Capacity Development and Learning: Preliminary findings

Suzanne Hosley[1], Peter Steane[2]

[1] Shinawatra university, Graduate Program Manager (suzanne@shinawatra.ac.th)
[2] Macquarie university, Macquarie Graduate School of Management
(peter.steane@mq.edu.au)

Abstract

In the fifty years since its inception, official development assistance has had mixed results: although there have been improvements in the living standards of many developing countries and individuals, development assistance has neither eliminated poverty nor brought about sustainable development, its ultimate goal. Research and debates in the last fifteen years about the effectiveness of aid have resulted in an emerging consensus that long-term capacity development initiatives are essential to bringing about sustainable development.

Capacity development initiatives that have been implemented in the last ten years involve comprehensive processes through which individuals, organisations, institutions, sectors and/or societies enhance their ability to perform functions and achieve desired results on a sustainable basis. They involve learning and change at many levels. Unfortunately, with their hard-to-quantify objectives, they have also proven difficult to implement successfully. Research done to date provides only limited insights into what is needed to turn this around, to translate capacity development initiatives into effective and sustainable change. And although it is generally accepted that individual learning seems to occur more successfully than institutional learning, virtually no research has looked at the processes involved in transforming individual into organisational or institutional learning and change in such initiatives.

This paper outlines preliminary results of research undertaken to understand and explain capacity development initiatives in terms of the interaction of the personal and contextual factors involved, and of the underlying processes of individual and institutional learning and change. Three long-term capacity development projects in Vietnam implemented during the 1990s have been studied, through 50 interviews and over 60 project documents in the course of the research. This paper looks at preliminary results of one of the case studies.

Indications are that capacity development initiatives can be effective in bringing about a fundamental shift in individual values, attitudes and beliefs that are the prerequisites to sustainable development, and that this is best learned through applying new skills and knowledge over a relatively long period of time in close collaboration with colleagues, foreign or local long-term advisors. Results also indicate that complex interactions of organizational, social and political realities hinder the institutionalisation of such changes in the short-term, that the timeline for institutionalisation of changes is at least ten years, much beyond the time horizon of most projects, but that such institutional changes can and do occur over time. Implications relative to project design for capacity development initiatives are discussed.

1. Introduction

This paper outlines preliminary findings from research undertaken to understand and explain how people, processes and contexts interact to influence the individual and organizational learning required for successful capacity development. The research involved a qualitative study of three capacity development projects undertaken in the 1990s in Vietnam. This paper focuses on one of those projects, one aimed at developing capacity in higher education in the fields of business and management at a large university in Hanoi from 1993 to 2000.

2. Background

2.1 The Aid Effectiveness Debate

Official development assistance, which consists of grants or loans to developing countries aimed at alleviating poverty and promoting sustainable development, has amounted to over US$ 1 trillion since 1950 and continues to

absorb over US$60 billion annually. Development assistance has had mixed results, but has neither eliminated poverty nor brought about sustainable development. In effect, 20% of the world's population still live below the poverty line on less than $1 a day, 14% still suffer from chronic hunger and hundreds of millions still have no access to basic education, sanitation or healthcare [1].

Research over the last fifteen years indicates that development initiatives do not always meet their goals and that positive outcomes rarely last beyond project completion. Capacity building, institutional strengthening and other technical co-operation aimed at enhancing human and institutional capacity in developing countries, while considered essential prerequisites to sustainable development, have been even less successful than other types of intervention [2].

These shortfalls have led to increasing research into and vigorous debate over the effectiveness of development assistance. While it is agreed that sustainable development requires long-term local capacity development to achieve self-management, satisfaction of human needs and improvement in quality of life lasting far into the future, the emerging view is that there has been inadequate attention paid to it. [3]

2.2 Previous Research on Aid Effectiveness

Much research into development effectiveness has been done at the macroeconomic level, studying correlations between aid flows and various factors such as economic growth, public and private investment, domestic savings, economic policies and institutional environments in recipient countries. While many of these studies suggest that development assistance has been ineffective, they do not help understand the reasons behind development failures. This limits their contribution to our understanding of the problems involved and therefore to our ability to improve development implementation, its impact and sustainability.

Another large body of research consists of donor assessments of funded initiatives aimed at assessing their own performance. These assessments are generally performed soon after completion of initiatives and historically have assessed outcomes and efficiency, which are easy-to-measure indicators of short-term success, rather than impact or sustainability, which are difficult-to-measure indicators of long-term success. Furthermore, the majority of these studies involve desk research (reviews of written evaluations) rather than on-site observation or discussions with the people involved, which suggests a donor and/or consultant bias in results. Despite these limitations, results indicate that participatory and process approaches, which foster ownership and commitment on the part of recipient country governments and institutions, tend to be more successful than supply-driven, bureaucratic approaches. They also suggest that factors such as a short-term donor orientation, lack of attention to context and inappropriately skilled consultants have contributed to the failure of many development efforts. This type of research has provided valuable insights into factors contributing to past successes and failures, and has informed and influenced donor policy related to development management. However, it provides limited insights into the processes and interactions that are key to translating such policies into effective and sustainable change.

