The Importance of Stakeholder Ownership for Capacity Development Results

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## Abbreviations

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<th>Full Form</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>CAS</td>
<td>Country Assistance Strategy</td>
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<td>CDD</td>
<td>Community Driven Development</td>
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<td>CDRF</td>
<td>Capacity Development and Results Framework</td>
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<td>CPIA</td>
<td>Country Policy and Institutional Assessment</td>
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<td>CSO</td>
<td>Civil Society Organization</td>
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<tr>
<td>CV&amp;A</td>
<td>Citizens’ Voice and Accountability</td>
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<tr>
<td>DFID</td>
<td>United Kingdom Department for International Development</td>
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<td>DG</td>
<td>Development Goal</td>
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<td>DPL</td>
<td>Development Policy Lending</td>
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<td>EITI</td>
<td>Extractive Industries Transparency Initiative</td>
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<tr>
<td>FBO</td>
<td>Faith Based Organization</td>
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<tr>
<td>HIPC</td>
<td>Highly Indebted Poor Countries Initiative</td>
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<td>IBP</td>
<td>International Budget Project</td>
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<tr>
<td>ICT</td>
<td>Information and Communication Technology</td>
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<td>IEG</td>
<td>Independent Evaluation Group</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Cooperation and Development</td>
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<tr>
<td>PEFA</td>
<td>Public Expenditure and Financial Accountability program</td>
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<tr>
<td>PFM</td>
<td>Public Financial Management</td>
</tr>
<tr>
<td>PRS</td>
<td>Poverty Reduction Strategy</td>
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<td>PTF</td>
<td>Partnership for Transparency Fund</td>
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<tr>
<td>ROSC</td>
<td>Report on the Observance of Standards and Codes</td>
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<tr>
<td>TI</td>
<td>Transparency International</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>UNDESA</td>
<td>United Nations Department of Economic and Social Affairs</td>
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<td>UNDP</td>
<td>United Nations Development Program</td>
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<td>WBI</td>
<td>World Bank Institute</td>
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Executive Summary

Introduction

Capacity development is widely accepted as critical to achieving the Millennium Development Goals (MDG) and other development outcomes, but the results from capacity development initiatives have often been disappointing. This challenge signifies the urgent need to advance capacity development knowledge and practice. As a contribution to addressing this challenge, the World Bank Institute (WBI) has developed a strategic, country-led and approach to results-focused capacity development, which involves collective action across society and an emphasis throughout on achieving results. The conceptual framework and processes for WBI’s approach are captured in the Capacity Development and Results Framework (CDRF) (Otoo, Agapitova and Behrens 2009).

The CDRF proposes the following operational definitions of capacity and capacity development:

- **Capacity** is the availability of resources and the efficiency and effectiveness with which societies deploy these resources to identify and pursue their development goals on a sustainable basis.

- **Capacity development** involves the empowerment of societal actors through learning, knowledge, information and innovation, in order to effect transformational and sustainable change in institutions, which in turn supports the achievement of the development goal.

Capacity development therefore seeks to impact achievement of development outcomes by changing institutions. Based on extensive practitioner consultations and learning, the CDRF identifies three broad institutional capacities as the operational targets of capacity development efforts to advance achievement of any development goal: **strength of stakeholder ownership** for the development goal, **efficiency of policy instruments**, and other formal incentive mechanisms that guide stakeholder behavior towards the goal, and **effectiveness of organizational arrangements** established to achieve the goal. For each of these institutional capacities, the framework identifies a number of attributes or characteristics that contribute to the institutional capacity.

The focus of this paper is on the strength of stakeholder ownership. Drawing on a review of recent studies, literature and relevant examples, this paper seeks to deepen understanding of the importance of stakeholder ownership and its contributing institutional characteristics to achieving development goals. The paper identifies future collaborative research that would shed light on which change strategies are likely to be most effective in strengthening stakeholder ownership in different contexts.

Strength of stakeholder ownership

The CDRF (WBI 2010b, p.2) provides the following definition:

“Stakeholder ownership comprises formal and informal political, economic and social forces that determine the priority that government, civil society and the private sector give to a development goal.”

Stakeholder ownership is therefore concerned with the demand-side of development, involving the priority and support a society (including government leaders, public officials, legislators, civil society actors, private sector, service users and providers, academia and citizens) gives to a development goal as a consequence of various forces. The political, economic and social forces are mediated though formal and informal institutions, often referred to as the “rules of the game” for society’s actors. Institutions shape incentives that may influence the stakeholder ownership for a given development goal. Fundamentally, it involves the ability and willingness of beneficiaries and also other actors inside and outside government to express and facilitate demand, so as to influence achievement of the development goal.
Country ownership has become probably the most prevalent and widely held principle of development assistance in recent years, reflecting the growing recognition that donor-driven development assistance and technical solutions imported from other countries were often ineffective in bringing about sustained change. The scaling up of development assistance to support MDGs (UN 2000) highlighted the importance of improving aid impact. Strengthening country ownership is central to the 2005 Paris Declaration on Aid Effectiveness, and to the World Bank’s approach to development engagement. To emphasize that the concern is for ownership by actors across society, and not just government, the term “stakeholder ownership” is used in the CDRF and this paper.

Strong stakeholder ownership is essential because capacity development impacts roles and responsibilities that “unsettle vested interests and established power structures” (UNDP 2008, p.4) and “the forces for change will only arise out of the political and social system of the country” (OECD 2006, p.21). Several major cross-country studies provide evidence supporting the development community consensus that stakeholder ownership is critical to the success of development programs, including the Independent Evaluation Group (IEG) evaluation of Public Sector Reform (World Bank 2008), the Capacity, Change and Performance 16 country-case study (Baser and Morgan 2008), and the Asian Development Bank (ADB) 2007 Annual Evaluation Review.

Understanding and assessing ownership is therefore a key concern. This is reflected in the 2009 DPL Good Practice Note (World Bank 2009c) and a checklist for assessing country ownership of poverty reduction strategies (PRS) (Entwistle and Cavassini 2005) that suggest potential, broad indicators of ownership (Box 1). Ownership can look very different in different types of development processes. Examples include political ownership (as in Punjab devolved education where politicians provided backing and space for reform), ownership across a coalition of different interests (as in domestically-driven civil service reform in Sri Lanka), and grass roots ownership (as in community-led reforms to primary education in Chad). These examples illustrate the breadth of what can constitute stakeholder ownership, but, in general, measurable indicators are lacking.

**Institutional characteristics contributing to stakeholder ownership**

Drawing on lessons of experience from across the development community, the CDRF identifies five institutional characteristics that (i) impact the ability and willingness of stakeholders to influence the achievement of a development goal and (ii) are susceptible to change through deliberate action. They can therefore be considered as potential levers to contribute to strengthening stakeholder ownership, and are described in Table 1 (in the main text).

- Commitment of social and political leaders to the development goal
- Compatibility of social norms and values with the development goal
- Stakeholder participation in setting priorities related to the development goal
- Stakeholder demand for accountability regarding the development goal
- Transparency of information to stakeholders related to the development goal

A summary of the review regarding each institutional characteristic is shown in Table ES-1. This includes key dimensions captured within the characteristic, and why it is important for achieving development goals. The table presents the evidence available from cross-country studies of each characteristic’s importance, and how to recognize it. The latter draws on relevant indicators from actual World Bank project results frameworks, country examples from the literature that illustrate what the characteristic might look like, and existing data sets where available.

Table ES-1 summarizes two general findings from the review. First, for each institutional characteristic, the literature reflects the broadly held view that the characteristic is important for achieving a development goal (DG). The cross-country studies do not directly test the impact of the characteristics on achieving a development goal and, therefore, do not provide conclusive evidence. This is in part because the studies were not specifically designed to assess a characteristic’s impact (often taking this assumption as the starting point), and in part because common terms were used for somewhat different concepts. However, for each of the five characteristics, two or more cross-country studies broadly demonstrate the contribution of
### Table ES-1. Institutional Characteristics of Stakeholder Ownership

<table>
<thead>
<tr>
<th>Key dimensions</th>
<th>Why important</th>
<th>Supporting evidence</th>
<th>What it looks like</th>
<th>Illustrative examples</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commitment of Social and Political Leaders</strong></td>
<td>• Commitment of both social and political leaders</td>
<td>• Commitment of both social and political leaders.</td>
<td>Fairly strong supporting evidence of the positive contribution of leaders’ commitment to achieving DGs is provided by:</td>
<td>Different indicators of leaders’ commitment and illustrative examples include:</td>
</tr>
<tr>
<td></td>
<td>• Commitment demonstrated through words and deeds</td>
<td>• Influence the opinions and actions of many others (motivating some while overcoming resistance of others)</td>
<td>• IEG public sector reform evaluation (2008)</td>
<td>• Allocation of resources to support achievement of the goals—such as Rwanda spending on Information Communications Technology (ICT) to support transformation of the economy, and share of secondary education in ministry budget in Burkina Faso.</td>
</tr>
<tr>
<td></td>
<td>• Accountability for commitments made</td>
<td>• May have specific powers to enable the program (such as creating reform space)</td>
<td>• IEG Africa capacity development evaluation (2005)</td>
<td>• Concrete actions—such as prosecution of public officials in Singapore’s anti-corruption drive.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• May be able to provide resources</td>
<td>• IEG synthesis review on strengthening effectiveness and accountability of public sector institutions (2006)</td>
<td>• Assignment of a top politician to lead reforms—such as the Deputy Prime Minister being directly responsible for the mine action organization in Azerbaijan.</td>
</tr>
</tbody>
</table>

### Compatibility of Social Norms and Values

<table>
<thead>
<tr>
<th>Why important</th>
<th>Supporting evidence</th>
<th>What it looks like</th>
<th>Illustrative examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Extent the DG is supported or undermined by social norms</td>
<td>Several studies indicate the contribution of social norms, values and informal institutions to capacity development:</td>
<td>WBI’s database of project indicators includes survey results regarding women’s acceptance of violence (UNICEF Multiple Indicator Cluster Survey) and belief of labor in pension system (Living Standards Measurement Survey).</td>
<td></td>
</tr>
<tr>
<td>• Whether solutions adopted to achieve DG are supported by social norms</td>
<td>• IEG public sector reform evaluation (2008)</td>
<td>Helmke and Levitsky (2004) categorize informal institutions based on their relationship with formal institutions. Illustrative examples in each category:</td>
<td></td>
</tr>
<tr>
<td>• Involve informal institutions</td>
<td>• Baser and Morgan 16 country case study (2008)</td>
<td>• Complementary informal institutions reinforce the impact of formal institutions—such as the contribution of shared values among staff and patients of a non-governmental hospital in northern Uganda to ensure its survival and success.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• OECD review of capacity development experience (2006)</td>
<td>• Substitutive informal institutions fill gaps in state capacities—such as faith-based organizations in Papua New Guinea delivering social services and facilitating peace-building in communities.</td>
<td></td>
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</table>

**Further considerations**

Social norms and similar informal institutions are often resistant to change. DGs should not necessarily be constrained by existing norms, such as those involving discrimination. In some circumstances it is possible that they can be successfully challenged.
<table>
<thead>
<tr>
<th>Key dimensions</th>
<th>Why important and further considerations</th>
<th>Supporting evidence</th>
<th>What it looks like</th>
</tr>
</thead>
</table>
| • Participation in choices between DGs | Effective participation broadens likely ownership of the DG choices made, and enables broadly dispersed beneficiaries to create pressure for change to achieve the DG. | Several studies find participation, broadly defined, contributes to likely success of a DG: | **Illustrative examples**
| | | • ADB annual evaluation report for 2007 | WBI’s database of project indicators includes stakeholder representation on decision-making bodies, and responsiveness of government spending plans to expressed stakeholder preferences.
| | | • UNDESA 2010 report on post-conflict reconstruction | Processes that facilitate stakeholder participation in setting priorities and illustrative examples include:
| | | • IEC Africa capacity development (2005) | • PRS processes—such as the institutionalization of stakeholder participation in Mozambique PRS processes.
| | | • Studies referenced by Russell-Einhorn (2007) | • Targeting marginalized groups—such as Nepalese programs to empower excluded groups to access rights and services.
| | | A joint donor evaluation of voice and accountability interventions found unrealistic donor expectations contributed to mixed results (Rocha Meno-cal and Sharma 2009). | • Local planning and budgeting—such as town meetings and community participation in local development councils as part of decentralization in Guatemala.
| | | | **Existing indicator frameworks**
| | | • Managing for Development Results Capacity Scan manual provides criteria for assessing participation in policy, planning and budgeting processes at the national level. | • Managing for Development Results Capacity Scan manual provides criteria for assessing participation in policy, planning and budgeting processes at the national level.
| | | • The Bank’s CPIa includes measures of community involvement in planning and public consultations in several sectors. | • The Bank’s CPIa includes measures of community involvement in planning and public consultations in several sectors.
| | | | **Illustrative examples**
| | | • The Bank’s CPIa includes measures of community involvement in planning and public consultations in several sectors. | WBI’s database of project indicators includes scrutiny of public finances by non-state actors, surveyed opinion of the need for citizens to actively question leaders, and active representation of stakeholder in governance arrangements related to the DG.
| | | | Mechanisms and illustrative examples include:
| | | • Monitoring of public programs—such as citizen watchdog institutions monitoring education improvements at local and community levels in Ethiopia. | • Monitoring of public programs—such as citizen watchdog institutions monitoring education improvements at local and community levels in Ethiopia.
| | | • Budget oversight—such as civil society groups undertaking analysis and advocacy in respect of the government. A six-country study found positive impact on allocations and systems. | • Budget oversight—such as civil society groups undertaking analysis and advocacy in respect of the government. A six-country study found positive impact on allocations and systems.
| | | • Report cards and surveys—such as citizen report cards used to monitor public perceptions of service delivery in Bangalore. | • Report cards and surveys—such as citizen report cards used to monitor public perceptions of service delivery in Bangalore.
| | | • Challenge to change from clients—such as outspoken challenge by the business community for the Afghanistan Investment Support Agency to improve business entry conditions. | • Challenge to change from clients—such as outspoken challenge by the business community for the Afghanistan Investment Support Agency to improve business entry conditions.
| | | | **Existing indicator frameworks**
| | | • Indicator sets that measure accountability focus on government actions to provide account, rather than demand for accountability from stakeholders. | • Indicator sets that measure accountability focus on government actions to provide account, rather than demand for accountability from stakeholders. |
Interaction among the institutional characteristics

