

# THE WORLD BANK



## **Capacity Building Framework for a Developing Professional Economy**

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# **Organization Capacity Building in a Professional Economy**

## **Presentation Highlights**

- ⇒ Building capacity requires policy design, sound institutional frameworks, organizational structures, individual demand for change**
- ⇒ What can governments, executing agencies, donors and consultants contribute to Capacity Building?**

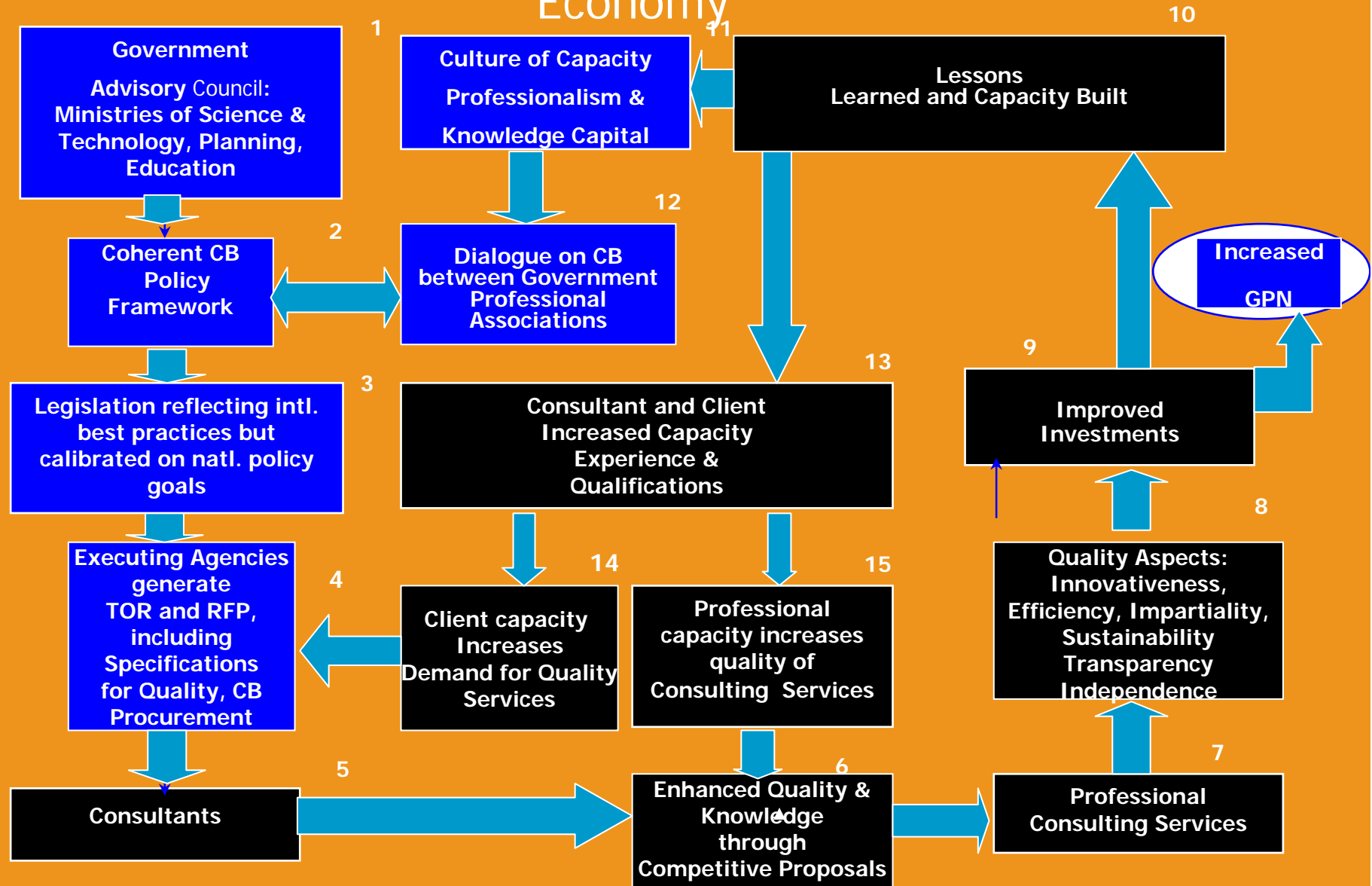
## **Following Conclusions Result from World Bank “Country Consultant Services Assessments” I :**

