



GOVERNANCE, INSTITUTIONS & ORGANIZATIONAL STRUCTURE

TRANSFORM is the result of an iterative process of co-creation involving experts and practitioners from southern and eastern Africa. This manual is based on a document prepared by Andrew Kardan, Valentina Barca and Andrew Wyatt (Oxford Policy Management) with contributions from Franck Earl (SASSA), Luis Frota and Thea Westphal (ILO).

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LIST OF ABBREVIATIONS

ADM	Administration and Delivery Systems
CCSSSB	Council of Coordination of Basic Social Security
CDAs	Community Development Assistants
CDO	Community Development Officer
CGP	Child Grant Programme
CWACs	Community Welfare Assistant Committees
DA	District Administrator
DCD	Department of Community Development
DSW	Department of Social Welfare
DSWO	District Social Welfare Officer
ENSSB	National Strategy for Basic Social Security
ICT	Information Communication Technology
INAS	Institute for Social Action
INAS	National Institute for Social Action
JRA	Job Requirements Approach
LEG	Legal Frameworks
M&E	Monitoring and Evaluation
MGCAS	Ministry of Gender, Children and Social Action
MLSSS	Ministry of Labour and Social Security Services
NGOs	Non-Governmental Organisation
PSNP	Productive Safety Net Programme
S&I	Selection & Identification
SASSA	South African Social Security Agency
SLAs	Service Level Agreements
TASAF	Tanzania where the Tanzania Social Action Fund

1

INTRODUCTION

This Module aims to provide a detailed overview of the governance framework for the delivery of non-contributory social protection schemes.

At an institutional level governance is about the incentives and accountability structures at the state level and ultimately **the way in which power and authority is exercised**. Governance is shaped by the formal rules, roles and responsibilities of stakeholders involved in the sector and finally control and accountability mechanisms put in place to ensure compliance across and within different organizations involved in the sector¹. All these elements are articulated through laws, regulations, Government policies and operational guidelines and also shaped by informal rules formed through culture, beliefs and attitudes.

At an organizational level governance is focused on a set of incentives and accountability requirements that influence **the way in which provider organizations and their staff behave and the manner in which their services are delivered**². Services are delivered through different organizational structures which follow from the institutional settings of the state and which have implications for the management of the system and how services are delivered. This includes the capacity to establish standards and protocols, monitor performance and enforce accountability for performance through appropriate management functions.

A comprehensive governance system for social protection ought to provide a clear and binding framework that organizes the different actors and their relationships coherently and provides them with well-defined roles, responsibilities and operational tasks and also ensures that these tasks are carried out according to established standards and enforced through a set of accountability mechanisms³.

This Module looks at all these different elements of governance. The reminder of module is structured as follows:

Chapter 2 – focuses briefly on the **institutional aspects of governance** including laws and regulations that establish the formal rules of the games and assign specific roles and responsibilities across different actors.

Chapter 3 – looks at **organizational structures** for delivery of services. It looks at different delivery models including centralized versus decentralized models, including their perceived advantages and disadvantages.

Chapter 4 - proposes an approach for identifying **capacity requirements** and highlights the main consideration for capacity development and training.

¹ Bassett et al., 2012.

² Fiszbein, et al., 2011 cited in Rubio, 2011.

³ ILO, 2010 cited in Bassett et al., 2012.

2

INSTITUTIONAL FRAMEWORK

2.1 OBJECTIVES

Having completed this section, the participant will have:

- An understanding and appreciation of the importance of the legal and policy framework for governance within social protection and ultimately successful programme delivery
- An understanding of the range of stakeholders involved in social protection, their typical roles and responsibilities, and the opportunities and challenges they present

2.2 OVERVIEW

The success of the social protection programmes depends critically on the institutional arrangements within which they are established⁴. The institutional aspects include both the laws and regulations which establish an entity's mandate and define its responsibilities, duties, obligations and powers, and also the procedural requirements (which may also have the force of law) which determine the way in which critical functions are carried out. They also include the ways in which working relationships are managed between Ministries, between Ministries and other public bodies and between different levels of central and decentralised government, and their arrangements for coordination of activities.⁵

There is no single institutional framework that is suitable to all contexts. Different models evolve from their specific country environments, based on the political discourse of the time, the constitutional setting within which it is framed and the historical circumstances which have shaped it. This chapter highlights the most important dimensions of institutional structure, including: the policy framework, laws and regulations, and stakeholders and their responsibilities.

2.3 POLICY FRAMEWORK

A Government's policy sheds light on its vision for social protection by articulating its aims and objectives, and serves to shape future Government action⁶. **Development of appropriate policies and strategies is one of the building blocks for developing a social protection system and paves the way for future laws and regulations**⁷. Additionally, as already covered in  MODULE COO, an overarching policy framework is seen as one of the enabling instruments for better sectoral coordination.

⁴ Samson et al, 2006.

⁵ Kardan et al, 2016.

⁶ International Agency for Social Protection Assessment (IPSA), 'Core Diagnostic Instrument: What matters guidance note'.


⁷ Ibid.

The process for policy formulation and the degree of buy-in and ownership from Government and other key stakeholders is as important as the policies and strategies themselves.

In some cases the development of sectoral policies is linked to **overarching national plan for economic and social development**. The creation of National Development Plans – which go by different names in different places – typically endeavour to analyze the country's objectives and priorities across all sectors in relation to identified national needs.

A number of countries in east and southern Africa have in recent years developed specific **social protection strategies and policies**. In Zambia, for example, a National Social Protection Policy was approved in 2014, paving the way for the Government's development of a comprehensive Social Protection Bill in 2016 that is to be enacted by Parliament. In Mozambique an "umbrella" social protection Bill was promulgated in 2007 followed by two subsequent basic social protection strategies, in 2010 and 2016.

2.4 LAW AND REGULATIONS

The role of legal frameworks for the governance and administration of social protection systems is discussed in detail in  MODULE LEG.

Laws and regulations set the legal basis for a programme and provide a formal statement of a Government's intentions⁸. Entrenching social protection and its related programmes within the law provides longer term certainty for the population it aims to reach, together with the legal right to access and benefit from the programmes. At the system level, laws and regulations can:

- establish the rights of the population to social protection and access to related services
- determine who is responsible for setting social protection policies and delivering programmes⁹
- establish who is entitled to what benefit or support and for how long.

In some countries, especially where social protection is nascent, there is **no legal basis for social protection programmes**. These programmes either operate outside the formal sphere of Government altogether, or are implemented through non-legislative instruments such as an **executive order**, a **policy statement** or a **memorandum of understanding**. The implementation of these programmes is normally guided by a manual of operations developed by the agencies responsible for implementation, but even when this has been approved at Ministerial level it does not provide the formal legal backing or mandate needed for a rights-based system.

ILO Recommendation 202 on social protection Social Protection Floors emphasizes the importance of law and the need for regular review based on transparent procedures that are established by national laws, regulations or practice. Moreover it notes the need for social security extension strategies that are based on "on national consultations through effective social dialogue and social participation". The African Union's Social Policy Framework also advises member states to recognize their responsibility in providing social protection by enacting relevant legislation (African Union, 2008).

⁸ Ibid.

⁹ Bassett et al, 2012.



INSTITUTIONAL FRAMEWORK

There are a number of governance related challenges for social protection systems that lack legal basis:

- Programmes may be implemented in silos and without assurance of longer term continuity;
- Programmes are prone to greater political interference and vulnerability to political change;
- There are greater challenges for sectoral coordination and enforcement of accountability functions (see Modules 4 and 5);
- There are no formal entitlement, rights-based claims are not enforceable through the courts even where any individual or organization had the means to bring an action; and
- The lack of a legal basis undermines beneficiaries' willingness to complain about the non-delivery or late payment of benefits or poor performance of implementing agencies.

Where laws and regulations are in place there should be **consistency and alignment with policies and strategies**. Otherwise institutional inconsistencies are likely to remain and service delivery likely to be affected (Box 1).

Box 1: Laws underpinning social protection in Kenya

The National Safety Net Programme (NSNP) in Kenya was established in 2013 to bring together five separate non-contributory cash transfer programmes provided by the Government of Kenya into a coordinated institutional and programmatic framework and in accordance with the Government's National Social Protection Policy of 2012. The programmes had started at different times, originally with divergent funding sources and responding to different needs. The administration of the Programme was based on the Policy, and associated executive orders setting up the required organisational structures, rather than primary legislation and regulations. As part of this a Social Protection Secretariat was established in 2012 within the Ministry of Labour and Social Security Services (MLSSS) to provide strategic leadership and management support and to strengthen governance structures to ensure effective coordination and execution of all social protection initiatives in Kenya.

In addition to this the National Social Policy envisaged the creation of a National Social Protection Council that would have provided the overall coordination framework as a statutory agency of central government. This intention was reflected in a draft bill which has not been enacted. In the absence of the Council activities are coordinated by the Social Protection Secretariat within MLSSS. However with no Council or effective legislative base there are still some uncertainty in the social protection sector as to the role of the Secretariat which no statutory mandate, authority or power to coordinate activities across the departments of MLSSS, let alone with other institutions.

The main legislative piece on social protection is the Social Assistance Act that was enacted and came into force in 2013. However this Act is out of alignment in many respects with the National Social Protection Policy which was approved in 2012; notably, it does not make any provision for the National Social Protection Council but instead seeks to establish a National Social Assistance Authority as a statutory agency for the delivery of a range of social protection functions. The political processes by which the legislation became uncoupled from the now-prevailing policy intention are hard to unravel, but the Act as it stands has not been implemented.

Source: Wyatt et al (2014) in Kardan et al (2016)




In conclusion, laws and regulations establish the formal rules of the game. Clear, simple and transparent rules are seen as prerequisites for establishing effective oversight functions and accountability relationships as well as smooth operations of the programme¹⁰. For more detail on this see MODULE LEG.

¹⁰ Government of Kenya, 2014, pp. 8



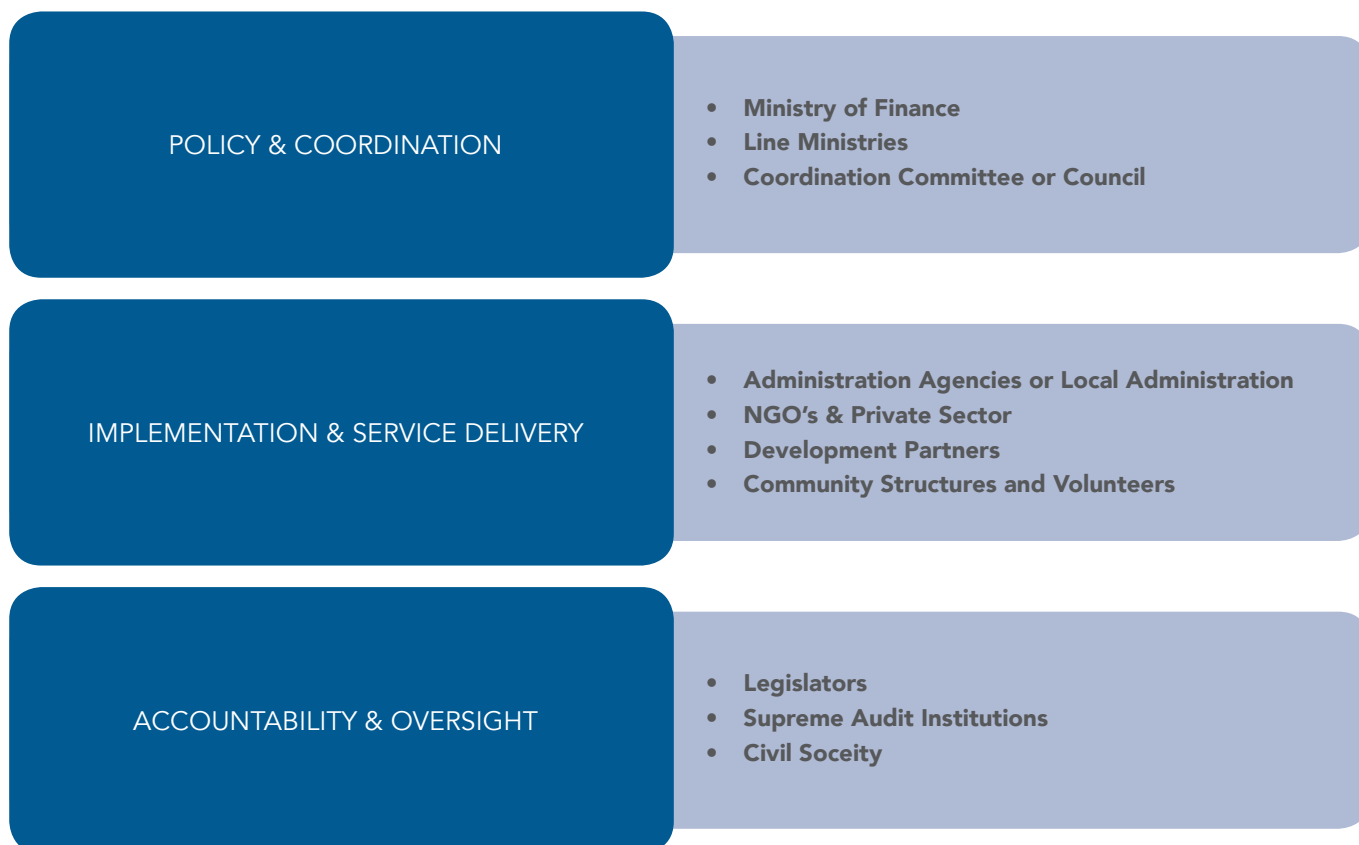
2.5 STAKEHOLDERS AND RESPONSIBILITIES

Laws and regulations establish the mandate, roles and responsibilities of different stakeholders in relation to social protection. There are many different stakeholders involved in the institutional structure of social protection, with responsibilities for the design and delivery of social protection generally spread across various ministries, agencies and non-state actors. These actors are grouped across three main functions or principal roles:

- **Policy and coordination** – At the policy level, the core functions are setting the overall direction of social protection through the development sector policies, strategies, design of programmes and establishment of implementation guidelines. It also include the coordination of the activities of the different actors and stakeholders.
- **Implementation** – refers to delivery of social protection interventions including identification of eligible population group, their registration, provision of support and all the related management activities such as budgeting and planning. See also  MODULE ADM.
- **Oversight or control** – relates to ensuring services are delivered according to stipulated laws and regulations, as well as established service delivery standards (see also  MODULE M&E and  MODULE LEG).