The institutional characteristics are interactive and dynamic. Commitment of political and social leaders and social norms will be affected by each other, and will influence participation, demand for accountability and transparency. In addition, the concepts of participation, demand for accountability and transparency are closely interwoven.

While, in some circumstances, positive impact on achievement of the development goal may be possible through focused attention on one of the institutional characteristics, action on multiple fronts may be needed to align interests and challenge vested interests. Any approach to designing
a change strategy therefore needs to be designed locally, to understand these interactions.

**Conclusions and the way forward**

In summary, the findings of the cross-country studies provide some evidence to support the widely-held view that stakeholder ownership and the five characteristics are important factors in the achievement of development goals. However, in many cases this hypothesis is not directly tested, definitions of these concepts often vary between studies and robust measures are typically lacking.

The CDRF’s institutional characteristics have been more narrowly and precisely specified than the broad, commonly used terms of commitment, participation, accountability and so on. This makes the characteristics operationally useful in targeting capacity development to achieve desirable institutional change, and allows testing to identify what really matters in creating effective demand for a development goal and how to measure it.

On this foundation, the review proposes two main implications for the way forward. First, the review underlines the need to more systematically incorporate stakeholder ownership and its contributing characteristics in the goal assessment, problem identification, objective setting, design, implementation, monitoring and evaluation of development programs. Capacity development initiatives within development programs need to address this broader institutional environment, in addition to the challenge of formal policy instruments and organizational arrangements.

Second, more learning is required, involving collaboration among disciplines, to build understanding about what aspects of stakeholder ownership really matter in varying contexts and conditions, how they can be measured and in what ways they can be influenced. Key steps include:

- Challenging and building consensus on the CDRF’s precise operational definitions.
- Piloting applications of the CDRF to support local agents in developing strategies to strengthen stakeholder ownership.
- Developing stakeholder ownership indicators for adaptation and inspiration of practitioners.
- Systematically reviewing and evaluating practices in strengthening stakeholder ownership.
- Promoting and capturing innovative practices that strengthen stakeholder ownership, and demand-side institutions more generally.
Introduction

WBI’s approach to results-focused capacity development

There is wide acceptance of the importance of capacity development to the achievement of development outcomes. It underpins the MDGs and 2005 Paris Declaration on Aid Effectiveness. The OECD (2006, p.11) lays out the nature of the challenge, contrasting this importance with the difficulties experienced in trying to achieve it, noting: “Capacity development has been one of the least responsive targets of donor assistance.”

One of the main stumbling blocks for capacity development has been broad and varied understanding of what is meant by capacity and capacity development, such that consensus on an effective operational set of definitions is lacking. This undermines a strategic, results-focused approach. Also among the culprits: lack of clear links between capacity development interventions and development goals; externally driven technical solutions; inadequate consideration of stakeholder incentives; lack of clarity and rigor in setting objectives and measuring results of interventions; and poor fit to local institutional context.

The constraint placed by inadequate capacity on development and poverty reduction, and the disappointing achievements from interventions to date, signify the urgent need to advance capacity development knowledge and practice. In response, in consultation and collaboration with partners, WBI developed a strategic, country-led and results-focused approach to achieving transformative capacity development. The approach recognizes the need to go beyond ability and competence of individuals and organizations, to address the effects of the institutional environment on the willingness of stakeholders to act.

WBI’s approach is strategic in that directs capacity development initiatives to achievement of sustainable institutional changes required for development results. It involves local agents of change designing and implementing their own change processes that are tailored to their particular context, and is concerned with collective capacity and action by empowered leaders, citizens and coalitions across society. It supports country stakeholders in a systematic process from problem identification and design to implementation, monitoring and evaluation. At the core of WBI’s approach is a results focus that enables setting objectives and measuring achievements while facilitating flexibility and innovation in the change process.

This approach provides the basis for systematic learning about what works and why. It also aims to assist in applying the specialized knowledge across the broad spectrum of governance, political economy, social accountability and institutional development to capacity development initiatives. The conceptual framework and processes for this approach are captured in WBI’s Capacity Development and Results Framework (CDRF) described in Otoo et al (2009).

Key concepts

A critical step for capacity development initiatives is the development of widely accepted operational definitions of capacity and capacity development. Significant efforts have been underway across the development community in this direction. The CDRF has sought to contribute through developing definitions that are precise so as to make them operationally useful, while being comprehensive.

The CDRF defines capacity as the availability of resources and the efficiency and effectiveness with which societies deploy these resources to identify and pursue their development goals on a sustainable basis. This definition highlights two key points regarding capacity that are widely accepted.

- The availability of resources (human, financial, technical) is a necessary but not sufficient condition for achieving the development goals of a society or an administrative entity.
- Social and economic development is sustainable when results and performance are locally owned and can be replicated and scaled up by local actors.
Most definitions of capacity previously focused on the ability of local agents and define capacity at this entry point (for example, OECD 2006, p.12). However, a more comprehensive understanding of capacity is arising globally. The effectiveness and efficiency with which resources are acquired and used by stakeholders to achieve results depend not only on ability or competence, but also on social, political, economic, policy and organizational factors that condition the behavior of actors and their willingness to act. These factors, rooted in history, power-relations and a host of other context-specific variables, are collectively referred to in the literature as the enabling environment or institutional context.

Following from the above, capacity development is defined as the self-empowerment of societal actors through learning, knowledge, information and innovation to effect transformational and sustainable changes in local institutions, which in turn enable achievement of their goals.

As the next step, the CDRF draws on extensive practitioner consultations and learning to identify three of the overarching institutional factors that constrain achievement of development goals: low or divergent priority given by stakeholders that inhibits effective action; inadequate policy framework to guide stakeholder actions; and poorly performing organizations. From these, it derives three broad institutional capacities as the operational targets of capacity development. The first of these addresses institutional factors that strengthen demand for a given development goal, while the second and third are concerned with institutional factors that enable the supply:

- **Strength of stakeholder ownership**, comprising formal and informal political, economic and social forces that determine the priority that government, civil society and the private sector give to a development goal.

- **Efficiency of policy instruments**, comprising the administrative rules, laws, regulations, standards and other formal incentives that a society uses to guide stakeholder actions to achieve its development goals.

- **Effectiveness of organizational arrangements**, comprising the systems, rules of action, processes, personnel, and other resources that state and non-state stakeholders bring together to achieve a development goal.

For each of these institutional capacities, the CDRF identifies a number of **institutional characteristics**, which contribute to that institutional capacity. Capacity development interventions can then target these characteristics to improve the institutional environment in support of local development.

This paper focuses on the strength of stakeholder ownership, and five institutional characteristics that WBI’s ongoing learning and consultations with development practitioners globally indicate are key contributors.1

**Purpose and content of the paper**

Despite its widely accepted importance in the development process, the concept of stakeholder ownership is not clearly defined or understood due to a lack of empirically rooted evidence and analysis (Forsberg 2007). Drawing on a review of recent literature and relevant examples, this paper seeks to deepen understanding of stakeholder ownership, its relevance, institutional characteristics that contribute to it and how these can be observed. It identifies future collaborative research needed to better understand which change strategies are likely to be most effective in strengthening stakeholder ownership in different contexts.

Section B explores the meaning of stakeholder ownership and its determinants, growing consensus of the development community on this issue, findings of relevant cross-country studies of its impact and illustrations of the forms it may take. Section C describes the five institutional characteristics of stakeholder ownership, and for each considers arguments and evidence regarding relevance and the contribution made, and how it might be recognized, providing examples. Section D discusses the interactions among the characteristics. Section E concludes with remarks about the agenda for further experimentation and learning.

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1 This paper focuses on the nation-state or other jurisdiction as the context for discussion. However, the concept of the three institutional capacities and their contributing characteristics is quite general. The constructs and various tools developed for their application can be used flexibly at any level of society and in any social organization. For instance, tools developed for diagnosis of the effectiveness of organizational arrangements were used to help strengthen a coalition of CSOs in Colombia to improve their participation in the national development planning process, i.e., strengthening national stakeholder ownership.
Strength of Stakeholder Ownership

Stakeholder ownership and its determinants

“Stakeholder ownership comprises formal and informal political, economic and social forces that determine the priority that government, civil society and the private sector give to a development goal.”

The CDRF (WBI 2010b, p.2) packs a lot into this concise definition of stakeholder ownership. It includes:

- The extent of the priority (and support) that is attached to a development goal, including accountability for its achievement.
- The priority across different actors in society, not just the government or public officials involved.
- The determinants that drive the priority given.

The concern is with ownership of stakeholders across society, including government leaders, public officials, legislators, civil society actors, private sector, service users and providers, academia and citizens. It involves the ability and willingness of beneficiaries and also other actors inside and outside government to generate and express demand so as to influence achievement of the development goal. This also includes actions taken, often by public officials, to facilitate effective demand from other stakeholders (for example, by making public relevant information).

Stakeholder ownership relates to the space created by stakeholders’ interactions, within which development goals and policy directions are set and where accountability for development results is ultimately determined. Different stakeholders are likely to have varying, and sometimes conflicting interests; the space for development goals to be achieved will depend on how those different stakeholders interact and the overall balance of positive ownership that results. Together these constitute the demand-side of development. As de Nevers, Leautier and Otoo (2005, p.4) point out: “The demand-side, which is rooted in governance and in political economy considerations, relates to the decision processes that determine how countries set priorities about what they actually want to do and, therefore, what they want capacity for.”

The social, political and economic forces that determine ownership are mediated through institutions, both informal and formal. The classic definition of institutions provided by North (1991, p.3) is that they are the “rules of the game in a society,” which are the “human devised constraints that shape human interaction.” Helmke and Levitsky (2004, p.727) present this as “rules and procedures that structure social interaction by constraining and enabling actors’ behavior,” and go on to define informal institutions as “socially shared rules, usually unwritten, that are created, communicated, and enforced outside of officially sanctioned channels.” Formal institutions are those included in constitutions, laws and legally-based rights (Parlevliet 2007), while informal institutions reflect social norms, traditions, kinship, and such, as well as arrangements such as clientelism and organized crime, generally with some consequence for breach of the rules.

Institutions matter because they reduce uncertainty in human interaction and lower transactions and production costs (North 1991), which facilitates economic activity, collective action and delivery of public goods (Fritz, Kaiser and Levy 2009). They create incentives and disincentives for the actions of actors in society. In the context of stakeholder ownership, institutions are the mechanism through which preferences of stakeholders are exercised. Therefore, institutions contribute to the degree and nature of stakeholder ownership.

Stakeholder ownership is not uniform across a country or a government (OECD 2006), but is specific to the context for a particular goal. What is possible in one program, and the extent of stakeholder ownership required, is likely to vary from those in another. It is for this reason that the CDRF defines and considers stakeholder ownership in terms of a specific development goal. It does not seek to judge whether that development goal is
desirable, but rather to examine how stakeholder ownership may affect its achievement.

