

Addis Ababa University
School of graduate Studies
College of Education and Behavioral Studies
Department of Educational Planning and Management

Practice and challenges of Organizational Capacity
Development at Hope University College

BY

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Addis Ababa

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ACRONYMS /ABBREVIATIONS

ANOVA ---- Analysis of Variances

CD----- Capacity Development

CSOs----- Civil Society Organizations

HEIs----- Higher Educational Institutions

HUC----- Hope University College

MDGs----- Millennium Development Goals

MOCAT..... Mckinsy's Organizational Capacity Assessment Tools

NGOs----- Non-government Organizations

OCD----- Organizational Capacity Development

UNDP----- United Nation Development Program

UC----- University College

Abstract

The purpose of this study was to assess the practice and challenges of Organizational Capacity Development at Hope University College. In order to achieve this, descriptive survey method was applied, because this method can describes the current situation of the UC more clearly and precisely than other survey methods. OCD helps organizations as a tool to perform their vision and mission .HUC was one of HEIs working in developing educational system of the country and training young generation to be productive citizen. In order to win the desired strategies and to be competent in the market the college planned to reorganize its working system alongthe principles of Organizational Capacity Development.OCD used as a development instruments to enhance the activities of the college to provide quality education. This research was designed to investigate what practices and challenges were faced the organization during the implementation of capacity development as a means of development. The researcher organized basic question in order to see the practices and the challenges. These basic research questions were, what are the current organizational practices of organizational capacity in Hope University College?,what are the challenges for enhancing the effectiveness of organizational capacity development at Hope University College?, how Hope University College manage performance assessment and evaluation in order to identify progress and the challenges during past strategic plans? Andwhat are the prospective strategies for enhancing the effectiveness of the Organizational Capacity Development in the Hope University College?. Thirty Eight respondents were selected from 79 employees using purposive sampling technique. As concerning data source both primary and secondary sources were implemented, the primary data collected using semi-structured interview and secondary data were gathered through document analysis. Based on the data from the respondents the UC has strong practices related leadership,developmentof infrastructures,management,human resource management, internal and external relationship meanwhile the result of the research indicates that there are gap related to resource of finance and finance management, participation of employees on managerial activities and training and development. Based on final result of the researchthe researcher concluded thatlack of human resource management experience, absence of training and development,disorganized management of resource, low participation of employees at managerial activities, absence of networking relationship with other private educational institutions, increasing of turnoverand unorganized performance evaluation were basic gaps identified by the study.And finally the researcher recommend the following organizing strong human resource management, recruiting energetic staffs, participation of staffs in managerial activities should be increase, internal fund resource should be assessed, both physical and technical infrastructure should be organized in order maintain for further organizational capacity development.

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CHAPTER ONE

1. Introduction

This chapter gives basic ideas related to background of the study, statement of the problem, objectives of the study, significance of the study, delimitation, limitation, definitions of terms and organization of the study.

1.1 Background of the Study

The term capacity development has different understanding and different translation but the most arguable ones are the following. An organization's capacity in simple terms is its potential to perform. As the definition of Ker (2003) it is 'ability to successfully apply its skills and resources to accomplish its goals and satisfy its stakeholders' expectations'. These skills and resources include staffing, infrastructure, technology, financial resources, strategic leadership, process management, networks and linkages with other organizations and groups.

According to UNDP (1997) definition of capacity development, targeted on an organization's performance, as an ongoing process to increase the abilities of organizations to perform core functions, solve problems and achieve objectives. In its definition it includes the ability of an organization to assess and react to future needs in order to maintain relevance and effectiveness over time. In particular it underscores its definition of capacity development as being a continuous, learning, and changing process. Overall, the capacity of an organization cannot be taken in isolation as it is deeply embedded in the social, economic and political environment in which it operates.

Capacity refers to both the organizational arrangements and the technical capabilities that permit organizations to carry out their primary functions and thereby accomplish their development goals so that, Capacity is the potential possessed by an organization for engaging resources and skills in optimum combinations that it can perform relevant activities in order to accomplish its mission.

In more detail capacity development is considered as the organizational and technical abilities, relationships and values that enable countries, organizations, groups and individuals at any level of society to carry out functions and achieve their development objectives over time. Capacity development is about institutional, organizational and behavioral outcomes. Indicators of capacity development usually focus on the performance of some sort of organizational function or activity such as decision making, leadership, service delivery, financial management, ability to learn and adapt, motivation, organizational integrity and organizational internal and external activities.(UNDP,1998).

Based on its mission and strategy the concept of capacity development defined as a process by which designed to allow an organization to attain its vision, mission and goals, and sustain itself. In the context of this study, capacity development is a dynamic social process. It is dynamic because it continuously seeks to develop the organization and its stakeholders to higher and higher levels of capacity. It is social because the driving force of any organization is its people, which are considered as the builders of capacity development (Morgan 1998).

The overall goals and efforts of capacity development are to improve organizational performance which includes improvements to physical and human capital such as knowledge, infrastructure and staff skills (i.e. what resources the group or organization or network of organizations have). And it does include behaviors both within individual organizations and those that occur amongst groups or systems of organizations so that, it have interrelated connection with individual, community and organizational development in order to ensures the effectiveness of all levels of development (Morgan 1996).

The basic target of organizational capacity development in all levels of human organization can be viewed as a means, a process and an end in itself. As a means it serves to strengthen the

ability of an organization to carry out specific activities related to its mission. As a process it enables the organization to continually reflect and adapt its purpose in response to change and learning. And finally as an end it strengthens an organization's ability to become self-sustaining, survive and fulfill its purpose as statement of (Gubbels and Koss (2000).

The research by Watson and Johannes (2005), indicates that the national capacity building strategy in Ethiopia has three elements: human capacity; systems and procedures; and organizational structures and relationships. The capacity development strategies of Ethiopia is to create human capital to accelerate the national development, through the realization of the national education policy at all level, including technical and vocational education, and also strengthen civil service reform program, leadership, science and technology, finance, ethics and the justice sector.

Education and capacity development are an inseparable force that enables sustainable development of society. Education is uncontested prerequisite for the sustainable growth of national economic and social development. Better capacity development in education sector was central factor for increasing the efficiency and effectiveness of human resource at the level of community, organization and individual.

HOPE one of the indigenous local NGOs established in 1971 with the aim to help the community and the needy help themselves through basic needs and particularly through education. According to the decision of the Board and the General assembly Hope University College was opened at university college level that operates autonomously. To carry out educational activities Hope University College was officially established as the first public benefits institution of higher learning in the country on November 25, 2003(Biography of HUC 2004).

As it was stated in the bylaws of HUC the vision statement of the University College is to contribute to the renewal and transformation of society through knowledge and value based education and graduates who can make a difference using what they had gained in the university college. Since the establishment of HUC plays insignificant role being a model in

reating fertile ground for exercising its teaching and learning activates (Biography of HUC 2004).

Hope University College is a non-profit training and development center working in promoting quality of education in the country in collaborations with Government and private HEI. For achieving its objectives successfully and to meet student centered teaching and learning strategy HUC constructed most impressive campus on total area of five hectares of land in Nefas Silk Lafto Sub city, Lebu, in Addis Ababa. The campus is saturated with different complex buildings organized for different multi-purpose. (Bylaw of HUC Nov,2003).

For achieving teaching and learning objectives the HUC capacitated its organizations, with required capacity includes the resources, knowledge, and processes employed by the organization to achieve its goals. These comprise the human resource, physical infrastructure, technology, financial resources and strategic leadership. An organization's personnel, facilities, technology, and funding constitute and on the other way the organization's procedures and processes for managing its resources, programs and its internal and external relationships make up its management capacity. Together, all these resources and management capacities build up the overall capacity of HUC on solid organization base (Quarter Report March 2004)

Teaching Institution in Ethiopia has more privilege in developing their capacity. Federal Government supports all institution to participate equally to play significant role in creating human capital for accelerating national development so, HEIs are expecting to develop their organizational capacity to enhance individuals, groups, organizations, and societies to increase

their abilities to perform core functions, solve problems, define and achieve objectives, and understand and deal with their development needs in a broad context and sustainable manner.

Basically this research has a desire to show how particularly educational institutions and organizations perform their teaching and learning process using development tools like

organizational capacity development. Education considered as one of basic tools of development and creation of productive generation. Without education one can bring transformation, cultural change and social development so, for the realization of educational objectives educational institutions develop their organizational strength, leadership, management, financial resource, internal and external relation along developing capacity of the organization. The final output of the research would guide educational organizations how to organize themselves along the principles of organizational capacity development.

1.2. Statement of the Problem

The survival of organizations depends on their capacity to carry out their objectives for that they are living. Organizational capacity development determines the existence of organizations both in their resource and management. Of course capacity development is a complex concept to define. It involves, yet reaches far beyond the training of individuals. It encompasses organizational and institutional development as well as the creation of an environment. Capacity development encompasses developing the ability of individuals, institutions and societies to solve problems make informed choices, define priorities and plan for the future (DAC 2006).

Specific approaches can be formulated how to develop capacities for the education sector and how to employ capacity development to sustain an inclusive, effective and quality education system. Capacity needs in the education sector can be identified across all levels which can be creating legal frameworks for participatory policy planning and accountable monitoring, meanwhile strengthening the responsibilities and capabilities of local government authorities and civil society organizations (CSOs) and finally securing the availability of a qualified teaching workforce and productive generation(HUC Quarter Report 2011).

The aim of this study is to find out the practices and challenges of organizational capacity development and organizational capacity strategy options for enhancing the organizational effectiveness through the elements of capacity development at Hope University College (HUC).

Previous various studies were the base for current capacity development of an organization. Their studies show that the elements of capacity development were focus on the role of leaders of the organizations, structure of organization, financial resources and only internal relation. But this research found that human resource and organized external relation were the most essential elements of OCD, on the hand practices of the organizations, challenges in terms of the elements and sustainability as well as performance assessment were considerable input of OCD. Therefore, this study concentrated Management practice in tremens of human resource, and organizational capacity development from the prospective view of human resource and to identify organizational practices and prospective strategies to enhance OCD.

HUC has been conducted different studies on various topics and issues related to enhancing organizational capacity. So, far no study was conducted, to my knowledge, on its Organizational Capacity Development which in turn would help for the effectiveness and sustainability of the organization. And this absence of a study on this area inspired me to do a research. Basic questions were designed and formulated to investigate the gap. Therefore, with this objective in mind, the research set to answer the following basic questions:

1. What are the current organizational practices of organizational capacity in Hope University College?
2. What are the challenges for enhancing the effectiveness of organizational capacity development at Hope University College?
3. How Hope University College manage performance assessment and evaluation in order to identify progress and the challenges during past strategic plans?
4. What are the prospective strategies for enhancing the effectiveness of the Organizational Capacity Development in the Hope University College?

1.3.General objective

The purpose of this study was to show the practice and challenges of Organizational Capacity Development for enhancing Hope University College.

1.4. Specific objectives

This study focuses on the following specific objectives.

1. To assess the past practice of CD at Hope University College.
2. To identify the challenges of CD and its achievements at HUC.
3. To identify the elements of CD and to examine their interrelation, in implementing the mission and vision of Hope University College.
4. To assess implement strategic plan in order to meet the interest of stakeholders.
5. To assess the effect of monitoring and evaluation for sustainability of OCD at HUC.
6. To identify how CD effectively function in HEIs.

