. In-process consultancy facilitates a self-reflexive process of social interaction within a system of at least two individuals – one individual who is delivering the consultancy input, and one individual who is the client – that is designed to help develop the client’s problem-solving capacities in the broadest sense.

Management and consultancy take place across an interval of time – with a beginning and an end. The interaction has a locus, involving either face-to-face or virtual interaction. The participants enter into a relationship based on mutual expectations and roles, agree on issues and approaches, and steer the process. Each management decision and consultancy intervention modifies the subsequent processes. Continuous monitoring of the results of these interventions enables the actors to make corresponding adjustments with a view to what has yet to be achieved. This is clearly illustrated by the systemic loop model.



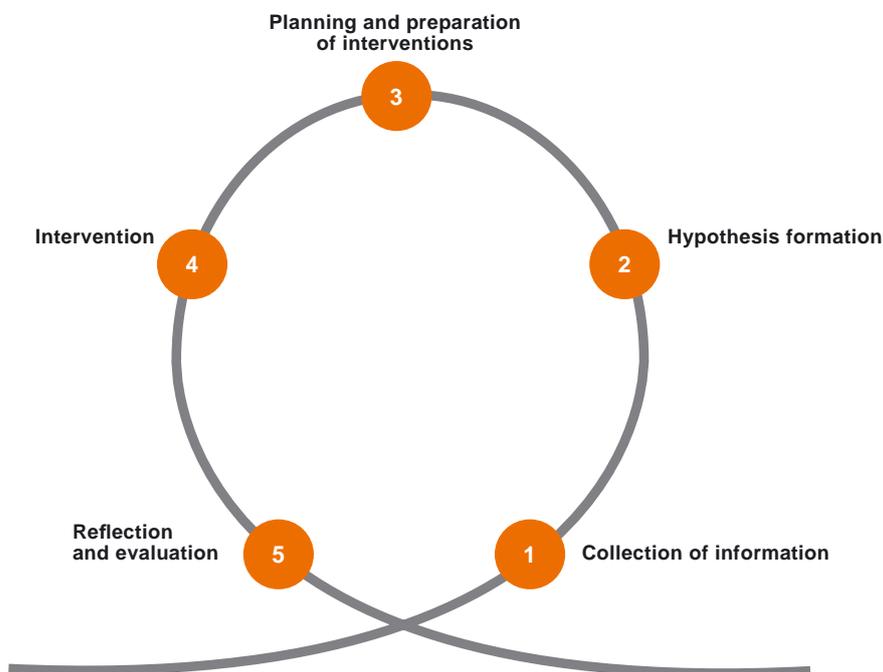


Figure 1: Systemic loop

Capacity WORKS is utilised in a way that reflects this understanding of consultancy. The procedure is reviewed, implemented, monitored and corrected on an iterative basis.

### How do I actually work with Capacity WORKS?

The Capacity WORKS toolbox contains tools that have been tried and tested in technical cooperation (TC). The toolbox can be used by single individuals performing conceptual work, or applied in workshops with selected stakeholders. The tools must be adapted to the context and the stakeholders concerned, and cannot be used as blueprints as they stand.

Using the toolbox requires experience in consultancy and moderation, as well as sensitivity in dealing with different stakeholder perspectives. The aim is not to proclaim truths but to understand the different perspectives and interests, as well as their inter-relationships.

Each of the tools contained in the toolbox is assigned to one of the five success factors, and supports work on that success factor. A number of the tools can be used in the context of several success factors.

Each of the descriptions for the individual tools also describes a sequence of steps for their use. This is designed to help orient the first-time user and encourage him or her to adopt a playful approach to the tools: depending on the question and the context, the tools can be adapted and recombined. The user will find a selection of digital documents to help perform this adaptation. All the graphics are contained in a special PowerPoint document. All tables and forms are available in a Word document. For those tools requiring the visualisation of data, corresponding worksheets are provided in an Excel file.

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## How do I link Capacity WORKS to our consultancy principles?

As well as the tools, Capacity WORKS includes a number of consultancy principles that have been tried and tested in TC and that should be applied when using the model. The application of these methodological principles plays a key role in future project success. The consultancy principles shape the entire consultancy process, and above all the architecture and implementation of interventions.

For each success factor, we need to examine which consultancy principles can be applied and why. Experience shows that in most situations we can only work with some but not all of them. We therefore have to take a conscious decision to apply only those consultancy principles that will be key to the success of the project. This selection is made anew for each success factor.

### **Human resource and organisational development**

Human resource and organisational development, as well as network and policy field development, always form part of our consulting services, because the capacities of the people, organisations, networks and systems in our partner countries determine project sustainability.

### **Leverage**

In our project work, we aim to find points of intervention that enable us to leverage inputs for broad-based and sustainable results. A sensitive approach to intervention helps preserve individual system integrity.

### **Various forms of consultancy**

We integrate policy, technical and organisational development consultancy, because sustainable results can only be achieved if the various forms of consultancy are coordinated and interact.

### **Interdisciplinary consultancy services**

Our consultants are specialists from various disciplines. Consequently, we can leverage a broad range of perspectives and approaches for the benefit of our partners. We help motivate partners to exploit the diversity of opportunities available to them.

### **Rapid results**

Most projects are long term. Nevertheless, we also gear our activities to achieving rapid, small-scale and visible results. For successful outcomes achieved quickly are extremely helpful in convincing people and organisations of the need for long-term change.