**Why stakeholder ownership is key to achieving development goals**

Why is the priority and support of governments, citizens and private sector for a development goal critical to its achievement? The development community commonly refers to this as country ownership, though care is required as the term is sometimes used narrowly as a synonym of government ownership. The concern is wider than that: “partnership is required among these actors to solve development problems” (Pradhan 2010, p.1).

Country ownership has become probably the most prevalent and widely held principle of development assistance in recent years. It underpins the PRS approach, which was introduced as part of the Highly-Indebted Poor Countries (HIPC) debt relief initiative and subsequently became the central framework for development assistance to low income countries, especially in Africa. This reflected the growing recognition that donor-driven development assistance and technical solutions imported from other countries were often ineffective in bringing about sustained change. The OECD (2006, p.15) notes that for many years, donors “severely overestimated the ability of development cooperation to build capacity in the absence of real country commitment.” Leaders in Africa formed the New Partnership for Africa’s Development, which “centres on African ownership and management” and made the following call: “The appeal is for a new relationship that takes the country programmes as a point of departure” (NepAD 2001, pp.10,52).

MDGs, adopted by the United Nations as part of the Millennium Declaration (UN 2000), heightened the urgency and world’s attention to improving the impact of the increased levels of aid required to support the achievement of the goals. The central importance of country ownership to increasing aid and development effectiveness underpins the UN Millennium Project (2000) and has been borne out by the MDG progress to date. The UN Millennium Development Goals Report (2010, p.3) “shows that the Goals are achievable when nationally owned development strategies, policies and programmes are supported by international development partners.”

Specific steps to enable strong country ownership are captured in the 2005 Paris Declaration on Aid Effectiveness. Developing countries and development agencies committed to greater country ownership and leadership responsibility for the development agenda with coordinated and aligned support from the development community, alongside broad participation and results monitoring (OECD 2005a). In 2008, the Accra Agenda for Action reiterated the importance of strengthening country ownership, identifying it as one of the “three main challenges to accelerate progress on aid effectiveness” (OECD 2008, p.15).

Recent analysis of Country Assistance Strategies (CASs) and Development Policy Lending (DPLs) illustrate the integration of country ownership into Bank programs. The starting point for the World Bank’s 2009 CAS retrospective is that country ownership is a “necessary condition for aid effectiveness” (World Bank 2009a, p.9), while the Good Practice Note on designing DPLs identifies adequate ownership as a necessary, though not sufficient, condition for Bank support (World Bank 2009c, p.4). The Good Practice Note also recognizes the need for ownership to extend beyond government to beneficiaries and other stakeholders.

Stakeholder ownership is important because “the forces for change will only arise out of the political and social system of the country” (OECD 2006, p.21). It is required to align interests in support of change, and overcome resistance to change, as change inevitably involves losers as well as winners. Capacity development impacts roles and responsibilities that “unsettle vested interests and established power structures” (UNDP 2008, p.4). Furthermore, it is typically the case that change needs to be locally driven if it is to be sustainable. A locally driven program is more likely to fit country circumstances and generate the engagement and support needed to continue the program after external assistance has finished.

Several major studies have provided evidence of the impact of stakeholder ownership on the effectiveness of capacity development initiatives. Baser and Morgan (2008) studied capacity, endogenous change and performance in 16 organizational
cases covering the public sector, non-governmental organizations (NGOs), civil society organizations (CSOs) and faith-based organizations (FBOs), using a standard template developed for the study:

“An unsurprising conclusion of this report confirms what is already conventional wisdom: namely, that progress on capacity development depends critically on the level of ownership, commitment and motivation of country actors, i.e. their ability to commit and engage” (Baser and Morgan 2008, p.59).

The evaluation of World Bank support for capacity building in Africa from 1995 to 2004 examined more than 30 technical assistance loans, and undertook six in-depth country case studies. Among the main constraints on capacity development, it highlights “limited country ownership of the change agenda and the absence of a time-tested approach for adapting international practices to the local context” (World Bank 2005, p.28). In the same evaluation, resistance to change by officials in spending ministries was identified as a key cause of problems in implementing budget management reforms in Benin and Ghana, two of the country case studies. The Asian Development Bank’s (ADB) Annual Evaluation Report (2007, p.34), which focused on capacity development, finds that “strong ownership by the government” is one of the key factors “that improve the chances of project success.”

The need for government ownership is a consistent theme throughout the report of the IEG public sector reform evaluation (World Bank 2008), and is highlighted by the Committee of Development Effectiveness in its discussion of the evaluation’s findings. An OECD review of capacity development experience identified how donors often respond to perceived weak domestic commitment by assuming leadership; this in turn leads to “a sense of disengagement and lack of interest in performance standards among recipient organizations and individuals, which results in further deterioration in capacity” (OECD 2006, p.24).

Civil service reform in Sri Lanka is an illuminating case. McCourt reports that, between the mid 1980s and early 2000s, three phases of reform with strong donor involvement and support essentially failed. A fourth phase was a wholly domestic effort. “Making a strengthened Public Service Commission … was an indigenous initiative. As such, while still precarious, it was more stable than the donor-sponsored reform phases that preceded it. Ironically, it was also deeper and more radical.” “Sri Lanka’s informal coalition of political parties, senior civil servants, and staff associations… sustained the reform, because it responded to a need that they had identified themselves, the need to curtail patronage” (McCourt 2007, p.34).

What stakeholder ownership might look like

The central concern with ownership makes assessing it a key requirement for engagement in development programs. Box 1 summarizes two useful references that provide some guidance on how to identify ownership. The good practice note on DPLs (World Bank 2009c) looks to recent actions taken as well as inclusion of the DPL-supported program in national strategy documents and building of support. While this necessarily focuses on government ownership, given the nature of the instrument, it also recognizes the need for broader stakeholder engagement. The checklist on assessing country ownership of PRSs considers the ownership and interaction among state and non-state actors (Entwistle and Cavassini 2005).

Stakeholder ownership can look very different in different types of development process, not least because of the breadth of actors involved. The case of civil service reform in Sri Lanka outlined above is an example of ownership generated by and evident in the creation of a broad coalition in support of change. This coalition succeeded where formal government “buy-in” had failed. Two further examples described below entail political ownership in Punjab Province in Pakistan and grass roots ownership in Chad.

Watson and Khan provide an analysis demonstrating that, despite a challenging environment, Punjab has been successful in improving devolved education delivery. Evidence of strong political ownership of the reforms included explicit personal backing of the Chief Minister that provided a strong signal to the rest of the provincial government, the Chief Minister’s request for Bank support following rigorous Bank analysis and the
Box 1. Assessing Country Ownership for DPLs and PRSs

**Indicators for assessing country ownership for DPL** (extract from World Bank 2009c)
- The government has recently taken initial steps to implement elements of the reform program to be supported by the operation.
- The government has a good track record in implementing related reforms.
- The reform is specifically endorsed in the country’s formally adopted national development strategy, PRSP, or similar document that has been widely discussed and formally approved.
- The government has taken the initiative in formulating the reform agenda and presenting it to the Bank.
- Key policymakers articulate their intellectual conviction that the reform is needed.
- Top political leaders have publicly stated their support for the reform.
- The government has undertaken efforts to build support for the reform among key constituencies.
- Relevant interest groups have been engaged in dialogue with the government about the reforms and have indicated general support. Potential beneficiaries have been mobilized, and the concerns of groups that might suffer losses from the reforms have been taken into consideration.
- The reform has been openly advocated during the campaign of an elected government.

**Assessing country ownership of PRSs—checklist of good practices** (extract from Entwistle and Cavassini 2005)

**A. Leadership within and participation across the executive**
1. PRS has a clear role vis-à-vis other national development strategies.
2. Finance and planning functions are clearly aligned, and the PRS coordination function is backed by high-level leadership.
3. PRS formulation and implementation are embedded in inter-ministerial coordination mechanisms and linked to a medium-term expenditure framework and national budget processes.
4. Line ministries systematically align sector action plans with PRS priorities.
5. PRS M&E system integrated into existing systems.

**B. Role and impact of national institutions**
6. Parliamentary committees contribute to PRS formulation and monitoring.
7. Local development plans are compatible with PRS priorities.

**C. Government-stakeholder dialogue**
8. Government and stakeholders have a mechanism for systematic consultations, with mutually agreed objectives and timetable.
9. Capacity building supports the development of negotiation skills across government and stakeholders.
10. Communication strategy includes translating PRS, or a simplified version of it, into local languages.
11. M&E system incorporates information exchange between government and stakeholders to inform strategy refinements.

**D. Role and impact of internal partners**
12. Umbrella CSOs and business associations consult with members before engaging the government on the PRS.

**E. Role and impact of external partners**
13. Financing and technical assistance are tailored to country circumstances.
14. Assistance strategies are aligned with PRS priorities and PRS business processes match the country’s systems.
15. Consultations for assistance strategies are tied to PRS participatory structures.
16. Consultative meetings are held on a regular basis in the country and chaired/co-chaired by the government.

**F. Political and economic shocks**
17. Interruptions due to political and economic events, including electoral cycles, are anticipated and factored in.
protection provided by the Chief Secretary to allow a high degree of continuity in the management and reform teams (when this is typically very low in the Pakistan public service) (Watson and Khan, 2009).

In the contrasting case of Chad, “in the mid to late 1990s, because the central government’s capacity to provide primary education was weak, local communities established parents’ associations, which evolved to fulfill an expanded set of education management functions, including hiring and paying teachers, raising local revenues for school operations, and exercising performance oversight (Fass and Desloover, 2004)…. Besides education management, communities were eventually able to confront public officials, demand accountability, and mount pressure to make them respond.” (Brinkerhoff 2010, p.5). Here it was the community rather than political leaders that owned and implemented reform.

These examples illustrate the breadth of what is meant by stakeholder ownership, but in general, measurable indicators of stakeholder ownership are lacking. As a step towards making the concept of stakeholder ownership more operational, the next section unbundles it further by examining key contributing factors or characteristics of strong stakeholder ownership.
Stakeholder ownership for a given development goal is concerned with the ability and willingness of beneficiaries and other stakeholders to influence the achievement of that goal. The next step is to examine the factors that contribute to the demand for a development goal. Drawing on lessons of experience from across the development community, the CDRF identifies five institutional characteristics that (i) impact this ability and willingness of stakeholders, and (ii) are susceptible to change through deliberate action. They can therefore be considered as potential levers to contribute to strengthening of stakeholder ownership.

To facilitate operationalizing and monitoring of these characteristics, and testing of what aspects matter most for strengthening stakeholder ownership, the CDRF has developed precise descriptions of each institutional characteristic (Table 1). The discussion of each characteristic that follows further explains what it is and why it matters, drawing on evidence available from recent studies. It also examines how to recognize the presence or absence of the characteristic and considers the issue of measurement.

Substantial work has been undertaken in the last decade in developing indicators of institutions and capacity at different levels and in different sectors, but this remains a key challenge in advancing results-focused capacity development. WBI has developed a database of indicators related to the institutional characteristics, drawing from several hundred World Bank projects, as a contribution to global work on indicators. It provides many potentially valuable indicators from which the paper draws illustrative examples.

While carefully defining discrete institutional characteristics that contribute to stakeholder ownership, the CDRF seeks at the same time to bring a holistic approach, which recognizes the interaction and interdependence of these characteristics. Further, it seeks to ensure that ownership is understood to involve a wider set of stakeholders beyond political and government leaders. The institutional characteristics involve different sets of stakeholders and their interactions.

### Commitment of social and political leaders

**What it is and why it matters**

This institutional characteristic relates to the commitment of both social and political leaders to the development goal. It goes beyond simply stating support for the goal. It is concerned with the extent to which they demonstrate consistent and public commitment through words and deeds, and then deliver on those commitments. The accountability that leaders demonstrate to constituents belongs under this characteristic.

While the term “commitment” is often used interchangeably with “ownership” in discussion of development effectiveness, the CDRF seeks to distinguish these two concepts. It provides a comprehensive view of stakeholder ownership, equating this with overall demand for the goal, while more specifically identifying and defining commitment of leaders as a key contributor to ownership. It should be borne in mind that different analysts referenced in this paper use formulations that vary to some degree.

Commitment of social and political leaders is important for creating strong and wide ownership of a development goal since these leaders influence the opinions and actions of many others, may have specific powers to enable the program, and may be able to provide resources. The UN Millennium Project (2002, p.96) notes: “Successful service scale-up to achieve the MDGs cannot begin without political leadership and strong government commitment. This is an absolutely necessary (though far from sufficient) condition.” Commitment of leaders to a development program can be critical in:
- **Motivating stakeholders, while overcoming resistance.** Leaders can inspire and motivate others to engage and support a development goal. At the same time, leaders supporting change may be able to persuade, compensate or negate the influence of those who resist change. In their discussion of the turnaround of Uganda’s National Water and Sewerage Corporation, Matta, Otoo and Agapitova (2009) highlight the power of commitment from inspired leaders in launching and sustaining rapid results initiatives.