1.5. Significances of the study

The existing implementation of capacity development strategy at HEIs is insignificant. Currently all organizations demands to exercise capacity development as development instrument to enhance the effectiveness of their organizations. Because of this study the will be significant in providing new findings for practical and academic purposes, in helping to reconsider earlier assumptions and arguments, and in giving insights into practices and problems related to effective management of capacity development at higher educational Institutions.

1. It helps to create awareness for other similar HEIs, in implementing CD as strategic plan for future development.
2. It may give some insights for those researchers who have intention to work deep research concerning CD practices and problems in HEIs.
3. It provide relevant information for newly organized NGOs particularly for those whom have vision to participate in HEIs.

1.6. Limitations of the study

In conducting this study, the researcher has faced the following major problems, which contributed to the limitation of the study.

- 1) Shortage of reference materials related to the development of HUC.
- 2) Financial consternates have role in limiting the scope and depth of the study.

1.7. Delimitation of the study

Capacity development is the bases for the further achievement of organizational strategically plan. Most organizations working in education sector are expected to improve human, financial, infrastructural, leadership and networking system at all level of the organization. However this study emphasizes only on the current CD practices related to Non-governmental HEIs at the level of resource and management practices of HUC. These researches focus itself only on the elements of OCD, it does not interfere internal affairs of the organization and on the other hand the documents used for analyses would be official documents.

1.8. Definition of key terms

- **Capacity** –The ability of individuals, institutions, and societies to perform functions, solves problems, and set and achieves objectives in a sustainable manner (UNDP, 2010).
- **Capacity development**--The process by which individuals groups, organizations, institutions and societies increase their abilities in order achieve objectives (UNDP, 1997)
- **Capacity building**-- It is the process by which individuals, groups, organizations, and Communities increase their abilities to perform core functions, solve problems, define and achieve objectives.(UNDP,1998).
- **Organizational capacity development**:-- An ongoing process by which an organization increases its ability to formulate and achieve relevant objectives(Morgan,1998).
- **Stakeholders**:-Are people, groups or institutions likely to be affected by a given project

with any form of interest in the process or outcome of the organization or the project (Duncan,1996, P: 15).

- **Top level management:-**Are responsible for setting the overall direction of a company and making sure that major organizational objectives are achieved, (Terry Joseph Busch ,April 8, 2011).
- **Middle level management:-**Are intermediary between top and lower management, with the role of designing, selecting, and carrying out plan of an organization towards its overall goals (Terry Joseph Busch ,April 8, 2011).
- **Low level management:-** The lower level management informs the workers about the decisions which are taken by the management and inform the management about the performance, difficulties, feelings and demands of the workers. (Terry Joseph Busch ,April 8, 2011)

1.9. Organization of the Study

This study was organized into five chapters. The first chapter briefly discusses background of the study, statement of the problem and objectives of the study, significant of the study, limitation and delimitation of the study, definition of key terms and organization of the study. The second chapter deals with the review of related literature and conceptual framework. The research design and methodology is stated and described in chapter three. Chapter four discusses the finding and data analysis. The fifth and the last chapter deals with summary of findings, conclusions and recommendations.

CHAPTER TWO

2. Review of the Related Literature

This chapter gives basic ideas related to capacity, capacity building, capacity development and organizational capacity development. Organizational capacity development as a tool of development has different level, dimensions, objectives, elements and so no. Therefore, this shows the ways how to be effective along the road of organizational capacity development.

2.1. Capacity and Capacity building

2.1.1. Definition and concept of Capacity

The literature related on capacity, capacity building, capacity development and organizational capacity development is vast and has interrelated definition and concept. Before defining the theoretical concept of capacity, capacity building, capacity development and organizational capacity development it is necessary to understand the meaning of the words “*capacity*” and “*capabilities*”.

Capability is defined as the knowledge, skills and attitudes of individuals. In contrast, capacity is defined as the general ability of individuals or organizations to carry out the responsibilities required to achieve their goals. Baser and Morgan (2008) referred to capacity as the collective skill and ability of organizations to achieve a particular process either inside or outside the organization.

According to the definitions of Morgan, 1998 Capacity is defined as the organizational and technical abilities, relationships and values that enable countries, organizations, groups, and individuals at any level of society to carry out functions and achieve their development objectives over time. Capacity refers not only to skills and knowledge but also to relationships, values and attitudes, and many others such as behavior and attitude. (Morgan, 1998).

All existing forms of capacity are task-driven and mission-oriented, referring to perform certain functions. Therefore it serves both as an objective and an approach, with an accent on participatory processes that are particularly valuable to play more active and productive roles in social and community development. In this broader view, capacity incorporates to the social-capital concerns, which deals to “an effort to change a society’s rules, situations and standards of behavior. Capacity in this sense is about the self-organization of a society and the will, the vision, cohesion and values to make progress over time” (Morgan and Qualman 1996).

Whatever the concept and the essence of capacity, has clearly emerged as an organizing principle for all rounded development of individual, organization and community as a whole. The subject of capacity, as a body of knowledge has a weak intellectual standing in the wider development world. It comes with no accepted and tested body of theory that people can use with any confidence. In wider sense the concept of capacity has not developed as a well-defined area of development practice with an established body of knowledge.

Capacity in human system it is a continuous process. There is no end for capacity development it is everlasting process generates influence over the development of human knowledge (technology), structure of the system and human power(resource) as French and Bell (1992) suggests that capacity of organizations could be developed or changed by altering one or more of three major variables-- people, structure and technology. Due to these factors in modern contemporary world the strategic capacity development is becoming as one of the driving force for country, organizations and individual.

In the field of social development the term capacity is relatively new, emerging in the 1980s. Despite its newness, capacity has become the central purpose of technical cooperation in the 1990s (UNDP 1996). Therefore, capacity is seen as complementary to other ideas that dominated development thinking (and still play an important role) over the past four decades.

This concept of capacity includes institutional building, institutional development, human resource development, development management /administration and institutional strengthening. These and other concepts related to development work such as organizational development,

community development, integrated rural development and sustainable development have been subsumed as an umbrella for the general concept of capacity. (Morgan 1998).

From the general concepts capacity one can understand that capacity influenced by many variables both inside and outside of the organization. Internal variables include work structures, decision making processes, information system, HRM system and practices. External variables include societal needs, politics, local, national and international laws, donor's interest, and so on. So, what we can learn is that capacity as the ability to perform is influenced by different human systems that govern developments

2.1.2. The Concept and Essence of Capacity Building

According to (Cohen 1993: 26), public sector capacity building “seeks to strengthen targeted human resources (managerial, professional and technical), in particular institutions, and to provide those institutions with the means whereby these resources can be marshaled and sustained effectively to perform planning, policy formulation, and implementation tasks throughout government on any priority topic.”

The (Berg 1993: 62-3), capacity building is characterized by three main activities: ‘skill upgrading – both general and job-specific; procedural improvements; and organizational strengthening’. Skill enhancement refers to general education, on-the-job training and professional strengthening of skills such as policy analysis. A procedural improvement refers to context changes or system reforms. Organization strengthening covers the process of institutional development. He concludes that capacity building is ‘...broader than organizational development in that it includes all types of skill enhancement and also procedural reforms that extend beyond the boundaries of a single organization’.

The core capacity building for (Morgan 1998), is wider and more holistic: there is a close relationship between human resource development and capacity development; there is an evolving relationship between training and capacity development; effective capacity development requires sustained attention over a longer period of time; capacity development

attempts to move beyond administrative techniques and beyond projects; and capacity development attempts to accelerate interaction between organizations and their environment.

Reports of (UNESCO 2006) underline that capacity building focuses on increasing an individual and organization's abilities to perform core functions, solve problems, and objectively deal with developmental needs. This is supported by (Morgan 1997), cited in (Horton 2002) who referred to capacity building as improving or upgrading the ability of the person, team and institutions to implement their functions and achieve goals over time. Capacity building is important for all levels, from individuals to national organizations (Horton 2002). Capacity building also alludes to building the organizational capacities of communities, and supports the formation of non-profit organizations. (Paul & Thomas 2000).

Self-dependence and a sense of ownership are real capacity building, and these are very important factors in the development process. (McKechnie 2003) cited in (UNESCO 2006). Some authors argue that there are four common approaches to capacity building; top-down organizational (e.g. policy); bottom-up organizational (e.g. staff training); partnership organizational and community organizing approaches. (Crisp et al. 2000) cited in (Hartwig et al., 2008).

It can be understood from the above statements that capacity building as instrument of development, it functions at all levels from individual to national organizations. The development of individual and national organizations depends on correct implementation of human resource as well as financial and material potential. Therefore, to enhance the effectiveness of the Individual and organization the researcher believes that training and development as strategy of development must be introduced in all sphere of capacity building activities.

2.1.3 Conceptual Development of Capacity Building

Many authors have described the emergence of the field of capacity building in development from the early 1960s to the 1990s. There have been at least four periods of capacity building (see Table below). Initially, in the 1950s and 60s, capacity building focused on institution building. Secondly, in the 1970s it changed to a focus on development management. Thirdly,

in the 1980s there was more emphasis on private sector development and by the early 1990s, capacity building became embedded within development organizations. (Wubneh 2003).

Today, capacity building is recognized as a must for grass-roots organizations globally, in order to achieve sustainable development. Capacity building is becoming an increasingly popular activity in many socio-economic sectors including education. For example, the World Bank has endorsed mainstreaming of capacity building activities into all of its operations. Since 1996, capacity building has remained high on the agenda of the World Bank, particularly with the vision of institutional building and development of a partnership framework.(World Bank 1997).

Capacity building requires a variety of sources of technology development, dissemination and integration of institutional networks. In the last ten years capacity building has also related to the strengthening of different sectors including technology, agricultural and educational institutions. Crowder (1996). Historical evidences shows that capacity development passed different phases to reach current full concept, blow the table indicates the period 1950s up to now.

To summarize it is important to understand that capacity development is not a choice of development. It is one of the requirements of development. In different economic sectors like technology, medication and including educational sectors plays decisive role, from this point of view it is possible to conclude that the development of socio-economy including human resource development and international economic integration would motivated through the development of capacity building.

2.1.4. Specific Nature of Capacity Building

The total concept of capacity building is build-up of new capabilities. (Kuhl, 2009). Capacity building is a concept that has different meanings for different people, but in general relates to enhancing or strengthening a person's or organization's capacity to achieve their goals. According to Kuhl, capacity building focuses on at least three interrelated activities: (1) building infrastructure to deliver promotion of programs, (2) building partnerships and organizational environments so that programs are sustained; and (3) building problem-solving

capability. Virtually every capacity building issue turns out to be a complex situation involving individual, group, organizational and institutional behavior at a variety of different levels over both the short and long-term.

Every capacity building and its specific nature include “hard” attributes (e.g. personal skills, functions, structures, infrastructure and resources) and “soft” attributes (e.g. motivations, beliefs) (Land 2000, cited in Hunt, 2005). These attributes are pillars for promoting planned activities of capacity at every level of capacity building.

