

Policy on Capacity Development in the Cambodian Civil Service

CONCEPT PAPER

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Preface

The Royal Government of Cambodia (RGC) has set clear priorities for sustainable development, social justice and poverty reduction through the adoption and implementation of the Rectangular Strategy, the National Strategic Development Plan (NSDP), the Cambodian Millennium Development Goals (CMDGs), and the Governance Action Plan II. Success will depend on the capacity of government institutions to design and implement needed programs and projects. The reform of the Civil Service has been identified as one of the core reforms that will underpin other achievements. The objective of this reform is to serve people better by transforming the Civil Service into an effective provider of public services and a trusted development partner.

The Council for Administrative Reform (CAR) is developing a set of coherent and mutually supporting policies to guide the reform in coming years. These policies will address the four strategic thrusts of the reform program: i) improving the delivery of public services; ii) enhancing pay and employment; iii) developing capacity; and promoting the use of ICT. It is anticipated that the policy framework will be in place by the end of 2007, comprising the following:

(i) The Policy on Service Delivery was approved by the Council of Ministers in May 2006. It provides the approach and a framework to improve the quality and delivery of public services to serve people better. It provides the context for the other policies.

(ii) The Policy on Capacity Development will ensure coherence among the more specialized policies being developed as tools of capacity development. Its objective is to strengthen Cambodian ownership and leadership of the country development by providing the Civil Service with adequate capabilities to implement.

(iii) The Policy on Human Resources Management will seek to enhance the management and control of the Civil Service and to enhance performance. It will guide the reinforcement of merit based processes so that human resources are effectively utilized and deployed.

(iv) The Policy on Human Resources Development will seek to develop a knowledgeable, skilled and professional workforce to be effective today and better anticipate the future. Doing so, it will seek to change attitude and behaviour.

(v) The Remuneration Policy will seek to enhance the ability of the Civil Service to attract, retain and motivate civil servants by providing adequate compensation for work done. It will do so in ways that are sustainable and that maintain coherence among State institutions.

(vi) The Employment Policy will provide a framework to strengthen the deployment of human resources and make the Civil Service more responsive to needs outside major centres. It will also seek to introduce mechanisms to increase mobility within the Civil Service and bring public services closer to users.

This concept paper on capacity development discusses an approach to developing capacity within the Civil Service, and to ensuring greater coherence among the elements of the policy framework.

I. Background and Introduction

Good government, and good governance, requires good civil servants, sound institutions and effective systems and practices. The Civil Service must better utilize existing capacity, and further develop its capacity to become a loyal, dedicated, professional and service oriented core institution of the State. It must do so urgently. The success of the NSDP depends on it.

The Civil Service must be responsive to many demands - from policy and program advice to implementation, from the direct provision of public services to facilitating growth and development. Much is expected of it on a very broad front by stakeholders in Cambodia's development. The challenge is to develop the capacity of the Civil Service to implement, and to do so rapidly in those areas that directly impact on the welfare of the people, and where results can be sustainable. "Cambodianisation" and local ownership of contents, and the delivery of the contents, will be fundamental factors in successful capacity development.

Capacity development is a strategic investment in the future of the Civil Service and, therefore, in the growth and development of the country. The investment must have a long term perspective, but also respond to short term needs. This investment will take place in a fluid and competitive environment for scarce resources, with influences from globalisation, the market, and the civil society, and so requires a coherent, multi-front approach that focuses on the practical and sustainable.

II. Definition and Scope

Definition

For the purpose of this paper capacity is defined as the ability of individuals, groups and organizations to perform functions effectively, efficiently and sustainably. Having capacity is having leadership skills, being able to plan, to implement, to monitor and to mobilise. It is the ability to do the job and to deliver services effectively. Having capacity is not just having competencies (knowledge, skills); it is also about the effective utilization of human resources – people wanting to use them and being able to use them. In this sense, *capacity development* should seek NOT only to build capacity BUT also to retain capacity, improve the utilisation of capacity and to retrieve capacity for sustainable institutional legacy.