This is broadly illustrated in Figure 1 below. In reality where the different stakeholders lie across these functions will vary from one place to another depending on the overall institutional and organisational structure. We look these different models in Section 3.

Figure 1: Social protection actors across different functions



Source: Authors

Table 1 below, which lists some of the potential actors within social protection and their traditional roles. The involvement of each of the listed actors provides both opportunities and challenges that are also listed in the table. In reality, of course, where the different stakeholders lie across these core functions will vary from one place to another depending on the overall institutional and organisational structure. We look at these different models in Section 3. Similarly, several of the actors listed will hold responsibilities across more than one function.

Table 1: Stakeholders and their roles and responsibilities

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
POLICY AND COORDINATION			
The presidency or Prime Minister's office	Some countries place the strategic and policy direction entirely at the apex of government	<ul style="list-style-type: none"> Strong convening power and higher visibility Usually has more capacity than other line ministries 	<ul style="list-style-type: none"> May be overburdened with multiplicity of core responsibilities May overshadow other equally important social protection programmes not under its responsibility
Ministry of Finance	Custodian of Government finances and allocation of resources, Sometimes responsible for some social protection programmes (e.g. social pensions), may also take on the responsibility for setting overall sector policy or elements of it	<ul style="list-style-type: none"> Close engagement with ministry of finance could secure support and potentially higher levels of financial resources for SP programmes Usually has more capacity than other line ministries Strong convening power 	<ul style="list-style-type: none"> May not engage with social protection issues and limit support and financing to it May be overburdened with multiplicity of core responsibilities May overshadow other equally important social protection programmes not under its responsibility
Line ministries	<p>Responsible for setting the overall policy direction of the sector and directly or indirectly responsible for delivery of some or all social protection programmes</p> <p>May initiate regulation and supervises its correct application</p>	<ul style="list-style-type: none"> Dedicated ministry for social protection ensures greater visibility for the sector that may have traditionally been bundled together with other portfolio responsibilities such as health, labour, gender, etc. Spreading of responsibilities between ministries may increase capacity by ensuring greater coordination of SP programmes with other social policy interventions and the institutions best placed to deliver them (e.g. school bursaries, health vouchers, etc.) 	<ul style="list-style-type: none"> Weak convening power of dedicated social protection ministry Coordination challenge when social protection programmes are led across different line ministries Inability to enforce compliance and/or sanction non-compliance

INSTITUTIONAL FRAMEWORK

Table 1: Continued

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Coordination committee or council	Coordinate and oversee the development, implementation, and integration of social protection strategies, programmes, and resources	<ul style="list-style-type: none"> Better coordination and integration of social protection programmes Create more traction and ability to hold line ministries to account for their respective roles Stronger convening power 	<ul style="list-style-type: none"> May not have any legal or official mandate and without convening power One of many committees or councils and thus unable to effectively engage with the various stakeholders Regular and continuous representation and support by appropriate staff members by the various stakeholders may not be forthcoming
Legislators	Support development of social protection systems through enactment of relevant pieces of legislation, they also provide oversight and accountability functions	<ul style="list-style-type: none"> Creating clear mandate and appropriate rules of the game for different institutions Entrenchment in law and legal backing for long term provision Move towards rights based social protection 	<ul style="list-style-type: none"> Inadequacy of legislation Inconsistency or contradictions between different pieces of legislation Lack of appropriate regulations and difficulty in enforceability of legislation Dominance of informal rules and disregard formal provisions in the law
IMPLEMENTATION AND SERVICE DELIVERY			
Administrative agency	A state agency tasked with administration or delivery of social protection programmes	<ul style="list-style-type: none"> Clear mandate, roles and responsibilities Professionalization of services and focus on performance contingent on sufficient autonomy and adequacy of resources Able to attract more talented and motivated staff Consistency of service provision through service level agreements Separation of service delivery from policy and political interference 	<ul style="list-style-type: none"> Limited reach in local areas Maintaining a healthy relationship with ministry responsible for setting overall policy direction Inadequacy of resources to enable optimal service provision Not fully immune from political interference and political cycle

Table 1: Continued

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Local administration	Responsible for frontline service delivery functions, either as part of a central government agency or ministry or as a function of local self-government	<ul style="list-style-type: none"> Services closer to where people live Services matching localised needs and better targeted to affected populations Services more responsive to case management and complaints redressal 	<ul style="list-style-type: none"> Increases risk to service delivery from low capacity, especially in more remote locations Variation in services standards Inequity in coverage and in reaching eligible population
Non-Government Organisations (NGOs)	Sometimes responsible for delivery of parts of the programme (e.g. targeting, enrolment, etc.). They may also provide oversight and accountability functions	<ul style="list-style-type: none"> Filling of capacity gap in service delivery Additional checks and balances in the systems aimed at improved services delivery 	<ul style="list-style-type: none"> Difficulty in establishment of working relationship and accountability structures with line ministry Erosion of government capacity and difficulty in building institutional knowledge Lack capacity to engage in effective dialogue with government on the policy and strategy issues Potentially unsustainable in the longer term
Private sector	Contracted to support implementation or delivery of a specific element of the programme (e.g. payments) or more general support to design and implementation	<ul style="list-style-type: none"> Significant increase in efficiency and effectiveness of service delivery with continued client oversight Reducing burden on government staff 	<ul style="list-style-type: none"> Lack of oversight capability within government including around performance management and procurement Erosion of government capacity and difficulty in building institutional knowledge Costs may be significant Business continuity and data security risks

INSTITUTIONAL FRAMEWORK

Table 1: Continued

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Development partners	Support in financing and provision of technical assistance to develop and implement social protection programmes	<ul style="list-style-type: none"> Increasing the visibility of the sector Relieving financial and capacity gaps Support to systems strengthening and transfer of knowledge and knowhow Potentially, catalytic effect on resource mobilisation 	<ul style="list-style-type: none"> Competing agendas and ideological difference between development partners and supporting particular sectors aligned to agency priorities Lack of ownership by government Unpredictability of duration of support and financing Difficulty in ensuring government takeover and fiscal and institutional sustainability
Community structures	Support in programme delivery, oversight and accountability functions	<ul style="list-style-type: none"> Understanding of the needs of their community Ownership and support for the programme Filling capacity gaps inherent in the local administrative structures 	<ul style="list-style-type: none"> Long term functioning and sustainability of community support Elite capture or lack of support from the community Variation in programme performance due to variation in skills and capabilities
Programme beneficiaries	Responsible for adhering to the administrative requirements and criteria for benefiting from the programme. Also play an important role in providing feedback and holding duty bearers to account.	<ul style="list-style-type: none"> Understanding of the needs of their community Ownership and support for the programme Filling capacity gaps inherent in the local administrative structures 	<ul style="list-style-type: none"> Long term functioning and sustainability of community support Elite capture or lack of support from the community Variation in programme performance due to variation in skills and capabilities
ACCOUNTABILITY AND OVERSIGHT			
Judiciary	To support the rights of entitlement holder and arbiter of claims against the state	<ul style="list-style-type: none"> Provides an additional avenue of support to the population who are entitled to rights and benefits 	<ul style="list-style-type: none"> Communities seldom have the financial and other resources to go to court without external support

Table 1: Continued

STAKEHOLDER	ROLE	POTENTIAL OPPORTUNITIES	POTENTIAL CHALLENGES
Supreme audit institution	National Audit Office and/or (Controller and) Auditor General – responsible, usually to the legislature, for the scrutiny of public expenditure and programme delivery	<ul style="list-style-type: none"> Ability to hold service providers to account and improve service provision 	<ul style="list-style-type: none"> Lack of capacity and financial support to carry out function Dominance of informal rules and disregard formal provisions in the law
Civil society	Provides accountability and oversight functions	<ul style="list-style-type: none"> Ability to improve service delivery through building of accountability routes Citizen engagement and increased knowledge of rights Can help to identify sources of inefficiency or inequity in the system, and highlight any malpractice in programme administration, through the presence of multiple voices and channels for oversight and feedback. Non-governmental and civil society organisations may also lack capacity to engage in effective dialogue with government on the policy and strategy issues. 	<ul style="list-style-type: none"> Limited reach at community level Elite capture or lack of support by community leaders Variation in level of engagement and performance Dependant on external financial and uncertainty around duration of support Lack capacity to engage in effective dialogue with government on the policy and strategy issues Increased openness may heighten public awareness of any shortcomings in the system or its level of resourcing, and place unwelcome pressure on government officials and their political leadership; civil servants therefore may be reluctant to share information with non-state counterparts unless they are certain their ministers are comfortable with this.


Source: Authors

INSTITUTIONAL FRAMEWORK

Below we further discuss the roles and responsibilities of some of the actors across the different functional spheres and provide some real examples from Sub-Saharan Africa.

2.5.1 Policy and coordination

Social protection programmes thematically cut across a number of ministries including the ministries of labour and social security/welfare, health, education, agriculture, public works, etc. The main challenge is therefore how to ensure:

- Sufficient coordination across the main actors who have a stake in service delivery (see also  MODULE COO);
- Sufficient resources versus other – historically more powerful – social sectors.

The risk is the proliferation of many small programs competing for scarce resources, each finding a home in a different institution and perpetuating a fragmented approach to addressing the needs of a country's poor and vulnerable.

Often one '**social welfare' line ministry** is mandated with the responsibility of setting the overall policy direction and coordination of the activities across the social protection sector. This line ministry may have been established for the sole purpose of social protection, such as the Ministry of Social Development in Lesotho, or have social protection as one of its functions with other portfolio responsibilities relating to labour, health, children or gender issues, as is for example the case with the Ministry of Gender and Social Action (MGCAS) in Mozambique. The African Union's Social Policy Framework advises member states to enhance the capacity of such ministries in charge of social protection (African Union 2008).

Another important actor can be the **Ministry of Finance**. Ministries of Finance have significant influence and authority in relation to social protection, as the custodians of state finances. They are responsible for determining resources available for the Government and their allocation across different sectors including social protection through annual or multi-year budgetary processes. In some countries, Ministries of Finance have taken some of the functions of social protection, as is the case with the Ministry of Finance in Lesotho that delivers the non-contributory universal old age pension. In Malawi the Ministry Finance, Economic Planning and Development (DFEPD), has led the development of the National Social Support Policy and Programme that provides the overarching framework for social protection in Malawi. It contains a number of programmes including the Social Cash Transfer Programme managed through the Ministry of Gender, Children, Disability and Social Welfare.

Sometimes while a particular line ministry is mandated with the development of sector policies, its coordination is placed with higher levels of Government such as the **president or prime minister's office**, a route currently proposed in Mozambique. While not common in Africa, some countries may entirely place the strategic and policy direction to the apex of government as is the case in Tanzania where the Tanzania Social Action Fund (TASAF) is managed through the President's Office.

A common feature of social protection systems is also the establishment of **inter-ministerial committees** or councils to support the coordination of social protection policies and programmes. These entities are often mandated to coordinate and oversee the development, implementation, and integration of social protection strategies, programmes, and resources. For example, in Kenya a draft bill envisages a National Social Protection Council that is tasked with: reviewing the status and progress of programmes; providing advice to the Cabinet Secretary; coordinating between involved stakeholders; supporting communications and database systems; conducting research; and establishing registries – among other duties.¹¹ The Council is also charged with giving guidance to the social protection implementing bodies by defining standards for implementation at the national and local levels.


2.5.2 Implementation and service delivery

In most countries in Sub-Saharan Africa the management, implementation and oversight of social remains **centralised and implemented by line ministries**, noted above. In most instance these ministries rely on their extended structures at the lower levels of government to implement these programmes. These local administrative structures at the sub-national level are often tasked with frontline service delivery and administration of social protection programmes. For example, in Kenya the delivery of all the cash transfers is driven by staff at county and sub-county level and in Zambia the District Welfare Officers play a major role (Box 2).

¹¹ Government of Kenya, 2014, pp. 8



INSTITUTIONAL FRAMEWORK

Section 3 below on Organisational Structure better explores their functioning in different contexts, while  MODULE ADM discusses the main challenges of administering social protection programmes).