The general nature of capacity building is creating ground for interrelated activities like infrastructure, organizational environments and problem solving capability to all levels of capacity. So, it is possible to say that capacity building promotes development and it shows the ways of solving problems in order to achieve the goal of organizational objectives.

2.1.5. Basic Principle of Capacity Building

Capacity building is fundamentally about change and transformation – at individual, organizational, sector-wide and societal levels. To ensure sustainability of results, capacity-building efforts for CSOs involved in using research-based evidence in policy processes therefore the principles include broad-based participation and a locally driven agenda, interventions build on already existing local capacities, organizations must be open to learning and adaptation and activities must be integrated at different levels to address complex problems. (UNDP,2008).

Capacity building is not just about building the capacity of researchers to do research. It is also about building researcher capacity to carry out policy-relevant research and to communicate the findings effectively to policy and decision makers. It is important to build communication and dissemination strategies during the design phase to increase the effectiveness of these activities.

Building the capacity of researchers provides new opportunities for policy and decision makers, and other practitioners and research users, to use the research and research results

produced from within their own countries or regions – that is to say, to use their own evidence for policymaking. This is based on demand from within, and encourages the influence of policy from within (UN,2005).

The researcher understood capacity building is law governed process. Every step and measure taken to enhance the organizational development needs to study the principle of capacity which is appropriate to a given situations. We can conclude in order to introduce new development appropriate principles should be selected as development guidelines.

2.1.6. Basic Working Areas of Capacity Building

Each of the nine capacity areas are broken down into components, and each component contains a series of observable statements. The observable statements are the indicators against which an organization assesses its capacity. Each observable statement is ranked according to the organization's level of achievement and the level of importance of the organization attaches to the area or function. (Morgan 1998), Therefore, the following are defined working area of capacity.

Identity and Governance, Governance, mission, and culture are the basis for the reputation of organization. It must have clearly defined identities, regulatory frameworks, values, mission statements, and governance structures that establish its identity and a mutually shared understanding of its objectives. Governance of the organization provides legitimacy, leadership, and direction to the organization (Morgan 1998).

Strategy and Planning, Strategy defines how an organization will achieve its mission. Strategic planning is an ongoing process that occurs at many levels within the organization for setting objectives and identifying the actions and resources needed to achieve those objectives. Staff and constituents need to be involved systematically in these planning processes and leadership should initiate regular review and modifications of the strategic plan and the operational plan to ensure organizational growth and health (Morgan,1998).

General Management, General management includes those components that keep the organization cohesive and on track with its mission. The organization should apply management processes and systems that ensure it uses its resources effectively to achieve its vision and goals and evaluate results (Morgan 1998).

External Relations and Partnerships, Building external relations and maintaining healthy and productive partnerships enhances the ability of an organization to achieve its mission by effectively linking with important and influential groups in the broader environment. Effective relationships enable the organization to leverage resource and to network with likeminded groups to influence the policy and regulatory environment (Morgan 1998). Sustainability Organizations are sustained through ongoing attention to decisions that affect their short and long-term viability – program, management, financial and political.

Organizational Learning Organizational learning is a process whereby an organization develops, captures, retains, and applies the knowledge and learning of individuals within that organization. Processes for collaboration through knowledge communities are institutionalized and aid the creation, sharing, adaptation, and use of knowledge (Morgan, 1998).

Human Resource Management, Human resource management promotes and administers policies and procedures that ensure that staff have the skills, motivation, and opportunity to make their best contribution to the mission of the organization. Human resource management is also concerned with hiring, compensation, performance management, safety, well-being and other components of caring for staff (Morgan 1998).

Financial and Physical Resource Management, Financial and physical resources are the tangible assets of the organization. It has the responsibility to exercise good stewardship of those resources -- accomplishing programmatic objectives in a cost efficient manner, ensuring that there are effective internal control systems, and maximizing the benefits derived from use of those assets (Morgan 1998).

Programming, Services and Results, The programming, services, and results section comprises the programs, services, and products that organizations provide to their constituents. An organization must utilize its resources to deliver quality services to its constituency and measure the impact of those services (Morgan,1998).

2.3. Background of Capacity Development

2.3.1. Definition and Concepts of Capacity Development

There are numerous definitions of capacity development, each reflecting a particular bias or orientation. Some describe capacity development as an approach or process, e.g. towards reduction of poverty, while others see it as a development objective, e.g. targeting the development of individual or organizational capacity. So what is Capacity Development? There are many definitions, below are a few from different well-known sources:

Capacity development is a concept which is broader the organizational development since it includes an emphasis on the overall system, environment or context within which individuals, organizations and societies operate and interact” (and not simply a single organization). (UNDP, 1998)

Capacity development defined as “the process by which individuals, groups and organizations, institutions and countries develop, enhance and organize their systems, resources and knowledge; all reflected in their abilities, individually and collectively, to perform functions, solve problems and achieve objectives”. (OECD, 2006).

The World Bank, Africa Region:“The proven ability of key actors in a society to achieve socio-economic goals on their own. This is demonstrated through the functional presence of a combination of most of the following factors: viable institutions and respective organizations; commitment and vision of leadership; financial and material resources and skilled human resources”(World Bank 2006).

In understanding the definitions and statement of objectives above, it is important to bear in mind that capacity development is fundamentally about change and transformation individual, organizational, societal. So that definitions have several notable common themes that occur among them, these include:- process, it invokes change, it involves people, organizations and society as a whole, it strengthens existing capacities to ensure sustainability.

We can summarize capacity development as a change process. It can entail change of knowledge, skills, work processes, tools, systems, authority patterns, management style, etc. But, like learning, it takes place in people or organizations, and, like learning, it cannot be forced upon them. People and organizations can have strong or weak incentives to change, develop, and learn but eventually the change is an internal process that has to be happening in the people or in an organizational change.

2.3.2. Strategies, Principles and Objectives of Capacity Development

The capacity development strategy defines the overall goal and long-term impact for capacity development intervention and describes step-by-step what your capacity development initiatives will accomplish. The capacity development strategy will outline the process of change in which various stakeholders are stimulated to take on new responsibilities, skills, behaviors, values, and policies. This process of change addresses specific development achievement and problems or content areas.

Capacity development in human system it is a continuous process. There is no end for capacity development it is everlasting process generates influence over the development of human knowledge(technology), structure of the system and human power(resource) as (Leavitt 1962) suggests that capacity of organizations could be developed or changed by altering one or more of three major variables-- people, structure and technology.

Objective of Capacity Development are basic tools that help organizations, individual and community to reach the desire goal, these are enhance, or more effectively utilize, skills,

abilities and resources; strengthen understandings and relationships; and address issues of values, attitudes, motivations and conditions in order to support sustainable development.

From the above thought it is possible to conclude that strategies and principles of capacity development are more integrated to each other and can't function separately. These basic principles include broad-based participation and a locally driven agenda; building on local capacities; ongoing learning and adaptation; long term investments; integration of activities at various levels to address complex problems. So, to finalized capacity development needs solid inter dependent co-relation of strategy, objective and principles to enhance skill, resource and strength relationships.

2.4. Nature of Organizational Capacity Development

2.4.1. Definition of Organizational Capacity Development

The literature review defining organizational capacity from three different perspectives that is capacity as resources, capacity as organizational capabilities and capacity as organizational outcomes. This definition identifying that there are different types of organizational capacity these are, including organizational infrastructure capacity, management capacity, knowledge and learning capacity, and collaborative capacity. Organizational capacity development in its very essence it is building the internal relational components of the organization so it can better use its resources (i.e. people, time and money) to achieve its mission; attain its vision and goals/objectives to sustain these over time.

An organization's capacity in simple terms is its potential to perform. (Ker 2003) defines this more specifically as its 'ability to successfully apply its skills and resources to accomplish its goals and satisfy its stakeholders' expectations'. The skills and resources include staffing, infrastructure, technology, financial resources, strategic leadership, process management, networks and linkages with other organizations and groups.

Organizational Capacities have also been distinguished between individuals, groups and team capacities. Individuals possess capacities in the form of knowledge; skills and attitudes. These are usually made available to the organization but always lost when such individuals leave the organization. When knowledge, skills, and attitudes are shared with others, such capacities become embedded in processes and when these are widely shared in the entire organization then, they become incorporated in the organization's culture.

2.4.2 Dimensions of Organizational Capacity

The first phase of this study sought to capture and categorize the different types of organizational capacity that impacted the work of public and community based organizations that delivering services to communities as whole. The dimensions of organizational capacity emerged as important to the work of the organizations, both in terms of resources and organizational capabilities.

These dimensions of organizational capacity included: (Morgan 1999), Human resource capacity, it is the ability of an organization to recruit and retain qualified and skilled staff, hire new staff, and offer professional development and training opportunities for staff, Financial resource capacity:- the ability of an organization to have a stable and diverse funding stream and to obtain adequate funding for client services, Information technology capacity:- is the ability to collect data, having a data management system that is utilized, the use of data to make organizational decisions, and the ability to have access to data from other organizations,

Knowledge Capacity:- the level of training in new practices, the communication strategies of management, the ability of frontline staff to provide feedback to management, and the ability to adopt practices and techniques from other organizations that are seen as successful, Stakeholder Commitment Capacity:- is the ability to effectively engage external from political representatives and system partners, Collaborative Capacity:- is the ability to allot staff time to collaboration, share and receive information and resources from partner organizations, and the level of trust with partner organizations.

2.4.3. Categories of Organizational Capacity Development

Organizational capacity has a number of organizational characteristics that make up organization to be successful. Often these characteristics represent a functional differentiation with a number of resources and capabilities. So organizational capacity, it exists with categories that function at every environment of the organization. According to (Morgan 1998), organizational capacity has three broad categories. Each categories has their own and nature and character which seen below.

Infrastructure an organizations administrative and operational capacity. Basic management systems, including, human resource systems including employee recruitment, information management systems including computer, software and data capabilities, financial management systems including budgeting process and financial accountability processes, property management systems including maintenance of buildings and facilities.

Management Ability of an organization management to effectively utilize the infrastructural capacity and available organizational resources to achieve organizational goals, management focused on leadership that provides vision and acts as an integrator of management systems, managers as strategic actors identifying and implementing dynamic capabilities that result in improved organizational performance.

Collaboration ability of organizations to promote effective collaboration that will sustain efforts and support enhanced organizational performance such as, access to increased financial resources, access to increased nonfinancial resources, achieve reputation gains by increasing organizational credibility and legitimacy.

2.4.4. Operational Environments of Organizational Capacity

Organizational capacity refers to the resources, knowledge and processes employed by the organization like staffing, Infrastructure, technology, and financial resources, strategic leadership, program and process management, networks and linkages with other organizations

and groups. The operational activities and its relation with the environment are governed under External operating environment and Internal operating environment.

External operating environment in which the organization carries out its activities. For example the administrative and legal systems in which the organization operates, the policies and political environment that influence the organization, the social and cultural milieu, the technology available, economic trends.

Internal operating environment influence the direction of the organization and displayed its activities example, incentive and rewards, the organizational climate or culture, the history and traditions of the organization, leadership and management style, clarity and acceptance of the organizations mission, extent of shared norms and values promoting teamwork and pursuit of organizational goals, organizational structure.(Lusthaus,Anderson,and Murphy 1995) and (Lusthaus et al. 2002).