### **Innovative mix of methods**

We always develop tailor-made service packages with a specific mix of methods, because we don't believe there is a single best way. In each case, the individual cultural, regional, organisational and structural features of our partners are the resources we work with. They are the key to success.



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### **Multi-level approach**

In our work, we link the micro, meso and macro levels. The interaction between these policy levels must be taken into account if we are to understand the challenges at micro level and help change the framework conditions at macro level.

### **Catalyst function**

We create platforms for political debate among different actors and play a catalytic role in this debate. We promote the participation of stakeholder groups not involved to date, because real change occurs through new points of contact between individuals and organisations.

### **Tapping into change energy**

We deploy our consulting services where the partner's change energy can be tapped, because successful change requires the will and commitment of the partner.

### **Benefits and costs**

We measure projects in terms of the resource-efficiency, effectiveness and model character of their approach. In doing so, we identify scope for improvement, identify synergies and establish benchmarks through cooperation with other partners.

### **Promoting an entrepreneurial mindset**

We develop economically viable ideas or, alternatively, encourage and support others to do this. Our consultancy inputs include promoting an entrepreneurial mindset among our partners, encouraging them to take efficient and effective action, and supporting them in developing the corresponding capacities.

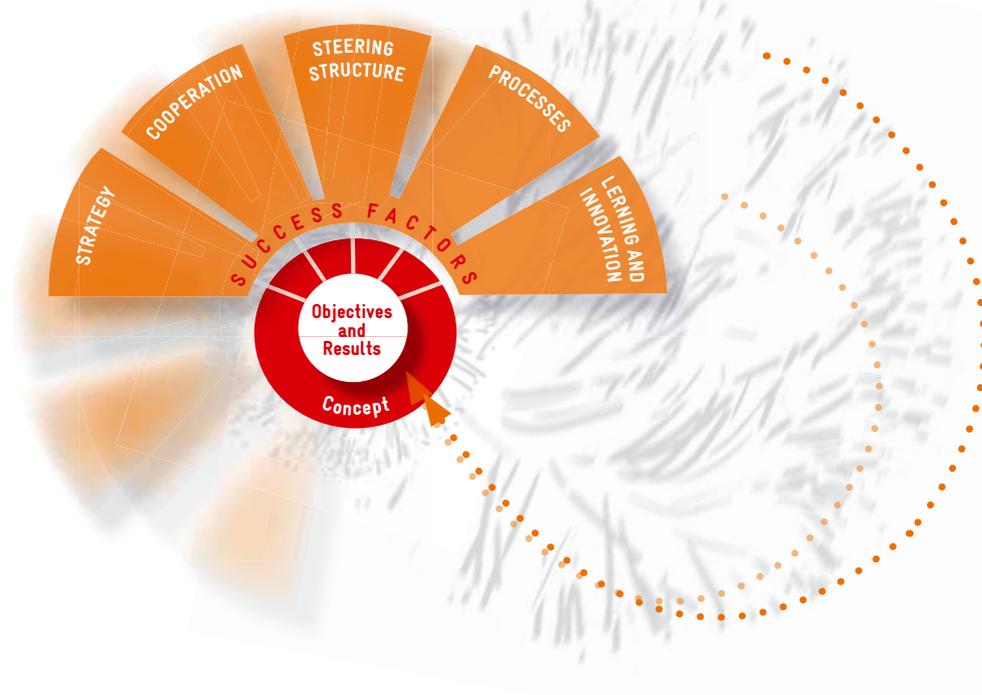
## **How do I find the right place to start?**

Lots of things can go wrong at the beginning: if you miss the first buttonhole, you will have to undo all the buttons and start again. During the initial phase, assumptions about participants and their relationships play an especially important role – and the tools demonstrate this. However, the tools are no substitute for the core competences of consultancy and negotiation: attentiveness and openness, consideration of the structural requirements and established behaviour patterns, focus on the actors' potential rather than their deficits and problems, critical objectivity, flexibility and a willingness to swap perspectives, sound technical expertise, empathy, good intentions and patience.





# The Capacity WORKS Model



Capacity WORKS orients the management of complex projects and programmes toward the

- **concept of “sustainable development”**
- **project/programme objectives and results, as well as**
- **five success factors.**

The model is supplemented by a toolbox and the aforementioned body of consultancy principles. The tools enable users to reach sound management decisions. They have been selected and adapted to TC such that they correspond to the values and principles of GTZ and efficiently support work on the success factors. The consultancy principles are a product of GTZ’s experience and, in conjunction with the toolbox, help Capacity WORKS users to apply the model to projects/programmes.

## The Concept of Sustainable Development

GTZ is guided by the concept of “sustainable development”. This concept defines GTZ’s unique approach and modus operandi and is a singular characteristic of our work and contract management. This singularity is essentially:

- holistic
- process-oriented and
- value-oriented.

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The concept also embodies numerous principles and quality standards that characterise and shape GTZ's work. These include for example participation, ownership, economic efficiency and subsidiarity.

## Objectives and Results of our Projects and Programmes

When fulfilling its contracts, GTZ undertakes to achieve the jointly negotiated objectives and results as effectively as possible. The Capacity WORKS management model therefore attaches supreme importance and top priority to these objectives and anticipated results. When jointly negotiating objectives with partners during project design, the success factors should already be brought into play. All decisions should be measured against these objectives, and monitored accordingly during implementation. Projects should be reviewed in relation to the success factors on an iterative basis.