Box 2: Decentralized structure for the implementation of social welfare programmes in Zambia

The Ministry of Community Development, Mother and Child Health is the lead body with respect to social welfare programmes in Zambia. In terms of its internal organizational structure, it delivers these programmes through two main departments which provide support to communities at sub-national level: the Department of Community Development (DCD) and the Department of Social Welfare (DSW). DCD and DSW are assisted in their provision of social welfare services by a substantial community structure of voluntary committees.

The role of DCD is to support the socio-economic empowerment of low-capacity communities and individuals in both rural and urban areas of Zambia. At provincial level the department is staffed by a Provincial Community Development Officer, supported by three Senior Community Development Officers, while district offices are headed by a Community Development Officer (CDO), supported by two Assistant Community Development Officers. Reporting to the District Community Development Offices there are Community Development Assistants (CDAs) working from sub-centres at community level

The DSW is responsible for making provision for the physical, mental, emotional, spiritual and economic needs of various groups (children, youth, men, women, older persons and persons with disabilities), as well as protecting and promoting the rights of victims of human trafficking and gender based violence. Its functions include a large number of non-statutory and statutory services. At provincial level the department's structure consists of a Provincial Social Welfare Officer supported by two Senior Social Welfare Officers, while at district level there is a District Social Welfare Officer (DSWO) supported by a Social Welfare Officer and Assistant Social Welfare Officer

The structure of committees at community, ward and district level is an essential component of the institutional framework through which MCDMCH delivers its principal social welfare programmes. Below the district level the programmes are supported by Community Welfare Assistant Committees (CWACs) voluntary structures with substantial supporting in identifying, targeting and supervisory beneficiaries of programmes.

Source: Authors

In **federal states**, regional governments (provincial, state, territorial, etc.) have greater autonomy in setting policies as is the case for Ethiopia and Nigeria. The challenge under the decentralised setting is that that both setting of policies as well as delivery of established programmes may be fragmented. In Nigeria currently there are some initiatives to develop a federal level social protection strategy and a set of programmes are being developed and managed directly by the federal government. At the same time there are direct initiatives with the state governments to encourage them to develop their own social protection strategies and initiatives, thus leading to a disjointed process. In some federalist countries, some programmes remain vertically managed, such as the Productive Safety Net Programme in Ethiopia and the various social assistance programmes in Kenya, despite a highly decentralised environment where states and county have greater control of policy direction, programme design and implementation.

In some countries the responsibility for implementation of the social protection programmes is placed with **semi-autonomous state agencies** (see Section 3 for greater detail) that report to line ministries responsible for social protection. In Mozambique the agency responsible for implementing social assistance programmes is the Institute for Social Action (INAS) (Box 4), or in South Africa the South African Social Security Agency (SASSA)(Box 5 further below).

Where responsibility of delivering social protection programmes is placed with administrative agencies, the role of local administrative structures differs and ranges from no –involvement at all to provision of oversight or coordination functions (see Section 3)



Box 3: Creating specialized institutions in charge of social protection in Mozambique

The social protection law in Mozambique was enacted in 2007. It established a social protection system at three levels: Basic Social Security; Compulsory Social Security, and Supplementary Social security. The regulations of the Basic Social Security (Decree No. 85/2009) established a number of non-contributory social assistance and health and education programmes. The social assistance programmes all fall under basic social security and the overall responsibility for them lies with two entities: Ministry of Gender, Children and Social Action (MGCAS) and National Institute for Social Action (INAS). MGCAS is mandated by law to coordinate activities for non-contributory social protection and to provide direction to the sector. The MGACS is guided by the recently approved National Strategy for Basic Social Security (ENSSB II). MGCAS is also responsible for sectoral coordination of basic social security through the Council of Coordination of Basic Social Security (CCSSSB), created in 2011, with membership from Ministries of Public Works, Agriculture, Finance, Health and Education. Although this has been a challenge given MGCAS's limited convening power and authority.

INAS is the service delivery arm of the MGCAS, and provided the necessary fund through the Ministry of Finance. At subnational level, INAS representation is confined to 30 delegations across the 128 districts of the country. The delegations are normally responsible for a number of districts in their vicinity and report directly to the delegation at the national level. At the district level, INAS also reports to the District Administrator (DA) thus creating some ambiguity around reporting and accountability routes and the remit of the DA in relation to INAS. INAS has annual targets set by MGCAS and reports against the delivery of these. More generally describes its activities and expenditures through quarterly and annual reports. Finances for INAS are directly set by the Ministry of Finance and with little inputs from MGCAS.

Source: Kardan et al. (2016) (b).

In addition to state actors, the private sector, NGOs and citizens themselves can play an important role in the implementation of social protection programmes.

Some functions of social protection may be out-sourced to the **private sector**, (see Section 3.6 below), most commonly program's payment systems (see also ■ MODULE ADM). In Malawi, two commercial banks and one mobile network provider were contracted to make payments to beneficiaries in three of the intervention districts. In Swaziland, the old age grant is paid through the post office networks. In South Africa, SASSA is responsible for contracting payment service providers who deliver the transfers on its behalf through a competitive tendering process. Private sector consultancies may also be involved in providing technical support for the design, delivery and evaluation of social protection, often with financial support from Development Agencies.

NGOs can also provide significant support to programme implementation and delivery. For example, in Lesotho World Vision was responsible for the targeting and enrolment of beneficiaries for the Child Grant Programme (CGP), while Oxfam were highly involved in the delivery of the Hunger Safety Net Programme in Kenya that falls under the National Disaster Management Authority. NGOs are also increasingly providing support in piloting new social protection initiatives in various countries – often fulfilling a complementary role to the State. Examples of this includes the Child Development Grant Programme in Northern Nigeria implemented by Save the Children.

In some **contexts community voluntary structures** play an important and substantive role in the delivery of social protection programmes. Depending on the context, they can help identify and validate potential beneficiaries of a programme, help manage complaints, and monitor and report to local administrations. In Malawi, the Community Social Support Committees, made up of volunteers from the community, support the district officials in identifying those eligible for the social cash transfer programme. A similar role is played by Community Welfare Assistance Committees in Zambia and 'Permanentes' in Mozambique – among other countries. While community participation is essential to improve impacts, enhance accountability, lessen corruption and promote sustainability of social protection programmes, experiences across Sub-saharan Africa have shown the importance of:

- Ensuring the use of voluntary structures does not replace state capacity building;
- Setting up such structures in a way that minimises the risks of elite capture;



Lastly **development partners** have been playing a visible role in advancing the expansion of social protection programmes in Sub-Saharan Africa. They often provide financial and technical support to countries with nascent social protection to support design, implementation and expansion of social protection programmes and build the required support functions of the social protection system. Their support can also have a catalytic effect on the mobilisation of domestic resources.

2.5.3 Oversight and accountability

Citizen engagement and support are necessary and important for fraud and corruption prevention and quality service delivery. They may also be able to shape or influence policy debate through its work and engagement with communities and policy makers. Civil society watchdogs, workers' unions, and NGOs can all contribute to enhancing the public accountability of social protection organizations by providing independent assessments, raising awareness through different media channels, and assisting individuals in redress claims against corruption.¹² Civil society organizations and other non-state actors can also support monitoring and evaluation programmes, which may not only contribute towards transparency but also towards raising the credibility of the administration. Legislators (members of the national parliament or of local or regional legislative bodies where these exist and have a role in the social protection system) can play an important part. They may provide oversight and accountability functions or support in developing social protection systems through advocacy and enactment of relevant pieces of legislation. More details on this important function can be found in ■ MODULE M&E and ■ MODULE LEG.

2.6 TAKE AWAY LESSONS

- Government policy sheds light on its vision for social protection by articulating its aims and objectives and serves to shape future Government action.
- Laws and regulations formalize Governments' commitments and intention within the social protection sector. They also establish an entity's mandate and define its responsibilities, duties, obligations and powers, and the procedural requirements (which may also have the force of law) which determine the way in which critical functions are carried out. They may also determine the ways in which working relationships are managed between different actors.
- Social protection programmes in Sub-Saharan African countries are often not embedded in law although they are beginning to be articulated into a more consistent sector-wide narrative through the development of relevant policies and strategies.
- Laws and regulations need to be clear, consistent and aligned with stated policy intentions in order to reduce ambiguity and potential for errors or fraud.
- A range of different stakeholders are often involved in the institutional structure for social protection, with responsibilities for the design and delivery of social protection generally spread across various ministries, agencies and non-state actors. These different stakeholders present opportunities as well as challenges for the effective delivery of social protection programmes.
- The functions involved in the provision of social protection can be grouped together under the main headings of
 - Policy direction and coordination
 - Implementation and service delivery
 - Accountability and oversight.

There will be differences between countries in the part played by different actors in each of these groups of functions, and in the allocation of responsibilities between them.

¹² Reddy and Sokomani, 2008, p. 32



3

ORGANIZATIONAL STRUCTURE

3.1 OBJECTIVES

Having completed this section, the participant will have:

- An appreciation of the different organizational models for implementation of social protection programmes, including centralized and decentralized service delivery models.
- Learned about the strengths and weaknesses of different organization and service delivery models, and be able to apply this knowledge when assessing the merits of possible reform or reorganization initiatives.

3.2 OVERVIEW

Organizational structure is concerned with how people are organized to enable them to play their individual roles within an entity. Within the social protection sector many different organizations are likely to be active, each with their own responsibilities and functions. In this section we look at different organizational models, highlighting their strengths and weaknesses.

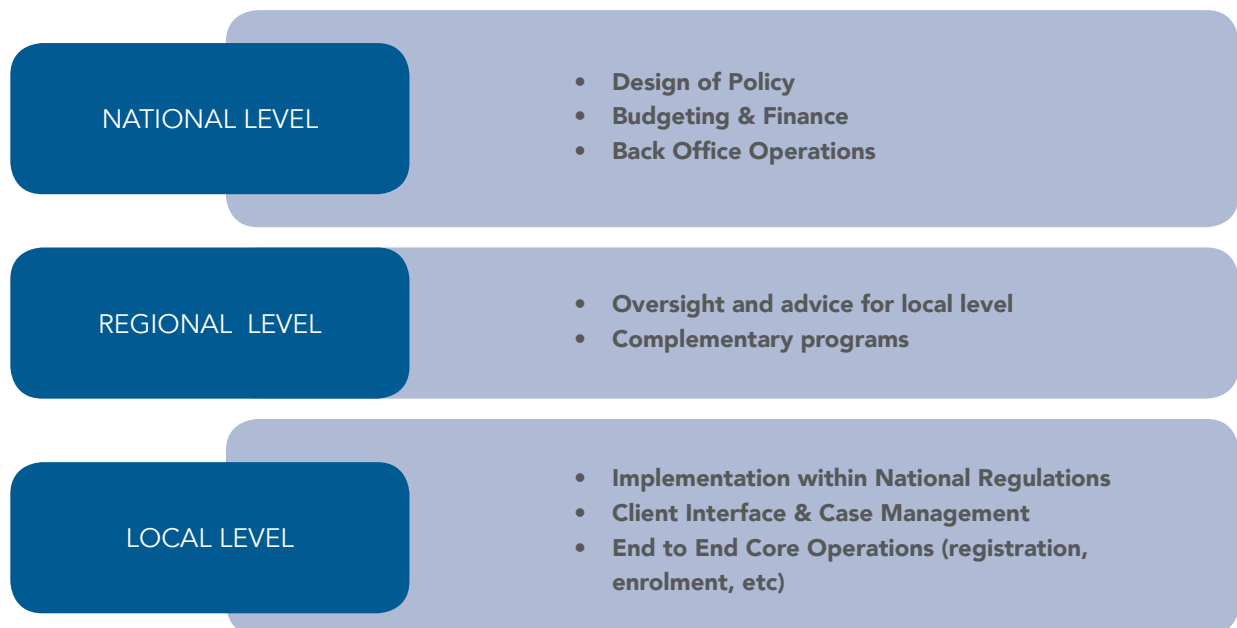
3.3. FUNCTIONS AT DIFFERENT ADMINISTRATIVE LEVELS

MODULE ADM provided a comprehensive view of the different tasks and core functions carried out by the different stakeholders in the delivery of social protection programmes. These tasks and functions are allocated across different levels of administration, depending on the organizational model in place.

The national level will typically be responsible for “upstream functions” including policy design and planning as well as back office support functions. In a fully centralised model – only possible in very small states – the national level may carry significant service delivery functions, while in more decentralized delivery-models the centre will primarily have a coordinating and management/overview role (see Figure 2 and further detail in Table 2 below).

Given the nature of social protection delivery, almost all countries have some level of decentralization of tasks to lower tiers of Government, either achieved through deconcentration, delegation or devolution. For instance the administration at the sub-national level is normally tasked with front-line service delivery functions, particularly those related to implementing program registration, enrolment, monitoring and complaints management.

Figure 2: Responsibilities in a de-concentrated [administratively decentralized] system



Source: Samson et al. (2006), p. 95

In addition to the overall institutional setting and proposed organizational structures, appropriate division of tasks will also depend on the capacity of the different levels of administration. Moreover, it will depend on the accountability structures that are in place to counteract any perverse incentives created by allocating tasks in particular ways.

In the reminder of this chapter we explore the different organizational models used for social protection and their likely implication on how tasks are divided across the different actors.