2.4.5. Basic Types of Organizational Capacity: Resources and Management

According to, (Lusthaus,Anderson,and Murphy 1995) and(Lusthaus et al. 2002),The different elements of organizational capacity classified broadly into two types of capacity that all organizations need to perform well: resources and management.

Resources for organizational development include things that are traditionally thought of as ‘hard’ capacities, such as infrastructure, technology, finances, and staffing. An organization’s resources include the personnel, facilities; vehicles, equipment, and funding that are at its disposal. Training remains a high priority for most of the organizations involved in the studies, as does increasing financial resources (Lusthaus et al. 2002).

Management on the other hand is concerned with creating the conditions under which appropriate objectives are set and achieved. Managerial activities include planning, goal setting, determining responsibilities and leading, allocating resources, motivating and supervising staff members, and maintaining relations with stakeholders (Lusthaus,Anderson,and Murphy 1995).

2.4.6. Components and Driving Forces of Organizational Capacity

For successful achievement of organizational target the following six components of organizational capacity are necessary for high performance: governance and leadership; mission, vision, and strategy; program delivery and impact; strategic relationships; resource development; and internal operations and management. (Morgan 1999) and (World Bank 2009), (UNDP 2009)

Governance and Leadership is organization's board of directors is engaged and representative, with defined governance practices. The board effectively oversees the policies, programs, and organizational operations including review of achievement of strategic goals, financial status, and executive director performance. The organization is accomplished at recruiting, developing, and retaining capable staff and technical resources. The organization's leadership is alert to changing community needs and realities.

Mission, Vision, and Strategy are the organization has a vital mission and a clear understanding of its identity. It is actively involved in regular, results-oriented, strategic, and self-reflective thinking and planning that aligns strategies with the mission and organizational capacity. The planning process involves stakeholders in an ongoing dialogue that ensures that the organization's mission and programs are valuable to the neighborhood or constituency it serves.

Program Delivery and Impact related to the organization operates programs that demonstrate tangible outcomes commensurate with the resources invested. Programs are high quality and well regarded. The organization utilizes program evaluation results to inform its strategic goals. The organization has formal mechanisms for assessing internal and external factors that affect achievement of goals.

Strategic Relationships is the organization is a respected and active participant and leader in the community, and maintains strong connections with its constituents. It participates in strategic alliances and partnerships that significantly advance their goals and expand their influence.

Resource Development is the organization successfully secures support from a variety of sources to ensure that the organization's revenues are diversified, stable, and sufficient for the mission and goals. The resource development plan is aligned with the mission, long-term goals, and strategic direction. The organization has high visibility with key stakeholders, and links clear, strategic messages to its resource development efforts.

2.5. Multi-Level Dimensions of Organizational Capacity Development

2.5.1. Levels of Organizational Capacity Development

Organizational capacity development is now recognized as involving much more than training and knowledge transfers. It involves people as well as the organization as a whole. It is also dependent on the surrounding environment that influences the extent to which individuals or organizations have the ability to acquire new skills and adapt to new ways. (Literature CHF, 2008), (DAC, 2006), (World Bank, 2009); (UNDP, 2009) agrees that Capacity Development occurs at three levels.

2.5.1.1. Individual/ Micro level

This is the first layer of capacity. The individuals that make up organizations and societies need the skills, knowledge and experiences to grow and transform that around them. Individual capacity is the ability of these people to learn skills and acquire knowledge that will empower and equip them to drive things forward. The approach steps away from a supply driven process, such as traditional technical training, and moves towards a demand-driven process of active learning and participation.

2.5.1.2. Organizational/Meso level

The second layer is organizational or institutional capacity. As people acquire knowledge and skills and work together over time this builds organizational capacity. Factors to be considered in this include the organizational structure, definition of roles and responsibilities, leadership,

attitudes and incentives, appraisal procedures, budgetary allocations for various tasks, facilities, access to communication within the organization.

2.5.1.3. Societal/ Macro level

The third layer of capacity this includes the political will, stakeholders dealing directly or indirectly with the said organization, policies, networks and partnerships, and budgets from the parent institutions or ministries. It also includes the laws and policies, the system of governance as well as the broader political and cultural environment, and the civil society.

2.5.2. Core Dimensions of Organizational Capacity Development

There has been a tremendous amount of interest over the past decade in building capacity for organizational effectiveness. Leading thinkers in this area believe that there are a multitude of dimensions that together, form four core areas of capacities for organizational effectiveness. Effectiveness of organization depends upon internal and external factors. As the understanding of , (Lusthaus,Anderson,and Murphy 1995) and (Lusthaus et al. 2002) The following four core areas are the driving force for capacity of organization to overcome organizational problems as well as to score sustainable development.

The future success of the organization depends on the correct implementation and existence of these core areas, these includes Leadership Capacity (Governance, Internal Leadership, Sustainability), Management Capacity(Human Resources, Financial Management), Technical Capacity(Program Design and Evaluation), Adaptive Capacity(Environmental Learning, Programmatic Learning, Organizational Learning).The nature and their role are defined as follow:-

Leadership capacity is the ability of all organizational leaders to create and sustain the vision, inspire, model, prioritize, make decisions, provide direction and innovate, all in an effort to achieve the organizational mission. This includes areas such as Governance The overall processes and structures used by the Board to direct and manage an organizations operations and activities, internal Leadership refers to those organizational leaders outside of the Board and their ability to apply a mission-centered, focused and inclusive approach to making decisions and motivating people to act on those decisions.Sustainability this is the

organization's ability to cultivate organizational leaders, avoid over-relying on one leader, and plan for leadership transition.

Management Capacity the ability of an organization to ensure the effective and efficiency of organizational resources. Essentially, this means an organizations capacity to serve more constituents more effectively. Include areas like Human Resources related to staff management, such as assessment of staff performance, managing performance expectations, program staffing, staff development, salary and benefit administration and relevant policies and procedures. Financial Management is the ability to manage and deploy organizational revenues and assets to ensure efficient operations.

Technical Capacity this refers to whether the organization has the skills, tools and facilities to deliver its programs and manage its operations. Specific areas of focus include: Program Design and Evaluation – the ability to design and implement an effective evaluation. Effective utilization of evaluation results are explored in Adaptive Capacity, seen below.

Adaptive Capacity this refers to the ability of an organization to monitor, assess, respond to and create internal and external changes. The concept of a “learning organization” is captured in this area of organizational capacity. Environmental Learning the ability to learn about what is happening in the local community as well as staying current with what is going on in the field through networking with community leaders and funders.

Programmatic learning the ability to assess the needs of clients, and use the results of program evaluation as a learning tool in enhancing program delivery. This is different than the technical skill of program evaluation above, as programmatic learning refers to the ability of the organization to make use of the results to improve performance and service delivery. **Organizational learning** the capability to carry out self-assessments, utilize the findings to carry out and follow through on strategic plans.

2.6. Tools for Realization of Organizational Capacity Development

2.6.1. Training and Development

Training and development can be defined as any activity designed to help individuals become more effective at their work by improving, updating or refining their knowledge and skills. Similarly training is both physically, socially, intellectually and mentally are very essential in facilitating not only the level of productivity but also the development of personnel in any organization. Therefore, training can be put in a context relevant to organizational capacity.

Manpower is the 'human capital' that has acquired specialized skill through formal and / or informal work training. Manpower, therefore, represents the human resource of the nation in various aspects of human endeavors. It is the education received through the acquisition of specific skills that will enable the individual to cope effectively and efficiently in job performance in any given situation.

Training is certainly an important component of organizational capacity development; training can enhance knowledge, strengthen skills or influence changes in attitude. Knowledge is the outcome or direct result of training therefore knowledge, it is the ability, the skill, the understanding, the information, which every individual, team, group and organization that required in order to be able to function effectively and perform efficiently.

Different researchers (authors) have defined the term training from different angle but the most arguable and currently used definition of training are the following: - According to (Ivancevich and Glueck 1989) defined, training as an attempt to improve current and future employee performance. Training is the systematic process of altering the behavior of employee's performance in a direction to increase organizational goal. (Desster 1994), says that training is the process that involves giving new or presents employees the skill they need to perform their intended jobs.

Human resources, are the most valuable assets of any organization, with the machines, materials and even the money, nothing gets done without man-power therefore (Abiodun1999),

submitted his definition in saying that: Training is a systematic development of the knowledge, skills and attitudes required by employees to perform adequately on a given task or job. It can take place in a number of ways, on the job or off the job; in the organization or outside organization.

Staff training and development is a work activity that can make a very significant contribution to the overall effectiveness and profitability of an organization (Adeniyi 1995). Similarly, (Chandan 1995) defined training as a short-term process utilizing systematic and organized procedures by which non-managerial personnel learn technical knowledge and skills for a defined purpose.

Therefore in general speaking, training refers to the teaching of specific and useable skill or knowledge. It is well organized and planned process to modify skill, knowledge and attitudes of employees through the learning process in order to achieve best job performance. Organizational capacity development demands to provides a systematic approach to training which helps to promote the goal of the organization. Therefore, training organized for the staffs are the base for educational institutions to function effectively and efficiently the strategic plans of the organizational capacity development.

2.6.2. Objectives and Function of Training and Development

As mentioned earlier training is a systematic development of knowledge, skills and attitudes required by employees to perform adequately on a given task or job. The employees in an organization to be able to perform their duties and make meaningful contributions to the success of the organizational goals need to acquire the relevant skills and knowledge.

Organization like educational institution, conduct continuous training for the staffs at different level to help in developing the capacity of individual, team, group and organization including Scholars, Experts, and school administrators. Training is not coaxing or persuading people to do what is wanted but rather a process of creating organizational conditions that will cause personnel to strive for better performance.

Organizational capacity development is always conditioned by human knowledge and skills. That is why; contemporary organizations pay more and more attention to the development of their employee's knowledge, professional capacity and educational level. Thus, employee education and training are becoming an optimal answer to complex academic challenges, and the management of human resources is taking central role in developing modern management in training program.

Human resources represent intellectual capital which is the new source of organizational resources, and the organization could increase them only through training, development and motivation of employees. The prosperity of organizations becomes explicitly dependent on the intellectual capacity of their employees and their ability to change and adjust to the dynamic organizational environment, therefore training planned on the need and demand to enable employees to meet proficiency in their current jobs, teaching new working systems, procedures, or technologies and job-related knowledge, skills, and abilities after selection for or assignment to a specific position or duty.

It is believed that training developing the employee's knowledge, skills, and abilities as part of a succession related to new planning system, obtain and enhance knowledge, skills, and abilities unrelated to their present duties in order to attain self-determined goals or career objectives and at the same time training and development activities also serve to enable managers, staff personnel, technical specialists, and others to keep abreast of new ideas, techniques, and concepts that may apply to plan of operations or to a professional occupation.

2.6.3. Purpose of Training and its Benefit

The purpose of training and development is to bring attitudinal change in order to meet the basic objective of organizational goal in coincide with employees need. Therefore one of the strategic activities of organizational capacity development is laying foundation for the knowledge creation, formulation and transfer.