When negotiating objectives with partners, the political, economic, social and ecological aspects of objectives and results need to be carefully considered. It is therefore necessary to:

- assess, as a matter of principle, all relevant social, political, economic and ecological impacts;
- design projects such that possible conflicts between the economic, social and environmental dimensions of the results are avoided or minimised.

Methodologically speaking, the agreement of objectives and results should therefore be understood as a fundamental process of political negotiation, and structured accordingly. Results chains are vital tools in this process. They describe how activities based on various inputs provided by the relevant partners, including the German inputs, are to generate outputs and, ultimately, sustainable results.

## Success Factors

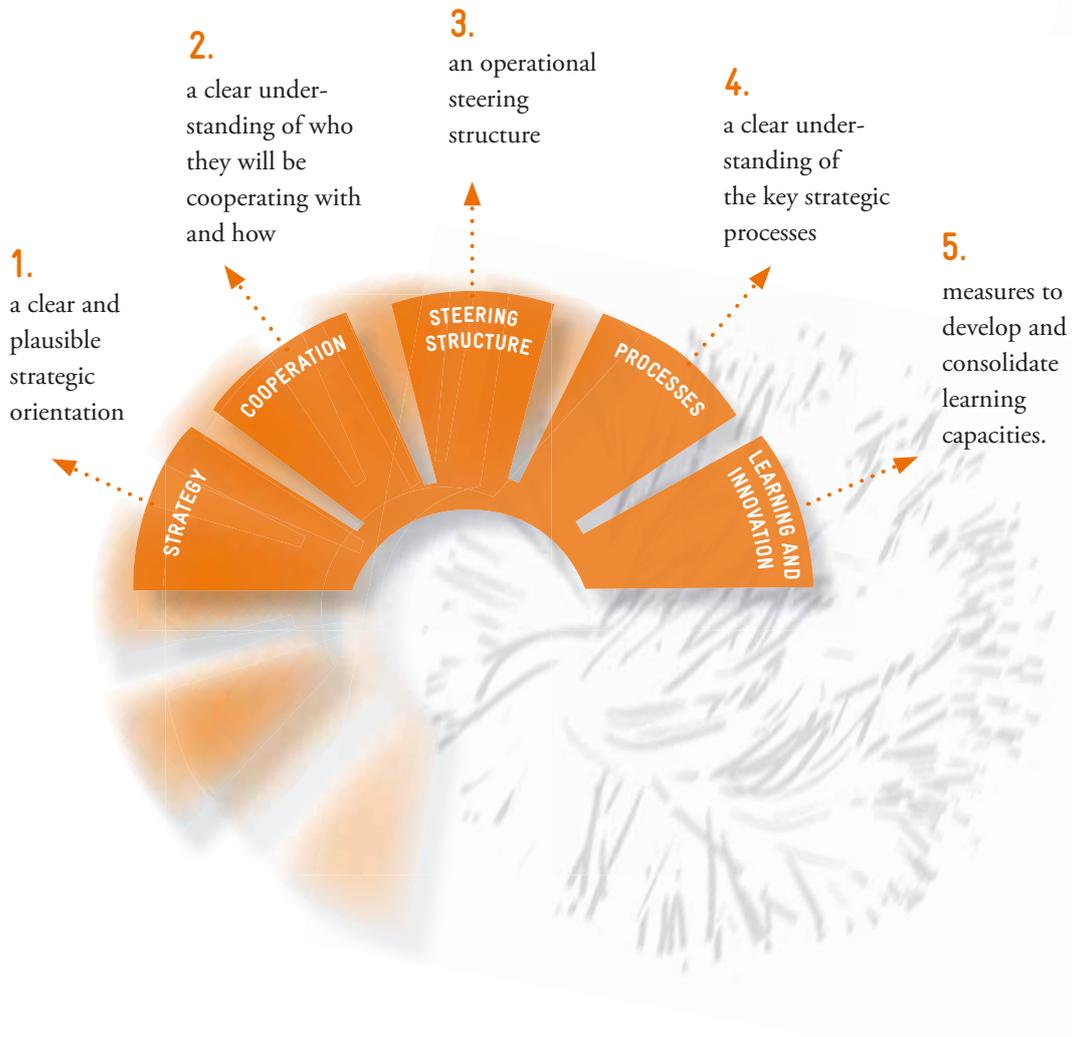
Capacity WORKS operates with five success factors. These are central to the structured approach of Capacity WORKS, and serve as a methodological guide for contract and cooperation management. The success factors are instrumental in project and programme design. They provide the framework for negotiating the project/programme with partners. Through them, GTZ develops and plans its consultancy interventions.

Practical experience has shown that the efficiency and effectiveness of interventions increases significantly when the management of a project is systematically oriented toward the five success factors.



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To be successful, all projects require

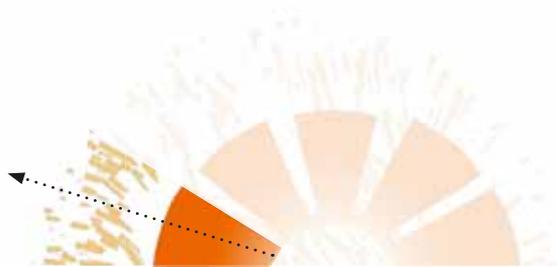


The success factors applied in Capacity WORKS are based on the non-sector-specific European Foundation for Quality Management (EFQM) model.<sup>2</sup> Capacity WORKS adapts this model to meet the specific demands inherent in steering complex GTZ projects and programmes.