- **Building coalitions in support of change.** Fritz et al (2009, p.xiii) identify the building of coalitions as one of the “main avenues for building traction for change” and point to the role of leaders in that coalition building. Coalitions are important to give voice and influence to an often large and dispersed group of beneficiaries of a development policy, to overcome narrow vested interests.

- **Creating reform space.** Political leaders in particular may be able to create protected space for public sector reform implementers. Social leaders may be able to do the same for civil society actors. The example of Punjab devolved education provides an illustration: “Senior politicians saw the importance of improving education service delivery. This ownership was manifested, among other ways, in buffering of managerial and technical staff from lower-level political interference, which had obstructed previous efforts to enhance delivery capacity” (Watson and Khan, 2009).

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### Table 1. Institutional Characteristics

<table>
<thead>
<tr>
<th>Institutional Characteristics</th>
<th>Areas Covered</th>
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<tbody>
<tr>
<td>Commitment of social and political leaders</td>
<td>Social and political leaders consistently and regularly support the development goal through public statements, decisions, votes, and other actions demonstrating their commitment and accountability for achievement of the goal. Leaders demonstrate sound ethics and integrity related to the goal, faithfully honoring their pledges of support and not engaging in activities or missions that would undermine progress toward the goal.</td>
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<tr>
<td>Compatibility of social norms and values</td>
<td>The social norms and widespread beliefs that shape the behavior of local stakeholders are compatible with the development goal.</td>
</tr>
<tr>
<td>Stakeholder participation in setting priorities</td>
<td>Priority-setting processes related to the development goal include opportunities for all stakeholders to express opinions freely and without fear of repression, and these opportunities are communicated with adequate time for stakeholder engagement and response. Stakeholders actively participate through these established mechanisms, and government and other public service entities are responsive to the expressed views of civil society and other relevant parties.</td>
</tr>
<tr>
<td>Stakeholder demand for accountability</td>
<td>Stakeholders know their rights related to the development goal, claim those rights, and communicate their grievances and proposals for change to the government and legislature. If public officials and other public service providers fail to meet expectations about the achievement of the goal or are using allocated resources for unintended purposes, stakeholders freely hold them accountable for their conduct and performance. Stakeholders organize and collectively appeal unfavorable decisions concerning the goal. Stakeholders demand and use instruments of accountability that are available to the public, such as government scorecard information.</td>
</tr>
<tr>
<td>Transparency of information to stakeholders</td>
<td>Government and other public service entities provide accurate, relevant, verifiable, and timely information about the development goal to all stakeholders. They also explain actions concerning the goal in terms that stakeholders can use to participate in setting priorities, monitoring progress, and evaluating actions of public officials responsible for the goal. Any information influencing decisions related to the goal is fully disclosed to stakeholders.</td>
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</table>
The importance of stakeholder ownership for capacity development results is highlighted. The review determines, “Large-scale technocratic reform programs have yielded better results when they have built on strong country leadership and broad based political support.” For instance, “a substantial share of the success of the Bulgarian reforms has been the product of broad-based political support elicited by the prospect of EU accession.”

Further, while Bank assistance to public financial management reform has had mixed results, “areas that received political support, such as tax administration … have made steady progress.” In contrast: “When political support has been less forthcoming, the effectiveness of Bank-supported administrative reforms has been undermined.”

The review also notes that political opposition to reforms in Honduras contributed to achievement of only limited results (World Bank 2006, pp.34-36). Similarly, commitment is identified as a key determinant of the success or otherwise of reforms throughout the report of the 2008 IEG evaluation of public sector reform (World Bank 2008). For example, “financial management information technology systems have been successfully adopted in some cases when there are sufficient commitment, capacity, and resources” (p.47). The report also points to the impact of a lack of political commitment, or a change in political leadership, which can derail seemingly promising public sector reforms: “This issue of political commitment can affect even the most uncontroversial measures, such as introduction of new data systems, by reallocating resources or simply delaying projects because of staff turnover. Changes in political leadership can also result in decisions to terminate, reverse, or dilute more controversial reforms such as downsizing” (p.54). Commitment needs to be long term to address complex areas such as public sector reforms.

The importance of leaders to development achievements is supported by the Baser and Morgan study of 16 cases of capacity development, though they focus on organizational leaders. They conclude (p.64): “What was evident was that leaders could act to increase the likelihood of success even in complex situations,” citing the cases of the Rwandan Revenue Authority, the World Conservation Union (IUCN) in Asia, and the Environment and Sustainable Development Unit in the Organisation of Eastern Caribbean States.

Evidence from studies
Three reports by the World Bank’s IEG provide strong evidence of the positive contribution of commitment of leaders and leadership to the achievement of development results. First of these is the 2005 evaluation of capacity development in Africa, which includes an examination of the impact of country leadership and commitment on public sector reform achievements in six country cases. The evaluation places the countries into three clusters. Country leadership and commitment are identified as key determinants of the cluster into which a country falls. In Ethiopia and Mozambique, strong leadership is identified as contributing to substantial public sector reform and capacity building actions. In the second cluster, Benin, Ghana and Mali weak country leadership is associated with slow paced reform. In the third cluster, failure to meet program objectives in Malawi is attributed to overestimation of the government’s commitment to reform (World Bank 2005, pp.21-23).

These conclusions are reinforced by the 2006 synthesis review of IEG findings regarding support for strengthening effectiveness and accountability of public sector institutions, presented in the IEG Review of Development Effectiveness of that year. The review draws on four years of IEG CAS reviews, and also thematic evaluations on community development, extractive industries and fiduciary assessments. In examining the impact of improved government processes on the perceptions of governance (as measured by WBIs Worldwide Governance Indicators) it finds that, while in most countries there was little change, “in at least two countries, Bulgaria and Lithuania, perceived governance indicators have improved. This demonstrates that it is possible to make rapid progress when there is strong country commitment to do so” (World Bank 2006, p.34). In addition,

Allocating resources. Leaders may, directly or indirectly, assist in ensuring that resources are allocated to support the achievement of the development goal. Resources can take the form of people, funds, materials and services.

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Further considerations
While the summary findings outlined above allow broad conclusions to be drawn, these studies recognize that commitment of leaders is multi-faceted and a far-from-simple concept. What constitutes effective commitment is context-specific and nuanced. Here we discuss just three aspects that require consideration. The first is that while in some cases there may be one or a few leaders, in others there may be a larger group of leaders. WBI’s approach to results-focused capacity development points to the requirement for connective leadership that goes beyond leaders’ individual commitment (Pradhan 2010). In the case of the Brazil Observatorio a network of academics, analysts and practitioners advocated for improved public health, while in cases of the non-governmental Lacor Hospital in northern Uganda and public sector reform program in Tanzania, an evolution occurred over time from one dominant individual to a group of leaders bound by shared values (Baser and Morgan 2008).

Second, the Bank’s Problem-Oriented Governance and Political Economy Analysis Good Practice Framework points to the important role of reform champions in promoting change, but argues that their motivations and capabilities need to be understood: “individual champions often have multiple agendas and issues that they need to take into account, such as maintaining their own position and/or power bases, possibly addressing a range of challenges that may require horse-trading and compromising with others, having important personal interests or obligations, and so on. Also, some reform champions may be strong individual supporters of reform but be poor at coalition building, which can limit their effectiveness.” (Fritz et al 2009, pxiii).

Third is the issue of commitment extending beyond the leaders. The commitment of social and political leaders alone is often not enough; commitment of a broad coalition is often required. “Only a broad coalition…will have the power and momentum capable of dislodging powerful elites and institutions with vested interest in the status quo” (Kpundeh 2004, p.279). This also points to the requirement for effective institutional arrangements for mediation (OECD 2006). Another example is provided by Mengesha and Common’s study of business license process re-engineering in Ethiopia, where the responsible minister and other senior officials provided access to policy makers and generated confidence in the ministry to propose and tackle reforms. In addition, the study emphasized the need for staff to embrace the changes: “Senior management tends to be more mobile, and so it is the front-line that has seen through this change” (Mengesha and Common 2007 p.378).

Recognizing commitment
Recognizing commitment of leaders to a development goal is not straightforward. The OECD (2006, p.25) notes that the “mere existence of a capacity development strategy or policy document to which senior officials have put the government’s name is not necessarily an indication of real commitment.” From the existing literature, two potentially useful sources are mentioned here though it should be noted that they focus on government commitment. The DPL Good Practice Note suggests indicators of ownership many of

Diagram 1. McCourt model of political commitment to reform

<table>
<thead>
<tr>
<th>ANTECEDENTS</th>
<th>ELEMENTS</th>
<th>OUTCOME</th>
</tr>
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<tbody>
<tr>
<td><strong>Political capacity</strong></td>
<td>Voluntary—Reform driven domestically, rather than by donors.</td>
<td><strong>Reform implemented</strong></td>
</tr>
<tr>
<td>• Strong political base</td>
<td>Explicit—Specific goals set.</td>
<td><strong>Results delivered</strong></td>
</tr>
<tr>
<td>• Leadership</td>
<td>Challenging—Challenging but attainable goals set.</td>
<td></td>
</tr>
<tr>
<td>• Consensus among policymakers</td>
<td>Public—Politicians publicly state their support for specified goals and results.</td>
<td></td>
</tr>
<tr>
<td><strong>Administrative capacity</strong></td>
<td>Irrevocable—Insulated from policy reversal, with no easy line of retreat by government.</td>
<td></td>
</tr>
<tr>
<td>• United and strong reform team</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Overall capacity</td>
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</table>

Adapted from McCourt (2003)
which are, more specifically, measures of government commitment (Box 1, p.18).

A model to predict political commitment to a policy, proposed by McCourt (2003), may provide useful insights. It hypothesizes that when positive “antecedents” to the policy are sufficiently present (i.e., the enabling environment is strong enough), commitment will emerge and will be demonstrated by the “elements” of commitment. The model was derived from psychological literature and several development studies that identified factors associated with government commitment, and then tested on (unsuccessful) civil service reform experience in Swaziland. With a few revisions, McCourt concludes that “it is possible to use our model to predict whether a government will in fact implement a given policy proposal” (McCourt 2003, p.1027). The study suggests that the existence of these antecedents and elements increase the likelihood that the government will implement and sustain the policy reform. The revised model is shown in Diagram 1.

Examples from WBI’s database of relevant project indicators that capture the commitment of leaders

### Box 2. Examples of demonstrated commitment identified in UNDP program reviews

#### Allocation of resources

- **Rwanda Information and Communication Technology.** “…the government is aiming for middle-income status by the year 2020, transforming from an agricultural to an information economy, driven by a focus on ICT. Rwanda has set a goal to become the ‘Silicon Valley’ of East Africa. National spending on information and communication technology is on par with Western figures, well above the African average.”

- **Panama Human Development Institute.** “The Human Development Institute was created in 2004 to facilitate the generation of employment opportunities through the human capital, economic development and poverty reduction joint initiatives…. The Government commitment to the project is clear by its political leadership and its growing financial investment in the institution. In 2007, 81 million dollars were assigned to this initiative. That amount increased to 91 million dollars for 2009.”

- **Namibia Public Private Partnerships.** “The sustainability of the PPP initiative was supported by strong, visible commitment to pro-poor PPPs by political leaders at the national and municipal levels. In addition, PPP units and yearly budget provisions were established at the national (Ministry of Local Government) and municipal levels.”

#### Concrete actions

- **Singapore Anti-Corruption.** “The government has exhibited strong political will to combat corruption through the introduction of stringent administrative and legal measures to support the anticorruption law, empowering the independent Corrupt Practices Investigation Bureau (CPIB) to prosecute corrupt officials, and promote ethical leadership by example. Importantly, successful prosecution of cases against public officials, whose cases are also displayed publicly in the CPIB website, have also bolstered public support for the government’s anticorruption drive.”

#### Top politician leading the program

- **Azerbaijan National Agency for Mine Action.** “The government demonstrated its commitment to making ANAMA a strong institution and provided strong political support to its leadership. Its funding was also bolstered. In 1998, the ratio of donors’ resources to the government’s in support of ANAMA was 80 to 20 percent. Today, this ratio is reversed, with the government contributing 80 percent of ANAMA’s resource needs. By placing ANAMA under the direct responsibility of the Deputy Prime Minister, the government has empowered the institution to fulfill its mandate and to perform effectively.”

- **China Climate Change.** “The establishment, in June 2007, of the “Leading Group for Energy Conservation and Pollution Abatement,” led directly by Premier Wen Jiabao, and the launch of China’s first ever National Climate Change Programme, attest to the commitment of the Government of China to strengthen its institutional capacity in the area of climate change, as well as its ownership over the capacity development agenda.”