According to (Quinn, Anderson and Finkelstein 1996), the goal of training is for employees to master the knowledge, skill, and behaviors emphasized in training programs and to apply them to their day-to-day activities. Training enhancing the organizations capacity ability to adopt and use advances in technology because of a sufficiently knowledgeable staff, increase personnel efficiency, professional growth, smooth and more effective organization's operations to maintain the vision and mission of the organization, building a more efficient, effective and highly motivated team, which enhances the company's competitive position and improves employee morale. On the other way Research has shown specific benefits that a small business receives from training and developing its workers, including: increase productivity, reduced employee turnover, increased efficiency resulting in financial gains and decreased need for supervision.

Training and development has great benefits for employee which can be seen as an instrument to increased job satisfaction, morale and motivation of the employees, increased capacity to adopt new technologies and methods ,increased group and collective relationship, leadership quality and ensure employees to share work experience ,increase knowledge creation and knowledge management, ensure the development of organizational culture emphasizes innovations, creativity and learning ,ensure employment security by providing new ways for employees to contribute to the company when their jobs change, their interests change, or their skills become obsolete (McNamara 2008)

2.6.4. Knowledge Management and Organizational Learning

In a more and more global, complex and turbulent environment, knowledge is the only reliable source of competitive advantage. Knowledge is viewed as the key of realization of a competitive advantage. And therefore the question of where the corporative knowledge is located, how to release it and develop to achieve organizational goals has become very important.

Since the organizational knowledge is largely located inside the human mind, i.e. the head of employees, as carriers of knowledge and activities, human resources are becoming the key factor of organizational success. Organizational development is always conditioned by human

knowledge and skills. That is why; contemporary organizations pay more and more attention to the development of their employees.

As a consequence of these procedures a learning organization has formed. The fact that education and development of human potential are the basic factor for creation of basis for transformation from traditional to a learning organization. Learning organization is organization that promotes learning of all of its members and it transforms permanently. Individuals and societies that do not have enough knowledge are in inferior position, compared to societies and organizations that have it and even permanently acquire new knowledge.

The only important knowledge is the knowledge with strategic importance to the organization, knowledge that helps to increase the value of the organization, knowledge with significance to the strategy of the organization. Within the context of learning organization, it is not sufficient for the worker only to add value to the organization based on his knowledge, but he also has to receive knowledge.

Organizations learn only through the learning individuals. Individual learning does not guarantee organizational learning. But without it there is no organizational learning as well. The ability to learn faster than the competitors may be the only sustainable competitive advantage. Thus, the learning organization is the organization that learns and encourages people to learn in the organization. It motivates information exchange between employees and creates staff with different knowledge.

The reasons to become a learning organization are the following: a) people are developing (greater motivation, flexibility of employees, people are more creative, improved social interaction), b) better working teams and groups (knowledge sharing, mutual dependence), c) benefiting organizations (greater work productivity, more qualitative products/services/procedures, competitive advantage, profit).

The learning organization is the result of a strategic relationship with the employee training and development and the recognition of the fact that knowledge is the answer to the numerous

challenges from the environment. Every organization is becoming an institution that learns and teaches. The successful learning organization is able to attract the most talented people, to involve them into all business procedures and to motivate them to generate and exchange knowledge, enabling them in turn to maintain and improve their individual professional skills.

Knowledge accumulation and knowledge-sharing therefore is a key in human resource development. Whereas there is no universal definition accepted on knowledge management, Mankin (2009) refers to it as the process of “enhancing company performance by designing and implementing tools, processes, systems, structures, and cultures to improve the creating, sharing, and use of knowledge”

Similarly Drucker (2001), argues that knowledge is always embodied in a person, therefore it is really important for organizations to retain employees whose knowledge is key to the business. Davenport (2005), defines these employees as knowledge workers, who “have high degrees of expertise, education, or experience, and the primary purpose of their jobs involves the creation, distribution or application of knowledge” (Nelson and McCann 2010, p.10).

learning organization according to (Miller and Stewart 1999), learning organization where learning and organizational strategy are closely linked, the organization consciously learns from organizational opportunities and threats; individuals, groups and the whole organization are not only learning, but continually learning how to learn; information systems and technology serve to support learning rather than to control it; there are well-developed processes for defining, creating, capturing, sharing, and acting on knowledge; these various systems and dimensions are balanced and managed as a whole (Miller and Stewart, 1999, p. 44).

Organizational learning as an important competence, supporting continuous improvement and incremental changes that eventually lead to comparative advantage of organizations. It is important to note that there can be many barriers to learning within an organization, which have been categorized by (Knasel, Meed and Rossetti 2000) personal (referring to when individuals lack the self-esteem, motivation or necessary skills), practical (a wide category

encompassing details as lack of time or other resources), organizational (includes the lack of organizational commitment to support learning, as well as the inability of organizational structures and ways of work to help learning occur), social (availability of skilled labor).

In order for organizations to learn and adapt to change, knowledge must be shared and integrated throughout the organization. Knowledge transfer and integration are interrelated yet distinct concepts and describe how knowledge is distributed across an organization. Knowledge transfer refers to knowledge sharing at the individual or group level. Knowledge transfer occurs through interaction and dialogue through this interaction, knowledge is interpreted in the context of the organizational culture (Huber 1990).

learning by organizational members is embedded in organizational culture and processes, and that collective knowledge effects how knowledge is interpreted and shared across the organization (Huber 1993); (Hult and Ferrell 1997). Effective knowledge integration depends largely on the extent to which new knowledge and learning become part of organizational routines and practices, because Knowledge management is at the foundation of organizational learning.

2.7. Performance Assessment of Organizational Capacity Development

Capacity is a quality or characteristic of human systems. Capacity is invisible; it is a latent phenomenon that becomes apparent when actors use it to achieve results .(Brinkerhoff & Morgan, 2010:3). Furthermore, (De Grauwe 2009:42), describes that organizational capacity encompasses resources (human, intellectual, financial, physical, infrastructural, and so on) and other organizational characteristics (structure, mandate, management, leadership, and so on) that influence an organization's performance.

An organizational capacity assessment is internal as well as external force for the effectiveness of organizational vision and mission. Capacity assessments are most commonly conducted at the organizational level, group, team and individual. Organizations provide the framework for individuals to work together and to achieve goals beyond their individual capacities that, they

are a collective manifestation of individual capacities and considered as foundation for promotion of organizational capacity development.

A capacity assessment at the organizational level usually focuses on the internal workings of an organization and may be motivated by the need to establish or improve specific capacities. A number of tools and methods can be used to gather information on the current capacity of an organization or of an individual: self-assessment, interviews, focus-group discussions, surveys (e.g., through questionnaires) etc. Each methodology has its advantages and disadvantages, which should best suit the context.

2.7.1. Core Indicator of Assessment

According to (UNDP 1998), when in assessing organizational capacity and development in a systems and strategic management context the following elements are used as core indicating assessment instruments include Mission and strategy that describes role, mandate, description of services, clients/customers, interactions within the sector and its stakeholders, measures of performance and success, presence of core strategic management capacities. Culture, structure and competencies includes organizational and management values, management style and standards, organizational structures and designs, core competencies.

Assessment has clear Processes which supporting such functions as planning, client management, relationships with other entities, research/policy development, monitoring and evaluation, performance/quality management, financial and humanresources management, the most valuable of organizations' resources and financial resourcesoperating financial resources as well as financial capital meanwhile information resources (all media, electronic and paper) are managed to support the mission and strategies of the organization finally physical assets such as property, buildings, productive work environments (computer and online network facilities, communication facilities)are basic and essential elements for performance development.

A SWOT analysis is also often used to identify organizational capacity assessment based on internal and external factors that affect the position of an organization, its performance and the

quality of its services. SWOT stands for the analysis of: internal strengths and weaknesses of an organization/ program/ and the external opportunities and threats that it faces.

2.7.2. Elements of Organizational Capacity Assessments

There are basically recognized elements of the organizational assessment framework, organizational performance refers to the ability of an organization to meet its goals and achieve its mission. Performance can be gauged in terms of four key indicators:(Lusthaus, Anderson, and Murphy 1995) and Lusthaus et al. (2002), which includes effectiveness (the degree to which the organization achieves its objectives); efficiency (the degree to which it generates its products using a minimum of inputs); relevance (the degree to which the organization's objectives and activities reflect the necessities and priorities of key stakeholders); financial sustainability (the condition to make an organization financially viable).

Organizational capacity refers to the sources, knowledge, and processes employed by the organization these are:-Staffing, infrastructure, technology, and financial resource, program and process management, networks and linkages with Other organizations and groups, external Operating environment refers to the external environment in which the Organization carries out its activities, which includes the following, the administrative and legal systems in which the organization operates, the policies and the political environment that influence the organization, the social and the cultural milieu includes:- the technology available and economic trends.

Internal environment refers to internal factors that influence the direction of the Organization and the energy displayed in its activities, Incentive and rewards system,the organizational climate and culture,the history and tradition of the organization,leadership and management style,clarity and acceptance of the organization's mission,extent of shared norms and values promoting teamwork and pursuit of organizational goals,strengthens organizational structure.

2.7.3 Factors Influence Organizational Capacity Performance

The effectiveness of organizational performance and its achievement depends up on certain factors. All factors necessarily could not lead to the desired goal therefore, the organization's capacity, external operating environment and internal conducive environments are the most and commonly applied factors for influencing organizational capacity of an organization.

The organization's capacity considered as the dimension that influences organizational performance is capacity. Capacity includes the resources, knowledge, and processes employed by the organization to achieve its goals. These comprise the staffing, physical infrastructure, technology, and financial resources; strategic leadership, program and process management; and networks and linkages with other organizations and groups.

An organization's personnel, facilities, technology, and funding constitute its resource base. The organization's procedures and processes for managing its resources and programs as well as its external relationships make up its management capacity. Together, these resources and management capacities make up the overall capacity of the organization.

The external operating environment includes such things as the administrative and legal systems that govern the organization, the political environment, and the social and cultural context in which the organization operates. Which includes such as, legal systems include the policy, laws, and regulations of the organization.

The internal environment of an organization influences the extent to which the organization uses its capacities to achieve its goals and perform at a high level. The internal environment refers to factors inside the organization that make up what might be called the organization's 'personality', and influence the organization's cohesiveness and the energy it displays in pursuing its goals. Sometimes an organization's motivation can be so strong that it compensates for difficulties in the external environment and for weaknesses in its capacity.

2.8 Organizational Capacity Development in Ethiopian Education system

Capacity building, in the Ethiopian context, is critical to ensure rapid, broad-based development and poverty reduction as well as deepen the democratization process. The program is designed in an integrated and holistic framework and targets the capacities of the public, private and civil society organization to optimize synergic effect to strengthen democracy accelerate development and poverty reduction. The government is working towards effective mobilization and coordinated use of the resources of the public, private, NGOs and communities to ensure rapid, broad based development and effectively attack one of the most serious challenges that Ethiopia is facing –deep and wide poverty.

According to capacity development strategic plan of the Government, a major constraint in the implementation of development programs is weak human resource and institutional capacities especially at lower levels of regional administration systems. Capacity building is therefore an important development intervention that enhances the utilization and effectiveness of both domestic and external resources.