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## Success Factor 1: Strategy

*Negotiate and agree on the strategic orientation*



### **A clear and plausible strategic orientation leads to positive results.**

Strategic action always involves careful consideration of the relationship between means and ends. The use of available resources should be examined in terms of efficacy and effectiveness.

The strategic orientation is the result of a process of negotiation and a selection from various options. The criteria for the selection – such as potential benefits as well as risks – and the options themselves should be negotiated and formulated jointly with the partner.

The strategic orientation incorporates expectations and preferences. It motivates actors to pursue the targeted objectives.

### **It is helpful to consider the following key questions when defining the strategic orientation:**

- How well does the selection of agreed outputs correspond to the results that are to be achieved?
- What adjustments need to be made in order to ensure that the work package is successfully positioned in its respective market?
- What consultancy approaches are differentiated and specified for the work packages? Is key leverage still lacking?
- How clearly have the strategic focal points been defined? How well have they already been communicated? How will we connect with the action strategies of the actors?
- What options have been considered? What risks have been taken account of? Which attitudes might impede progress? How does the strategy consider issues of cultural and political feasibility?
- How do the strategies aim to transfer process-related and learning capacities?



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## Success Factor 2: Cooperation

*Network people and organisations to facilitate change*



**A clear definition of who the project/programme will be cooperating with and how, leads to positive results.**

To achieve this, a project needs to address these issues from two perspectives.

- Who should be integrated into the project and in what role, i.e. who should be ‘on the inside’ and who should not? This involves applying criteria of exclusion: through which system of cooperation will the project be steered and implemented?
- Which external partners will be drawn into the project in order to activate external resources through exchanges and generate synergy effects? The issue here is inclusion through management of the external interface, i.e. ‘looking beyond the immediate horizon’.

As the project unfolds, internal partners may become external, and vice versa.

### **The following points should be borne in mind:**

Which individuals or organisations are integrated into or involved in the project will be dependent on various criteria. These include the anticipated influence of those partners on project results, the costs of managing the relationship, the anticipated benefits, and the risk management requirements.

Relations of cooperation need to be initiated, negotiated, coordinated and managed.

The respective types of cooperation – such as partnerships, networks, fora and clubs – must be appropriate for the project. The project’s internal work processes will require a suitable organisation, a firm commitment on the part of the partners as well as a high degree of transparency.

Involving external partners with attractive resources means engaging in mutual exchange. In return for this investment, the project itself must be perceived by the partner as attractive, and it should seek synergy effects that are beneficial to both sides.

Support from external partners can assume various forms depending on the type of partner organisation involved. Such partner organisations could include a national body of renowned experts, or cooperation with other donors – for example as would be the case with co-financing – or collaboration with NGOs, churches, research or training institutions, media or the private sector.

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**It is helpful to consider the following key questions when developing partnerships:**

- To what extent do key individuals and organisations play an appropriate role in the project? How can they be activated? To what extent do these individuals and organisations support the objectives of the project? How are conflictual relationships or conflicting interests constructively dealt with?
- To what extent does the type of cooperation selected provide the crucial leverage? How do the relations of cooperation support the full range of the outputs to be provided? How do they reinforce the results chains?
- To what extent do the cooperating partners have a clear overview of the resources available to them, such as human resources, funds, time, know-how and expertise? Do the resources correspond to the outputs to be provided?
- Which strategically important resources would it be worthwhile for the project to acquire?
- Which individuals and organisations outside the cooperation system might be considered as exchange partners for our project/programme? What are our comparative advantages that make us an attractive partner in complementary cooperation?
- For which other purposes will the cooperation relationships be utilised?



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### Success Factor 3: Steering Structure

*Negotiate the optimal structure*



**An effective steering structure leads to positive results.**

**The following points should be borne in mind:**

The selection of a particular form of steering implies a decision in favour of a particular management structure.

The steering of international cooperation projects and programmes is based on communication and interaction between organisations pursuing a common goal. Positive results are generated when actors understand that they are dependent on one another.

Selecting a steering structure means selecting forms of communication and interaction. One important aspect of this is to manage the expectations of the individuals and organisations involved.

The primary functions of the steering structure include: resource management (personnel, funds, time, knowledge and expertise), strategy, decision-making, planning, coordination, conflict and risk management, supervision and results-based monitoring.

**It is helpful to consider the following key questions when negotiating a steering structure:**

- Is the steering structure appropriate to the diversity of the tasks to be undertaken, and the risks involved?
- Has the political and socioeconomic context in which the project is being implemented been given sufficient consideration in the design of the steering structure? Are changes monitored, reflected upon and taken into account in steering?
- Which different models were considered and which different options developed?
- How has the relevance of the steering structure to the project been made clear? Who will take which decisions and how? Who will be kept informed, and how? How will leadership be created for the achievement of the objectives and the management of the change process?
- On the basis of what quantifiable evidence will management decisions be taken? How can we harness and utilise personal experience (implicit knowledge) for steering?

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- How will scarce or fluctuating resources be managed?
  - Will the partner transfer the experience gained and capacities developed with the steering structure to other tasks? Can this experience be used as a model for the future?



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## Success Factor 4: Processes

*Manage processes for social innovation*



**A clear understanding of the key strategic processes leads to positive results.**

**The following points should be borne in mind:**

When we talk about process management we mean firstly the processes underlying the interventions designed to bring about agreed changes, and secondly the project's internal management processes.