The limitations of the macro-level and donor-driven research suggested a need to broaden the scope of effectiveness studies to more qualitative, long-term and in-depth research. In effect, research to date does not touch on the essence of development work, particularly not of initiatives with hard-to-quantify objectives such as capacity development. To understand what would allow such initiatives to succeed at the individual, organisational and/or institutional level requires in-depth research, studying on a case-by-case basis the complex processes and interactions involved in their implementation. This research is a first attempt at doing this.

2.3 Present Research - Linking Capacity Development to Learning

In this research, three long-term capacity development projects were studied through in-depth interviews, document search and observation, and focusing on contexts, actions and interactions and their impact on individual learning and organizational change outcomes.

(1) Capacity development

Capacity development definitions abound in the literature: some authors have equated it with human resource development, some with institutional development. Most experts now agree that it must also involve the broader system or environment within which individuals and organisations function [4] and that it is a comprehensive process through which individuals, organisations, institutions, sectors and/or societies enhance their ability to perform functions and achieve desired results on a sustainable basis [5].

In the author's experience, capacity development initiatives involve multiple actors with differing viewpoints,

agendas, cultures, backgrounds and objectives, introducing social and institutional change while seeking to reach evolving and sometimes conflicting goals. They are implemented in uncertain, complex and diverse environments, and they involve political and social interaction, influence and learning. The preliminary findings included herein support this impression.

(2) Learning and change

It is generally agreed that capacity development involves learning and change at several levels within an organisation, sector or society. It:

- aims to enhance and/or enable better utilise existing skills, abilities, resources and other capacities [6];
- encompasses but is not limited to institution building and human resource development [7];
- operates on the individual and group, the organisational and institutional, and the overall institutional framework levels [8]; and
- involves complex adaptation, learning and change [9].

The research discussed in this paper focuses specifically on the individual learning and organisational change aspects of capacity development and seeks to understand how these come about.

(3) Capacity development in Vietnam

This paper outlines preliminary findings of one of the three case studies making up the research: a US$7 million bilateral aid project at the a large university in Hanoi, operating between 1993 and 2000 and aiming to build local capacity relative to the development and delivery of graduate management education in Vietnam. The study involved twenty in-depth interviews with actors, multiple observations and a review of over 30 project documents. Individual learning outcomes in this research, as described by interviewees, fall into categories: knowledge, skills and attitude. Organisational change as identified by actors include issues of organisational structure, organisational systems or processes and organisational culture.

3. Preliminary Findings

Preliminary findings from the research are identified below in terms of contextual factors, actions and interactions and outcomes. These are supported by direct quotes from interviewees where appropriate so as to give a more personal flavour to the findings. They indicate substantial impact of national and organisational culture on the extent of organisation change outcomes and substantial impact of 'learning through doing' with consultants and peers on the extent and nature of individual learning outcomes.

3.1 Contexts

(1) Vietnam in transition

Vietnam in the 1990s was an economy in transition. The reform process, started in 1986, aimed to develop a *"market economy under socialist guidance"*, thus bringing together two somewhat incompatible systems: market economics and socialist politics.

The reform process had several impacts on the country, some of which are of particular relevance to the project. First, it gave rise to a conflict between the traditional Confucian culture emphasising respect, harmony and stability, the established socialist culture emphasising equity and collective benefit and the emerging entrepreneurial culture emphasising initiative and individualism [10]. This conflict manifested itself in the project in that those who adapted too quickly were mistrusted and even sidelined, they were seen as 'outsiders', not fitting with the more traditional norms of the organisation. In addition, the equity issue made itself felt as the project created some resentment amongst other faculties in the university since it was housed at the management training centre, thereby providing multiple and unique opportunities for one small group of people over the rest of the university. A positive effect was an inflow of foreign direct investment, in the form of international joint ventures and wholly owned foreign enterprises. These firms sought consulting and training services from the school, thus enabling faculty to put into practice their newly acquired knowledge and skills as well as providing income-earning opportunities that did not exist before. They were also professional and demanding clients, representing a whole new set of customer needs and requiring a very different approach.