3.4 CENTRALIZED AND DECENTRALIZED MODELS FOR SERVICE DELIVERY

Many different organizational models and management arrangements are possible for the delivery of public services. These are shaped by larger factors in the governance and institutional design of the state. In some countries where power is centralized, delivery models may likewise be concentrated in the centre. In other contexts some roles, responsibilities or decision making power may be delegated or devolved to autonomous or semi-autonomous agencies or other tiers of Government at the sub-national level.

Different organizational models will allocate different roles and responsibilities to different levels of administration. Moreover, they may be set up to deliver some functions directly and to outsource others. In this section we will describe these broad organizational models and highlight their overarching advantages or disadvantages.

As will be evident from the following sub-sections, **arguments for improved service delivery, efficiency gains and better transparency can be made for each of the proposed models; their force will ultimately depend on the context within which social protection is delivered, but it is very difficult to determine ex-ante** whether the benefits intended from any particular approach will materialize.

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3.4.1 Centralized service delivery

Under a fully centralized system and organizational model, all aspects of programme or service design and delivery are controlled and managed through a single central entity at national level. This possibility is included here for the sake of completeness, but is unlikely to be applicable to social protection services except in the smallest states (such as, for example, Grenada in the Caribbean, where the Ministry of Social Development and Housing has no local presence). The need for services to be delivered from locations physically close to their beneficiaries usually requires some degree of decentralization

3.4.2 Decentralized service delivery

A common definition of decentralization is the **transfer of authority and functional responsibility from the central government to other government organizations**, including local government or autonomous agencies.¹³ It is argued that decentralization brings the services closer to the people and can improve accountability and efficiency of programmes by reducing the costs of accessing services for citizens and increasing their ability to voice their concerns and needs, thereby strengthening the government's accountability for service provision.¹⁴ Nevertheless, decentralization also brings risks of fragmentation in delivery and can exacerbate geographic inequities across a country.

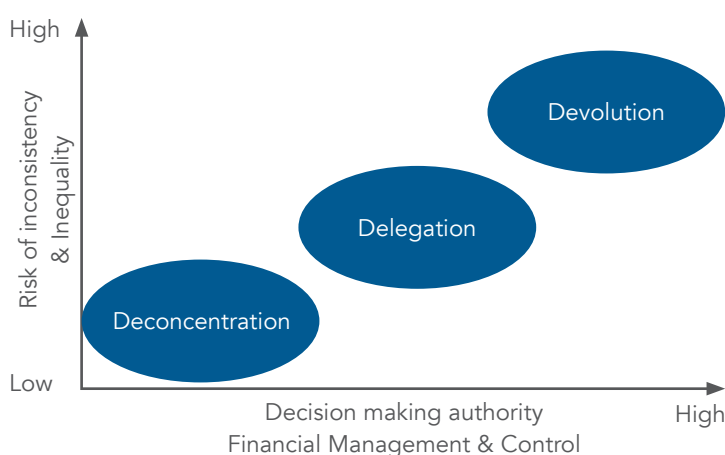
There are three main approaches to decentralization, namely:

- Deconcentration
- Delegation
- Devolution¹⁵

As shown in Figure 3 below, as we move from deconcentration to devolution, the extent to which authority to make decisions (including financial management decisions) is transferred away from the centre increases, but so too does the risk of inconsistency and inequity in social protection provision (e.g. programme implementation and reach).

While there will be different permutations as to the level of delegated responsibility for different functions under different decentralized systems¹⁶ it is safe to say that the degree of local control and decision-making power increases as we move towards a devolved system. This is further discussed below.

Figure 3: Decentralised administrative systems



Source: Authors

¹³ UNCDF, 2012.

¹⁴ Normand and Weber (2009) p. 100.

¹⁵ UNCDF, 2012 UNCDF, 2012. A fourth term, dispersal, refers to the geographical removal of all or part of a central government body's headquarters to another location outside of the national capital, usually as a spur to local economic development.

¹⁶ For example, in some jurisdictions staff of local government remain part of an integrated civil or public service and their recruitment and terms of employment are either managed by or subject to scrutiny by a central Civil or Public Service Commission; in others they either belong to a separate branch of public service with a



We now turn to discussing each of these decentralization approaches in turn. “Key opportunities and challenges with each approach are summarized in Table 2 at the end of the sub-section.”

3.5 APPROACHES TO DECENTRALIZATION

3.5.1 Deconcentration

Under **deconcentration**, **decision-making authority, financial and management responsibilities remain within the organizational structure of a central government** body (ministry or department), but **administrative responsibility** for service delivery in particular geographical areas is **distributed to local, district or regional offices**.

Under this model the geographical sub-units function as an extension of the national level, or as a local presence of the national ministry or department.

An example is presented by the provincial and district office structure of the Department of Social Services in Zimbabwe, which is in turn part of the Ministry of Labour and Social Services. These administrative units remain directly accountable to the national level; they implement policies and interventions devised and designed at the center with little or no discretion as to the services that are provided.¹⁷

In order to be effective, **deconcentration requires that the national level organizes and oversees the implementation of interventions while local offices are responsible for delivering services**. In particular, there is a need for clear rules and regulations that are set nationally and enforced, while at the same time giving the necessary discretion to local administrative structures to fulfil their functions in conformity with these.¹⁸ In some cases local office managers may have extensive delegated powers to decide certain matters without reference to headquarters.

Deconcentration allows services to be physically accessible to beneficiaries while preserving the benefits of a unitary centralized system; a single harmonized administrative structure enables common standards to be maintained, facilitates transparency and provides the scope for potential cost savings through economies of scale, such as a single payment mechanism and processes, centralized management information systems (MIS), etc.¹⁹

The drawback of single monolithic bureaucratic structures of this kind is that they are generally regarded as stifling local initiative and flexibility on the part of managers, being unwieldy and slow to respond to changing conditions, and making process changes that would lead to improvements in efficiency difficult to introduce. This analysis has lain behind the inclusion of decentralization and agency creation approaches as part of public sector reform initiatives in many parts of the world since the 1980s.²⁰

3.5.2 Delegation to an administrative agency

Under **delegation**, **central governments transfer responsibility for administration of public functions to semi-autonomous organizations within the central government structure, or to local governments that are not wholly controlled by the central government**. Although the organizations with delegated responsibility have a degree of discretion in decision-making, this can be withdrawn or overruled by the central government.²¹

Given the operational complexity of a social protection system and its many programmes, there is an argument for the creation of specialized structures at central level with adequate capacity and management autonomy to manage the programmes. This, it is argued, will enable the development of results focused systems and cultures, recruitment of specialized skills and enhancement of accountability by virtue of separation from policy functions.²²

¹⁷ Hanf and Toonen, 1985.

¹⁸ Normand and Weber (2009) p. 100.

¹⁹ Samson et al, 2006

²⁰ Cf. Hood, 1991; Osborne, 2010

²¹ UNCDF, 2012

²² Barrett & Kidd, 2015.



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This category includes delegation to administrative (or executive) agencies, which remain formally part of the structures of central government but operate with a high degree of management autonomy. The scope of these delegated powers, and the respective responsibilities of the agency and the parent ministry or department which oversees its work, are generally set out in founding documents such as a management statement. This was the model adopted for the delivery of social assistance in the UK between 1991 and 2011 (see Box 4 below). Depending on the legal framework governing the public service in the country concerned, setting up agencies may require legislation or (as was the case in the UK) may be achieved through administrative instruments alone.

Box 4 : The case of the the Benefits Agency in the UK

In the 1990s in the UK a range of social security benefits were provided by the Benefits Agency (BA), which was set up as an executive agency of the Department of Social Security in 1991. The agency was dissolved in 2001, and from 2002 its functions were merged with those of another executive agency, the Employment Service, in order to provide a more integrated approach to the payment of cash benefits and the delivery of job market services. In 2011 the combined agency, known as JobCentre Plus, was dissolved and its functions reabsorbed into the parent department (known since 2001 as the Department for Work and Pensions). The reason for this further reorganisation was the desire of an incoming government to achieve a 40% cost saving in the headquarters costs of the department and its agencies. It was believed that abolishing the separate senior management structures and accounting, planning and reporting systems of the agencies would contribute towards this.

This case illustrates both the flexibility with which major changes in the machinery of government can be undertaken when they not require legislative action, and also changing thinking about the value of agency structures. Proponents of agencies have always recognised that they would entail additional headquarters administrative and transactional costs, compared with an integrated bureaucracy, but that these would be outweighed by increases in efficiency, effectiveness and responsiveness in service delivery. After twenty years and more of experience of this form of organization many politicians have found this argument less persuasive, although clear evaluative evidence is scarce. It can also be argued that now that gains in economy and efficiency have been secured through tighter and more output-focused agency management, some of the supporting apparatus can be dispensed with, at least for a time.

Source: <https://www.gov.uk/government/news/government-announces-organisational-changes-to-jobcentre-plus-and-the-pension-disability-and-carers-service>.

Where an agency is set up by statute it is likely to be accorded its own legal identity as a person in law, and its powers, functions and responsibilities will be delegated by the state through the legislation rather than by administrative delegation from the minister. Nevertheless, it will still generally operate in a subordinate role to the responsible minister and ministry and subject to their policy direction.

The South African Social Security Agency (SASSA) provides a good example of a statutory agency (Box 5), as does the National Social Insurance House (CNAS) in Moldova. The latter is an autonomous public institution, founded in 2001 on the basis of a 1999 statute, headed by a President appointed by the government and overseen by an administrative council with representatives from interested ministries and other stakeholder bodies. CNAS is responsible for payment of a range of pensions, compensation and social assistance to beneficiaries across the country.

Delegation of the functions of a multi-functional ministry to single-purpose agencies is itself regarded as a form of decentralisation, because it disperses management control (though not usually the direction of policy) to multiple centres of decision-making, even though the organisations concerned remain within the sphere of central government. In practice agencies delivering personal services such as social protection will also be likely to operate a deconcentrated service delivery model through a network of local offices.

SASSA provides a clear example of a statutory implementing agency, to which a comprehensive range of social protection functions, other than setting the policy direction, have been delegated. It also illustrates one possible division of functional responsibilities between national, regional, district and local levels of the organization. However, the extent to which this internal structure will be replicable elsewhere depends on a number of factors, including geographical conditions and the financial, human and technological resources available.

Box 5: The case of SASSA in South Africa

The South African Social Security Agency (SASSA) is an administrative entity mandated with the provision of comprehensive social security services against vulnerability and poverty within the constitutional and legislative framework.

The Agency was set up by the South African Social Security Agency Act, 2004. It is headed by a Chief Executive, who is appointed by, accountable to and subject to a written performance agreement with the Minister of Social Development; the agency is designated as an organ of the state and has legal personality in its own right.

In a departure from what is often seen as the usual direction of decentralization, SASSA was set up to reallocate the social protection function from South Africa's nine elected provinces to the national sphere of government. Provincial administration of the system had been seen to lead to delays in the approval and payments of grants, possible fraud and corruption, inhumane pay point facilities and huge administration costs.

SASSA is decentralized, both institutionally in that it provides for an arm's-length relationship between the responsible minister and the management of service delivery, and in its deconcentrated organizational structure. It has one headquarters office at the national level, nine regional offices and offices at the district and local levels.

At the national level the agency carries out the following functions:

- 1) policy implementation and monitoring roles;
- 2) core back office functions for operations; and
- 3) non-core functions (personnel management, communication, distributed IT system support).

The lower (regional, district and local) levels of the agency focus on the end-to-end core operations involving data capturing and client interface. Payment systems are organized independently, at the headquarters level. Policies are determined by the Department of Social Development, the main government department in charge of social protection; the role of SASSA is to support their implementation

The regional offices have three departments – namely corporate services, finance and grants administration – and an internal audit sub-unit which reports directly to the Chief Executive at national level. Regions are responsible for M&E in their areas, including improving, developing and reporting on indicators for performance delivery, and for programme performance and the achievement of optimal service delivery. The district level offices have divisions to provide non-core functions and sub-units to carry out the core functions of social assistance delivery; local offices have divisions to provide the core functions and an administrative support services section.

Source: Republic of South Africa (2004), SASSA (2014), ILO (2015)

This kind of delivery model is well-supported by the establishment of an agency that, as described above, is 'at arms length' from the government and given responsibility to implement policies and carry out public functions such as service delivery. Such **agencies are often set up by central government as a means of distancing ministers from the administrative and management detail of service delivery**; they might in principle also be established by subnational governments exercising powers that have been delegated or devolved from the center.

Under this model, the main body of staff are normally public servants and the main source of resources is the state budget, which is why administrative legislation and procedures apply to its operations.²³ Although the specific character of an agency largely depends on national legislation and the domestic context, an agency is usually defined by clear lines of accountability and authority and has a clear mandate.²⁴ An agency of this kind may either be part of the core civil service, set up by administrative measures alone to establish its management and accountability and usually hived-off from and retaining close links with a parent ministry, or a separate corporate body within the public sector, usually set up by statute (primary legislation).

²³ Politt, et al. 2001, p. 275.

²⁴ Politt, et al. 2001, p. 272.