Successful projects/programmes support the key strategic processes through measures that optimise the quality, stability and speed of those processes. They avoid duplicating work and irrelevant activities, and focus on supporting in-process learning by partners.

Process selection involves structured negotiation about which processes should be managed, and how. This is absolutely essential in order to guarantee the acceptance and sustainability of the change processes.

**It is helpful to consider the following key questions when managing processes:**

- Which processes and preconditions must be taken into account and which changes must the partner make for the project/programme to achieve the desired results? Which processes must be initiated and established in order to generate agreed outputs?
- What are the strategically most important processes? How will the project/programme draw attention to these processes?
- How well do the key processes for achieving the desired objectives within the project/programme work? Which processes are in place for steering resources (human resources, funds, time, knowledge and expertise)?
- How innovative is our process management?
- How are processes optimised? In what way are these processes also learning processes? Are the processes managed on a conflict-sensitive basis?
- How effectively are capacities for process management transferred to our partners?
- To what extent can the change processes be transferred so as to support social innovation by the partner?

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## Success Factor 5: Learning and Innovation

*Focus on learning capacity*



**Focusing from the outset on individual and organisational learning capacities in all success factors leads to positive results.**

**The following points should be borne in mind:**

Learning and innovation is the most TC and GTZ-specific success factor. It is also the least obvious. Paying particular attention to it is fundamentally important for capacity development.

TC projects and programmes aim to support capacity development at four levels, each of which is to be addressed in its own right: policy frameworks, organisational networks, organisations and individuals. Projects/programmes should be designed such that they initiate exemplary learning within social sub-systems on these levels.

To support the development of partner organisation capacities it is crucial to help facilitate changes within the organisations and organisational networks themselves. These changes should become independent of the incumbents of relevant organisational functions, of which there is a high turnover. This should be achieved by

- developing appropriate structures
- establishing optimised processes, and
- institutionalising organisational rules and network qualities that support continuous adaptive learning.

Capacity development focuses on developing learning capacities. By this we mean organisational learning capacities that are sustainable. This means that all three forms of learning are necessary: single-loop (first-order) learning, double-loop (second-order) learning and deuterio (third-order learning), which in turn means that the relevant actors must identify strategic fields of learning and organise their own learning within that framework.

Innovations are the fruit of organisational and network learning capacities developed in the past and the present. Innovations and learning capacities are mutually stimulatory and lead to creative solutions.

Learning and innovation go hand in hand with efficient and effective knowledge management. Managing knowledge means: organising and utilising existing knowledge, making new experience available as knowledge, and institutionalising instruments and processes to that end.





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**It is helpful to consider the following key questions when developing learning capacities:**

- What capacities for strategic development, adjustment and review are firmly anchored in the structures and processes of our partners?
- What capacities have our partner organisations developed for focusing on the relevant environment, and designing and successfully steering the needed cooperation relationships?
- What capacities are in place in our partner organisations for developing and sustainably operationalising within the organisation the structures, processes and communication paths needed for the targeted outputs?
- What capacities have been developed for identifying forms of steering suited to future challenges?
- What capacities have our partner organisations put in place for establishing and further developing their respective management systems to meet the challenges they face?
- How do our partner organisations actively obtain creative input from their environment?
- What mechanisms of selection have they put in place in order to further develop their performance capacity?
- How do our partner organisations succeed in translating these innovations into structures and processes?
- How does learning take place at the four levels of capacity development? How are these processes linked?
- What learning goals have been formulated for the four levels and are part of the monitoring system?
- What learning interventions are utilised in the project to support our partner organisations' learning capacity development?
- How have lessons learned been processed and documented?