The documents of (UNESCO 2006, p.2) stated that “capacity building in education is important both for the functioning of the education system as well as for capacity building in other sectors as an essential aspect of capacity building which enhancing the ability of individuals, institutions and systems to cope with change and unforeseen challenges”.

The research experience reveals that there are several interrelated characteristics of capacity building in the realization education sector. Capacity building is a continual process of improvement within an individual, organization, or institution with the objective of maintaining or improving the education services being provided. It is essentially an internal process, which may be enhanced or accelerated when an outside group/entity assists the individual, organization, or institution to improve its functions or abilities, especially in terms of specific skills. (Taschereau 1998).

The aims of education institutions are to build social and human capital. According The World (Bank, 2011:29), the creation of system in an educational sector then encompasses “a An education system consists of all parties who participate in the provision, financing, regulation, and use of learning services. In addition to national and local governments, participants include students and their families, communities, private providers, and non-state organizations”.

Organization Capacity is invisible; it is a latent phenomenon that becomes apparent when actors use it to achieve results. To realize the role of actors and to exercise all organizational capacity resources (human, intellectual, financial, physical, infrastructural, and so on) and other organizational characteristics (structure, mandate, management, leadership, and so on), needs to function at the demands of achieving the goal so, that the strategically desire of education in Ethiopian context is to develop capacity through correlation of individuals, organizations and community.

It is believed that organizational capacity in educational institution is to enhance by itself through capacity development processes and activities. The Ethiopian education approach in terms HEIs is consisting teaching and learning (e.g. curricula, classroom practices, self-study), research (e.g. research programs and research activities), quality assurance (activities and procedures aimed at assuring quality standards of research and teaching and learning), human resources (quality and quantity of both academic and supportive staff), facilities and infrastructure (physical and technological resources including e.g. buildings, libraries, ICT), financial resources, organizational aspects (e.g. structure, procedures, information, culture), leadership and management practices and governance (processes, policies and structures aimed at balancing interests of stakeholders).

Overall strategy of capacity development according to the statement of Ethiopian government related to human resource management and development was defined as enabling people at all levels to be self-analytic, proactive, creative, having identity, adaptable, able to self-renew and restructure them in the face of changing circumstances, develop practical skills to enable them

to achieve the personal and institutional goals, and to internalize new attitudes through extending educational opportunities at all levels.

The document of (UNESCO,2007), characterized that capacity needs in the education sector can be identified across all levels – from a) institutional, such as creating legal frameworks for participatory policy planning and accountable monitoring, to b) organizational, such as strengthening the responsibilities and capabilities of local government authorities and civil society organizations to c) individual, such as securing the availability of a qualified teaching workforce, the latter aspect having been defined as one of the critical factors to reach the goals.

The government of Ethiopia has strategic plan for enhancing the organizational capacity of HEIs in implementing human resources development. The aim is to improve student-staff ratios and to increase the share of qualified university teachers (minimum master's level). To contribute to the quality of teaching, certified training will be provided on teaching methodology for academic staff.

Improving the quality of teaching and learning process in HEIs, which lead to an improvement in the graduation rate. Activities foreseen at the national level are the development of a national system to assess professional competences of graduates. Also, universities will be equipped with libraries, laboratories, and ICT and teleconference facilities.

Equity remains an important objective, to increasing the number of females in leadership positions. Female enrolment and graduation rate will increase in the planning period. Also, implementation of effective gender sensitive rules and regulations and creating conducive friendly environments in HEI will contribute to realizing the objective.

Increasing research and technology transfer capacity where the government has planned to develop a national research institution. Also, universities and institutes of technology will be supported in establishing research policies, innovation funds, consultancy centers, and technology transfer and business units. Strategic planning and management capacity will be

improved at the national and institutional level. For effectiveness of the strategic plan mutual learning will be increased by facilitating the establishment of the Ethiopian HEI's forum. (Temessa2009).

2.9. Organizational Capacity Development and Hope University College

The World Bank (2000) concludes that “without more and better higher education developing countries will not be able to participate in the world wide knowledge economy in which knowledge supplants physical capital as the source of wealth. Investments and improvements in higher education were expected to contribute more to reducing poverty and increase socio-economic development” (World Bank 2000:16).

In countries like Ethiopia where there is high demand for high level education and trained manpower and also whereas (Teshome 2002) indicate, not only the present, but also the future demand for high educated and trained manpower for both public and private sector as large no doubt that private sector involved is of paramount importance, this is because private as well as other non-government higher educational institutions could efficiently and flexibly respond to the growing demand for this level of education.

Hope University College (HUC) is one of the private HEIs and it is the first non- governmental educational establishment for promoting educational policy of the country in helping students who aren't capable to pay for school fee. As the expressions of (Closson,et,al.1997), Non-governmental organizations (NGOs),are organizations which are neither governmental nor profit making and formed by voluntary people. They usually focus on undertaking development projects for local groups and communities or on materializing resource assist such project.

Hope Enterprises or Hope is a local NGO that was established in 1971 in Addis Ababa to help the needy help themselves through basic needs, education, competence, job and business mediation and value education.

As Hope was completing its 32 years of humanitarian service in 2003, it's then the founder and the board recommended its discussion, the Board and the General Assembly of Hope accepted the proposal, establishing Hope University College as the first public benefits institution of higher learning in the country on November 25, 2003 as an innovative and change-oriented center that develops students to become leaders and professionals (Background of Hope,2004)

The founder families of HUC strictly believe that education is a cornerstone of any economic and social development. It improves the productivity, capacity of societies and their political, economic and scientific institutions. On the other hand the general assembly declaration of 2003 stated that, education of a nation, not its capital or material resource, which ultimately determines the character and pace of its economic and social development. Human resource constitutes the ultimate basis for wealth of nations. Capital and natural resource are passive factories of production ; Human beings are active agents who accumulates capital, exploit natural resources, build social, economic and political organizations, are carry forward national development.

From the declaration one can understand that, the role of education and human capital in promoting the growth of economies and improvement in human being is broadly recognized. A country is unable to develop anything else unless it develops the skill and knowledge of its people and utilizes them effectively in the national development. However, the ability of education and training system to fulfill this role depends upon the strength of organizational capacity development of educational institutions. HUC highly believe that the organizational capacity development strategy is one of basic foundation for the achievement of its objectives.

2.9.1 Organizational Capacity Development and Practices at HUC

Hope University College has travelled long distance in organizing itself along main capacity development strategies in order to achieve its vision and mission. According to vision and mission statement of the college, the university college planned to operate its organizational capacity development on the basis of the following strategic plan. Work plan of HUC (2003).

The practice of organizational capacity development of HUC shows basic develop of financial planning and management system with the capacity to ensure the efficient, effective and equitable use of resources, and contribute to additional resource mobilization, human resource management and development systems contribute to more capacitated, performance oriented and stable organization, renewal and transformation of society through knowledge and value based education that can make a difference using advanced teaching and learning materials, pursuing world-class education without leaving their country and cultural setting, enable the development of leaders, who being capable of independent work, problem solving, analysis, innovation and reflection.

2.9.2. Governance, Leadership and Organization Structure

The quality of an organization's leadership has a powerful influence over its direction, its staff motivation, and its overall performance. The organization's board of directors is engaged and representative, with defined governance practices. The board effectively oversees the policies, programs, and organizational operations including review of achievement of strategic goals, financial status, and executive director performance. The organization is accomplished at recruiting, developing, and retaining capable staff and technical resources. The organization's leadership is alert to changing community needs and realities.

The HUC has its clear organizational structure; according to the bylaws of the University College the General assemble is the highest organ of Hope enterprise. HUC is one of the sister organization managed and supervised by the executive director of Hope enterprise. The governance and the leadership of the University College are organized on the principle of collective leadership.

The leadership capacity statement of HUC is the ability of all leaders at different level to create and sustain the vision, inspire, model, prioritize. Meanwhile, the leadership of the college demonstrates outstanding leadership skills, including integrity, vision, creativity, a strong work ethic and the ability to gain trust and cooperation from others. Persuasively handling criticism with emotional maturity and showing an ability to influence others through tolerance, patience, respect, knowledge and capacity to listen as well as flexibility to be influenced by others.

Make decisions, provide direction and innovate, all in an effort to achieve the organizational mission. The realization of the organizational leadership role was organized and functions under the supervision of executive director, therefore the president and two vice presidents play a leading role to bring stable leadership and management.

Human resource management systems; the level of available human and financial resources required to deliver sound management and planning; the degree to which structures are aligned with goals and the degree to which the entire organizational system functions effectively.

Good management is indicated when resource needs are correctly anticipated, resources are allocated as and when they are required, and effective instructional practices occur in classrooms.

As the regard to accountability the president overview the general leadership environment and the of the college offices such as learning and teaching process, research and community services, registrar office, library and documentation and quality assurance are accountable to the vice president. Offices such as human resource management, procurement, finance and property administration service, students support service and office of security are under the vice president for administration and development.

Offices such as planning and program, public and international relations, technical and engineering services, audit department, the gender a With regard to accountability, offices such as learning and teaching process, research and community services, registrar, library and documentation and quality assurance are accountable to the vice president and other management offices. Offices such as human resource management, procurement, finance and property administration service, students support service and office of security are under the vice president for administration and development.

2.9.3. Infrastructure and Management of Finance

The university college organized its working system to make effective and efficient system for managing finance, infrastructure and facilities. The financial management the ability to manage and deploy organizational revenues and assets to ensure efficient operations. Based on this

general financial principle, the finance system in HUC is managed and organized by finance department and under supervision of voice president.

Every financial flow and management is controlled by internal and external auditing departments. Budgets are allocated to all programs. Accordingly, there are three programs the management is funding namely administration, academic affairs and expansion of infrastructure. The central finance, procurement and property administration and the audit division are responsible for supervising the utilization of budgets in accordance to the guidelines and the decision of the general assembly of HUC. Financial procedures and budgeting process are integrated into the total plan of the UC.

Infrastructure is the basic element for the strengthen of organizational capacity development; without appropriated infrastructure the college couldn't overcome its strategic plan. Hence, the main campus of the UC geographically located at more impressive area of the city, where there attractive environment for successful of its teaching and learning activities. HUC is the owner of the building; the building is well structured and equipped with all necessary modern materials. Every department including library and offices are connected with networking system, there is available internet connection where, academic staffs, employees and stakeholders can use regularly.

To facilitate the learning and teaching process, the university has about 25 classrooms, 4 lecture halls, 5 computer laboratories, 5 science laboratories, 2 studio and other different rooms and buildings used for multi- purpose activities. Particularly the University College has electric power, including small and medium size generators.

2.9.4. Human Resource Management and its Practices

It is the ability of an organization to recruit and retain qualified and skilled staff, hire new staff, and offer professional development and training opportunities for staff. Hope University College from the outset recognizes the importance of pooling competent academic staff in providing quality education, training and development as well as recognized community services. The university recognized the fact that its mission remains unaccomplished unless if

staff is not well organized mentally, emotionally, psychological and economically. In putting the goal in to effect, the university college developed short and long term staff development plan.