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Key elements of the typical agency are:

- **Leadership.** The normal model for agencies is the appointment of a Chief Executive by the responsible minister, for a fixed term and subject to satisfactory achievement of specified objectives and targets, promoting a clear focus on performance and service improvement. It is usually possible for Chief Executives may be appointed either from inside or outside the public service, allowing the best candidate in terms of professional expertise and visible leadership qualities to be appointed.
- **Clear mandate.** The setting-up of an agency to carry out a single or limited set of practical functions within the public service, at a distance from the uncertainties of policy making and the political domain, promotes clarity about the purpose and mandate of the organization. These also have to be documented in performance agreements or framework documents, which aid clarity and help staff to maintain a focus on outputs and service delivery, while providing some protection from the imposition of unplanned changes of direction or new requirements by the political leadership. This is a quasi-contractual model of management, the terms of which are in the public domain.
- **Performance.** Both of the above features support an emphasis on performance, and the setting of quantifiable indicators and targets to enable this to be measured. The founding documents of an agency also usually prescribe the routes by which performance is to be reported, not only to the responsible minister but also to parliament and the public. Chief Executives are also typically in a relatively strong position to negotiate trade-offs between deliverable outputs and levels of resourcing.

Other agency characteristics depend to a greater degree on national context and the institutional framework:

- **Human resources.** Agency-type organizations are often said by their advocates to be characterized by **high levels of professionalism**; while this can also be achieved in government departments with the correct talent management practices, organizations that have sufficient autonomy to be able to offer flexible working terms and conditions to staff are well placed to improve motivation and efficiency. The authority to hire and fire staff, and to vary terms and conditions to attract and retain them, is one of the crucial expressions of managerial autonomy. In particular, at the inception of social protection schemes, a degree of flexibility to transfer internal expertise from different levels of the administration and/or hire external expertise may be needed.

The extent to which this freedom in human resource management can be attained by agencies within the central civil or public service structure depends on the prevailing legal framework. In some cases it can be achieved by the formal delegation of authority from the ministry or from a central employer such as a Public Service Commission, if the law permits, while autonomous public bodies with legal personality may be employers in their own right, with varying constraints on their freedom of action. In the case of SASSA, the Minister for the Public Service and Administration, in consultation with the Minister of Social Development and the Minister of Finance, is empowered to set the human resources policy and remuneration of the Agency; this allows in principle for a degree of flexibility to meet the Agency's operational requirements, but not at the Chief Executive's discretion.

- **Freedom of financial management** also varies from place to place. As public service entities, agencies will be subject to public financial management and procurement regulations, but may be given higher than normal levels of delegated expenditure authority by the Ministry of Finance to increase their flexibility of operations, and may be able to negotiate higher levels of internal financial delegation than normally permitted – provided the legal framework allows for this. The national budget law will also determine whether an agency is treated as a budget unit in its own right, and thus negotiates its share of national resources directly with the Ministry of Finance, or whether its budget is subsumed within that of its parent ministry, and may therefore be affected by shifts in priorities within the ministry's portfolio of responsibilities.
- **Operational autonomy.** Unless agencies have sufficient autonomy in their programme management, with some immunity from interference in management decisions by the political leadership, as well as sufficient financial and human resources to discharge their mandate, there is no reason to expect their performance to be better than that of central government departments. Agency creation offers a useful vehicle by which these conditions may be achieved. However, in certain countries central public administration may offer a sufficiently flexible environment for the effective and focused management of services without this organizational change.

Despite the independence that a semi-autonomous institution in charge of programme delivery may benefit from, continuity of management can still be affected by political cycles, changes in ministerial leadership and shifts in ministry organizational structures. Therefore, even in circumstances where there is a dedicated agency responsible for social protection delivery, it is highly recommended that there should be as much ring-fencing as possible of the operation of social protection programmes, by clearly defining the scope of the Chief Executive's powers and independent authority. It is also recommended that a separation be made between political appointments and the recruitment of top officials for the delivery of social protection services; the latter should be subject to public appointments procedures which safeguard selection on merit.

Granting an institution executive managerial authority involving some degree of independence from the main government ministry or department in charge of social protection can help services remain results-oriented.

The implementing institution should have operational targets that can be measured under Framework Agreements with government. Outcomes, activities and budgets must also be aligned so that the expected results can be delivered. Specific budget allocations are determined and controlled. Administrative and benefit costs, for example, are clearly separated.

- **Legal framework.** If a new delivery body is created, the organization should ideally be legally established (in South Africa, for example, SASSA is regulated according to the Executive Agencies Regulations and the Public Finance Management Act, as well as by its own founding legislation). Additionally, the extent of ministerial responsibility and control should be clearly specified in the legal base. In the case that statutory authorities are created which are wholly independent from government and from ministerial direction, strong alternative governance structures are needed. Some argue that independent institutions for delivery should only be created if 'it can be demonstrated that it will result in greater efficiency to achieve objectives and if independence is desired to attain a degree of objectivity'.²⁵ It is important to note that independence can have drawbacks in terms of democratic control and accountability; what may look like interference from a managerial point of view, from another perspective will look like the proper exercise of control by the elected representatives of the people.

3.5.3 Delegation to local government authorities

In some cases delegation will be not to an agency or other public body within the central government sphere, but from central government to local government authorities. Exercise of central government functions under delegation can be distinguished from local authorities' exercise of their own devolved powers vested in them by legislation or the constitutional settlement. Under devolution (see below) a local authority has full responsibility and accountability for a function; under delegation they are **implementing a national programme within their area, as agents or partners of central government.**

When various operational aspects of a programme are jointly managed by the national government and lower tiers of government, instruments such as **framework agreements, joint management agreements or service level agreements (SLAs) can be useful tools.** These agreements, made between the parent ministry and delivery institutions, formalize responsibilities and introduce minimum service standards (as in the case of Bolsa Familia in Brazil, or of the 4Ps programme in the Philippines). Such agreements can establish the terms within which delegated powers may be exercised, and the conditions under which they may be withdrawn or overridden.

3.5.4 Devolution

Devolution, occurs when authority for the whole social protection system (policy, programme design, finance and the management of service delivery) is allocated to autonomous tiers of sub-national government. This may occur where the constitution gives responsibility for a particular policy domain to the constituent states of a federal nation; for example the 1994 Constitution of Ethiopia reserves to the states the power "to formulate and execute economic, social and development policies, strategies and plans" for their territories.

²⁵Parliament of Australia, 2011, p. 7

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Devolution can also occur where a state transfers responsibility for a function or service to autonomous units of local government with their own legal status and electoral mandate, for example elected mayors and councils. Under this model accountability is to the local electorate, and the local government entities are responsible for determining the scope and quality of services to be provided.²⁶ For example, the 2010 Constitution of Kenya was enacted in order to provide for the devolution of a wide range of functions to county governments; however this did not include social protection, which therefore by default falls to the national government.

The principle of devolution, in contrast to delegation, is that functions cannot be exercised concurrently by central national government and sub-national bodies, and the transfer of authority cannot be revoked unilaterally. If responsibility for social protection has been devolved to a provincial or state level, the central government can no longer decide to operate its own parallel system or to take over the running of the system. However, the degree of control over policy, service standards and levels of expenditure retained by central government under a devolution settlement may vary considerably between jurisdictions.

The proponents of devolution argue that sub-national governments are better informed about their constituents and in a better position to reach those in need.²⁷ However, there may be problems of elite capture – where powerful local figures operate the system for their own benefit, for example by manipulating payments to reward their political supporters – or of low administrative capacity of devolved entities. Low local administrative capacity can undermine effective management of programmes and the information available on them; it is especially the case in more remote developed areas with few amenities where it is difficult for local authorities to attract and retain skilled employees, who tend to migrate to urban areas. The same problems can also apply in cases of delegation, where local authorities are charged with delivery of a national programme but capacity constraints introduce disparities in implementation.²⁸

Box 6: The Productive Safety Net Programme in Ethiopia as an example of federal state administration

The Government of Ethiopia runs its Productive Safety Net Programme (PSNP) through its federal structure. The programme is decentralized and targets beneficiaries through communities. It is fully implemented by the national level of government, using regional and local level administrative bodies for support. The PSNP has an unconditional cash transfer component and a public works component. It thus requires coordination and cooperation between relevant stakeholders and strong government capacity at all levels.

The decentralized environment in which the PSNP is implemented implies that technical lines of accountability do not always follow political accountability. Indeed, the PSNP does not fit into the mandate of a single government agency or department. Instead, its objectives touch upon the mandates of several departments within the Ministry of Agriculture and the Ministry of Finance .

Local communities have clearly defined roles in the implementation. Communities and their sub-units work in the planning of public works and select the PSNP beneficiaries. Communities identify beneficiaries and mobilize community members for participation in planning and, intermittently, in monitoring of the public works scheme. The community-based targeting system is supported by a Community Food Security Task Force which endorses selected beneficiary lists in community meetings, where beneficiaries and non-beneficiaries alike debate and agree on which households will receive support from the programme in the following year.

Source: Authors

²⁶ Ibid.

²⁷ de Neubourg, 2002

²⁸ Samson et al, 2006, van Niekerk, and Mac Quene, p. 115



3.5.5 Financing decentralized service delivery

Decentralization of funding can be particularly sensitive and can contribute to inter-regional disparities in coverage, as poor localities are likely to provide fewer services.

If responsibility for financing programmes is transferred without additional funds, poorer lower levels of government can suffer from financial hardship and may fail to deliver timely quality benefits to eligible applicants. They may also use undue discretion in paying benefits, for example to reward and reinforce political support, and therefore render payments less reliable and transparent.²⁹

As such, national governments usually retain responsibility for the financing of social protection programmes in order help countries reap the full benefits of national social solidarity. However, fiscal decentralization is a complex field in its own right, with a wide range of possible models for funding decentralized services, which strike different balances between reliance on local revenues and support from the national budget, and with differing allocation mechanisms to allow a degree of equalisation between areas reflecting their divergent social needs and fiscal resources.

Even where national government continues to fund the cost of payments to beneficiaries under a social protection programme, in most forms of delegated or devolved decentralization the administrative infrastructure through which programmes are delivered is likely to be affected by the budget constraints of the implementing authority. These can affect staff capacity (in terms of numbers and skills) and the availability of resources such as computers, vehicles or office space, leading to inconsistencies in the quality of service. Where delegation is to an agency within central government it is less likely that significant disparities between geographical areas will arise, although as with all services there can be difficulties in retaining adequate numbers of skilled staff in remote locations; however, agencies may be particularly prone to pressures to reduce administrative costs, as the scope for efficiency savings is often one justification for their creation.

3.5.6 Trade-offs with alternative models

In reality, there is a very wide range of differing approaches to decentralization, and systems of service delivery vary greatly in their institutional foundations and organizational structures. The typology offered above and summarized in Table 2 below can therefore only offer an approximate guide to understanding a particular set of national arrangements, or designing new ones. The distinction between delegation and devolution is especially likely to become blurred, while all forms of social protection provision, whether formally centralized or decentralized, are most likely to be delivered through deconcentrated (geographically dispersed) organizational structures.

Ultimately the degree of decentralization of social protection will be determined by the state's position in relation to political, administrative and financial decentralization more generally, as well as its approach to the management and reform of public services. The relative weight given to the arguments for and against each kind of approach will therefore depend heavily on a wider set of considerations peculiar to the national context.

In general, the move from centralized towards more decentralized provision offers a series of **trade-offs, for example between consistency and equity in service delivery on the one hand and flexibility and responsiveness to local conditions** on the other, or between implementation of a uniform national policy using national resources, and more direct local accountability for local decisions. The main available models for public service delivery – in general, not simply social protection – are shown in Table 2 together with some key considerations relating to each.

Broadly speaking, the challenge of any form of decentralization of social protection is **how to ensure that rights-based approaches are maintained uniformly across the country, and common standards of service are set and applied, while using decentralized structures in an effective way to ensure efficient and responsive service delivery at the front line.** The challenge is greater under conditions of devolution, where different political authorities may not agree a common policy position on the rights of beneficiaries or standards of service.

²⁹ p. 48

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Table 2: Alternative models of social protection service delivery: approaches to decentralization

	TYPE	DESCRIPTION	OPPORTUNITIES AND CHALLENGES
	Centralised	Direct service delivery by single central government entity (with a single organisational management and accountability structure, on one site or a few satellite sites).	<ul style="list-style-type: none"> Enables high level of consistency in service standards and quality Only suitable for a limited range of services (e.g. issue of passports) which do not need to be delivered close to the beneficiary population Can apply to social protection, but only in very small states
Decentralized	Deconcentration	Delivery of a central government service through a network of geographically dispersed offices, which remain directly accountable to the national headquarters in a single organizational structure, with local management but little or no discretion as to the services that are provided.	<ul style="list-style-type: none"> Some degree of deconcentration is likely to be required for most services to citizens that need to be delivered close to where they live Increases accessibility of services to citizens Increases risk to service delivery from low capacity, especially in more remote locations
	Delegation	Central government entity (Ministry) transfers responsibility for decision-making and management control of services to a semi-autonomous administrative agency or statutory body within the central government structure, or to local government entities. Organizations with delegated responsibility have a degree of discretion in decision-making, but this can be withdrawn or overruled by the delegator.	<ul style="list-style-type: none"> Delegation may be to a single agency or to multiple entities (e.g. local government bodies) A single agency may deliver its functions on a centralised or deconcentrated basis. In the former case it is still likely to be regarded as having been brought closer to users through the separation of service delivery from policy, and distancing from close political involvement Framework agreements, joint management agreements or service level agreements (SLAs) may be used to establish service standards and the terms under which the delegation is made, in order to maintain a degree of consistency in service provision

Table 2: Continued

	TYPE	DESCRIPTION	OPPORTUNITIES AND CHALLENGES
Decentralized	Devolution	State transfers authority for decision-making and management from central government to autonomous units of sub-national government with legal status and own electoral mandate (e.g. elected mayors and councils), in principle irreversibly and with no concurrent exercise of powers. Accountability of the entities is to the local electorate.	<ul style="list-style-type: none"> Sub-national government determines the scope and quality of services provided, but the degree of control over policy and service standards – and ultimate accountability for outcomes – retained by central government may vary considerably between jurisdictions Financing of services may transfer entirely to local revenues, continue to be provided from the national budget, or a combination of the two If there is any reliance on local financing, variations in needs and resources are likely to lead to inconsistencies in service provision between areas unless equalization mechanisms are put in place
	Local service provision	Under a capital division of responsibilities between national and sub-national authorities, service delivery lies entirely with the local (state, provincial, regional or municipal) entities.	<ul style="list-style-type: none"> Most likely to be found under a federal constitutional model. Sub-national government entities may operate services using centralised, deconcentrated or delegated approaches, within their own territories.