Sources: UNDP (2009, 2010)
are often related to the funding of the development goal, such as:

- Percentage of revenues from excises tax on fuel channeled into road maintenance (Moldova Second Poverty Reduction Support Credit)
- Share of secondary education in the budget of the Ministry of Secondary and Tertiary Education and Scientific Research (Burkina Faso Post-Primary Education Project)
- Percentage increase in public investment in the agriculture sector (Kenya Agricultural Productivity and Agribusiness Project).

ADB (2007, p.32) also notes that “the provision of adequate recurrent cost financing during implementation is a good proxy indicator of the continued strong commitment and ownership of the government.” Further hints that might help in recognizing commitment of leaders to change are provided by UNDP’s review of capacity development programs it supports. In addition to the allocation of resources, these include completion of concrete actions, and appointment of a top politician to head the reforms.

**Implications**

In general terms, the literature and examples support the widely held view, and a proposition of the CDRF, that commitment of leaders is an important factor in the achievement of development goals. Commitment is a broad concept, however, and a number of different terms are used in different studies, sometimes interchangeably; other terms include leadership, country commitment and political support. In addition, leaders may refer to those directly responsible for a program as well as the political leaders. At the same time, the capacity development studies tend to focus on political and government leaders, and often do not directly consider the influence of social leaders.

This suggests that, in order to operationalize this characteristic, to monitor it, to identify how it is developed and to assess its impact, it is necessary to develop and test more specific definitions of commitment. The CDREN aims to contribute through proposing a precise description of commitment of leaders. This distinguishes it from the quality of leadership, is more concrete than simply referring to political support, and explicitly focuses on both political and social leaders. At the same time it excludes program leaders, which are considered as part of organizational effective-

**Compatibility of social norms and values**

**What is it and why it matters**

The second institutional characteristic is concerned with the extent to which the development goal is supported or undermined by the prevailing social norms, values and beliefs, and related informal institutions such as family, kinship and traditional authorities. This is not to suggest that the goal should necessarily be constrained by existing norms, such as gender discrimination, but that it is important to be cognizant of the help or hindrance that those norms are likely to contribute to the achievement of the goal. This concerns not only the compatibility of the social norms with the development goal, but also the compatibility with the solutions adopted to achieve the goal.

Social norms, values and beliefs are important because of the often profound influence they have on the way people behave, not least because enforcement can “range from adherence to internalized norms and expectations of reciprocity, to social shunning and ostracism, to threats and use of violence” (Fritz et al 2009, p.45). Many analysts argue that this influence has not been adequately understood in the design of development programs. For example, the OECD (2006) notes the potentially negative impact of social influences on the behavior of officials that, if not addressed, undermines outcomes from learning interventions (pp.22-23).

An important consideration is the terms in which development programs are discussed with and communicated to stakeholders. The non-governmental PRAXIS program supporting capacity development concludes, “The failure of so many development interventions over the past half-century can be partly attributed to their lack of rootedness in the society they were designed to change. For development interventions to
catalyze fundamental change, they have to engage with people’s identity and values” (James and Wrigley 2007, p.17). PRAXIS points to use of local proverbs and metaphors as ways to connect to stakeholders.

North seeks to chart a long link running from beliefs (imperfect perceptions that people have of the consequences of their actions) and institutions, via incentives, to organizations, policies and ultimately to economic outcomes (North 2005, pp.155-165). He argues that this link explains many cases throughout history of economic progress and improved well-being, and the many more cases of economic failure. He argues that cultural heritage of a society provides the beliefs, institutions, tools and technology, and that these together have immense impact on the level of certainty individuals have over their environment and their interactions. He contrasts the relative ease of decision-making in low risk cases in countries such as the United States, with the challenges of day-to-day decision-making for citizens of underdeveloped societies (North 2005, pp.36-37), with ultimate consequences for growth and development.

Evidence from the studies
The IEG evaluation of public sector reform points out that cultural sensitivity helps to explain the greater successes in PFM and tax administration programs compared to civil service and anti-corruption reforms. “The thematic differences in outcomes result in part from financial management and tax administration being less politically and culturally sensitive than issues surrounding public employment and corruption” (World Bank 2008, p.43). OECD also supports this point (2006). One of the main lessons it draws from international experience is that informal institutions such as clientelism and kinship demands that over-ride governance and public service rules (Helmke and Levitsky 2009, p.729).

The informal institutions may encourage behaviors that “contradict the spirit, but not the letter, of the formal rules,” (termed “accommodating” informal institutions), in which formal rules are bent but not broken. They may go further than that, particularly when formal institutions are weak, such that they directly contradict the formal institutions meaning that to follow the informal rule, actors must violate the formal rule. These are termed “competing” informal institutions, and include examples such as clientelism and kinship demands that over-ride governance and public service rules (Helmke and Levitsky 2009, p.729).

The IEG evaluation of public sector reform points out that cultural sensitivity helps to explain the greater successes in PFM and tax administration programs compared to civil service and anti-corruption reforms. “The thematic differences in outcomes result in part from financial management and tax administration being less politically and culturally sensitive than issues surrounding public employment and corruption” (World Bank 2008, p.43). OECD also supports this point (2006). One of the main lessons it draws from international experience is that informal institutions such as clientelism and patronialism undermine formal organizations. The examples that are outlined in Box 3 provide further demonstration of the impact of social norms and similar informal institutions on the achievement of development goals.

From their study of 16 cases of successful capacity development, Baser and Morgan (2008, pp.56-57) identify the contribution of accepted values, meaning and purpose to success, above and
Box 3. Recognizing categories of compatibility

**Complementary**
- The non-governmental Lacor Hospital in northern Uganda is identified by Baser and Morgan (2008, p.57) as an example where values were critical to its sustained success. "Many staff and patients saw the hospital a symbol of Acholi tribal identity, but it was also a standard bearer of the values of catholic humanism and its concern for the poor and dispossessed."
- Helmke and Levitsky (2004, p.728) note that "scholars have linked the effectiveness of the U.S. Constitution to a complementary set of shared beliefs and expectations among citizens."

**Substitutive**
- In Papua New Guinea, faith-based organizations have "widespread legitimacy and support" which has enabled them to step in to fill state capacity gaps not only in public service delivery, but also in governance. “FBOs contribute to better governance and improved performance through: mobilizing their members to participate in politics and public affairs, sharing information and pushing for transparency, serving as advocates and watchdogs for social justice and rule of law, and facilitating reconciliation and peacebuilding….Churches have unique convening authority to bring stakeholders together to address societal issues, which is especially important for improving governance” (Brinkerhoff 2010, p.7).

**Accommodating**
- “Informal power sharing “cartel-like” arrangements between political parties in post-1917 Netherlands, including “extensive consultation in policy making (and) mutual veto powers….violated the democratic spirit of the Dutch constitution (by limiting the power of the vote).” However “they reduced class and religious conflict, thereby enhancing democratic stability” (Helmke and Levitsky 2004, p. 729).

**Competing**
- Tanzania has had one of the more successful public sector reform programs in Africa, but one component that ran into difficulties was the Selected Accelerated Salary Enhancement scheme for key service, reform and strategic staff, designed to replace individual donor top-ups. One of the main problems identified was that “it engendered political opposition to a selective scheme in a society with strong egalitarian values” (SIDA source quoted in OECD 2006, p.27).
- Post-colonial Ghana provides an example in which kinship demands were in conflict with formal rules for civil servants, such that “most believed they would pay a significant social cost (such as loss of standing in the community) if they ignored kinship group norms that obliged them to provide jobs and other favors to their families and villages” (Helmke and Levitsky 2004, p.729).

The nature of social norms and similar informal institutions mean that they are likely to be resistant to change. Baser and Morgan (2008) report on the case of Papua New Guinea in which they found the “underlying social and ethnic structures were more cohesive and resilient than formal organiza-
The examples in Box 3 illustrate the different ways in which compatibility (or incompatibility) of social norms and similar informal institutions with the development goal may be manifest. These examples are organized using Helmke and Levitsky’s categories outlined above.

**Implications**

There is broad acceptance in the development literature that social norms influence the success of development programs. More specifically, the studies and examples provide some evidence supporting the importance of compatibility of social norms with the development goal. However, the capacity development studies generally lack a consistent cross-country examination of this characteristic. By its nature, compatibility of social norms and values with a development goal is difficult to define precisely, as social norms, values and related informal institutions can take many forms. Understanding this institutional characteristic also requires measurement of the extent of compatibility.

Among the institutional characteristics contributing to stakeholder ownership proposed by the CDRF, this may be the least amenable to deliberate action. When the social norms support the goal, this contributes to ownership; the opposite is also true. Development programs can be designed to fit as far as possible the prevailing social norms, but the goal can justifiably challenge the norms. While social norms and attitudes are often deeply engrained, experience shows that cultural attitudes can and have changed over time, with respect to issues such as religion; race; ethnicity; gender; disease; sexual orientation; hygiene; dietary and sexual practices; tobacco, and drug and alcohol use. Change can be precipitated through awareness raising and the inspiration of influential figures. Being aware of the compatibility, or incompatibility, is a critical first step.

Strong collaboration between social development and capacity development disciplines will enable further development of this important institutional characteristic, and consideration of how to effectively operationalize it, drawing lessons from changes that have taken place. Such a collaboration could also tackle the issue of measuring and monitoring compatibility.
Stakeholder participation in setting priorities

What it is and why it matters
This CDRF institutional characteristic focuses on stakeholder participation in making choices between development goals, and the relative priority attached to each. This is largely concerned with ex ante decisions during strategic planning and resource allocation, where participation might occur through PRS consultations, participatory budget processes, participatory local planning discussions and similar mechanisms.

This characteristic incorporates two critical sides of stakeholder participation:
- The expression of opinions by citizens and other relevant parties (often termed “voice”). It is concerned with broad participation across society, rather than small powerful groups.
- The responsiveness of government and other public entities to those opinions.

Looking first at voice, O’Neil, Foresti and Hudson (2007) draw on the literature to provide the following definition: “Voice refers to both the capacity of people to express their views and the ways in which they do so through a variety of formal and informal channels and mechanisms.” (O’Neil et al 2007, p.3). The CDRF specifies active involvement of stakeholders and utilization of established mechanisms as desirable features of this characteristic, which strengthen its contribution to stakeholder ownership.

Turning to the government side of the relationship, O’Neil et al (2007, p.8) identify the concepts of receptivity and responsiveness. “Receptivity refers to the extent to which the state hears the voices of those expressing their opinions and preferences. Responsiveness—a form of behavior—refers to the extent to which the state, having heard the voice of its citizens, responds to their demands and concerns.” (p.8 referencing Gloppen et al 2003; Moore and Teskey 2006). “Responsiveness is what citizens want when they exercise their voice”. The need for both sides of this relationship to be working effectively is noted in a case study of the Democratic Republic of Congo, part of the joint donor evaluation of citizen’s voice and accountability interventions: “As one key informant to the DRC country case study summarized it, “citizens are allowed to say anything without going to jail but the state is still not listening” (Rocha Menocal and Sharma 2008, pp.27-28).

The World Development Report 2004 “Making Services Work for Poor People” establishes the framework of relationships among politicians, citizens and public service providers as a key determinant of the access, quantity and quality of public services to poor people. The voice that citizens can express to politician policy makers regarding priorities and their responsiveness to that voice is one of the relationships in that framework (World Bank 2004, p.49-51). Participation is one of the defining characteristics of Community Driven Development (CDD) programs. “CDD programs operate on the principles of local empowerment, participatory governance, demand-responsiveness, administrative autonomy, greater downward accountability, and enhanced local capacity” (World Bank 2010c).

The CDRF is concerned with broad participation in decision-making, which offers the opportunity for coalitions that bring together widely dispersed actors, who otherwise would be unable to counter the interests of the powerful few. OECD (2006, p.21) draws on a United Kingdom Department for International Development (DFID) program review in Nigeria to conclude: “Change tends to happen when broad alliances across civil society, often supported by media attention and the private sector, and linked into reform elements within government, coalesce around an issue of political importance and exert pressure for effective change.” OECD (2006, p.17) identifies the lack of voice as one of the factors constraining change and capacity development in the public sector. Stakeholder participation in priority setting has the potential to help to “articulate and aggregate societal demands, build consensus for broad-based political and economic reforms, and refine or improve public policy proposals” (Russell-Einhorn 2007, p.185).

As a consequence, increasing participation of stakeholders in decision-making is a major concern of the development community. In their briefing paper on the findings of the joint donor evaluation of citizens’ voice and accountability interventions, Rocha Menocal and Sharma (2009) note that “the core principles underpinning citizens’ voice and accountability, including participation, inclusion and transparency have emerged
as priority issues in international development” (pp.1-2). Participation can contribute to aid effectiveness by directly tackling a dimension of poverty, strengthening governance and orienting development agendas and aid to the needs and priorities of poor people (O’Neil et al. 2007, p.14).