At the early year of its beginning closely to 95% of the academic staff of the university college were graduate assistants. Now after currently, currently due to the special attention and commitment of the leadership and the management remarkable progress was recorded. The university college currently staffed with 11 BA holders, 9 masters, 2 PHDs. These shows that the college was at the road of building organizational capacity. Besides the academic staff, the college has other supportive staffs working at different level of managements.

The human resource and management activities are organized along the main guideline document of the college, every staff and employees categories as top, middle and low level of management. These hierarch level of management clearly identifies the existence of job distributions, defines right hierarchical communication, clear division of task and good working environment.

2.9.5. Knowledge Management and Organizational Learning at HUC

Knowledge is the powerful instrument to promote the effectiveness of organizational capacity development and it is not only instrument but also it is a means for sustainable development of organization. A knowledgeable organization has a potential to use its human and material resource on planned base and the organization has a power to learn, to forecast, to develop the knowledge of his employees, to determine its internal as well external relation.

In order for organizations to learn and adapt to change, knowledge must be shared and integrated throughout the organization. Knowledge transfer and integration are interrelated yet distinct concepts and describe how knowledge is distributed across an organization. Knowledge transfer refers to knowledge sharing at the individual or group level. Knowledge transfer occurs through interaction and dialogue, that is what happed at HUC.

The practice of HUC in connection to knowledge management describes, that knowledge as means of instrument for enhancing the organizational capacity development therefore, important guidelines were developed such as developing knowledge as strategic importance to the organization, developing knowledge to increase the value of the organization, sharing and transfer knowledge among individual or group level, accumulation of knowledge for further progress of the organization and the organization has strong plan to create strong organizational culture through tools of knowledge accumulation.

HUC as educational institution run the college along the road of learning organization because the college knows well that to be learning organization is one of the requirements to achieve the mission and vision of the HUC. So, becoming permanently acting as learning organization would enhance its OC. According to the views of Peter Senge (2003) the learning organization implies free flow of knowledge, i.e. lifting of all barriers on developing knowledge and new ideas at the very beginning.

The strategically plan and practical activities of UC to stay and become learning organization the leaders, the management at all level, employees including academic staff developing working motivation, flexibility , more creative, improved social interaction, creating better working atmosphere among department's, teams and groups with the sprites of knowledge sharing, mutual dependence and good working relation, promoting the benefiting of the organizations ,create motive of work, productivity and qualitative services, improve individual and group professional skills and creates strategic relationship with the employees.

To maintain the achievements and practices of knowledge management and organizational learning and to reduce the internal and external challenges the leaders and the management of HUC and its stakeholders has adapted a plan for continuous assessment of the practices of knowledge management and learning organization. It is believed that without it, it is difficult to implement and control the changes in the organization.

CHAPTER THREE

3. Research Design and Methodology

This chapter discusses about the research design plan, which includes research design, sources of data, data collection instruments, sample technique of the study, data collection procedures and ethical consideration.

3.1 Research Design

This study was aimed at investigating the effectiveness of organizational capacity development at HUC. Based on the nature of the data descriptive survey was employed. This method enables the researcher to examine the present situation and to identifying some of the major practices and challenges in implementing the strategy of organizational capacity development.

According to Koul (2006), descriptive research studies designed to obtain pertinent and precise information concerning the current status of phenomena and to draw conclusions from the fact observed. Therefore the researcher selected descriptive survey for it helped to observe relevant and available current information in order to examine practices and challenges at HUC.

Furthermore, the descriptive survey enables the researcher to find out the solution for the existing problems in implementing overall plans and could help to test the basic research questions. Hence, this method was selected as a design for it helped the researcher to get relevant and available information in describing the existing situations the descriptive survey method was found to be relevant and appropriate.

3.2.Sources of Data

Denzin in Patton (1987) recommended that there are multiple ways and instrument that help to achieve the desired goal of the researcher. For the achievement of the objective of the study data has been collected from key informants. Both primary and secondary data source have been utilized in order to get sufficient information as an input for this research.

3.2.1 Primary Data Sources

Primary data were collected from the subject of the study of current HUC managements from Top, middle and low level management bodies through semi-structure interview

3.2.2 Secondary Data sources

As concerning secondary data it was gathered from HUC resource center and documents including the Bylaws of the UC, documents of General and Board member meetings and decisions, financial manuals, annual and quarter reports, relevant documents, books related to capacity development of the organization , web site and unpublished thesis works are used in this study.

3.3. Sample technique

The sampling technique adapted was purposive sample technique. purposive sampling a type of nonprobability sampling in which the researcher consciously selects specific elements or subjects for inclusion in a study in order to ensure that the elements will have certain characteristics relevant to the study. Considering the nature the main goal of purposive sampling was to focus on particular characteristics of a population which have both interest and able to answer the basic research questions.

Based on purposive sample technique 38 respondents were elected out of 79 staffs representing all level of management who have direct relation with the issue under study and who can provide their insight and share their knowledge related to the basic research questions.

The following table indicates the size of the selected respondents from the level of management.

Table 1: Total Population and Participants/Respondents of the Study

No	Level of Management	Total Population			Total Participants/Respondents					
		M	F	T	M	%	F	%	T	%
1	Top level of management	14	4	18	6	60	4	40	10	100
2	Middle level of Management	20	8	28	14	70	6	30	20	100
3	Low level of Management	15	18	33	5	62.50	3	37.50	8	100
Total		49	30	79	25	31.62	13	16.44	38	48.18

Regarding the sampling technique; simple random technique was used. Based on purposive sampling technique, out of the total 79 employees, 10 (12.65%) from top management level, 20(25.31%), from middle level of management and 8(10.12%) from low level management were selected.

3.4. Data Collection Instruments

In order to gather the necessary information for the study, the researcher use both primary and secondary data. Qualitative data was obtained by using different instruments but, for the purpose of this research the researcher selected interview and document analysis. As for primary data semi-structure interview was prepared. Instruments were implemented through intensive and extensive contacts with respondents, who had close access to the data required.

3.4.1. Interview

The interview was prepared for 38 key informants. The respondents were selected using purposive sampling technique. The type of interview was semi-structure and formulated to extract required information and relevant data about the current practice and challenges of organizational capacity development at HUC.

3.4.2 Document Analysis

The study made a document analysis on different records. The records include all necessary documents such as strategic planning, decisions of general assembly, quarter report, and decisions of the board and some other important guidelines of human resource, financial manuals and meetings of managements. Using different kinds of records as a source of data might have faced some problems. These problems may be related to reliability, format and quality of data (Kumar, 1999:125).

3.5 Procedures of Data Collection

The following procedures of data collection were used in examining the extent of implementation of organizational capacity development at HUC. First, relevant academic literature was reviewed to get information from what has been done in related to the practice and challenges of OCD. Second, basic research questions and data collecting instruments were formulated based on statement of the problems. Third, the interview questions were prepared to the respondents. Clear and understandable interview was prepared to all levels of managements.

After preparing all necessary items, convenient time and place for the respondents was arranged. The interview was administered in the offices of management, library, class rooms and necessary clarification was done. The interview time for respondents was arranged between 20 up to 35 minutes. Before conducting the interview the researcher made objective of the study more clear to all sample respondents in order to avoid confusion.

3.6. Method of Data Analysis

The data from the interview and document analysis has been, analyzed and organized in line with the basic questions of the research. The data collected using both interview and document analysis interpreted according to their nature. The raw data collected from the field had been organized and systematically annualized according to their similarities that rose during interview and document analysis.

3.7. Ethical Considerations

The researcher is responsible for the ethical treatment of the research participants. All participants were beforehand informed about the purpose of the study. The researcher should respect and protect subjects from any harm that might arise as the result of exposure to the research.

All respondents were made aware that participation is on voluntary base and hence they were free to choose to participate or not to participate. After the data are collected, the researcher provides all participants with information about the result of the study which could help to clear up any misconceptions that may have developed.

Finally the above statement of ethical principles were summarized under three important interrelated categories, these are protecting participants from harm, ensuring confidentiality of research data, and the question of deception of subjects. In conclusion researcher has the obligation to honor all promises and commitments.

Chapter Four

4. Presentations, Analysis and Interpretations of Data

This chapter deals with the presentation, analysis and interpretations of data collected for the study. System of data presentation, analysis and interpretation are organized to fulfill the standard requirements of both qualitative and quantitative data. For quantitative data analysis the researcher used tables and the researcher used words to interpret data from the interview.

The data were collected from a total of 38 key informant respondents that consist of two inter related parts: the personal data of the respondents who directly involved in this study and the main data of the study the effectiveness of organizational capacity development at HUC.

The sources of this data were top, middle and low level management at HUC. They are totally 38 out of 79, which is 48.10% of employees working at different level management at HUC. Data collected from the source using interview and document analysis. The interpretation and mainly the data analysis of the research would be presented using major components and elements of organizational capacity effectiveness of McKenzie's organizational capacity assessment tools (MOCAT). These OCA tools are more effective in assessing achievements and problems of organizational capacity development at organizational levels.

The characteristic of the respondents was shown in the next table. All the characteristics was computed and elaborated in brief below. Meanwhile the data from interview and document analysis were organized according to their sequence.

Table 2.Character of Respondents by Sex and Age

Items		Respondents					
		Top level Management		Middle level Management		Low level Management	
		No	%	No	%	No	%
Sex	Male	6	60	14	70	5	62.5
	Female	4	40	6	30	3	37.5
	Total	10	100	20	100	8	100
Age	21-30	-	-	5	6.32	4	5.07
	31-40	7	70	12	60	2	25
	41-50	2	20	3	15	2	25
	51 and above	1	10	-	-	-	-
	Total	10	100	20	75	8	50

The above items shown in the table was gender and sex differences along the position. Accordingly, among the respondents females were only 13 (34.21) and 25 (65.78%) were male. The result shows that the male respondents were more in number than the females. The following table describes the age categories of the respondents Accordingly those, who were between 21-30, 9 (23.68%), 31-40, 21 (26.56%), 41-50, 7 (8.85%), and 51 only 1 (1.26%). The majority of the respondents were between 31-40, 21 (26.56%) years respectively. The experiences show that, these levels of age category were most energetic and productive for the success of organizational mission.

Table 3: Characteristics of Respondents by their Level of Education and Service Years.

Items		Respondents					
		Top Management		Middle level Management		Low level Management	
		No	%	No	%	No	%
Qualification	PhD	3	30	-	-	-	-
	MA/MSC	5	50	17	85	-	-
	BA/BSC	2	20	3	15	1	12.5
	Diploma	-	-	-	-	3	37.5
	Below diploma	-	-	-	-	4	50
	Total	10	100	20	100	8	100
Service year	1-3	4	40	8	40	2	25
	4-6	3	30	9	45	4	50
	Above 7	3	30	3	15	2	25
	Total	10	100	20	100	8	100

Educational qualification was one of another difference among the respondents. Therefore Among the top level management respondents 3(30%) were PhD, MA/MSc holders cover 5(50%) and BA/BSC certified were 2(20%). Educational qualification of middle level management 17(21.51%) MA/MSc and 3(30%) were BA/BSc holders. As concerning low level management only 1(12%) was BA holder,3(15%) were diploma and finally 4(50%) were below diploma. As the result of educational qualification most of respondents were saturated at qualification of MA/MSc categories. Therefore current educational performance of HUC was on the best required composition of educational qualification to carry out organizational capacity development strategies.