Capacity development is an on-going effort. It is a work in progress that is the observable “end result” of a number of factors, including:

- a strong vision supported by visible and consistent leadership
- a highly motivated and committed civil servants
- a competence, professional, experienced and ethical civil servants
- institutions that promote and enable capacity
- a working environment that nurtures and rewards performance and merit
- institutions that employ robust HRM and HRD frameworks and practices

Scope

Capacity development would focus on the implementation of the NSDP and the CMDGs in order to realize the government’s objectives of sustainable development, social justice and poverty reduction. Capacity therefore must target a broad spectrum of capabilities, abilities and competencies at the level of individual civil servants, the institutions in which they work and the Civil Service as a whole. Capacity needs vary widely between the national and sub-national levels and between front office and back office. At the level of the individual, capacity development programs would seek to enhance performance and competencies of senior management, mid-management, administrators, and civil servants that directly interact with the public.

The scope of this policy on capacity development needs to link and support the other relevant policies that CAR is developing such as human resource management and development, remuneration and employment in order to sustain capacity development efforts toward serving the Cambodian people better. This policy must ensure coherence, coordination and synergies among the policies. For instance, the policy on public service delivery provides the purpose and the framework to guide the action whereas alternative service delivery instruments such as Special Operating Agencies that are envisaged under the policy open broad opportunities to develop capacity where it matters most at the front office and to facilitate the implementation of substantial reforms.

III. Key Principles - Conditions for Success

Effective capacity development of the Cambodian civil service must embody certain key principles that will be conditions for its success. It must be **demand-driven and ‘do-able’**, designed in response to what can be done as against what should be done. Its priorities must come from within the Cambodian Civil Service itself, while also being responsive to external factors and players. The HRM appraisal system should define demand as determined by HRM job descriptions and related job competencies. While each ministry must be responsible for its own capacity development, there is also a need for effective and strategic cross-sectoral capacity development, to address areas that are common to ministries, and to enhance the management of capacity development itself, to enhance effectiveness and avoid waste.

Capacity development must **strengthen core values of civil servants**, as reflected in the vision statement of core values for the Civil Service – motivation, loyalty, professionalism and service. It must entrench an ethic of service to the Cambodian people, in both attitudes and behaviour. Civil servants must lead by good example, with a strong capacity for and commitment to inter-ministerial collaboration, through organisational culture, network and team work that constitutes a sense of “constructive partnership”, and through a shared commitment to the accountability and responsiveness of civil servants.

Effective capacity development must **prioritise demand**, initially focusing on core competencies that are common to all ministries and agencies, the operational priorities of the NSDP and Rectangular Strategy. Ministries and agencies will continue to identify and define their own priorities, through the HRM appraisal system, and build on early successes. They would actively participate in mechanisms to coordinate and monitor activities.

Cambodian ownership and leadership, “Cambodianisation” will be a fundamental determinant of success. Capacity development strategies and programmes must be designed and delivered by Cambodians for Cambodians, including, for example, inviting local experts to demonstrate real practice, providing more examples relevant to Cambodian context, and prioritising the use of Khmer language in training including computer training. This should build on the experience of the EPSCB and its curriculum design and modification, and utilise ‘national consultants’ in programme design, while building their skills and supporting their professional development. This should involve a matching of local expertise and stakeholders with outside experts, with Khmer instructors given equal value and roles as foreign experts. It should also utilise quality local training suppliers – education, training and research and policy institutes, universities, and the private sector.

Capacity development must be geared to enhancing the work environment, to encourage people to develop and improve their competencies, to be able to use them, and to want to use them. It should enable each ministry or agency to become a learning organisation that promotes regular learning habits, change and innovation, as well as learning to learn together and related improvements in internal communications through formal and informal networks.

IV. Goal

Capacity development seeks to enhance performance in service delivery for sustainable development and poverty reduction. The scope and pace of this investment depends on 'the capacity to do'. Effective capacity development of the Cambodian Public Service would:

- gradually modify attitudes and behaviours
- enhance leadership and management
- improve the knowledge, information and communications
- develop competencies (skills)
- strengthen organizations, processes and practices for effective use of competencies.

