

Management Systems for Capacity Building

Capacity building is crucial for the implementation of the UNFCCC/Kyoto Protocol, in particular, with respect to the Kyoto mechanisms. Recent literature from the organizational development and management professions offers improved instructional design models and strategic management tools that could make Kyoto-related capacity building efforts more efficient, effective and sustainable.

The design phase for capacity building initiatives is particularly crucial but has been neglected to date by Kyoto subject matter experts. Professional needs assessment, the design of instructional systems, management training systems, and quality assurance standards can all contribute to better design guidance *ex ante* and, ultimately, to more effective capacity development interventions.

Urgent problem recognized

Tanzania, on behalf of the G77 & China, suggested in document FCCC/SBI/2003/INF.9 (28 May 2003) that the UNFCCC secretariat should develop a methodology for assessing the quality of capacity-building activities (including their effectiveness and areas for improvement). In addition, the monitoring and evaluation arm of the Global Environment Facility is considering enhanced performance measurements for capacity development. As new capacity building programs (*e.g.* World Bank CF-*assist*, initiatives of regional development banks, bilateral programs, public-private partnerships, NGO and local efforts) are being developed, process-oriented management systems should be integrated in program design and monitoring architecture.

The recipients of capacity building services would also benefit. Many businesses and countries currently lack the tools to actively and effectively manage their own capacity development processes, thereby jeopardizing the achievement of their performance or development goals. A lack of strategic management by host country actors can result in donor-driven studies and priorities, unplanned and unproductive duplication, *ad hoc* training efforts that are not sustainable, and failure to proactively chart a course to overcome performance problems or seize emerging opportunities. To ensure an acceptable return on investment from their training and

education activities, host country actors need an integrated training quality management system that guarantees that the investment made in people is congruent with their business or public administration strategy and directly supports the organization's performance.

Quality assurance

When investing in people, what matters are sustained results, not simple input-output indicators, such as the number of persons trained or the amount of money spent on training. To be effective, efforts to build individual skills and knowledge must be embedded in an overall framework to ensure that workers can apply their new skills on the job to improve their performance and productivity; otherwise, individual competencies might improve, while organizational performance stagnates or declines.

Companies that want to take advantage of CDM opportunities, for example, do not just need to train a few technicians on how to complete a Project Design Document. On the contrary, a whole suite of inputs are required, including:

- a) organizational development (*e.g.* inclusion of CDM opportunities in the company's own strategic capital investment decisions; focus on optimal, rather than least-cost technology options, taking into account CDM benefits),
- b) human resource development (*e.g.* rewards system that encourages the identification of profitable CDM opportunities), and
- c) technical systems development (*e.g.* project identification or baseline calculation tools).

Traditional input-output evaluations tend to take an external, reactive (end-of-pipe) approach, which neglects the importance of both the capacity building process itself and the integration of human development

initiatives in overall enterprise or government strategy; unfortunately, it is the norm today. Alternatively to this traditional approach, we recommend that both providers and recipients of capacity building services implement professional training management systems and quality assurance standards (*e.g.* ISO 10015) to ensure improved strategic management tools for capacity building efforts.

State-of-the-art training management systems

The ISO 10015 quality standard, available since 2000, offers the most succinct quality assurance criteria for adult training so far and is available for use by private and public organizations interested in improving their return on training investment. The main features of the ISO 10015 quality standard for training are illustrated in Figure 1.

While the monitoring and evaluation of most training programs is often end-of-pipe and restricted to the training program itself (Cycle B of the complete process), the impact of the training intervention on performance objectives at the 'macro' level (Path A) is rarely given serious consideration. The ISO 10015 system provides a systematic and transparent framework for determining how training programs can contribute to the overall performance objectives of the organization/institution, while simultaneously identifying other necessary interventions. The training management system thus leads to better design guidance *ex ante* and delivers data for continuous improvement.

Instructional systems development

In addition to the need for effective capacity building management and quality assurance systems, the process of instructional systems development, beginning with needs assessment, should be given greater consideration during the design phase of capacity building initiatives.

Too often subject matter experts, such as Kyoto mechanisms specialists, focus on technical training to alleviate individual capacity gaps (*e.g.* training to put local project developers in a position to prepare a CDM PDD), because this is what they know, while overlooking or ignoring institutional and systemic issues that are crucial to ensure sustained, effective outcomes, as they have a strong bearing on the actual transfer of newly acquired knowledge and skills on the job. Subject matter experts (and programs designed and managed by them) tend to undervalue the task of needs assessment and thus fail to

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consider the full breadth of factors that act to either enhance or inhibit performance.

After all, not all Kyoto mechanism barriers can be effectively addressed through training, so it is important to examine the root causes of implementation deficits in those cases. Otherwise, scarce resources can be wasted on training that either may not achieve the intended results or cannot be applied effectively on-the-job and therefore sustained over time.