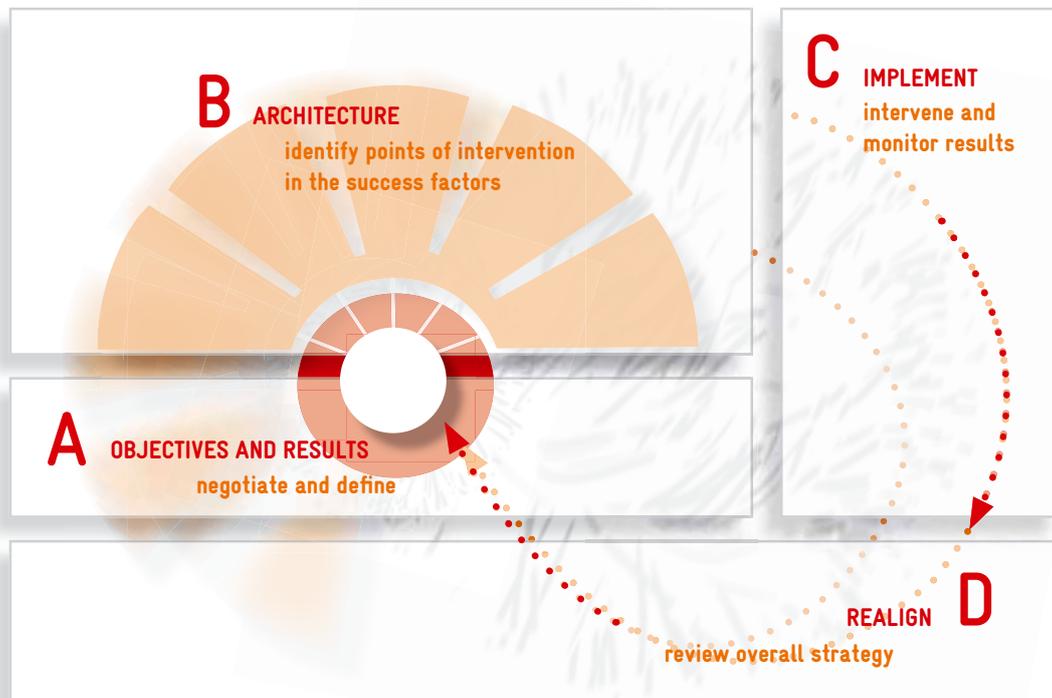
# Using Capacity WORKS

Capacity WORKS is a management model that offers a structured approach. The process itself is iterative. How often, on which occasions, in which structures and by which rules users will complete each loop must be agreed within the individual project/programme concerned.

Capacity WORKS is suitable for all processes in projects and programmes, including both appraisal and implementation. This description of the model is therefore applicable across the board.

The procedure is described as a sequence of steps. Results and analyses obtained at each step may, however, affect previous phases retroactively. The segmentation of the procedure into steps helps users familiarise themselves with the management model in their daily work, and promotes the institutionalisation of the model.

The breakdown of the model into phases and process steps suggests a straightforward linear structure. In reality, however, the approach is cyclic and open.



During each of the four steps (A-D) the key questions, the tools and the consultancy principles for the various success factors can all be utilised. The key questions define the framework. They provide orientation, and play the role of an 'intellectual sparring partner' who can help structure project thinking. The tools help ensure that the work in the success factors is effectively supported, and enable users to reach sound management decisions. The consultancy principles guide the selection of interventions.

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## A | Negotiate and define objectives and results

The context, challenges and hypotheses are jointly described. Hypotheses are formulated. On this basis, objectives and results are defined and assigned indicators at the various levels in the results chain. Once the results chain and the underlying hypotheses are available, the hypotheses must be reviewed. If necessary, new assumptions, risks, challenges or objectives and results must be formulated.

The results chain implies learning and knowledge objectives. These must also be negotiated and defined. To demonstrate clearly the sustainable learning capacity of a system, we recommend that the learning and knowledge objectives be made explicit.

## B | Design interventions

For each individual success factor, the challenges faced by the project/programme are analysed in context and against the background of the defined objectives and results. This process also includes the definition of learning goals. Various options are considered and evaluated. A selection of appropriate tools is available for each success factor. The results of this step provide an indication of which success factors deserve more attention in the subsequent stages.

The various points of intervention for the individual success factors are then viewed together. Priorities must be set: Which come first, which are mutually reinforcing and which conflict? Do learning loops arise that complement and reinforce each other? This process should result in a coherent architecture of intervention. The mutually reinforcing benefits of learning and knowledge should guarantee that actors look beyond their immediate horizons – which will benefit not only the project/programme, but also all other parties involved. It is an essential management task to define this architecture. It is recommendable to refine further the indicators in the results chain for this purpose.

## C | Implement interventions

The planned interventions are implemented. A suitable system is established for results-based monitoring at the various levels of the results chain. For this purpose, GTZ provides guidelines and a broad range of tools (see Guidelines for Results-based Monitoring, the computer-assisted interview procedure e-VAL). Individual monitoring activities enable managers to determine whether the project is appropriately designed for each success factor, either confirming the appropriateness of our approach or suggesting the need for adjustment. e-VAL results should also be used to steer the project. In this phase, monitoring activities also focus on identifying and evaluating results in the particular context.

Learning and innovation play a special role here. The task is to evaluate whether and to what extent the learning and knowledge objectives for capacity development have been achieved, and which improvements might be advisable. How can cutting-edge learning processes be managed with a view to enhancing performance in the system as a whole? What lessons have been learned in the implementation of the interventions? Interventions that have generated direct results for the partner are particularly suitable as learning models. An internal review should be carried out to identify which innovations in models, methods and tools have facilitated this process.

Communication is an essential part of the process. Typically, data are collected within the various structures of the project/programme. These data need to be collated and evaluated within the scope of the steering model.



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## D | Realign projects

In the implementation phase, monitoring and evaluation focuses on the question “Are we doing things right?” When realigning projects or programmes, the focus is on the question: “Are we doing the right things?” In all phases, information and data are obtained that provide management with a basis on which to review the overall strategy. Information on possible changes in and impacts on the wider setting is crucial. In learning situations, the project objectives achieved and those not achieved are analysed, the project’s positive and negative, intended and unintended results evaluated, and new approaches developed. Learning should be oriented toward the learning potential of partners, so that they are able to learn in changed settings. In this phase, the focus is on the entire project/programme and its design.



# Toolbox Overview



## Success Factor 1 – Strategy

### Tool 1 – Variable Geometry of Strategy

- With whom do we need to negotiate and harmonise the strategic orientation, and in relation to what?

### Tool 2 – Analysis of the Project Environment

- What external developments and trends will influence our project?

### Tool 3 – Scenarios

- How do we develop different strategic options?

### Tool 4 – Strategic Options

- How do we evaluate different strategic options?

### Tool 5 – Consultancy Strategies in Capacity Development

- Which consultancy strategies for capacity development are most promising?

### Tool 6 – Actor Profiling

- How do we engage constructively with the actors' strategies for action?

### Tool 7 – Project Overview Plan

- How do we translate our strategic orientation into an implementation plan?