(2) The university and the reform process

The university, founded just after Vietnam's liberation from French domination, had a history of pre-eminence in

economics education in Vietnam: many Party and government leaders came from the university. However, with the university's limited resources and its resulting inability to change its offerings to respond to the needs of a changing economy, it began to lose this pre-eminence in the eyes of the market. In effect, in 1992, six years after the beginning of "doi moi", the university still taught predominantly Marxist rather than market economics, had no business or management courses, no modern teaching and learning facilities and only a very few faculty members who could speak, read or write English. The university knew things had to change, but many were not ready to admit this and/or did not realise what the required changes really entailed.

The university operated under the auspices of the Ministry, which had a tight grip on university activities, to the extent of granting all graduate degrees to its students, controlling entrance criteria and approving actual student enrolment. Thus all programme and organisational changes at the university required Ministry approval, which involved long, bureaucratic processes.

Every four years, the ministry appointed a new rector to lead the university. Whenever a new leader was nominated, he would in turn change the university's whole management team, bringing in "his" people, he could trust. In addition to discontinuity in policies (the saying was "*new official, new policy*"), this also had an impact on the speed of change possible at the university: senior management were reluctant to implement long-term or important changes or to commit to long-term planning since their tenure was limited to four years and they did not wish to cause problems for successors.

(3) The Project

The project under study was initiated to build the capacity of the university to enable it to contribute to the reform process through human resource development as well as institutional development. The project was housed within the management training centre at the university. Junior faculty members, thought to be young enough to more easily absorb new knowledge, were selected from amongst the other units of the institution. It was expected that some of these faculty members would return to their home faculties after their project involvement ended and that some would stay with the centre and help turn it into a full-service business school.

The project, implemented between 1993 and 2000, was longer-term than most in the world of development assistance, where many projects are less than three years in duration. The project objectives were jointly derived by the university senior management at the time and donor. They were to (1) train a core group of faculty members to develop and deliver management education, and to spread these abilities to the rest of the institution so as to allow it to support the country's move to a market economy and to (2) develop the management training centre into a full-service business school.

The approach used was to run a Master of Business Administration (MBA) programme on site for a first cohort of thirty faculty members, to enable them to learn about business and management through the course itself, as well as courses in training, consulting and case writing. This core group was then to develop and deliver the university's own MBA and executive development programmes, thereby passing on knowledge to students and businesspeople.

The activities in the first phase focused on acquisition of knowledge about business and management and the development of skills in using modern teaching methodologies. The focus of the second phase was to repeat this for a second cohort of thirty faculty members, as well as develop and deliver new programmes with the original cohort. The focus on the third and final phase was to consolidate all of this learning, develop links with foreign universities and develop systems and processes within the business school that would enable it to carry on into the future without outside assistance. In summary, the objectives focused on knowledge acquisition, skills development, programme and systems development.

While all parties shared the formal project objectives described above, the actual expectations of the parties varied in subtle, but very important ways:

▪ The management of the university and the ministry expected that the university, through its young faculty members, would *"receive methods of modern universities in the world, especially from countries with developed economies."* They expected " *a few people would get to be trained and from these people, and the programmes they would develop, and new methods they would use, this knowledge could be transferred to others in the society.*

▪ The donor expected that *"faculty would acquire new knowledge and learn new methodologies for delivery"* and that the core group would influence the rest of the university over time.

▪ The consultant expected that *"the faculty members and the university would become 'more like us'*, adopting Western practices and processes along with the knowledge and skills acquired.

▪ The faculty members involved had *"few specific expectations"* and *"no clear ideas about what we would learn"*. They were young and inexperienced. The most common expectation was that they *"expected to get a MBA, with no idea what it was about"*.

(4) Summary

The major contextual factors at work throughout this project include an all-pervasive conflict between Confucian, socialist and entrepreneurial cultures; an organisation losing its pre-eminence in the market because of a lack of resources which would enable it to change so as to serve the needs of the reform process; a capacity development project focusing on a small group of junior faculty members brought together within one unit of the organisation which was expected, through example and co-operation, to lead the required change within the larger organisation; and a project team working towards shared explicit objectives alongside players having quite different underlying expectations.

3.2 Actions and Interactions

The findings reveal a number of important responses and reactions to events, happenings and problems arising during the course of the project.

(1) Cultural interactions

Cultural differences impacted on the project in many ways and at many levels. A language barrier existed that not only created communication problems but also resentment and resistance to change, given that it made senior management feel excluded and belittled. There was also a difference in values and behaviour that had to be accommodated so that the concepts being learned could be made to work within the existing national and organisational culture.