V. Expected Results

Full and effective implementation of a capacity development policy will provide government ministries and agencies with managerial, professional and technical personnel that are knowledgeable, well trained and possess the right attitude to serve the people, the government and their institutions. As a result, it would enhance today's effectiveness in service delivery and to better anticipate the future.

Ministries and agencies will become organizations that use effectively skilled and motivated staff e.g. institutional governance, management systems. The Civil Service will use effectively networks, partnerships and linkages (reaching outside boundaries) to facilitate the achievement of particular tasks such as formal and informal interactions and internal communications.

The policy on capacity development will facilitate the institutional environment that supports organizational activities and affects their performance, e.g. HRM, budgetary support, and the context within which the organization operates and the assistance it receives e.g. governance, technical assistance.

VI. Lessons Learned

This section is based on the outcomes of the National Seminar on HRD Master Plan, 29-30 August 2005 and on experience to date from major projects to develop capacity in the Civil Service. They include, the Economic and Public Sector Capacity Building (EPSCB) Project, the Institutional Strengthening Project and studies such as the Capacity Building Practices of Cambodia's External Partners - A Management Framework for Capacity Development: Mandating Effectiveness and Value for Money.

Lessons learned include:

- Developing capacity shall be anchored into one's reality, shall have longer term perspective and address a wide range of subjects concurrently
- Capacity development shall be demand driven, sustainable, and ensure value for money; in particular, training content and delivery shall be cambodianized and adapted to prevailing circumstances;
- Capacity development shall initially target developing capacity to implement agreed policies and programs
- Capacity development should be addressed at three levels: the individual, the institutions and society;
- Capacity development shall complement, be coherent with supportive of on-going government reforms and build on their successes;
- Capacity development shall address directly the needs of individual civil servants, groups, and institutions using existing capabilities
- Capacity development programs should be designed to build up regular learning and work cooperation habits
- Cooperation, coordination and cohesion among the many stakeholders are essential to avoid duplication and waste and to ensure effective capacity development
- Investments in capacity development must be carefully planned, executed and monitored to avoid waste and to mitigate risks;
- Effective mechanisms should be in place to enhance, retain and use existing capacity;
- The working environment shall be conducive to developing capacity and to the use of competencies
- When they are demand driven and favour the acquisition of competencies, assistance programs and technical assistance greatly contribute to developing sustainable capacity
- Private sector and civil society institutions could play a very important role to develop the capacity of civil servants and the Civil Service

Recognized best practices

According to reports by international organizations including the *Six Trends Transforming Government*, *IBM Center for The Business of Government*, 2006 and UNDESA's *Human Resources for Effective Public Administration in a Globalized World*, 2005, best practices include:

- Organizations that *recognize and reward* the performance of individuals and groups have benefited substantially. However, improper design of the transformation of culture to performance-oriented one could pose great risks if traditional values were forgotten.
- Countries around the world have been using innovation and *market-based approaches* as alternative means to deliver public service (e.g. special operating agencies, contracting). The tools used vary from country to country but these approaches have provided considerable "efficiency gain".
- Using networks and partnerships to build *community capacity building networks*. These networks are established to build social capital so that a variety of problems and other public policy challenges can better be dealt with.

- Leadership development need to be interdisciplinary and inter-sectoral and should be adapted to a context of rapid globalisation and change

Helping civil servants overcome “competency fear” by responding to their interests and aspirations (Demand-driven)

VII. Strategy

Strengthening public sector capacity requires holistic, participative and opportunistic approaches that build on past and current efforts with a focus on priorities relating to the implementation of policies and programs (particularly those relating to the Policy on Public Services) and on results that are practical, sustainable and observable. The government strategy on capacity development is to build capacity but as importantly to retain, improve, retrieve and use existing capacity. It is through the capacity of civil servants and by civil servants that public services are planned and delivered, critical innovations realized, and needed reforms achieved (UN 2005).