Source: Authors

3.6 OUTSOURCING THE DELIVERY OF SOCIAL PROTECTION COMPONENTS

For reasons involving resource, capacity and/or technical constraints, the delivery of certain components of social protection (most frequently cash transfer payments) is sometimes done in collaboration with or outsourced to non-governmental actors such as private companies or civil society groups. The potential benefits of such a delivery model include:

- More efficient service delivery and costs savings.** Private or semi-private providers may be able to provide some specialized services more cheaply or more efficiently than the public sector as a result of better management practices, or of higher levels of investment, for example in ICT equipment. Outsourcing of payment services, for example, can allow the social protection function to be supported by existing banking platforms and their specialized technical support staff, while specialist IT firms are likely to be able mount competitive bids for the development, enhancement and possibly maintenance of MIS.
- Reducing administrative burden on staff.** At the other end of the scale of specialization, outsourcing some clerical back-office functions can free up the time of staff in the public service for professional activities, for example statutory social work tasks, which might otherwise be crowded out. Outsourcing may also simply provide additional capacity at times of peak demand. In Kenya the Ministry of Labour and Social Security and Services coped with the data entry requirements for the rapid scaling up of the National Safety Net Programme by the recruitment of large numbers of temporary staff on short-term contracts, but it is possible that better data quality might have been provided by contracting-out the work.

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Outsourced functions may include selection/registration of beneficiaries (e.g. in Zimbabwe for the Harmonised Social Cash Transfer Programme and the Child Development Grant in Leostho), development of MIS or delivery of payments. In fact, in the sphere of service delivery, as opposed to policy formulation, it is hard to discern any barriers to what can in principle be outsourced provided there are willing and capable providers in the market. However, while outsourcing of functions may yield the anticipated benefits, there are also aspects that need careful consideration:

- Outsourcing will **require additional organizational capabilities** including oversight and performance management of service providers as well as procurement related functions.
- Governments should **choose carefully** whether and which services and functions to outsource, for what reason or objective, to what organizations, and to how many.
- Governments should be particularly aware of the implications of transferring **or outsourcing functions related to core service functions**, as excessive dependency on external providers may impact on the long term delivery of the service and erode internal capacity. For example, if the outsourcing of MIS or payments related functions of the Government is not carefully thought out or managed, it can lead to various risks as illustrated in Box 7 below.

Box 7: Possible risks with outsourcing

Outsourcing may provide different number of risks:

Business continuity risks

- Reliance on technology of which the copyrights are not necessarily owned by government, risking discontinuities in business/operations;
- Payments done by single private operators and/or a single channel such that the administration is 'vendor-locked' and faces the risk of abuse of power in pricing and the conditions of service;
- Risks arising from the multiplication and potential incompatibility of administrative processes across different agencies used for disbursing benefits;

Data security risks

- Information Communication Technologies (ICTs) that are operated from outside the organization with undisclosed operational risks (hacking, data loss, information leakage from payments databases, etc.);
- Use of beneficiary databases for commercial or other unauthorized purposes;
- Use of the banking system for payments undermining the legal protection of vulnerable customers, leading to direct levies on beneficiaries' bank accounts (for repayment of loans, fees, funeral policies, etc.).

In order to reduce the above risks, government should plan to develop management know-how and capacity over time. It should also closely monitor and regulate the partnerships through which it aims to deliver these services.

Source: Authors

Therefore how the service providers are contracted and how it is enforced are important considerations for the Government and should at a minimum ensure that:

- the rights of social protection beneficiaries are respected by the company's agencies (and not subordinated to the service provider's commercial interests);
- data confidentiality is maintained;
- service quality standards are upheld,;
- complaints and grievance mechanisms are functional, and
- there is sufficient oversight and reporting to ensure government accountability for the service.

The table below provides a summary of the outsourced model as well as other variation in engaging with the private sector, that are less common in social protection.

Table 3: Alternative models of social protection service delivery: approaches to outsourcing

TYPE	DISCRIPTION	OPPORTUNITIES AND CHALLENGES
CENTRAL OR LOCAL GOVERNMENT PROVISION		
Outsourced	Services are delivered (in whole or part) by private sector firms or NGOs under contract to central or local government, or by community-based partnerships under quasi-contractual arrangements such as memoranda of understanding (MoU). Financial responsibility remains with the government entity concerned.	<ul style="list-style-type: none"> Requires existence of sufficiently mature markets to provide a competitive field of competent potential contractors Essential for contracting authorities to retain or acquire sufficient technical expertise to act as intelligent customers for the services provided, oversee and be accountable for quality of delivery, and avoid provider capture. May deliver significant improvements in efficiency and effectiveness, but only with adequate continuing client oversight. May make complaints, redress of grievance and exercise of citizens' rights more difficult. Includes forms of payment by results such as Social Impact Bonds and Development Impact Bonds.
Public-private partnerships	Services are provided through some form of joint venture between government bodies and private firms, either to inject private investment capital into services, or to provide access to superior management capabilities, or both	<ul style="list-style-type: none"> Multiple possible forms exist, from formal joint ventures through incorporation of a special purpose vehicle (SPV) to allow pooling of resources, to the contracting-in of private management to operate existing public facilities, to design, build and operate contracts which obviate the need for public capital investment in new facilities. Government remains responsible in the long term for the costs of service provision, plus ensuring the private partner's return on capital. High level negotiating skills to ensure adequate transfer of risk to the private partner
PRIVATE PROVISION		
Regulated	Services are provided by private companies, NGOs or community enterprises subject to state regulation of quality, safety and possibly price.	<ul style="list-style-type: none"> Government assumes no responsibility for financing of services Local or central government maintains capacity for registration and inspection of services, and possibly handling complaints Only applicable to services that can in principle generate a revenue stream, unless supported by voluntary charitable funding. Unlikely to provide uniform national coverage, especially for the very poor.

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Table 3: Continued

TYPE	DISCRIPTION	OPPORTUNITIES AND CHALLENGES
Unregulated	Services are provided by private companies, NGOs or community enterprises with no state intervention.	<ul style="list-style-type: none"> • Government abdicates all responsibility for the service • Quality and price are maintained entirely by market mechanisms • Redress of grievances may exist through the court system • Only applicable to services that can in principle generate a revenue stream, unless supported by voluntary charitable funding. • Unlikely to provide uniform national coverage, especially for the very poor.

Source: Authors

2.7 TAKE AWAY LESSONS

- Organizational models are shaped by the governance and institutional design of the state. To the extent that the institutional context permits, some roles, responsibilities or decision-making power for services such as social protection may be delegated or devolved to autonomous or semi-autonomous agencies or other tiers of Government at the sub-national level.
- Non-contributory social protection systems may have centralized or decentralized implementation. The appropriateness of each approach will depend on a range of factors in both national and federal-level agencies and state or municipal governments, including capacity of staff, available budget, and record of implementation of previous programmes.
- Under a centralized system and organizational model, all aspects of the programme design and delivery are controlled and managed through the centre. This may improve standard-setting and coordination of activities, but it may also be poorly set up to meet (or indeed identify) the needs of populations at the local levels.
- Under a decentralized system authority and functional responsibilities may be placed with subordinate or autonomous administrative structures. This it is argued will bring services closer to the people and improve accountability and service delivery within the sector.
- The challenge of any form of decentralization of social protection is how to ensure that rights-based approaches are maintained uniformly across the country, and common standards of service are set and applied, while using decentralized structures in an effective way to ensure efficient and responsive service delivery at the front line
- Given the operational complexity of social protection systems, specialized structures with adequate capacity and management autonomy may be established to manage social protection programmes. This is done with the aim of developing results focused systems and cultures and enhancing management accountability by virtue of separation from policy functions (and by extension from political considerations).
- Organizational models may be set up to deliver some functions directly and to outsource others.
- Some social protection tasks may be outsourced to the private sector who may be better placed to deliver these more efficiently; however, this requires strong procurement, management and oversight functions to ensure services are delivered as expected.
- Existing institutional capacity should be taken into account when determining arrangements for service delivery. Countries with limited institutional capacity may rely on private sector and non-government providers (though with government regulation). However, strengthening capacity for institutions and staff involved in programme implementation is critical for all implementation processes to work well.

4


CAPACITY DEVELOPMENT

4.1. OBJECTIVES

Having completed this section, the participant will:

- Have an understanding of the different dimensions of capacity including institutional capacity, organizational capacity and individual capacity
- Recognise the intertemporal nature of capacity including ability to gain, utilise and maintain capacity
- Be able to identify capacity gaps across different elements of capacity
- Be able to propose a capacity development and training plan to address capacity constraints

4.2 OVERVIEW

One of the often cited challenges of delivering social protection programmes is capacity constraints, especially at lower levels of governance. As extensively discussed in the  MODULE ADM and within the wider literature on the topic, some of the main problems encountered across Sub-Saharan Africa include:

- technical weakness e.g. policy-making units “staffed not by specialists but by political supporters” (WDR, 2017)
- lack of sufficient statutory staff
- high turnover of staff.

The question that naturally arises is to understand what is meant by the term “capacity” and how to assess and develop it. OECD defines capacity as: “The ability of people, organizations and society as a whole to manage their affairs successfully (OECD 2006)”.

Other definitions of capacity exist but all allude to similar attributes and all share an understanding that capacity is a complex phenomenon, comprising a combination of institutional, organizational and individual attributes that converge in such a way as to enable tasks to be performed and objectives to be attained (Kardan et al, 2016).

This chapter proposes an approach for identifying capacity requirements and highlights the main consideration for capacity development and training.

4.3 ESTABLISHING CAPACITY REQUIREMENTS

Before discussing how to assess and develop capacity it is important to take a step back and establish how capacity requirements should be defined for the social protection sector. We set out some guiding principles below.

First of all, **capacity only exists in relation to the undertaking of particular activities or tasks and in relation to the achievement of particular goals or objectives.** Capacity can therefore be defined in relation to the ability to deliver programmes according to established standards and requirements as set out in regulations or operational manuals. In the context of social protection, the bodies responsible for different parts of the system need, between them, to be able to ensure that key administrative functions are carried out effectively (see also **MODULE ADM**)³⁰. SASSA expresses the basic requirement neatly in its strapline: “Paying the right social grant, to the right person, at the right time and place.” Evidence of shortfalls in performance of any of these functions constitutes clear evidence of a capacity gap which requires investigation. For example in Mozambique payment to beneficiaries is meant to be carried out every month, however given the limited presence of staff on the ground this is carried out every two months. In Zambia lack of material resources means that monitoring activities are limited and constrained to areas closest to the administrative centres.

Second, there are three core dimensions of capacity, namely institutional, organizational and individual:

- The **institutional aspect**, as discussed under chapter 2, includes both the laws and regulations that set out the mandate of different entities and their roles and responsibilities and also the way in which their working relationships and coordination are established;
- The **organizational aspect** is concerned with how the staff are structured, systems and processes set up and functions delivered. This aspect includes approaches to recruitment, staff development and retention as well as allocation of material resources necessary to deliver their organizational mandate; and
- The **individual aspect** focuses on the personal capabilities of the people who make up the organization. It looks at the level of knowledge, skills and attitudes of their staff and how they relate to their roles and responsibilities and the functions they are expected to undertake. For example it relates to whether staff are sufficiently trained to identify and enroll potential programme recipients, use management information systems or deal with beneficiary complaints – all of which may be enhanced by training and development.

Third, it is **important to recognize the temporal element of capacity** (see Table 4). This means looking not only at an entity's ability to create or acquire capacity (for example through training or recruitment) at a particular point in time, but also to its ability to use these new capabilities effectively and to ensure that capacity remains in place over time (Kardan et al, 2016). For example, in Kenya, while the level of capacity of staff at the national level was deemed as high, the recruitment freeze and the increasing average age of the workforce presented challenges in retaining existing capacity (see Box 9). As shown in Table 4, under this approach **capacity creation** at an individual level is understood as developing adequate skills, knowledge, competencies and attitudes that may have not been there. Capacity **utilization** relates to how acquired skills, knowledge and competencies are applied to core functions and **retention** means new skills are retained and transferred to the rest of the organization.