Language: A language barrier separated the university senior management and the consultants, making the management feel inadequate, a little distant from and resentful of the project and the changes it was bringing about. This lessened the potential impact of the project. *"The leaders were not as open or as positive as expected due to the language: they felt so little, so separate because they knew so little of the language, they lacked confidence because their English was so bad"*. It also hindered the university's ability to form and to learn from alliances with other Universities in the region. *"If the language of the leaders had been better, the transfer of knowledge to us would have been greater. Our relationships and participation in regional associations could not develop as expected because of our lack of language capability."* While less intense, this same language barrier *"caused some problems for the students and the foreigners in understanding each other in the learning process and agreeing on work methods."*

Values: The concepts being transferred were Western management concepts reflecting Western values and culture. Some - those that more closely reflected Vietnamese values - were more acceptable than others. Those that differed significantly from local practice – for example empowerment and delegation versus control and centralised decision-making – were resisted. *"When we want to do new things, people don't accept this, they say it works in Western cultures, but it doesn't work here."* This led ultimately to adaptation of many of the concepts, both in the way they were conveyed in the university's own teaching and in the way the Business School systems were implemented. *"Because the whole programme is from abroad, whenever we see things, we need to think how it can work in our system. Many things don't work here. Some things may work, but people are very sceptical and they blame it all on culture...they are defensive."*

Suspicion: A distrust of foreigners amongst the Vietnamese, fed by decades of war, foreign occupation and socialist doctrine, underlay interactions between university staff and consultants, a distrust that lessened through extended contact in many cases, but remained unchanged in many others. *"People watched what you did, questioned the relationships you developed and were suspicious of your intentions"*. This often created misunderstandings and delays in implementing change: *"Communications were fraught with misunderstanding, suspicion....some of the old system 'insiders' trying to rebalance the system that the project and the 'outsiders' had unbalanced ...resulting in endless document creation and recycling of decisions."*

Findings indicate that cultural differences evolved with the project: at first, the university faculty were quite closed to the world and therefore were not aware of differences. As they learned more, the awareness of differences grew. *"The more I opened to the world, the more I saw cross-cultural issues. Negatively, it influenced the way I learned because I worried about it. It took more time since I examined the things that I learned. Positively, I learnt to be more open to other people. But to change, to be that flexible, it takes a long time, so I feel frustrated"*. As interactions with foreigners continued, the faculty members' values and the business school culture started to change, some foreign values and behaviours were adopted, thereby creating a group of 'outsiders' within the business school and the university.

(2) Organisational actions

The project was managed by a committee made up of the senior management of the university and the business school and the heads of the personnel department, international relations department and Party cell of the university.

Day-to-day operations of the project were managed by the business school director and his team, with important issues being referred to the rector for resolution.

The senior management of the university supported the project by providing facilities, human resources and time and by facilitating interactions with the ministry and the university as a whole. The host organisation was responsible for the implementation of ideas coming out of the project. The business school management also supported the project, trying diligently to help bring about changes within the system. *"Leaders in the school also cared a lot about the project, they brought ideas to solve problems. Things changed a lot, but sometimes slowly. But things did change a lot"*

There were often conflicts between business school management and the consultant, as consultants tried to implement project objectives within constrained timeframes while management had to deal with the realities of the university's entrenched systems and policies. *"Most difficult was to smooth and gain agreement between the foreign expert and the Vietnamese staff. e.g. when we wanted to hire staff, we have difficulties with the foreign experts who wanted it to be now, in a short timeframe, but that was not possible in our system"*.

Managing an evolving, changing group of people, one that was more and more different from the rest of the university was a challenge for the business school management. *"It is different here, particularly for the management of the business school, it is difficult to manage this group, because we are more Western."* Because the faculty members were gaining confidence in themselves and their abilities, they wanted more freedom to act. This came into conflict with the vested interests of management. *"We wanted to have more delegation so we could do things faster and better, but it affected managers, they were afraid of losing their power, or they didn't want to change because they were used to their way of doing things."* Yet management was changing as well, if somewhat more slowly. *"the environment forced management into a different style. The director's style was more participative because of the particular group of subordinates he was in charge of. He listened to other people and he tried to find ways that were new"*.

(3) Project actions

The project was managed by one full-time project coordinator on site at the university for the seven year period, supported by frequent long-term visits from a regionally-based coordinator, an overseas degree-granting partner and up to fifty shorter-term (three months to four years) visiting faculty and consultants. This team worked closely with the faculty members and the management team throughout the project. University faculty members involved in the project evolved from students in Phase I, to co-teachers in Phase II, to colleagues in developing the business school in Phase III. The project activities (see Table 1) were geared towards fulfilling the explicit objectives of the project: knowledge acquisition as well as skills, programme and organisational development.