Accordingly, the World Bank has recognized the importance of stakeholder participation since 2000 (World Bank 2008, p.17), and stakeholder participation is increasingly being mainstreamed in Bank operations, with particular impetus from the PRS approach (Barbone and Sharkey 2005) and implementation of the Governance and Anti-Corruption Strategy (World Bank 2009b). This change is further reflected in the proposed update to the Bank’s DPL policy, which “draws attention to the need for borrowing countries to consult with and engage the participation of key stakeholders in the process of formulating the country’s development strategies” (World Bank 2010b).

Evidence from the studies
Two evaluations find evidence in support of the importance of participation. The ADB Annual Evaluation Report for 2007 focuses on capacity development and draws on a number of evaluations and studies. It concludes that one of the factors that “improve the chances of project success” is the “strong sense of beneficiary ownership fostered through extensive participation” (Asian Development Bank 2007, p.34). The importance of broad voice mechanisms through which citizens can participate is supported by the IEG Africa capacity development evaluation, which finds that “governments, generally, are inclined to improve services demanded by powerful interests (e.g., trunk roads) more readily than those sought by weaker or more diffuse interests (e.g., primary education)” (World Bank 2005, p.44).

The study by McNeil and Malena (2010) of social accountability initiatives in Africa provides examples from Tanzania, Senegal and Zimbabwe of how citizen participation in policy and budget setting impacted the pro-poor orientation of the allocations.

The importance of participation in post-conflict environments is a key lesson identified by UNDESA (2010) in its examination of reconstructing public administration after conflict. “Experiences from around the world clearly point to the critical importance of engaging civil society, in all its diversity, to ensure that actions are responsive to the actual needs of the population. This can be of enormous help in achieving governmental and

Box 4. Examples of impact of voice

Examples from Russell-Einhorn (2007, p.227)
“There is evidence suggesting that certain forms of "voice" (such as transparency and participation-enhancing mechanisms) have a greater impact on government accountability than do the quality of internal administrative rules, meritocratic personnel standards, or higher public sector wages (see, for example, Kaufmann, Mehr, and Gurgur 2002).” Examples include:

- “Research based on the participatory budget experience in Brazil suggests that such practices have targeted poorer residents and needier areas better than ordinary budget practices. Participatory budget reforms across Brazil between 1997 and 2000 were associated with increased municipal spending on health services, improved fiscal status, and certain improvements in service delivery (such as drinking water) and some human development outcomes, including poverty and educational enrollment rates (Baiocchi 2006).”
- “A World Bank study of 121 rural water supply projects in 49 developing countries finds a strong correlation between project success and beneficiary participation: only 8 percent of the 49 projects with low levels of participation were successful, while 42 percent of the 64 projects with high levels of participation were deemed successful (Narayan 1995).”
- “In Bolivia there appears to be some correlation between increasing levels of decentralized public participation and higher investment in human capital and social services, including in the poorest municipalities (Faguet 2004).”
societal transformation after conflict and bringing countries forward on a path of long-lasting peace and development” (p.xv). In addition, a review of relevant research by Russell-Einhorn (2007) provides valuable examples of the impact of voice, including participatory budgeting, project participation and decentralized participation (Box 4).

At the same time, the joint donor evaluation of citizen's voice and accountability (CV&A), covering approximately 50 interventions across seven countries, has found mixed results, in part due to unrealistic donor expectations. Its findings include:

• “Some examples of positive impact of CV&A interventions have emerged from the interventions analysed for this study. This is mostly at the level of positive changes in behaviour and practice, especially in terms of raising citizen awareness, empowering certain marginalised groups, and encouraging state officials.

• However, within the sample analysed, such impact/effects have remained limited and isolated, and have so far proven difficult to scale up.

• A critical factor leading to the observed limited nature of results is related to high donor expectations as to what such work can achieve, based on misguided assumptions around the nature of voice and accountability and the links between the two. (Rocha Menocal and Sharma 2009, p.v).

This does not negate the potential contribution of the effective participation in policy setting. Rather, it points to the complexities involved and the need to take this into account in the development of interventions to strengthen participation.

Further considerations
One of those complexities relates to the question of who, among the many stakeholders in a country, are in fact participating. As Rocha Menocal and Sharma (2009) point out. “not all voices are equal or equally heard” (p.xii). Therefore, a key issue is who is excluded, and whether participation mechanisms are giving voice to marginalized stakeholders such as women, the disabled and the poor. Consequently, the voices of widely dispersed beneficiaries of a development policy or program may be drowned out by other stakeholders. Following a review of community-based and -driven development projects, Mansuri and Rao (2004) point to the dangers of elite capture of participatory mechanisms: “Most such projects are dominated by elites, and both targeting and project quality tend to be markedly worse in more unequal communities” (p.1). Humphreys. Masters and Sandbu (2006) find that discussion leaders influenced group decisions from a study of a sample of democratic deliberations in Sao Tome and Principe. At the same time, transactions costs of participation and engagement in respect of a particular development program may contribute to excluding some stakeholders, which could have unforeseen consequences for the relative power of different groups.

Following this theme, Schiavo-Campo and Sundaram (2001, pp.540-541, 552) discuss social groupings and their participation. They highlight the value that such groups can bring in terms of social capital. At the same time, they argue that governments “need to assess carefully the legitimacy of groups claiming rights of participation,” to ensure that they genuinely represent the interests of who they say they represent. They also caution that tension can arise between representative democracy, in which the government is elected to make decisions on behalf of citizens, and public participation in the policy process. Particular groups should not be allowed to dictate at the expense of opinions expressed through the ballot box. A further consideration is the benefits from strong links among social groups, rather than groups that are founded on the basis of strong exclusion or even hostility to other groups. For example, Portes and Landolt (2000, pp 532-533) argue that “the same strong ties that enable group members to obtain privileged access to resources, bar others from securing the same assets,” and that such groups can also create “excess claims on group members, restrictions on individual freedoms, and downward levelling norms”.

There is particularly strong interconnection among stakeholder participation and two of the other institutional characteristics in the CDRF, stakeholder demand for accountability and transparency of information. A powerful development policy instrument that has often sought to advance these three institutional characteristics in recent years is that of decentralization. Decentralization of powers, responsibilities and resources from central to
sub-national governments has become a highly topical reform around the world. Bringing government and services closer to citizens to enable greater stakeholder participation, accountability of public officials and transparency are central features and among the key objectives of most decentralization programs, with the expectation that improved services will result.

While the cross-country evidence of the impact of decentralization on service delivery is not conclusive (World Bank 2009d, p.1), a recent country study finds evidence of some improvement in the case of Sierra Leone (Zhou eds. 2009), which has undertaken a rapid program of decentralization since 2004. Based on national public service surveys of the education, health, birth/deaths registration, agriculture, transport, markets and water sectors, it finds that the majority of services have “improved between 2005 and 2007, with many seeing dramatic improvements” (p.76). In general, the report concludes that, in the short period of implementation, “at the very least, decentralization has been compatible with consistent improvements in public service delivery” (Foster and Glennester 2009, p.83).

Recognizing stakeholder participation

In seeking to ascertain ways to identify and monitor stakeholder participation in priority setting, two existing tools may be valuable sources for developing and adapting measures that could be applied to a particular development goal. One tool is the Managing for Development Results Capacity Scan manual, which provides criteria for assessing participation in policy, planning and budgeting processes at the national level (available at mfdr.org). Another is the World Bank’s Country Policy and Institutional Assessment (CPIA), which includes sub-dimensions which measure community involvement in planning and public consultations in several sectors. In addition, measures of stakeholder participation in priority setting identified by WBI’s review of project indicators include:

• Stakeholder representation on decision-making bodies (e.g., the number of federations with executive committees with at least two representatives of vulnerable groups, from the Orissa Rural Livelihoods Project).
• The responsiveness of government to expressed stakeholder opinions (e.g., alignment of capital investment plans with surveyed priorities of citizens, from the Ethiopia Urban Local Government Development Project).

In addition, Box 5 provides country examples from the literature, which together with those in Box 4 illustrate the wide variation in arrangements and approaches to participation in priority setting.

Implications

The broadly held view that stakeholder participation in strategic priority setting is important for ensuring wide stakeholder ownership and pro-poor policy choices is reflected in the literature and illustrated in the examples noted above.

While several studies draw conclusions about the contribution of participation in decision-making, in general they do not directly test its impact on achieving the development goal. The studies were not specifically designed to assess participation and participation is a term that is applied to many different arrangements. These can be at different levels (national strategy, sector program, project), at different points in the development process (before, during or after implementation), and in different ways (contributing to policy choices, participating in project implementation etc).

For example, the ADB Annual Evaluation Report for 2007 considers participation in project planning. This suggests the need for greater clarity regarding the different elements that fall under the broad heading of participation and greater precision in their definitions. In this context, the CDRF has proposed that participation, specifically in priority setting at the policy level, is of particular importance to stakeholder ownership. This is intended to enable research to identify what really matters in creating effective demand and how to measure it.

Stakeholder demand for accountability

What it is and why it matters

This institutional characteristic focuses on the actions of stakeholders (citizens, CSOs, private sector actors and other non-government actors) within the accountability relationship that exists between stakeholders on the one hand and...
Box 5. Examples of participation

Poverty Reduction Strategy (PRS)

- **Mozambique.** “In Mozambique, evidence suggests that efforts to institutionalize stakeholder participation have also taken root. The Second Poverty Observatory in April 2004… including representatives from the private sector, civil society, and a broad spectrum of public entities, assessed PRS implementation progress in key sectors. Civil society also participated actively in the preparation of a second PRS. As part of the consultation process, Government involved the private sector in consultations on procurement reform and, ensured the participation of the private sector and trade unions in revisions to labor laws.” (Barbone and Sharkey 2005, p.24)

- **Peru.** “The National Dialogue on Poverty Reduction (MCLCP) was founded in January 18th, 2001 as a coordination platform for private and public sector actors (government and civic society)….Past efforts to support social care and related policies in regions and municipalities failed to register the expected results….the MCLCP was created through a Supreme Decree and a number of ancillary laws have since been adopted to promote consensus-building and ensure an inclusive decentralization process. This also culminated in the passing of the Comprehensive Law of Municipalities (stipulates mechanism for grassroots consultations and private/public inclusiveness mandatory) and the Framework Legislation for Participatory Budgeting….The MCLCP had a tangible impact throughout the country. It advocated for and demonstrated the feasibility of inclusive and participatory approaches to poverty reduction as well as led to increased investments in poverty reduction initiatives.” (UNDP 2010, pp.37-38)

Marginalized groups (from Rocha Menocal and Sharma 2008, p.28)

- **Nepal.** “The Nepalese country case study examined two interventions specifically aimed at empowering excluded groups (dalit and janajati) using the mechanism of village or citizens’ committees to create awareness on rights and, critically, assisting people to exercise such rights. One of the most notable results in this regard was increased access by the dalit communities to citizenship, natural resources and basic services, as well as promotion of accountability of public officials.”

- **Mozambique.** “…the case study shows that donor supported mechanisms like Institutions for Community Participation and Consultation at the local level, as well as training of parliamentarians at the national level, give women room for active participation, and enable them to voice their opinions and priorities.”

Local planning and budgeting

- **Guatemala.** “Guatemala’s experience is informative because of the extraordinary degree to which decentralization opened doors for civil society—particularly long-marginalized indigenous populations—to take part in the decision making processes of government…. As part of the peace agreement, the Government agreed to reform the municipal code to ensure local input into local decisions through the cabildo abierto—the Guatemalan equivalent of the town meeting. The Government also committed to restoring local development councils to ensure that community groups—associations of indigenous people, campesino organizations, women’s groups, etc.—help formulate local investment priorities.” (UNDESA 201, p.xiv)

- **Burkina Faso.** A Bank supported health and nutrition project successfully developed “a participatory planning and budgeting process that involved communities and other stakeholders in setting priorities and providing oversight” (World Bank 2005, p.26).
Accountability involves a relationship between two parties or groups. Accountability has two dimensions: answerability and enforcement. Stapenhurst and O’Brien (p.1) provide the following definitions: “Answerability refers to the obligation of the government, its agencies and public officials to provide information about their decisions and actions and to justify them to the public and those institutions of accountability tasked with providing oversight. Enforcement suggests that the public or the institution responsible for accountability can sanction the offending party or remedy the contravening behavior.”

Accountability also has different types. The relationship between citizens and governments is variously referred to as “vertical” or “downward” accountability, in contrast to “horizontal” or “public” accountability, which involves checks among different public agencies and branches of government. Social accountability is “an expansion of downward accountability... that relies on civic engagement” and can be formal or informal (World Bank 2009d).