³⁰ For example: the identification and registration of eligible beneficiaries in line with agreed policy (minimizing errors of inclusion and exclusion); regular, timely and accurate payments in accordance with the policy; monitoring of payments and of uptake by beneficiaries; maintenance of accurate management information and updating of records as necessary; and effective handling of grievances and complaints

Table 4: A capacity matrix

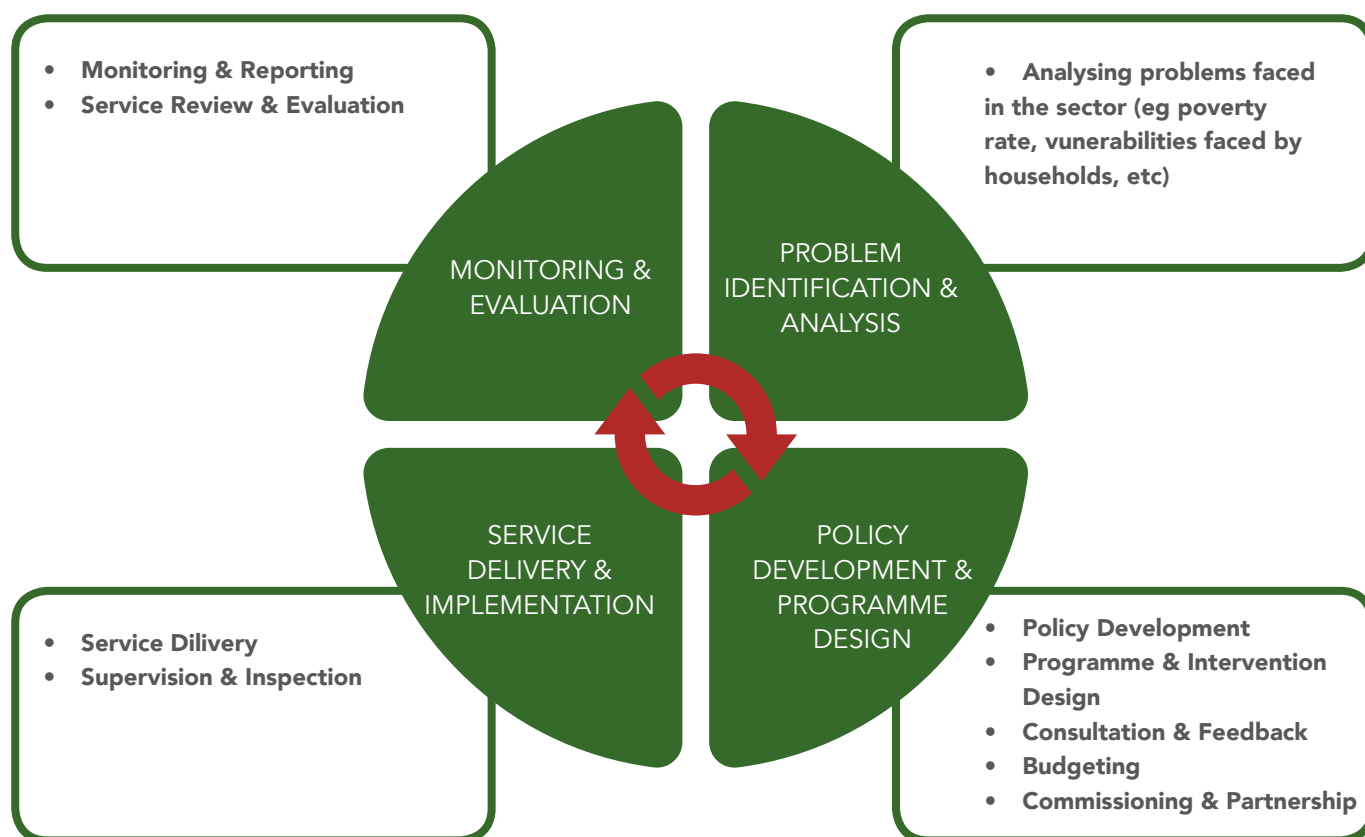
	CAPACITY CREATION	CAPACITY UTILIZATION	CAPACITY RETENTION
Individual level	Development of adequate skills, knowledge, competencies and attitudes	Application of skills, knowledge, competencies on the workplace	Reduction of staff turnover, facilitation of skills and knowledge transfer within organisations
Organisational level	Establishment of efficient structures, processes and procedures; recruitment of sufficient staff and procurement of adequate equipment	Integration of structures, processes and procedures in the daily workflows; adequate provision for consumables	Regular adaption of structures, processes and procedures; maintenance and repair of equipment
Institutional level	Establishment of adequate institutions, laws and regulations	Enforcement of laws and regulations for good governance	Regular adaption of institutions, laws and regulations

Source: Wyatt 2014

Fourth, it is also **useful to look at capacity across the different functions and sequence of administrative processes that fall under the remit of different entities and individuals**. Broadly these could be grouped across the policy cycle, focusing on a) problem identification and analysis (e.g. assessing what categories are poor, vulnerable or in need of support); b) policy development and intervention design; c) service delivery and implementation, and; d) monitoring and evaluation. Under each stage of a process, a sub-set of functions and sub-stages also exist, as exemplified in Figure 4

Thus capacity can be assessed across different levels, across time and in relation whether it exists, is utilised and retained and across different functions or stages of processes.

Figure 4: Processes and functions



Source: Authors

4.4 CAPACITY DEVELOPMENT – KEY STEPS

Addressing capacity gaps involves understanding, maintaining, strengthening and adapting existing capacity, but can also involve building capacity in new areas. While capacity can be developed at an individual level, (because our ability to undertake key task depends on experience, knowledge, technical skills), it can also happen at an institutional level and organizational level. The institutional environment for example, influences the behavior of organizations and the individuals within it through a set of incentives which stimulates organizations and encourage individuals to act in particular ways.

Overall it is important that:

- the capacity development process is led by national government or stakeholders and starts with clear priorities and objectives;
- the overall objectives of capacity development initiatives are in line with social protection strategies and policies;
- capacity development does not happen in a moment but is a continuously evolving process;
- capacity needs identified are as specific as possible³¹.

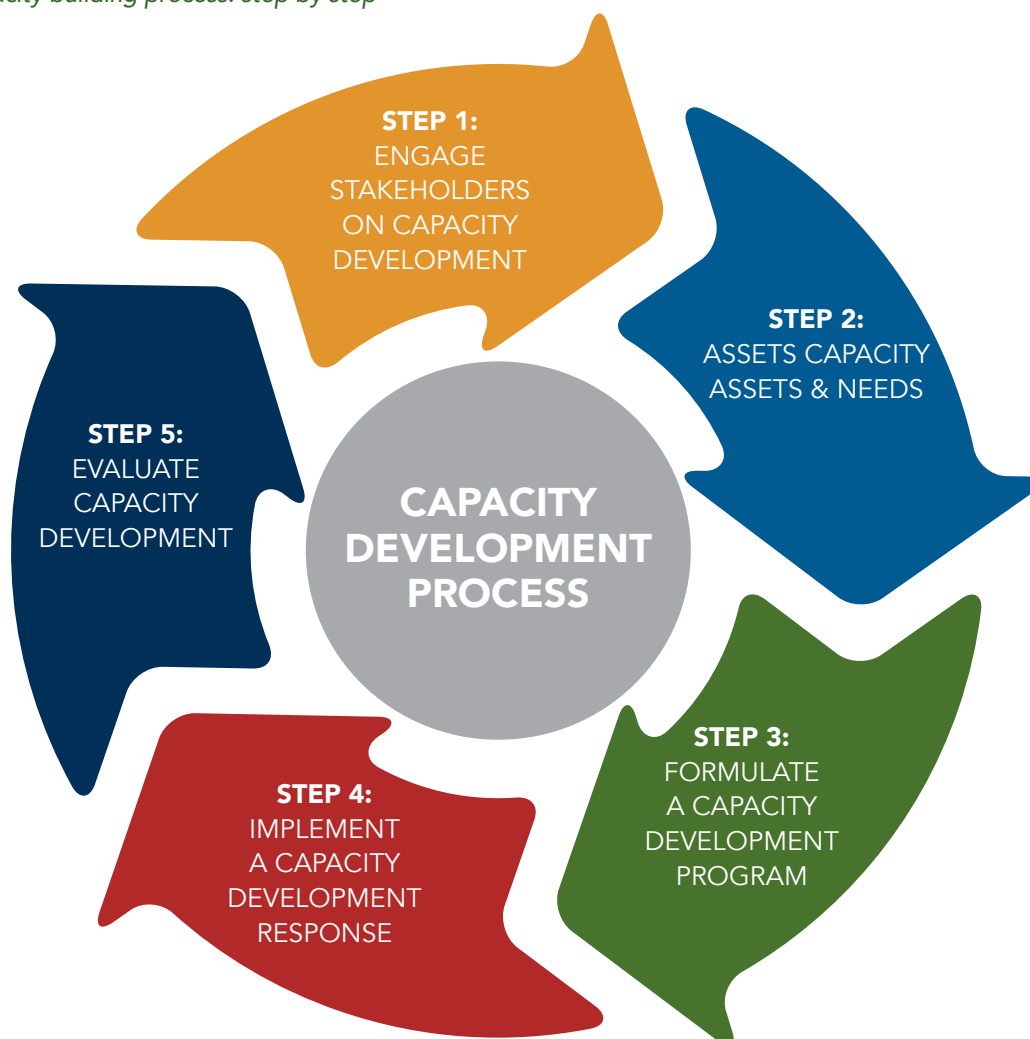
³¹ For example, in the case of a cash transfer unit, it might not be enough to simply identify the capacity to monitor, but to specify the aspects of the monitoring process such as reporting, data verification, etc. where capacity might need to be strengthened.

In defining the priority of a capacity building process, one may be guided by questions such as:

- What kinds of capacities need to be developed to meet the objectives of our strategy?
- What purpose will building this capacity serve?
- When do we need to develop this capacity by?
- Whose capacities need to be developed?

Figure 5 below outlines five steps of a capacity development process. The specific context and circumstances will determine the prominence that is given to each step in the process.

Figure 5: The capacity building process: step by step



Source: UNDP 2009

4.4.1 Step 1: Engage stakeholder on capacity development

Capacity development process should start with talking to organizations and individuals who might directly or indirectly benefit from or be affected by capacity development process. This will **increase buy in and interest** which is important precursor for success of a capacity building process. Particularly, engaging broad stakeholder helps to maintain alignment with objectives of a strategy.

4.4.2 Step 2: Assess capacity gaps and needs

Before capacity can be built, it is important to **establish the existing levels of capacity** in relation to the tasks, responsibilities and standards at hand and to determine what level of capacity is required in meeting these. The desired levels of capacity that are anticipated should be commensurate with the tasks and responsibilities that need to be carried out. Moreover expectations of what can be attained and within what timeframe should be realistic and achievable. The earlier stage of stakeholder engagement can be useful in setting desired capacity levels. It is important to consider some varying time scales – short term, medium and long term at which different levels of capacities can develop. Undertaking a capacity assessment is advantageous because it:

- gives a comprehensive view of what sort of capacity issues need to be addressed by the capacity development process;
- brings more rigour to determining future capacity needs;
- provides an entry point to discuss expectations of capacity development process, and;
- provides the necessary data to support how a capacity development plan might be subsequently implemented.

An effective capacity assessment should cover the three broad levels as noted in Section 4.3 above: Institutional, organizational and individual. It should also cover the temporal dimensions of capacity as well as capacity across the functional requirements of an entity.

4.4.2.1 Institutional level

At the institutional level, an assessment would seek to uncover the adequacy and appropriateness of institutions, including laws, regulations and policies that provide clear roles, responsibilities and accountability functions. **A number of tools can be drawn on to help with the assessment of capacity at this level, including a mapping of key institutions and stakeholders** (see Box 8).

Box 8: Institutional and stakeholder mapping

Institutional and stakeholder mapping and analysis aims to identify stakeholder characteristics, their interests and motivations, and the nature and degree of their influence on existing or future issues, policies, reforms, interventions or programme decisions. They help to answer the following questions:

- Who are the different actors and stakeholders responsible for the design, implementation and coordination of social protection?
- What are the formal and informal roles and mandates of these different actors and stakeholders in relation to the design, implementation and coordination of social protection?
- What are the interests and levels of power / influence of these different stakeholders—local, national and international? How have these power relations affected (positively or negatively) the design and implementation of social protection?

An institutional and stakeholder mapping and analysis process can be conducted in a participatory manner and with the engagement of different actors. The process is centred on getting answers to the questions above from a variety of actors and aggregating these consensually and noting where disagreements remain. In mapping and analysing the main stakeholders and institutions we are able to better understand whether the current laws and regulations are adequate, whether there is consistency or contradictions and duplicity within existing laws and legislation and whether the programmes and interventions are housed in the right institutions. The assessment may lead to the need for review of existing mandated and introduction of new laws or regulations or amendment of existing ones.

Some aspects of stakeholder mapping and analysis may be controversial (e.g. levels of power and influence) and may not be easy to discuss with your colleagues from other Ministries or organizations and may need to be an implicit part of your analysis and not necessarily explicitly discussed.

Source: Authors



Some of the most common challenges in relations to institutional capacity in social protection include: lack of policies and strategies that articulate the state's position on social protection, inconsistency of existing laws and policies, lack of clarity on roles and responsibilities or duplicity of functions (see Section 2).