Table 1   Project Activities

Type of Activity	Phase 1: 93 – 95	Phase 2: 95 – 97	Phase 3: 97 - 00
Formal Studies	<u>Faculty</u>: language training, MBA, train-the-trainer, research and case writing methodologies <u>Management</u>: language training	<u>Faculty</u>: language training, MBA, train-the-trainer, research and case writing methodologies <u>Management</u>: language training	<u>Faculty</u>: language training, MBA, train-the-trainer, research and case writing methodologies
On-The-Job Learning with Consultants	<u>Management</u>: strategic planning	<u>Faculty</u>: programme design and delivery; development of school constitution <u>Management</u>: advisory board, business school establishment	<u>Faculty</u>: programme development and delivery <u>Faculty and Management</u>: systems development and implementation
Conferences, study tours, visits	<u>Management</u>: study tours, regional meetings <u>Faculty</u>: Internships abroad	<u>Management</u>: study tours, regional meetings <u>Faculty</u>: Internships abroad	<u>Management</u>: study tours, partner institution meetings <u>Faculty</u>: Internships abroad

Types of Activity:

<u>Formal Studies</u>. Formal studies involved visiting professors running a two-year full-time MBA programme for university faculty members, supplemented by workshops on case study writing, research and training methodologies.

Faculty members gained new knowledge (market economics and Western business management concepts) and skills (participatory and experiential approaches to teaching) through observing and participating in the MBA and the training courses and workshops. *"The way we learned in the MBA was very different from the way we learned before. After we finished our MBA, I had some knowledge."*

On-The-Job Learning. Findings indicate that the most important interactions stemmed from work done in collaboration with peers and consultants after the completion of formal studies. *"Much more important was after graduation, when we started to do real business and from that process we learnt much more. Learning through doing and learning with peers is more exciting, faster and more effective."* All faculty members and management acknowledged that *"learning by doing, learning through mistakes, difficulties and challenges"* was a much more powerful learning tool than formal studies. It emerges strongly as the most influential factor in learning. It involved working in teams with consultants to design, market and deliver MBA and executive development programmes as well as to design, implement and manage systems, policies and practices at the business school such as programme committees, strategic planning, human resource and financial management systems. *"We launched our own academic programmes, short courses, it gave me more experience, more practical experience".*

Findings indicate that those faculty members who stayed on at the business school (twenty-eight of them) contributed more to changing the university and learnt more themselves than did those who returned to their own faculties. This is universally attributed to the practical work done after the MBA: the opportunity to extend their work with foreigners, using newly developed knowledge and skills in an enabling, supportive environment. *"If we compare ourselves to those who went back to work at the university, we had the same level when we finished the MBA, but now they just went back to doing what they did a long time ago, they cannot develop themselves, I don't see much change. They didn't change the way they work."*

Overseas visits and study tours. Findings indicate that these activities were not very influential among the faculty members but that they were most influential amongst senior business school and university management:. Management were able to observe what they had to achieve in the long run and they could discuss what that might involve with peers of similar stature.

Actors Involved:

Consultants. Working with and observing consultants who had different working methods, approaches and attitudes to those traditionally seen in Vietnam was a powerful learning mechanism. *"What I learnt most is the way of working: small things but really different, like how to write proposals and reports, how to promote your institution or yourself, how to care about customers, how to deal with other cultures, how to adapt... small things, but important, so that we know how things work".*

Findings indicate that, given the extended day-to-day contact, long-term consultants had more influence on this type of learning than did short-term visiting consultants and lecturers. Working with long-term consultants also engendered enthusiasm and confidence in outcomes that appears to have facilitated the learning *"After we graduated, everyone was very committed and we worked together with the consultants as a team towards something new. It was highly motivating and exciting. That was very important to expand our capabilities. We believed that we could do things"*

Peers. Collaborating with peers was another important facilitator: working together in a tightly-knit group of people sharing the same experiences and supporting each other. *"We have a group of similar thinking people, working together and learning from each other and that is a very strong learning environment that forces us to learn."* This was particularly true at the beginning of the project, when faculty members were on a similar footing, before differences in ability and interest emerged. *"Because we are at about the same starting point, so we can make mistakes and share with each other, we can share all the mistakes you made. That is more important for learning."* This initial enthusiasm and team spirit appears to have eroded, however, in the last years of the project: the faculty splintered into sub-groups based on different interests, abilities and motivations and also because of increasing competition for internal influence and income-earning opportunities.