- **Countries often lack a coherent, explicit & targeted policy on capacity building**
- **Countries lack institutional frameworks that stimulates & channels professional capacity**
- **Research Institutions and Professional schools don't feed talent into the knowledge services sector or the public administration**
- **Countries lack procurement methods suitable for the creation of a professional economy**
- **Remuneration levels don't allow the hiring of talented professionals (on both sides)!**

## **Following Conclusions Result from World Bank “Country Consultant Services Assessments” II :**

- **Low levels of professional outsourcing, administrative hurdles in hiring consultants**
- **Lengthy, costly procedures and favoritism**
- **Poor remuneration of consultants does not support their independence nor their creativity**
- **Often impossible for independent professionals to become consulting firms**
- **Building of professional capacity is not possible : Professional Poverty Traps**

# Capacity Building Framework in a Professional Economy



# **Coherent Macro-Policy Framework**

**State Council for the Professional Economy  
Under President or Prime Minister Office**

*On the Supply Side:*

- **Ministries of Education, Science & Tech.**
- **Academia and Professional Schools**
- **Public and Private Research Centers**
- **Professional associations**
- **Consulting Firms**

# **Coherent Macro-Policy Framework**

**State Council for the Professional Economy  
Under President or Prime Minister Office**

*On the Demand Side:*

- **Technical Ministries**
- **Public Sector Executing Agencies**
- **Regional, Provincial, Municipal Authorities**
- **Civil Society and the Public**

# **Coherent Macro-Policy Framework**

**To set CB in Motion Following key decisions must be taken by Government :**

- **Decide the appropriate-and-priority tasks for government to perform**
- **Specify desired output and outcomes**
- **Specify skills needed to deliver the outcomes**
- **Specify the incentives frameworks (including pay and service condition)**



## **Legal & Regulatory Framework Coherent with State Policy**

- **Legislation reflecting professional best practices**
- **Legislation reflecting market signals**
- **Legislation reflecting priority of capacity building**
- **Legislation enabling formation of national independent professional capacity**
- **Procurement Regulation Consistent with above objectives**

# **Coherent Micro-Policy Framework**

## **Government Organizations Role:**

- **Restructure the way functions are performed and services delivered consistent with national policies**
- **Formulate Strategic Outsourcing**
- **Plan Execute Procurement diligently**
- **Demand Professional Services consistent with Outsourcing Strategy**
- **Expand/deepen Role of National Consultant**

# **Coherent Micro-Policy Framework**

## **Consultant Association Role:**

- **Dialogue with Government on CB policy  
Institutional Reforms and Organization**
- **Assist Gov formulate Outsourcing  
Strategy and Procurement Regulation**
- **Dialogue with Donors**
- **Assist members CB on technical/integrity**

# **Coherent Micro-Policy Framework**

## **Consultants are “Natural” Partners**

- **Assist client CB on Leadership, Institutional, Technical and Integrity**
- **Make Capacity Building a Pervasive Effort**
- **Strengthen Presence of National Consultants as obvious link in CB**
- **Provide for Integrity**

# **Coherent Macro & Micro-Policy Framework**

## **Donors Role:**

- **Donors finance over \$2.0 Billion/year should seek more leverage**
- **Understand that consultants are the most professional partners in the CB process**
- **Facilitate Dialogue at all levels with clients and consultants on CB**
- **Pool TA funds and harmonize procedures**
- **Do not promote systems that are parallel or subvert the functioning of established government systems**

# **Coherent Macro & Micro-Policy Framework**

**How can Governments jumpstart process?  
(Short term):**

- **Assess status of your CB policy, compare it with other countries**
- **Organize workshops of policymakers professional associations and donors on CB policy**
- **Adopt selection methods procedures more coherent with your CB policy**

# Capacity Building: Conclusions

- **Government needs a workable policy, institutional, organizational frameworks**
- **Policy on consultants must fit policy objectives including Capacity Building**
- **Consultant remuneration must be adequate and recognize that knowledge services must be remunerated adequately to build capacity**
- **When capacity is developed the country is developed**