This institutional characteristic focuses on the citizens and other non-government stakeholders in the accountability relationship with government and public agencies, specifically in the actions taken by stakeholders in demanding that effective accountability exists and in applying sanctions available to them. This focus arises because of the historical weakness of demand in development programs, and the essential role stakeholders can play in creating demand and placing pressure for performance improvement and achievement of objectives. Governments are less likely to “supply” accountability if stakeholders do not demand it.

Rocha Menocal and Sharma (2009) take the following as a core assumption to the joint donor evaluation of citizens’ voice and accountability interventions: “Governments that can be held accountable for their actions, for their part, are more likely to respond to the needs and demands articulated by their population” (p.1). More specifically, Baser and Morgan (2008) argue that organizations “will inexorably end up focusing on protecting their own self interest and existence. Only pressure or ‘demand’ from outside groups such as clients, funders, citizens, auditors, regulators, politicians, watchdog groups and the media will ‘pull’ capacity and performance out of the system. Lack of citizen control over the institutions that supposedly serve them is seen as a key barrier to capacity development. Accountability is seen as the key to capacity development” (p.68).

Rocha Menocal and Sharma make a similar argument: “Governments that can be held accountable for their actions, for their part, are more likely to respond to the needs and demands articulated by their population” (p.1). Accordingly, de Nevers et al (2005) identify capacity development as a “a long term process requiring attention jointly to both the supply and demand sides of the capacity challenge—the supply of well-structured and efficient public and private organizations and institutions, and the civil society demand for government accountability and improved public sector performance” (p.4).

In addition to performance of government, Rocha Menocal and Sharma (2009) summarize the view of the donors contributing to the citizens’ voice and accountability evaluation that strengthening accountability (together with voice) is also directly tackling a dimension of poverty by empowering poor people, and furthermore promotes democracy and human rights (pp.17-18).

There is a widespread acceptance that accountability is a critical factor in governance, service delivery and poverty reduction. The World Development Report “Making Services Work for Poor People” (2004) identifies the accountability relationships among policymakers, citizens and service providers as central to effective service delivery, and weaknesses in these relationships have been a major reason for inadequate supply of services to poor people. A key requirement for these relationships to work better is for citizens to play an active role in exercising oversight and holding to account the policymakers and service providers to improve services.

Similarly, the evaluation of capacity development in Africa draws the following from its review of
recent developments. “The capacity building approach emphasized that a root cause of poverty, illiteracy, and ill-health was lack of capacity: in government, to design and implement proper development strategies, and, in society, to hold government accountable for its actions” (World Bank 2005, p.7). As a consequence, the “Bank has broadened the scope of its support to deal with demand as well as supply constraints to improved public sector performance” (p.43). The OECD (2006, p.25) argues that “perceived lack of commitment on the government side” for a given development goal would be better addressed by enhancing the domestic demand-side pressures, rather than donors succumbing to the temptation to drive the program from the outside.

Evidence from the studies

Several of the cross-country studies provide supporting evidence. First, the IEG Africa capacity development evaluation provides supporting evidence from a comparison of varying experience in the roads, health, education and public financial management sectors. It concludes: “Support for capacity building in the roads sector has been more effective than support to the other three sectors reviewed.” One of the reasons for this outcome is that the roads sector is characterized by private sector “stakeholders with a direct interest in change,” who exert “strong stakeholder pressure”, while the health and education sectors are characterized by “more diffuse and weaker pressures for change”(World Bank 2005, pp.xv, 24-25). This illustrates that where a set of beneficiary stakeholders, such as the private sector in the roads sector, are able to exercise strong demand over the government to deliver on the capacity development program, this is more likely to have an effect on capacity development programs than in sectors where the beneficiaries cannot. It does not, however, mean that the roads sector is less corrupt or more responsive to local communities. Second, Baser and Morgan (2008, p.68) draw on the cases in their study to support their argument of the need to “pull performance out of the system” and conclude: “There is a good deal of evidence in the cases for the power of demand.”

Third, the IEG evaluation of public sector reform draws a strong conclusion in respect of anti-corruption reforms. “Evidence suggests that corruption can be substantially reduced only when the supply-side reforms are complemented by systematic efforts to increase the citizens’ capability to monitor and challenge abuses of the system and to inform the citizens about their rights and entitlements. Breaking the culture of secrecy that pervades the government functioning and empowering people to demand public accountability are important components in such an effort” (World Banks 2008, p.63). Finally, the OECD (2006) review of international experience concludes that strong demand-side pressures are among conditions that enable capacity development.

In addition to these cross-country studies, Box 6 provides several country examples in which demand for accountability and pressure for change has impacted performance and achievement of development goals.

Further considerations

The demand for accountability focuses on the extent to which beneficiaries and other stakeholders take action to hold public agencies and other service providers to account regarding their performance related to a development goal. As discussed earlier, this is a partner to, but distinct from, government’s actions to provide account and submit to sanctions. It can also be distinct from the underlying demand for a given service. For example, in the case of primary education, demand may be viewed as a function of the population of children of relevant age requiring schooling, which may be passive and not involve stakeholders in taking action to require its provision. Demand for accountability in respect of a goal or service indicates a willingness of stakeholders to act in order to create active demand and hold government to account for delivery. Clarity of what is meant by demand for accountability is important. It also requires precisely defined measures to support its operationalization.

Both sides of the relationship are required to establish effective accountability and promote stakeholder ownership. It also requires the government to respond, to be answerable for successes and failures in performance, and for there to be mechanisms of enforcement by the stakeholders to exert influence. The answerability of government in respect of a given development goal are addressed in other parts of the CDRF.

INSTITUTIONAL CHARACTERISTICS CONTRIBUTING TO STAKEHOLDER OWNERSHIP
In addition, participation in priority setting includes responsiveness of government to citizen’s voice. Furthermore, the institutional capacity regarding the efficiency of policy instruments includes formal arrangements for compliance and enforcement. This illustrates the interaction among different institutional characteristics and capacities within the CDRF.

**Recognizing demand for accountability**
As with the other institutional characteristics, recognizing effective demand for accountability in respect of a given development goal is challenging. The CPIA Criteria 16 assesses public accountability arrangements, while those relating specifically to PFM are captured in such tools as the Public Expenditure and Financial Accountability (PEFA) PFM Performance Measurement Framework. However, these generally do not assess the demand from stakeholders but rather the performance of government. Measures of active stakeholder demand for accountability in WBI’s project indicators database include:

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### Box 6. Demand for accountability

**Monitoring programs**
- “In the Philippines, the Local Government Support Programme showed the power of demand-side pressures from civil society organisations and citizens who worked to monitor the municipal councils. In Ethiopia, the Education Sector Development Programme provided for ‘watchdog’ institutions at the woreda and even kebele levels to monitor progress. The traditional gemgema system was also used for accountability purposes to carry out assessments of teachers and other public officials.” (Baser and Morgan 2008, p.68).
- The Philippines Text Book Count has involved active civic monitoring of the entire textbook distribution process from printers to district offices to schools, in a number of districts. An independent evaluation reports that the 4th round of the program monitored 70% of deliveries and verified that all those books were delivered. This represents a very substantial improvement. Prior to the first round of the program, 40% of text books did not reach the district offices. (Van Der Linden 2007).

**Budget oversight**
- From a review of six cases studies of civil society budget analysis and advocacy, de Renzio and Krafchik (2007) found this “can have a direct impact in terms of improved budget systems and on pro-poor budget allocations and results” (p.3).

**Report cards and surveys**
- The Punjab devolved education case provides the example of Faisalabad in which citizen perception survey analysis highlighted how allocations had historically been skewed away from the poorest areas. “...in Faisalabad, councillors responded to evidence from a citizen perceptions survey that revealed negative feedback on education facilities, especially in areas where PESRP had not delivered to the poorest unions, due to provincial assembly members’ influence over resource allocations. The survey findings resulted in amended development allocations in 2007/2008” (Watson and Khan 2010, p.22).

**Challenge to change from clients**
- The OECD (2006) highlights the case of the Afghanistan Investment Support Agency (supported by GTZ), in which demand from a key stakeholder, the private sector, has impacted effectiveness of the AISA and thereby achievement of the development goal to improve business entry conditions. “Regarding the scope, quality and speed of its own services, but also in its advocacy for private sector concerns, AISA is motivated and challenged by outspoken representatives of the business community. It is on account of this demand that AISA is now also active in analysing and marketing business opportunities at home and abroad.” (p.23).
• The extent of active scrutiny over public finances by non-state actors (e.g., Sierra Leone Integrated Public Financial Management Reform Project).
• Surveyed opinion regarding the need for citizens to actively question leaders (e.g., Sierra Leone Institutional Reform and Capacity building Project).
• Active representation of stakeholders in governance arrangements (e.g., Indonesia National Project for Community Empowerment in Urban Areas III).

In addition, Box 6 provides a number of country examples of demand for accountability from the literature to illustrate different forms taken.

Implications
The studies provide some supporting evidence of the impact of demand for accountability. However, a clear gap exists among the current assessment frameworks and indicator sets regarding the measurement of the demand-side of accountability. A prerequisite for measurement is a precise definition that identifies its elements and clearly distinguishes it from government accountability actions and demand for the service. The detailed CDRF description proposes the elements; these could feed into a process of discussion, testing and learning to establish a common definition, aid design of capacity development programs and test the impact of strengthened demand for accountability on stakeholder ownership and achievement of development goals.

Transparency of information to stakeholders

What it is and why it matters
This CDRF institutional characteristic includes the provision of timely, high-quality information by public entities, in useful and accessible form, to enable stakeholders to participate in policy, oversight, monitoring and evaluation related to the development goal. This characteristic is concerned with the supply of information that is necessary for the CDRF demand-side characteristics of participation and demand for accountability.

If information is not available about policy options, decisions made, performance and services delivered, citizens cannot develop a view on policy priorities, judge how well public resources have been used, monitor the performance of their local service providers, or demand sanctions. Information is required to support both answerability and enforceability in the accountability relationship between government and citizens. Furthermore, when actions are hidden from view, more subtle pressures such as those that arise from society’s values can also be avoided. In such an environment, corrupt practices are easier and less risky. De Nevers et al (2005) identify transparency as a priority demand-side institution for good governance and civil society awareness. “This means enhancing the flow of information through the development and dissemination of individual country and cross-country comparative performance indicators, promoting multi-stakeholder dialogue, expanding communities of awareness and fostering a stronger commitment to transparency in government and increased attention to results” (p.5).

Transparency also contributes to the development of trust between citizens and governments. It is hard to trust someone if you have no way of confirming what they say is borne out by their actions. “Information is the lifeblood of efficient economic activity as well as a good relationship between a people and their government”(Schiavo-Campo and Sundaram 2001, p.579).

In both developed and developing countries the tradition has often tended to be one of government secrecy. It is only recently that countries have shifted away from a stand-point that information is assumed confidential unless there is a good reason to release it and it is specifically sanctioned, toward one in which the default is for all information to be public unless there is a clear and justified reason for it not to be. This change is evidenced in the increasing adoption and application of right-to-information legislation.

The interest of the development community in issues of transparency has grown rapidly, reflecting the broad recognition that transparency contributes to good governance. Development assistance concerns also spurred this perspective. The fungibility of aid, particularly debt-forgiveness grants provided through the Highly Indebted Poor Countries (HIPC) initiative and budget support meant that “the governance agenda, especially accountability and transparency, became
both a way to improve development performance and a necessary condition for the continuation of IDA replenishments and of aid in general” (World Bank 2008, p.16).

**Evidence from the studies**
In most of the studies, the importance of transparency to good governance is taken as a given, and they assess how effective programs have been to strengthen transparency. However, several studies draw valuable insights regarding the contribution of transparency. The study of social accountability initiatives in Africa by McNeil and Malena (2010) provides examples from Senegal and Tanzania in which municipal tax receipts increased when citizens could see how their funds were being used and were able to hold the local government to account. The IEG Africa capacity development evaluation found capacity development programs in the roads sector were more effective than the other three sectors. One of the major achievements in the roads sector has been to enhance the transparency of funding for the sector. This, together with strengthened organizational and technical capacities of public and private actors in the sector and more stable funding, has contributed to the following rating: “the overall effectiveness was found to be satisfactory in all six case study countries” (World Bank 2005, p.24).

From the OECD’s review of capacity development experience it concludes that “low levels of transparency” are among the “conditions that have made public sector difficult to develop” (OECD 2006, p.17). Thus, lack of transparency is identified as a key constraint on public sector development.