Management. Interactions with business school and university management helped faculty members learn about organisational politics. Management inculcated in the faculty the need to introduce change slowly in order to not become too different from the rest of the university, to remain somewhat compatible with them. *"We used new teaching approaches. Management were so worried, they said be careful, just try one thing and see what happens."* Faculty members seeking to promote change had to moderate their approach so as to persuade and to introduce incremental changes that did not upset management. *"Sometimes if the idea is very advanced, we have to break it down into smaller activities or smaller periods of time and then go step by step, otherwise we are too different from the rest of the university."* This and a lack of appreciation were found to be demotivating at times. *"I tried so hard, but nobody recognised my learning, my hard work".* *"Lack of appreciation and recognition of efforts: that is one of the biggest difficulties we have".*

<u>University colleagues.</u> While interaction with university colleagues outside the business school was not extensive, the school faculty influenced through example and also through collegial work. *"More and more we involve the university people in our activities, which is a good thing. They learnt from the image or reputation the school has with clients, they learnt from that as an example to be followed."*

(4) Summary

In summary, the interactions amongst players in the project were affected by cultural differences including language barriers, differences in values and a certain mistrust that hindered communication and slowed the pace of acceptance and change in the organisation. Internal politics and a wish to not appear too different to the rest of the university were also influential in slowing down the pace of change. Finally, while formal studies provided an important foundation of knowledge and skills for faculty members, learning by doing, working collaboratively with long-term consultants and peers appears to have been of greatest import in learning different ways of working.

3.3 Resulting Outcomes

The outcomes resulting from the above-mentioned interactions and conditions were mixed. Intended, tangible changes, as described in project documents, were mostly met: (1) a business school was formed, with a management team and faculty who were all educated in modern management techniques, (2) business and management programmes were taught at the university as a whole as well as at the business school and (3) faculty members were using interactive, student-centred learning approaches and were involved in teaching, training, research and consulting activities that brought in income for themselves and the school. In effect, knowledge and skills were acquired and were being used. Additional unintended and intangible outcomes, not covered in the project objectives, were revealed: a change in attitude and outlook amongst faculty members in particular, and an emerging shift in organisational culture seemed to have been caused by involvement with the project.

(1) Individual learning

Findings indicate that the project had a strong impact relative to individual learning. Intended, tangible outcomes were generally reached in the areas of knowledge and skills acquisition. Positive unintended, intangible outcomes relative to people's attitudes, increased self-confidence, openness and willingness to try new things and take responsibility emerged as did, on the less positive side, an increase in selfishness and competitiveness.

Table 2　Individual Learning Outcomes

	Knowledge	**Skills**	**Attitude**
Intended learning	▪ Market economics ▪ Business management ▪ Instructional design and delivery ▪ Research methodologies	▪ English language ▪ Facilitation ▪ Use of teaching aids ▪ Client relations ▪ Business development	
Unintended – positive	▪ Western ways of working	▪ Teamwork ▪ Lifelong learning ▪ Interpersonal	▪ Self-confidence ▪ Proactive problem-solving ▪ Taking initiative ▪ Openness ▪ Risk-taking
Unintended –negative			▪ Competitiveness ▪ Selfishness

<u>Knowledge:</u> Knowledge about the market economy and about Western concepts of business and management were acquired through the MBA programme. *"I think if we look at individual courses within the MBA, each contributed a little bit, but together, it gave the whole foundation, the management foundation to understand things."* Knowledge about instructional design and delivery methods and about research and case study writing was acquired through a series of workshops.

<u>Skills:</u> Teaching, training and research skills were initially acquired through observing visiting faculty teaching the

MBA and running training and research workshops. These were perfected through team teaching and designing programmes in collaboration with visiting faculty members, consultants and peers. In addition to such academic skills, most faculty acquired business development and administrative skills through working with consultants to develop the school's business. "*I acquired many different skills: management skills, business development skills. For example, I was not able to see opportunities before for myself or others. I have more opportunities to earn money now, to develop business.*"

Findings also point to other important, unintended skills acquisition, such as lifelong learning skills -"*For me the most important thing I learned was learning how to learn, developing our own way of thinking. Knowledge becomes out-of-date, but learning how to learn helps longer.*"- and interpersonal skills such as how to influence people "*I learnt not to impose, but to let people see the need for themselves first.*"

Attitude: The project impact on attitudes was unintended, it was not explicit in the project objectives. There was an overall gaining of self-confidence, in people's belief that they could make a difference, that they could tackle new and complex tasks and that they could work well with colleagues, superiors and foreigners. "*The most important thing I learnt is the way to see myself, how I can do things. Before that, everything was planned, structured by someone else and I saw my capabilities as very limited, The most important thing I learnt is that I can do a lot more than I believed before. I talked with several other people, and they all said they felt more confident.*" A second major impact was an opening to the rest of the world, a changed perspective of Vietnam and of foreigners. "*I am more open to other people, other societies, other way of doing things, not just my way. I have changed very much in that regard.*"

As a result of these individual changes, a sense of disappointment with the status quo, with the traditional way of doing things in the university emerged. "*I became more frustrated with the way things are managed. Before I didn't pay attention, didn't care about to how things were done, it didn't matter. Now it does.*"