The implementation of the government's policy on capacity development throughout the Civil Service will be articulated around the following strategic thrusts:

- **Ensure full coherence and complementarity among policies:** The policy on capacity development need to support and complement on policies on remuneration (pay is adequate to attract, retain and motivate staff), employment (the right people at the right place at the right time), HRM (nurturing of performance, merit and careers) and HRD (the acquisition and use of knowledge and skills to enhance performance and fulfil the potentials of individuals).
- **Enhance better use of existing capacity to meet priority needs:** The policy on capacity development must improve, retain, retrieve and make better use of existing capacity through enhancement of performance-based outcomes. It must also encourage and assist civil servants to acquire new capacity to meet current and anticipated priority needs associated with the government development agenda (i.e. to achieve e-government civil servants must be trained on information technology).
- **Strengthen the management and coordination of available resources:** Capacity development activities are better managed and coordinated through the use of programmatic approach and dedicated resources for systematic and ongoing capacity development. This can be done by establishing a budget line item for capacity development or by an earmarked Fund for Capacity Development allocated to each ministries and agencies.
- **Organisational reform to promote and sustain capacity development:** Necessary organisational reform and change must be planned and implemented in a way to provide space for capacity to be developed and used. Effective monitoring and evaluation with observable results needs also to put in place. How?
- **Target women and minority groups:** The policy needs to build capacity and provide opportunity for women and minority for their capacity development and contribution in achieving the government's development goals.
- **Use technical assistance more effectively:** In order to achieve the goals of the policy, technical assistance and external supports must be restructured and geared toward genuine to transfer of know-how and long-term capacity development of local resources.

VIII. Coordination, Management and Implementation

Once a policy on capacity development has been finalised CAR will develop, in consultations with ministries and partners, an associated management and implementation plan that will reflect the above policy elements and clearly identify what is to be achieved in the short to medium term including target levels of capacity and indicators for measuring what has been achieved. This will involve the documentation of what activity is ongoing, and the development of a baseline against which capacity development outcomes can be measured.

Support would be mobilized among ministries, agencies and development partners. Activities of a cross sectoral nature would be prioritised and sequenced. This would form the basis for the design and activation of funding mechanisms to support the capacity development management policy and plan. Dedicated funding for capacity development should be earmarked for use by ministries and agencies and for cross sectoral initiatives. Where feasible, development partners will be encouraged to pool funds into a multi-donor capacity development fund that would be managed by the RGC in close cooperation with contributing partners.

Mechanism will be developed and implemented to monitor, evaluate and coordinate capacity development programs. Key elements would include the more effective management and use of technical assistance, including selection procedures and criteria, working modalities, evaluation and performance indicators.

The RGC is working closely with donors on improving the harmonisation and alignment of development assistance. This work should emphasise the improved support for and effectiveness of capacity development, and the design of longer term institutional partnerships for capacity development in key sectors, ministries and agencies.

The policy and its action plan would complement and support other reforms identified in the Governance Action Plan II. It would include a range of activities and delivery mechanisms articulated around the following:

- Ongoing development of institutional capacity
- Coherence and support to other reforms
- The effective implementation of the CAR policy framework
- Changing attitudes and behavior
- The development of personal, inter-personal and technical competencies
 - Leadership, organisation, and management skills
 - Technical skills (program planning and implementation, project management)
 - Institutional, interpersonal and communications skills
- Effective planning, management and monitoring of capacity development

IX. Challenges and Risks

In adopting this policy and the associated management and implementation plan, the RGC and its partners must be mindful of certain challenges and risks. These include i) the uneven or limited capacity of some ministries, agencies and individual civil servants to implement, ii) high overhead costs, both initial and ongoing, iii) inadequate and unpredictable funding sources, iv) varying vested interests, and v) uneven commitment to implementation (resistance to change).

To mitigate such risks, a major challenge will be the development of an achievable, well-paced implementation plan that takes a step by step approach to developing the capacity of the Civil Service. Another challenge, in the short term at least, will be the identification and mobilization of Cambodian institutions and individuals to implement the policy and the program of action.