Countries that are currently unable to attract foreign direct investments are one example: it might not be effective for such countries to invest their limited resources in training efforts to establish the institutional prerequisites to engage in the Kyoto mechanisms and to improve project identification skills unless attention is also paid to improving the overall attractiveness of the country and key CDM sectors to foreign investors or finding innovative ways to lower the country-specific risk of CDM projects to potential investors.

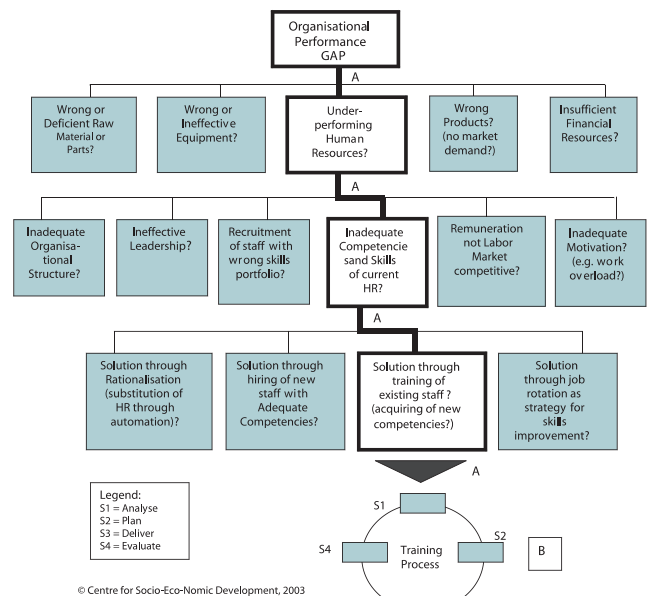
Professional approach

The adult training literature offers new models for instructional systems design that are more compatible with the real business environment (global competition, total quality management, corporate reengineering) as they address business performance/profitability centered. They are experience-based and use an interactive approach to organizations.

Application of a quality assurance management tool such as ISO 10015 would bring additional benefits. Too often out-dated learning models continue to be deployed in the field of international cooperation. The adoption of training quality management systems would encourage service providers and subject matter experts to pay more attention to the impact of their training and hence to adopt appropriate and innovative training methodologies and to ensure a high level of "teaching" competency among instructors.

Since February 2003, the Academy for Quality in Training and Education (AdeQuate™), Switzerland, has been working as an

Figure 1. Linking Training with Organizational Performance



accredited certification body for training systems, training programs and training providers in the private and public sector based on the ISO 10015 Quality Standard for Training. We are eager to see this state-of-the-art approach applied to UNFCCC/Kyoto capacity building for sustainable development.

A user-friendly and beneficiary-oriented management system as ISO 10015 provides timely & transparent information on capacity building processes and empowers the implementation partners keep improving their methods. As long-time practitioners in the field of organizational development and adult training, we urge the climate community to embrace this new quality management tool developed by the specialized professionals and to resist the natural tendency to recreate the wheel when it comes to capacity building.

PROBASE Expert Workshop

On 6-7 November 2003, a workshop will be held on baseline standardization for JI and CDM projects. The meeting will discuss the research conclusions of the European research project PROBASE (Procedures for Accounting and Baselines for JI and CDM projects, EU 5th Framework programme). The workshop will be held in Groningen, the Netherlands.

Main theme

PROBASE has shown for a number of cases (countries, projects) how baseline standardization could be applied in practice. Its aim has been to find a balance between:

- the requirement of the 'Marrakech Accords' that baselines must be project-specific, and
- the features of standardized baselines in terms of reduction of transaction costs and transparent procedures.

This balance, which is of crucial importance for the applicability of baseline standardization to JI and CDM projects, will be the central theme at the workshop.

Specific questions

The workshop will address this theme through a number of more specific questions:

- To what extent can baseline standardization streamline the baseline-additionality debate, avoid baseline inflation and gaming?
- What could standardization look like: *i.e.* standardization of procedures (*e.g.* ERUPT), standardization of baseline parameters (*e.g.* fixed crediting lifetimes, standard baseline technology), standardization of baseline emission factors (*e.g.* benchmark values)?
- How to determine standardized baselines: *e.g.* using energy models, sector/regional/technical aggregation

on the basis of recent/historical data and/or identifying an economically attractive course of action?

- Decision-making on standardization: should standardisation be mandatory or voluntary?
- Should experts under the auspices of *e.g.* the EB or the countries themselves determine standardized baselines. How to arrange mutual recognition of standards in case of the latter?

Registration

For registration to this workshop and further information, please visit our website: www.northsea.nl/jiq/workshop.htm.

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