An increase in selfishness, self-centeredness and competitiveness emerged late in the project, possibly resulting from the disappointment and frustration but also due to the limited possibilities for advancement. "*We created opportunities for competition by opening a few management positions that people were competing for.*" As people gained confidence and ability, but were not able to change the organisation culture or systems, they became disillusioned and started doing things for their personal benefit rather than for the benefit of the school. "*Now, people work for themselves, they are too critical of each other and less cooperative.*"

(2) Organisational change

Project outcomes are mixed in terms of organisational change. All intended structural changes were brought about, the business school is recognised by the ministry and its university-approved constitution allows it more privileges than other units within the university. However, intended system changes were much less successful: although human resources and financial systems are in place, they are of a traditional variety that fit with the existing university systems rather than a model of modern management practices: the implemented systems were adapted to fit with the current context rather than serving as an example of how the existing systems could change. This resulted from "*A disconnect between the project objectives and the level of commitment to or realization of the requirement for change. The project was set up to create change from the bottom up, with relatively little emphasis placed upon changing the behaviours and processes at a higher level.*" Finally, the cultural change within the business school was, like the attitude change in individuals, an unintended but marked outcome. This cultural change did not extend to the university as a whole.

Table 3   Organisational Change Outcomes

	Structure	Systems/Processes/Practices	Culture
Intended and achieved	▪ Semi-autonomous business school with a constitution, organisation structure and management team	▪ Programme and quality management ▪ Marketing systems and processes ▪ International links ▪ Knowledge management systems	
Unintended and achieved	▪ Full management team made up of project participants		▪ Oriented to individual benefit ▪ Dominant work orientation ▪ "Insider" traditional

			group and "outsider" Westernised group
Intended and not achieved	▪ Matrix structure of programmes and areas of specialisation	▪ Library management ▪ Performance management ▪ Budgeting and financial control ▪ Strategic planning	

Structure changes: The creation of a separate business school with a constitution and an organisation structure that followed international standards was achieved. Two years and a half years after completion of the project, all members of the management team are graduates from the project. These people are amongst the more conservative faculty, the 'insiders'. *"The more people move up in the hierarchy, the more they must adjust more to the university otherwise they will not survive."*

Systems, processes and practices: The major area of failure for the project in terms of organisational change was in the development of professional or "modern" management systems and practices. Attempts to develop human resources systems linked to performance and an accounting and budgeting system linked to strategic planning failed. In effect, whereas the consultant and donor had hoped that the business school would act as a model of required change within the university as a whole, this did not work given the lack of emphasis placed on this aspect of the project by university management and the overall desire to follow existing rules and regulations. Senior management stated, after the project: "*The management mechanism of the university depends on many other regulations of the government, etc. so activities to try and change that were not very useful.*" Business school management said "*Regulations from the university and the ministry caused some difficulties to implement project objectives.*" and faculty members said "*The director had to work under pressure from the normal practice at the university. He had to follow the rules and regulations and the general behaviour of the university and it is difficult for him to be too innovative.*"

The failure was thus one of expecting to change systems from the bottom up in a short period of time without first creating a felt need from within the university as a whole. *"It was like something from the outside, it never got to the inside."* There are indications that this felt need may yet emerge as the school and the university continue to evolve after the project has ended and the decision to change comes from inside the organisation. "*But now, two to three years later, when management need to have something, then automatically it will happen. In one or two years, not everything, but more policies, more structures will be in place*".

Culture shift: Similar to the attitude changes at the individual level, the culture changes within the business school were unintended but powerful consequences of the project. In fact, it appears that they are a consequence of individuals' attitude change *"everybody learned and changed and acted that way and after a while, it became the culture of the business school."* While other faculties in the university retained their traditional culture, the business school evolved a very work-, and customer-focused culture, where people try new things and are more independent. At the same time, they have less harmonious work relationships and are more self- and money-centred. *"In the rest of the university, people accept the order, the hierarchy, it is more traditional. They are more social and personal in their interactions with each other. But in the business school we were changed to become more active and the other side of active is more competitive."* As a result of the shift, there is little exchange between the business school and the university, a potentially negative effect, since *"in order to gain the support of the university management, the school and our leaders must try to be a little more like the rest, otherwise we will be isolated."*

Project impact on the university: The project did have an impact on the university as a whole, especially in terms of teaching methodologies and content. This was done through example and incentive and also by inviting university faculty to work on business school contracts. *"They learn by seeing what the school is doing. They all see that the school is the best place for methodology, for being international and the university wants to go international."*

Findings indicate a number of factors contributing to the lack of success in systematic organisational change. Some argue that the focus was too much on the business school. Many argue that while the senior management wanted the changes in theory, they were not ready in practice: there was no felt need on their part to change. Others argue that the lack of strong leadership, the lack of management skills and the lack of continuity in management in the university held back such change, thereby allowing the entrenched conservative culture with vested interests to resist any pressure to change. A final view is that the project timeframe was too short to allow systemic change at the university or business school level, that seven years was not enough for a natural cycle of change, one stemming from internal felt need or change of culture.