4.4.2.2 Organisational level

At the organizational level, a capacity assessment should include a focus on the following key domains: leadership, financial management, organizational management, human resources and programme management. However, it is important to recognize that changes or capacity development in each of these domains may require executive approval at Cabinet level or changes in the regulations. It may also be the case that the organizational processes concerned are common across government, which will further complicate the task of capacity creation. Recruitment of additional staff may be constrained by wider civil service protocols as was the case in Kenya (See Box 9) and the procurement of goods and services curtailed by budget availability.

The social protection sector in a number of the countries in Southern Africa lacks capacity in a number of the domains noted above. Although not unique to social protection and prevalent in other sectors and line-ministries, capacity is especially constrained in social protection, given the nascent level of systems and institutions pertaining to it. With most other sectors, financial management and policy development capacities are weaker, there are greater staff shortages and unfilled vacancies are greater since the ministries are only recently established, and the management systems including procurement and management information systems more rudimentary or in process of development.

In assessing the capacity of an organization a number of tools can be drawn on including:

- **Process mapping** – which includes the mapping of the core functions of the organization and explores in great details how decisions are made, actions undertaken and services delivered. It aims to understand why things are done, for what purpose or outcome and to what success. Through process mapping we are able to better understand how things are meant to be done or actually done and more importantly understand the potential inconsistency or challenges that arise through the various steps and help think through the implication of these in terms of capacity development or utilization.
- **Responsibility and accountability grids** – Supporting the understanding of a programme or a process, responsibility and accountability grids (also known as RACI) help to clarify roles and responsibilities and ensure there is clear ownership for tasks and decisions. It helps understand the roles of those involved for each process and the extent of their engagement, namely whether they are responsible for the process, accountable for it or only consulted or informed.
- **Functional analysis** – a decision making approach in which problems are broken down into smaller components and sub-components of functions which are used as the unit of analysis of understanding a problem. For example the problem of delays in payments may be broken down to a number of sub-components with release of funds being identified as the major bottleneck and analysed.

Box 9: Functional review of the National Safety Net Programme in Kenya

A functional review of Government of Kenya's five separate non-contributory programmes was carried out in 2014. The review looked at the institutional setting, organization capacity and well as staffing levels and came up with the following findings:

In terms of staffing, while the Ministry of Labour and Social Security and Services (MLSSS) and its secretariats for cash transfers were staffed to plan, there were significant staff shortages at county and sub-county level in its two departments responsible for the cash transfer programmes, with high levels of vacancies for established positions. Despite this shortfall there was little prospect of recruitment of new staff due to a recruitment freeze enforced by the Public Service Commission. In consequence much support was provided by volunteer groups and temporary staff. In terms of personal capabilities, staff capacity was relatively high across all the agencies involved, especially at the national level. The professional staff overall had extensive experience in social development and child services, but with the recruitment freeze the increasing average age of the workforce presented a potential problem and the danger of significantly eroding the accumulated skills and experience of the agencies concerned when these staff retired. Nevertheless, additional skills beyond that offered through their formal education were required. Staff survey results indicated that many staff reported lacking skills in project management, financial management, using computers effectively (particularly Excel and MIS), and report writing. They also felt under-prepared regarding the leadership, communication and motivational skills needed to manage committees and volunteers.

Given the high political premium placed on scale-up of social cash transfer programmes, much time and resources of the sub-national staff were diverted towards the delivery of these programmes and nearly all of the sub-national officers interviewed reported that cash transfer functions negatively impacted on their ability and time to carry out their other social protection and social development functions. While resources were fairly sufficient at the national level, where the staff did not identify resource shortages as a critical constraint on their work, in most counties and sub-counties there were particular constraints on the availability of office computers, internet modems, reimbursements for personal IT costs, vehicles and fuel, and funds for the maintenance of equipment.

At the institutional level a Social Assistance Act was enacted and came into force in 2013, but is out of alignment in many respects with the Government's policy intentions as expressed in the National Social Protection Policy which was approved in 2012, and has not been implemented. Legislative gaps therefore remain. In addition to the institutional setting, a number of organisational factors were observed to have an impact on effective and efficient delivery of the cash transfer programmes including: centralised human resource management decision making with limited authority for county coordinators to manage their staff regarding recruitment, deployment or nature of tasks undertaken; a performance appraisal system with sanctions for low performance but no reward for high performance affecting the morale of staff; lack of clear job descriptions that incorporate the functions of delivering cash transfers alongside the existing duties of the staff involved, resulting in significantly longer hours of work; and no workforce planning to establish how many staff are required and of what type.

Source: Wyatt et al (2014) in Kardan et al (2016)

4.4.2.3 Individual level

An individual capacity assessment will look at the current skills and qualifications of the staff and their attitudes or motivation, to establish where there are skills gaps that need to be covered. The role of public administration employees is crucial in effective service delivery. In principle their work should be based on a defined framework of norms and standards. However with the introduction of social protection programmes, existing staff of organizations may be tasked with carrying out new functions for which they have not been suitably prepared.



Assessment of individual capacity can draw on a number of tools including:

- **Job Requirements Approach (JRA)** - The JRA seeks to identify the key roles within an institutions, the competencies required for those key roles, and how existing personnel match those identified competencies. This methodology allows for the gathering of information at two levels. At the level of skill requirement, the JRA creates a rich picture of the core activities that Programme practitioners need to carry out effectively in their daily work, and the knowledge, skills and attitudes that are necessary for the performance of each activity. At another level, the JRA also provides information to form the basis of RACI charts that highlight the role of a jobholder in the steps in each core process (see above).
- **Competency framework** – is a structure that sets out and defines skills, knowledge and behaviours required for successful performance of a particular task (competency). This is used as a basis for assessing within individual members of an organisation have the right competencies to undertake their requisite roles and responsibilities.

4.4.3 Step 3: Formulate a capacity development response

Once capacity gap has been identified, **the next step is to develop a response and plan of action**. It is important that this response builds on the existing capacity and that stakeholders understand that the capacity development processes is about doing what they are already doing better.

It is important that responses cut across all levels analysed above: institutional, organizational and individual. The responses should distinguish between those that are relatively cheap and actionable in a short amount of time, from those that will take a longer term, or that are more costly to implement. Therefore it is important that responses are costed to assess their feasibility and for priorities to be made at varying times. Any prioritization process can be political and as such needs to be done in a participatory manner.

In Zambia, a capacity assessment of community volunteers resulted in recommendations for changes to guidelines provided to district and community volunteers as well as training plan to train these groups on their roles and responsibilities based on these revised guidelines.

4.4.4 Step 4: Implementing a capacity development response

This is the stage where the planning, and thinking done in the previous stages become actionable. In order for response to be owned and sustainable, implementation should be channelled through existing systems rather than setting up parallel systems.

At the institutional level, capacity development in this context means establishing adequate and appropriate institutions, including laws, regulations and policies that provide clear roles, responsibilities and accountability functions. A capacity development plan may require the identification of appropriate institutions to oversee the coordination and delivery of social protection functions, and support in drafting of appropriate policy and legislative documents and securing their approval. In countries where these are established the capacity development plan may require establishment of processes and mechanisms to enforce these or to adapt them according to the changing environment and evolution of the programmes.

At the organizational level, and in the short term development partners may support capacity through provision of technical assistance and financial support, as has been the case in many countries in Sub-Saharan Africa. However, for this short-term support to be transformed into a sustainable increase in capacity will require the development of a transition plan with increasing takeover of responsibilities for financing and staffing by the Government over time.

Part of the organizational capacity gap may also be resolved through changes at the institutional level that may result in closer alignment or integration of programmes and adjustment of service delivery models to match existing capacity, especially in the circumstances where main capacity constraints are expected to remain (Kardan et al, 2016).

At the individual level, capacity development of individuals has normally been addressed through training. This has often taken the form of 'cascade training' due to the resource intensity of alternative models. Important considerations in training are developing dedicated training functions within organizations to provide regular training by trainers who are conversant not only with technical elements of the training but also with appropriate training techniques that draw on principles of adult learning (Kardan et al, 2016).



In many countries community volunteers play important and substantial roles in delivery of social protection programmes. It is important that training plans take these important groups into consideration and provide them with the necessary technical and material support.

Ultimately, organizations may want to develop a comprehensive human resources policy that encompasses a dedicated capacity development component through which staff are trained through various mechanisms and receive adequate technical assistance in designing and executing their duties. Some organizations will give training to refresh and enhance the skills critical to good service delivery a high degree of prominence in their work planning.

In addition to the development of skills and knowledge through training, capacity assessment should look at the interface between the organizational and individual dimensions. In particular, it should consider whether organizational systems and processes, such as those for performance appraisal and determining pay increases, provide appropriate incentive structures at a level which will encourage learning and good performance, highlight personal accountability for results achieved, and enable the retention of skills and talent.

Box 10: Capacity development initiatives for public servants in Australia

Centrelink is the former agency of the federal Government of Australia's Department of Human Services, now absorbed into the Department, which is responsible for delivery of a range of social protection and health-related payments and services. In 2014-15 significant changes were made to the approach used to build the technical skills of all staff, centred on simplifying, consolidating and better organizing learning products to support a capable and engaged workforce. A clearly defined model for all service delivery technical learning, including implementation of a new learning management system catalogue (including learning pathways), was established, and a suite of foundation learning for all service delivery job roles provided.

A Mandatory Refresher Program, to refresh the workforce's knowledge in critical legislation-based skills and behaviour, was implemented, and was completed by 88% of the department's entire workforce.

Source: Government of Australia (2015)

4.4.5 Step 5: evaluating capacity development process

Once capacity development activities are in motion, it is important to continuously monitor their implementation and assess their contribution to overall sector strategies. In evaluating a capacity development process, it is important to look at how they improved the effectiveness and efficiency of service delivery rather than outputs: number of people trained, etc. A good monitoring and management system will support this process (See MODULE M&E).

4.5 TAKE AWAY LESSONS

- The capacity of responsible agencies, as well as of the wider public service system within which they operate, is an important determinant in the successful delivery of social protection programmes.
- In the context of social protection, capacity is assessed in relation to responsible agencies delivering their programmes according to established standards and requirements as set out in regulations or operational manuals. To assess the adequacy of existing capacity it is therefore important to begin by reviewing the actual current experience of service delivery, and identifying specific deficiencies as evidence of current capacity weaknesses.
- Capacity assessment should look at the adequacy and appropriateness of laws, regulations and institutional relationships; the level of staffing, resources and systems in place at organizational level to deliver assigned functions; and at the knowledge, skills and attitudes of staff employed.
- Once capacity gaps are identified against established norms and standards a plan can be developed to address these. It is important to note that some gaps may be easier to address than others and that a longer term approach to capacity development is needed.
- A capacity development plan should recognize the time horizon for implementation and the costs and resources required for its implementation. Some actions will invariably be less time intensive or costly to implement than others. It is important to make sure that the magnitude of capacity change does not indefinitely put off reform but rather to help with a sequenced and long term vision for capacity development.

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CURRICULUM OVERVIEW

The TRANSFORM Learning Package is organized in a modular structure, and reflects the key building blocks of a holistic & interdependent social protection system.

The TRANSFORM modules that are currently available are listed below. Other modules are under development and will be added to the curriculum.

LEG	Legal Frameworks
S&I	Selection & Identification
ADM	Administration and Delivery Systems
COO	Coordination
GOV	Governance, Institutions & Organizational Structure
MIS	Management Information Systems & Approaches to Data Integration
FIN	Financing & Financial Management
M&E	Monitoring & Evaluation

All TRANSFORM materials are available at:
<http://socialprotection.org/institutions/transform>

WHAT IS TRANSFORM?

TRANSFORM is an innovative learning package on the administration of national social protection floors in Africa. The prime objective of TRANSFORM is to build critical thinking and capacities of policy makers and practitioners at national and decentralized levels to improve the design, effectiveness and efficiency of social protection systems. TRANSFORM aims not only at imparting state-of-the-art knowledge that is appropriate for the challenges faced by countries in the region, but also to encourage learners to take leadership on the change and transformation of nationally defined social protection systems.

WHY TRANSFORM?

Many training curricula exist in the field of social protection and thus fundamental ideas, concepts, approaches and techniques are accessible. And yet, institutions and individuals struggle with the complexity of developing a broad, encompassing social protection system.

This complexity requires a transformational approach to teaching and knowledge sharing. It is far from enough to impart knowledge, to fill heads. It requires learners to grapple with the features of complexity, to stimulate creativity, to appreciate diversity and uniqueness, to be involved as a key element of ownership –elements which are at least as important as the factual knowledge itself. This learning package aims at just that: TRANSFORM!

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The first part of the paper discusses the importance of the research and the objectives of the study. It then presents a literature review of the existing research on the topic. The second part of the paper describes the methodology used in the study, including the data collection and analysis techniques. The third part of the paper presents the results of the study, and the fourth part discusses the conclusions and implications of the findings.

The study was conducted using a quantitative research design. Data was collected from a sample of 100 participants using a survey questionnaire. The data was then analyzed using statistical software to determine the relationships between the variables of interest.

The results of the study indicate that there is a significant positive relationship between the variables of interest. This finding is consistent with the previous research in the field. The implications of these findings suggest that the research has practical applications in the field of study.

In conclusion, the study has provided valuable insights into the topic and has contributed to the existing body of knowledge. Further research is needed to explore the topic in more depth and to validate the findings of this study.