## Success Factor 2 – Cooperation

### Tool 1 – Internal Stakeholder Map

- What individuals and organisations are or should be involved in the change project?
- What interests connect the actors to the reform project?

### Tool 2 – Key Internal Stakeholders

- Where do we see conflicting objectives, and how can we address them?
- How do we deal constructively with conflictual relationships or conflicting interests?

### Tool 3 – Forms of Cooperation and Roles

- How do cooperation systems develop?
- What links and patterns of cooperation are evident?
- What roles do the actors play in the cooperation system?

### Tool 4 – Network Development and Analysis

- What key issues arise in network management?

### Tool 5 – Confidence-building

- How can the relations of cooperation be consolidated?
- What tensions and conflicts are evident – and what support/conflict management systems/problem-solving procedures are offered?

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#### **Tool 6 – Backstage and Learning Behaviour**

- What unspoken rules, problem-solving methods and learning patterns define the cooperation system?

#### **Tool 7 – External Stakeholder Map**

- Which individuals, organisations or networks outside our cooperation system could be considered as possible partners for our project?

#### **Tool 8 – Key External Stakeholders**

- Who are the key actors outside our system with whom our project should be developing contacts and focusing efforts toward harmonisation and coordination?

#### **Tool 9 – Needs Analysis**

- In what areas do we have a need for complementary cooperation, and with which potential partners should we build cooperation?

#### **Tool 10 – Comparative Advantages**

- What are our comparative advantages that make us an attractive partner in complementary cooperation?

#### **Tool 11 – Shaping Partnerships**

- How do we initiate successful partnerships and alliances and how do we manage them?

#### **Tool 12 – Negotiation**

- How do we steer negotiations in which different interests, ways of working and expectations meet and perhaps clash?

### **Success Factor 3 – Steering Structure**

#### **Tool 1 – Steering Model**

- How do we find the best possible steering method for the cooperation system and how can the various actors be involved in steering?

#### **Tool 2 – Key Topics and Fields of Intervention**

- Which key topics does steering focus on?

#### **Tool 3 – Designing Projects for Change Process Management**

- How do we initiate a change process?

#### **Tool 4 – Debriefing**

- How do we evaluate our experiences and secure lessons learned for subsequent projects?

#### **Tool 5 – Steering and Quality Management of Consultancy Processes**

- How can we improve the results and quality of consultancy processes?



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## Success Factor 4 – Processes

### Tool 1 – Process Landscape

- Which processes do we wish to monitor more closely in process management in order to optimise them?

### Tool 2 – Process Hierarchy and Design

- How do we break processes down onto a level where they can be operationalised?

### Tool 3 – Architecture of Intervention

- How do we sequence our consultancy interventions?

### Tool 4 – Process Optimisation

- How can critical process patterns be recognised and optimised?

### Tool 5 – Interface Management

- How can interfaces be managed?

## Success Factor 5 – Learning and Innovation

### Tool 1 – Policy Field Analysis Review

- Which elements shape the policy field in which the project operates?

### Tool 2 – Scaling-up

- How do we successfully manage scaling-up?

### Tool 3 – Network Learning Capacity

- Which indicators help us review and adjust learning needs and learning results in the network?

### Tool 4 – Patterns of Innovation

- How innovative are we?

### Tool 5 – Product-based Knowledge Management

- How do we place products at the heart of project knowledge management?

### Tool 6 – Organisational Diagnosis

- What are the performance capacities and learning requirements of specific organisations?

### Tool 7 – Communities of Practice (CoPs)

- What would be suitable forms of learning for organisations?

### Tool 8 – Improving Learning Results

- Which aspects do we need to consider when improving learning strategies?

### Tool 9 – Intervisioin

- How do we utilise implicit, person-bound knowledge for ourselves and for mutual exchange?

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### **Tool 10 – Learning and Development Objectives of the Project and its Network**

- What are the project's learning and development objectives? Which deficits do they seek to address within the network?
- With which tools do we intend to promote the three mechanisms of organisational learning?

### **Tool 11 – Learning Strategy Review**

- Are the learning objectives on the four levels of capacity development coherent?
- At which levels and for which themes do we intend to provide stronger support for learning capacity development than in measures planned to date?

### **Notes on using the tools**

When describing the tools in the success factors we have avoided specifying time frames, in order not to compromise the openness and contextuality of the tools. The groups involved in applying the tools, and the depth of detail, can be varied as required:

- As an orienting basis for brainstorming by a single officer responsible for contracts and cooperation or by a small group, a tool will require the shortest time frame (between one and several hours, depending on the complexity of the tool).
- As a basis for discussion within a group of actors from various contexts and organisations, the time requirement for a tool will depend on the heterogeneity of the group and the complexity of the task in hand (between about half a day and a workshop lasting between one and one and a half days).
- As a basis for decision-making by a group of actors discussing elementary aspects such as programme implementation, who wish to reach fundamental agreement within the framework of a cooperation system, the tools will require the longest time frame. This may well require workshops lasting several days that will need to be periodically repeated in order to ensure participatory steering.

The first two approaches are ultimately preparatory steps taken prior to shaping projects jointly with the relevant actors, as described in the final section. Some of the tools contain explicit reference to the fact that certain information needs to be systematically prepared beforehand, or can be collected in the course of the joint work with the tool. Whatever the case, sufficient time must always be allowed. Generally speaking, however, all the tools should be seen as open settings that can be used for a wide variety of purposes on a wide variety of levels. The aim of the toolbox is to support concrete processes of negotiation, and facilitate discussion of the relevant themes with the relevant actors.