(3) Societal impact

Project objectives in terms of societal impact were largely met. New programmes developed by the business school helped to develop management skills in managers of Vietnamese or foreign owned firms, courses in small and medium sized enterprise management helped young entrepreneurs develop better business sense, etc. The university management had expected that it would take longer to transfer the new knowledge and methodologies to society and were delighted that it happened much faster than expected. *"What we and the donor and the Vietnamese government wanted was the sustainability of the project and that was reached: there was a direct impact on society or the business community."*

Table 4   Societal Outcomes

	Improved Education Delivery	**Improved Management Skills in Society**
Intended and achieved	▪ 90 faculty members MBA graduates ▪ 6 faculty members in PhD studies ▪ 2 partnerships with foreign universities to offer international standard education ▪ Offerings involve active learning rather than passive learning.	▪ MBA programme s offered to over 200 managers. ▪ Executive development programmes run for 100s of enterprise managers ▪ Consulting projects helped several dozen organisations improve practice
Unintended and achieved	▪ business school faculty trained dozens of educators in other institutions.	▪ SME courses were developed and delivered to 100s of entrepreneurs

On learners and customers: faculty who remained at the business school had a greater impact than those who went back to their faculties. They had more freedom and resources to offer new programmes to learners, thereby influencing managers and corporate clients. All faculty members currently support and participate in development assistance projects, teach in other universities, work on projects for state-owned enterprises and NGOs, spreading their knowledge and skills to the larger community through consulting, training and research work, in addition to doing it through formal degree programmes.

On government and institutional change: the project indirectly impacted on the ministry as well, as individuals became involved with various projects. One important player from the business school has been transferred to the ministry, using his knowledge and skills to influence international linkages and projects in other areas of education in Vietnam.

(4) Summary

In summary, significant individual learning of knowledge, skills and attitude occurred in all faculty members and to a lesser extent, in management. The knowledge and skills learning was expected, the attitude change was not explicitly planned, but was an important result. Organisational change in terms of structure, programme offerings and teaching practices occurred. A marked change in culture occurred in the smaller unit, the business school, but did not spread to the larger university. As a result, the more culture-bound changes related to systems implementation did not occur, as the entrenched routines of the university and ministry prevailed and systems implemented were adapted so as to be more traditional than modern. Societal outcomes were largely met through the new programme offerings that emerged from individuals' new knowledge and skills.

3.4 Discussion and next steps

The explicit objectives of the project studied relate to tangible outcomes such as numbers of people completing MBA programmes, numbers and types of new programmes introduced as well as structures and systems implemented. At the individual and societal level, these were largely met. At the organisational level, they were not, due to forced adaptations and resistance. In effect, the national and the larger organisational cultures were pervasive in influencing project outcomes, effectively preventing some of the more entrepreneurial or modern practices being implemented and in resisting the cultural shift evident at the smaller unit level. Nonetheless, some changes continue to occur after completion of the project, this time fuelled by a felt need on the part of management, indicating that longer timeframes may be required to effect organisational change.

The importance of informal, day-to-day interactions between and among long-term consultants, faculty members and

management in bringing about unintended but profound changes in individual attitude and in organisational culture at the unit level was not recognised in the project objectives or in the project results. Nonetheless, these unplanned outcomes in the areas of increased self-confidence and awareness, acceptance and adoption of different ways of doing things, and lifelong learning approaches may be stronger underpinnings of long-term, sustainable capacity development than were the planned acquisition of knowledge and skills that quickly become out-of-date. This was evidenced by the difference in knowledge, skills, attitude and behaviour of those who remained with the school versus those who returned to their original faculties after two years. In effect, the increase in income stream to individuals and the organisation resulting from a more entrepreneurial approach to work has allowed the school to continue evolving well after the end of the project. Capacity development projects may benefit from increased attention on the part of donors and consultants to such prolonged, collegial interactions as a source of sustainable change.

Should results of the two other case studies in this research project support these preliminary findings, there are implications relative to the design and assessment of capacity development projects aiming to create sustainable change. Designing longer-term projects involving extensive interactions amongst consultants and beneficiaries and approaching organisational change in a top-down, leader-led manner as well as from the bottom up may be indicated.

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