The IEG public sector reform evaluation includes transparency interventions among those that it examines. This reflects the increase in operations that has taken place since the late 1990s that include explicit components to increase transparency, often with the objective of reducing corruption. The evaluation’s findings of impact on corruption are not conclusive: “some government-wide transparency efforts, such as access to information laws and implementing agencies and the Extractive Industries Transparency Initiative, also show promise as tools against state capture, but it is too soon to see results” (World Bank, p.xvi). However, the evaluation does point to improvements in transparency and reduced bureaucratic corruption in some PFM and tax administration programs (p.60).

The UN’s World Public Sector Report for 2010 focuses on the lessons from post-conflict restructuring of governance and public administration. “The Report shows that no progress can be made in promoting peace, development and protection of human rights unless appropriate governance and public administration institutions are established” (UNDESA 2010, p.iii). The report concludes how important information is to restructuring and service delivery. “Information dissemination should be treated as a basic service in post-conflict societies. In the short term, information about security, emergency relief and services for displaced persons and refugees may literally mean the difference between life and death. In the long run, information on various development initiatives, such as public health and education programmes, can contribute to effective service delivery, nation building and sustainable development” (p.xvii).

**Further considerations**
Strengthening transparency has been the focus of several major international initiatives. This supports the view that transparency is a necessary, though not sufficient, condition for good governance and better development outcomes, and how it is also a factor in governance and anti-corruption that is amenable to deliberate and concrete actions. It is a lever that is relatively easy to pull. The following are examples of international initiatives that seek to strengthen transparency, as a means to fight corruption and improve accountability:

- **Extractive Industries Transparency Initiative.** EITI involves the introduction of transparency and participation into the management and oversight of revenues arising from oil and other extractive industries. It aims to reduce corruption, improve the efficiency of revenue collection and transfer and strengthen the business environment in these industries. An international body based in Oslo assesses the extent to which the principles of the initiative are being observed by the participating countries. There are currently five compliant countries, and a further 27 active candidate countries undertaking measures aimed at achieving full compliance. (eiti.org)
- **Open Budget Initiative.** This initiative of the International Budget Partnership (IBP) is...
A further concern is the reliability of fiscal data; Heald draws on UK practices to examine issues of manipulation, repeated redefinition and misleading presentation. In addition, complexity of fiscal information, such as what is excluded due to off-budget transactions and off-balance sheet financing, and data overload can make it very difficult to interpret. How much of the enhancement to transparency is real, and how much is transparency illusion? This points to the need “to be realistic about context and process” (Heald 2003, p.739).

**Recognizing improvements in transparency**

A number of indicator sets, indices and assessment tools assess various aspects of transparency arrangements in the public sector. These could be valuable sources of measures for adaptation when considering this institutional capacity regarding a particular development goal. Transparency features in several of the criteria in the Bank’s CPIA, including transparency across the public sector and within several specific sectors. The Global Integrity Index includes questions regarding the existence and implementation of transparency arrangements across different parts of the public sector. A number of tools exist to assess the level of transparency in the area of PFM. These include the IMF Fiscal Transparency Report on Observance of Standards and Code (ROSC), the Open Budget Index and elements of the Public Expenditure and Financial Accountability (PEFA) PFM Performance Measurement Framework.

Examples of indicators drawn from WBI’s database of project results include:

- Public disclosure of documents and information related to public finances (often benchmarking international indicator sets noted above) and extractives industry revenues (e.g., Papua New Guinea Second Mining Sector Institutional Strengthening Technical Assistance Project).
- Transparency of benefits and obligations associated with a public program (e.g., provision of information to health insurance

Transparency is a complex issue. While seeking to increase transparency regarding a given development goal, it may be necessary to consider whether any unintended consequences arise. For example, Gavazza and Lizzeri (2007) point to the possibility of negative incentives for high service delivery performers from publicizing league tables due to increased workload resulting; league tables may also demoralize low performers or encourage falsification of records (Heald 2003, p745). Prat (2005) identifies detrimental incentives arising from excessive monitoring by a principal of an agent’s actions, rather than results.

Heald (2003, p.739) examines the arguments for and against fiscal transparency: “Doubt is not being cast on the potential usefulness of efforts to improve transparency, especially those starting from very low bases.” However, he discusses an optimal level of fiscal transparency beyond which effectiveness falls rather than continues to rise due to “over exposure,” related to high transactions costs, excessive politicization ( referencing Tanzi 1998) and uncertainty about output-process-outcome linkages. Heald also raises the issue of timing, particularly regarding changes in tax policy—to avoid undesirable anticipatory reactions of some agents at the expense of the public good, “the process cannot be transparent in real time, though it can be transparent in retrospect” (p.731).
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Implications

Broadly speaking, the literature and development consensus are clear on the need for transparency to underpin good governance, enable wide societal engagement and facilitate effective development programs in the public interest. As noted above, significant advances have been made in recent years on promoting transparency through international initiatives as well as individual projects and programs.

To build on this progress and exploit the power of transparency, further research could focus on identifying which specific dimensions of transparency have most impact on leadership commitment, participation, accountability and results, and in what circumstances. This could be done by drawing lessons about design and implementation of capacity development programs to strengthen transparency.

Box 7. Examples of transparency initiatives

- **Transparency in the judiciary in Timor Leste.** “Institutional strengthening of the Statute of Judicial Magistrates has led to the Superior Council of Judicial Magistrates (SCJM) publishing quality statistics and information for the public. The practice of publishing all deliberations has strengthened accountability and independence in the judiciary.” (UNDP 2010).

- **Transparency measures in India.** “The creation of citizen charters in important public services, legislation to facilitate the public’s right to information, and experiments in e-governance in sectors and departments serving business and citizens in general were among the initiatives taken by India to promote public accountability.” (UNDP 2009, p.15).

- **Nigeria EITI.** “Its periodic audits have opened up, widely, a hitherto opaque industry to public scrutiny. The NEITI audit reports have placed immensely rich data and information in the public domain thereby strongly empowering civil society to hold government to account. The reports have facilitated the process of recovery of significant amounts of underpaid revenue for the state and helped to improve the domestic climate for foreign direct investment. By placing embarrassing facts and figures about the bulk of Nigeria’s public revenue in the public domain, NEITI has become both an instigator of civic interrogation of public officers and a social safety valve, redirecting youthful energies from resorting to violent conflicts to engagement in civil debate on sensitive issues” (EITI 2010, p.7).

- **Transparency through communication technology.** “The ICT tools available for communicating information include radio, television, mobile phones and the Internet. For example, during the conflict in the Democratic Republic of Congo, the United Nations and other donors set up Radio Okapi to help keep peace by disseminating reliable and credible information from an independent source. The free flow of information can also empower public institutions, societal groups and citizens to produce and share knowledge—between and within service delivery sectors—to bring a greater degree of cohesion, transparency and accountability.” (UNDESA 2010, p. xvii).
Interaction Among the Institutional Characteristics

This paper examined the five institutional characteristics that contribute to stakeholder ownership individually, almost as if they were stand-alone. In addition, the description of each has often been static in nature. In reality, the CDRF is a dynamic framework that concerns processes of change. The interactive and dynamic nature of the characteristics is illustrated by considering the relationship among them.

There is a good deal of interaction among the institutional characteristics. Commitment of political and social leaders and social norms will be affected by each other, and will influence participation, demand for accountability and transparency. In addition, the concepts of participation, demand for accountability and transparency are closely interwoven. The participation characteristic defined in the CDRF concerns upstream engagement in strategic decisions, which complements the demand for accountability that is focused on the downstream of implementation. Both are required to provide engagement throughout the process for citizens to influence development results. Transparency underpins both participation in strategic decisions and demand for accountability.

Looking beyond stakeholder ownership, there is also likely to be significant interconnection with the other institutional capacities, efficiency of policy instruments and effectiveness of organizational arrangements. In many cases the different institutional characteristics and capacities are not aligned to provide mutual reinforcement. Hence, the recommendation under the CDRF to review all three institutional capacities and their characteristics together related to a specific development goal (WBI 2010c). Any approach to designing a change strategy needs to be undertaken locally to understand these interactions.

In some circumstances, positive impact on achievement of the development goal may be possible through focused attention on one of the institutional characteristics; for example commitment of leaders may be sufficient for a relatively straightforward systems reform. However, the interaction discussed above suggests that the impact of change in any one institutional characteristic alone may often be constrained. Action on multiple fronts may be needed to align interests, challenge vested interests and allocate space and resources. This calls for ownership across a wide range of stakeholders, requiring mechanisms of engagement such as those described in the participation, accountability and transparency characteristics. At the same time, civil society groups and other non-state actors are less likely to succeed if they are not supported by powerful social and political leaders.

Furthermore, while transparent information is critical for the other characteristics, in turn its value is largely determined by how it is used. A conclusion of a report of the impact of EITI in Africa illustrates this point, that “while the EITI in itself is not sufficient to eradicate corruption in the extractive sectors, it is an essential part of the solution” (EITI 2010, p.3). The clarity and precision about the characteristics advocated by the CDRF are critical to understanding what changes really matter, and the sequence in which they need to occur.
Conclusions and the Way Forward

As demonstrated in the literature reviewed for this paper, the development experience of previous decades has led to a widespread acceptance of the need for strong stakeholder ownership: leaders’ commitment and accountability for results, participation by different segments of society, society’s demand for accountability, transparency on the part of duty bearers, and consideration of impact of social norms in development programs.

The findings of the cross-country studies provide some concrete evidence to support this “common wisdom.” However, the proposition that ownership, commitment and strong mechanisms for effective stakeholder engagement are necessary is generally taken as a starting point in these studies, and the hypothesis of their importance is not directly tested. In addition, definitions of these concepts vary between studies and are often broad and impressionistic. The CDRF’s institutional characteristics have been more narrowly and precisely specified. This makes the characteristics operationally useful in targeting capacity development to achieve desirable institutional change. It allows testing to identify what really matters in creating effective demand for a development goal and how to measure it.

These findings present two broad implications. First, there is a need to more systematically incorporate stakeholder ownership and its contributing characteristics in the goal assessment, problem identification, objective setting, design, implementation, monitoring and evaluation of development programs. Capacity development initiatives within development programs must address this broader institutional environment, in addition to the challenge of formal policy instruments and organizations. These processes are core elements of the WBI approach to capacity development captured in the CDRF, which reflects the growing emphasis on viewing capacity development as a results-focused transformational process that engages all of society’s stakeholders.

Second, more collaboration and learning are required to build understanding of which aspects of stakeholder ownership and the institutional characteristics matter in varying contexts and conditions, how they can be observed and measured and in what ways they can be influenced. This should involve different disciplines in the development community (e.g., social development, and governance) as well as other relevant literatures (e.g., psychological, sociological, and political). The CDRF provides a sound platform for taking this forward. Key steps include the following:

- **Definitions.** Challenging and building consensus on the CDRF’s precise operational definitions of the institutional characteristics that support demand for development goals. Modifying the definitions as knowledge grows about what matters.

- **Pilot applications.** Supporting local agents of change to undertake pilot applications of the CDRF in which assessing and developing strategies to strengthen demand for the development goal are judged to be of major importance. Drawing lessons from these pilots about the development of change strategies. Providing strong demonstration of how the CDRF approach supports a strategic process for strengthening stakeholder ownership.

- **Results measurement.** Developing a pool of relevant indicators from which practitioners can draw and adapt to their particular context, to target and monitor improvements in the institutional characteristics contributing to stakeholder ownership. Providing tools to support local agents to adapt, use and learn from results measurement. Using the results data to support research of what works.

- **Systematic review.** Systematically drawing from experience through rigorous reviews and evaluations of practice in strengthening stakeholder ownership, going beyond one-off story sharing and unchallenged practice. Identifying what has worked and in what context.
Box 8. Key questions

- In cases where ownership was successfully developed, was there a deliberate strategy? What was the dominant form that the ownership took? How effective were deliberate actions to enhance participation, demand for accountability and transparency? Were they top-down or bottom up? Who were the key actors?
- How did a given innovation arise? Was it an endogenous adaptation, an evolution?
- Can sufficient stakeholder ownership be generated by addressing just one or two of the institutional characteristics, and in what circumstances?
- What are the main drivers for commitment of leaders?
- Is participation in priority setting at the outset critical for strong stakeholder ownership during implementation? Is participation in other processes as important?
- In cases where social attitudes changed, what were the key enabling factors?
- In cases where demand for accountability for a development goal was high, what were the main precipitating factors and challenges?
- Have increases in transparency prompted greater participation or accountability?

**Innovations.** Promoting and capturing innovative practices that have yielded strengthened stakeholder ownership, and demand-side institutions more generally.

Box 8 presents some key questions to address in this experimentation, piloting and research.

Each step will contribute knowledge and learning to the overall puzzle of how to strengthen stakeholder ownership. In parallel, successful pilot applications will generate momentum for results-focused capacity development, by demonstrating the value of efforts to build demand and stakeholder ownership for a development goal.
References


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