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## List of Endnotes

### No. Endnotes

- 1 Concerning consultancy issues, see Roswita Königwieser, Alexander Exner, Systemische Intervention: Architekturen und Designs für Berater und Veränderungsmanager, Schäffer-Poeschel-Verlag, 2008, p.15 ff.; Fachliche Leitlinien und Denkansätze für Veränderungsmanagement in Beratungsprozessen der GTZ, Beratungsteam MODeLS, GTZ 2003
- 2 For further information on the EFQM model, visit: [www.efqm.org/](http://www.efqm.org/)
- 3 Sun-tzu: The Art of War, London 2005
- 4 von Clausewitz, C.: On War, Ware 1997
- 5 Idea and design by Arthur Zimmermann, odcp consult gmbh, Zurich
- 6 Concerning tool 02 (Analysis of the Project Environment), see C. Fleisher, B. Bensousson, Strategic and Competitive Analysis – Techniques for Analysing Business Competition, Pearson 2003
- 7 The Consultancy Strategies in Capacity Development tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 8 See GTZ Policy Paper No.1 on Capacity Development, and: Fachliche Leitlinien und Denkansätze für Veränderungsmanagement in Beratungsprozessen der GTZ, Beratungsteam MODeLS, GTZ 2003
- 9 Developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 10 Developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 11 The Actor Profiling tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 12 Cf. Anderson, Mary B.: Do No Harm. How Aid can support Peace or War. (London 1999). The principle has also been defined by BMZ as a cross-cutting task. The two key questions are: To what extent might the cooperation inadvertently be contributing toward the exacerbation and prolongation of a violent conflict? Through which projects or programme components might we help prevent conflict and promote peaceful conflict transformation?
- 13 Reality as broadly construed by Peter L. Berger und Thomas Luckmann (The Social Construction of Reality, London 1971) and Michel Foucault (The Order of Things, London 2001) is comprised of a constructivist discourse: a network of orienting utterances concerning a particular theme that connects or divides the actors. The discourse reflects knowledge on the theme, including the actors' social perspectives, their prevailing norms, their interests and their power relations which in turn are cemented by the discourse. Discourses and narratives remind us that the reality is not perceived directly but is mediated by semantics and experience.
- 14 For two different perspectives that cannot be dealt with in any further detail here see - concerning representation and democracy: Dingwerth, Klaus: Globale Politiknetzwerke und ihre demokratische Legitimation. Potsdam 2003. - From the public sector management perspective: Kickert, Walter J.M./Klijn/Koopenjan (eds.): Managing Complex Networks. London, Sage 1997
- 15 Cf. Arthur Zimmermann, odcp consult gmbh, Zurich, author of: Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH (eds.), Mainstreaming Participation, Instrumente zur AkteursAnalyse, 10 Bausteine für die partizipative Gestaltung von Kooperationssystemen, Eschborn, n.y. p. 14f.
- 16 The Key Internal Stakeholders tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 17 Based on: Leo Baumfeld, ÖAR, Vienna
- 18 Based on: Leo Baumfeld, ÖAR, Vienna
- 19 Based on: Leo Baumfeld, ÖAR, Vienna

- 20 The Network Development and Analysis tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 21 Developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 22 Cf. Arthur Zimmermann, odcp consult gmbh, Zurich, author of: Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH (eds.), *Mainstreaming Participation, Instrumente zur AkteursAnalyse*, 10 Bausteine für die partizipative Gestaltung von Kooperationsystemen, Eschborn, n.y. p. 32-35
- 23 The Backstage and Learning Behaviour tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 24 For one example see: F. von Stieglitz, W. Engelberg, T. Heindrichs, H. Krüger: *Deutsche Entwicklungszusammenarbeit in der Amazonasregion. Ein Orientierungsrahmen*. Version of 19.06.2006
- 25 The External Stakeholder Map tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 26 The Key External Stakeholders tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 27 The Needs Analysis tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 28 The Comparative Advantages tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 29 The Shaping Partnerships tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 30 Tool 04 (Debriefing) is taken – partially verbatim – from: Martin J. Eppler, *Debriefing – Lernen aus Erfolgen und Fehlern*, in: *Zeitschrift für Organisationsentwicklung*, 01/2007, *Werkzeugkiste* Nr. 10, p. 73-77
- 31 Concerning Business Process Reengineering, see Michael Hammer (et al.), *Reengineering the Corporation: A Manifesto for Business Revolution*, Harper Business, 1993;  
 concerning the Stretch School of Strategic Management, see Gary Hamel (et al.), *Competence-based Competition*, John Wiley & Sons, 1994;  
 concerning Six Sigma, see. Penelope Przekop, *Six Sigma for Business Excellence*, McGraw Hill Contemporary, 2005;  
 concerning the value chain approach, see Michael Porter, *Competitive Advantage: Creating and Sustaining Superior Performance*, The Free Press, 1985
- 32 Concerning tool 03 as a whole, see Roswita Königswieser, Alexander Exner, *Systemische Intervention*, see note 1
- 33 Source: Trigon development consultancy
- 34 The Scaling-up tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 35 The Patterns of Innovation tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich
- 36 The Communities of Practice (CoP) tool was developed by Arthur Zimmermann, odcp consult gmbh, Zurich



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