But as concerning educational qualification of low level management needs special attention. This level of management plays a decisive role in implementing the strategies, plans and programs adapted by the management of the college. Therefore, in order to develop their efficiency in the organization the management of the college necessarily revise to upgrade or to develop their educational level by giving chance to learn in the academic programs of college. Because one of the objectives of OCD was to enhance the human resource performance of its staff.

Regarding to service 3(3.79%) from both top and middle level of management has equal seven and above service years' at HUC. Middle level management was considered to be on stable growth of service years 8(10.12%) 3 years and 9(11.38%) has 4 to 6 years. As regarding to low level management 2(2.53%) above 7 and 2(2.53%) between 1 and 3 years. The service year of all management levels has gap which indicates that there was high employee's turnover particularly from low level of management. So, the management and concerned leaders above of top level needs to assess the problem and the solutions, Otherwise because of frequent turnover of staff the organization would losses it achievements.

4.1 Method of Data Analysis and Presentation

The principles of organizational capacity development were used as elaborating the current practice and challenges of HUC. The practice and challenges as well as effectiveness of organizational capacity development of any organizations including HUC has to be assessed by the organizational capacity assessment tool of McKinsey 7 s, these approaches was initially used to generate basic questions that needed to be answered by the researcher. It was used because it represents the most comprehensive form of organizational capacity analysis, which forces consideration of all dimensions of the functioning of an organizational system on organizational level. The assessment includes the results of interview and document analysis.

Once a comprehensive set of initial questions was defined, organizational practices and challenges were analyzed through organizational practices of human resource, infrastructure management, organizational structure Financial management including resource allocation, funding flows, organizational skill, organizational mission, vision and leadership quality, organization culture, internal and external relationships, performance assessment, monitoring and evaluation and delivering quality service to stakeholders.

4.2. Organizational Capacity Development and HRM of HUC.

4.2.1 Human Resource Practices

HUC was along the road of OCD to enhance its organizational effectiveness. organizational effectiveness determined by multi factors among them, aspirations, strategy and organizational skill, infrastructure, human resource, organizational structure and cultural element which serves to connect all the systems. The existence of these elements within the organization determines the practices of that organization.

A practice indicates that level of achievements of the organization show the strength of the organization in defense challenges. Challenges from human resource affect the development of all basic elements of OCD. Based on this reality a person from top level management was asked to elaborate the current basic practices and achievements of HUC as an organization. He explained that,

“The practices and achievements of organizational capacity development of HUC can be seen from the following prospective point view of, Human resource management, Infrastructure development, financial management, external and internal relationships, leadership quality, governance and the culture of the organization.”

It is true as the respondent explain whereas ,the achievement and practices of the organization couldn't only be measured from human resource, financial management, infrastructure development, quality of leadership and external as well as internal relation. Meanwhile, these elements can not only indicators of practice or development but, it should be considered that these elements are the driving force of development because at any level of development without combination of these elements organization cannot ensure sustainability.

Human resource management was one of the factors to realize the objectives of the organization development. Therefore, the life and the success of the organization depend on quality of human resource in the organization. The management of HUC on Dec, 2010 adapted new human resource development guideline manual in order to improve the management system of human resource of the HUC. With regard to this, the management explains He said, the objective of the guideline manual was,

“To develop and exercise human resource capacitydevelopment strategyof the HUC was to create andorganize adequate staff with having professional skills

that associated with the needs and the demands of the organizational development and stakeholders.”

Another participant from the same level of management in connection to human resource He explained that,

“To develop highly competitive employees the management focuses on recruitment, staffing, training and development process. So, the new human resource guideline documents of the college describes that the management has strict decisions and plans to recruit sufficient staff to meet the interest of stakeholders and the organization.”

Furthermore, same documents of the organization elaborated that in order to achieve the human resource needs of the organization the management has to implement the guideline manual with the interest of both the organization as well as the stakeholders. The first respondent replied that,

“The basic guidelines for the human resource management of the organization that open door to join quality and competitive staffs to the college. Even after the manual that we can see the number and quality of academics staff was increased, turnover was decreased, relation among the staffs and employees was improved”

As it was recognized from the interview made with top level of the managements 65% of the participant’s during the interview reflected the same idea that the practice achieved was due to strong management of the administration. While the rest 35% of respondents were agreed the contributions of administration were high to develop the guiding manual but, the participation of employees to develop the manual during the discussion has important credits.

According to the discussion made with top level of managements we can understand that for any organizational change and practices the role of different manuals was very important but the fact is that on one hand in developing such human resource manual employees must participate in discussion and on the other hand the separate decision of the management only could not bring change. Therefore, the participation of employees in all affairs of the management was advisable for sustainable human resource and organizational development.

4.1.2 Infrastructure and Financial Management Practices

Hope University College has adequate physical infrastructure for current organization capacity development practices. However, the physical infrastructure needs some adjustments particularly related to whose facilities to the disable persons. On the other hand respondent from the top level of the management during the interview, forwarded that physical infrastructure expansion program of the college would continue in order to make the teaching and learning environments more successful.

As related to the practices of technological Infrastructures Hope University College has relatively organized teaching and other required office equipment's, hardware, computer, printer and scanner and other material were available. Besides to that according to the explanation of the participants of the interview from top level management, the college has its own website, electronic data and there was also well organized electronic library and advanced system of internet connection. According to the discussion made with one of the respondent from the top level management the practices of the infrastructure of HUC was organized to promote the teaching and learning activities and to provide required quality services to all stakeholders. So, He said.

“In past few years the management has invested to develop the quantity and the quality of the physical and technical infrastructure of the college. Besides to that especial department was organized for maintenance and repair service because of these important part of the infrastructure were protected from damages.”

It was well known that Infrastructures were one of the inputs for the achievements of organizational goal. Without organized infrastructures the organizations were unable to reach their objective therefore, infrastructure development needs not only maintenance or repair but it needs introducing of new technology and new systems. Therefore, it was advisable to select and organize suitable infrastructure to be competent and to meet the interests of the organization.

According to the document analysis some of the documents of the annual reports of the general assembly held in June 2010 and July 2011 EC. The practice related to infrastructure stated that

the quality of service provided to the stakeholders can only be achieved by continuous improvements of the quality of physical and technical infrastructure.

The statement and the decision made by the general assembly were supported by all respondents of the top level managements. The quality of service was not determined only by the quality of the infrastructure but also quantity of infrastructures because if the required physical and technical infrastructures were not available it was impossible to say services were delivered properly.

The financial management of HUC was one of the important aspects of practices; the financial system was organized and guided by financial manual adapted by the general assembly of HUC. Furthermore the respondent from the top level of management discussed the limited financial resource was allocated for only the expansion of teaching and learning activities. Therefore He said,

“Based on the past practices the college has a planned to extend other external sources in order to develop financial potential of the college, on the other hand the management planned to minimizing administrative expenses and including the cost of car maintenance, fuel and other related unnecessary expenses.”

Finance was the back bone to meet the objectives of the organization. If the organization does not have sufficient financial resource it could not overcome overall strategic plans. According to the respondents the management has planned to minimize all costs including administrative costs. On the other hand the management has a desire to look external donors for financial support, all these plans of the management could not brought progress and development. As concerning financial resource the management looks different options like income generating activities and local resources.

The practice of financial management system of the organization was more centralized. Financial activates were organized and managed according to the decision of the board of the university college. Accordingly during the interview one of respondent reflects His view as follow, The management of finance was more centralized to avoid misuse and corruption and furthermore He explained;

“In reviewing the budget allocation finance to faculties, departments, offices, services and units was allocated according to the availability of funds and the financial manual. Therefore centralization of financial circulation was one of the best practices of the college.”

Centralizing financial management has positive aspects even 85% of the respondents supported centralization decision of financial management because they believes that financial management needs ironic supervision, control and evaluation. Whereas, unnecessary centralization may not motivate the employees of financial department to act with confidence. So, the management has to revise his decision in order to balance the activates of the employees and financial regulations.

External and internal relation of the organization was one of the practices that brought new trends among the stakeholders. One of the respondents from the top level of the replied that during the interview session He underlined,

“The management of the college believed that Because of, the influence of globalization the college has planned to shaped its relations in order to strength both internal and external relations with all stakeholders. From the past practice the college was benefited following the principle of mutual understanding as a guiding principle for both internal and external relation.”

Strategies and organizational skills are composed of statement of Vision and Mission and it defines common purpose, direction and goal of the organizational. Basic documents of HUC like strategic plan, operational plan and by-laws clearly stated the vision and mission of the organization to make well known to all stakeholders.

On the hand the from the analysis of the documents one can understood that the leaders of the organization devoted a lot in organize discussion sessions for the community of the college on the topic related to vision, mission and strategic plan of the college, mostly the discussions were organized during the meetings of the general assembly, academic staff, employees and stakeholders. As the result the respondent replies every employees well acquainted with vision and mission statements of the college.

According to the interview conducted with the participants from top management level the vision and the mission of the college was elaborated and discussed with all members of the

college in order to make their role more effective and successful. With the regard of these the practice shows that all staffs and other stakeholders actively participate because of clear understanding of the vision and the mission of the organization. Whereas, unplanned and unorganized discussion alone could not develop knowledge of employees about the vision and mission of the organization. Therefore, organizing continuous training and practical teaching activities are suggestible for the organizations like Hope where there was knowledge and understanding gap.

4.1.3 The prospective strategies for enhancing OCD

This part of interview discussion and documents analysis would include achievements of the organization, character and types of challenges, solutions for challenges, performance assessment and strategic plans for the capacity development of HUC.

According to the respondents from top level management of the college organizational strategy and program of HUC consists of the following elements, for further elaboration He, said we can divide strategy and program separately. Therefore, strategies of the university college consists the Following basic elements; creating suitable working environment, creating sustainable fund resource, promoting high capacity, establishing strong working relation with stakeholdersstrengthening internal and external organizational relation.

The program of the organization He said, consists of the following elements; creating sufficient material and financial resource for the achievement of the goal, ensuring harmonies relation with the partners, strengthen ongoing efforts on capacity building improving service through development, enrolling new energetic staffs, capable to handle team, group and individual tasks, enhancing the capacity of academic staffs and employees.

Organizational strategy and program are interrelated items, which holes long and short term activities particularly it is true for human resource development of the organization. So, in the first place before creating working environment it is advisable to organize required quality human force, on the other hand organizing sustainable fund resource is not a program it is part

and parcel of strategy because following human resource financial resource is basic factor for the development of organization capacity without strong financial potential organization could not dream capacity development.

4.1.4.Nature of Challenge and Recommended Solution

Organizations could not develop without internal and external challenges, said a person from top level management, HUC was a young organization with rich working experience but there were challenges that hinder the development of the organization. So, He said, the basic challenges are the following;

“Limitation of fund and material resources, turnover of employees, electric power shortage, network problem, market destabilization, expenses of basic like office and service material, motivation of employees, infrastructure problems around the college and problems from concerned government offices were basic challenges for development of capacity at HUC”.

Problems and challenge can exist at any organization, identifying and knowing their basic nature there would be relatively solution. According to respondent turnover was the current challenge of the organization, whereas it was not the turnover that brought the challenges but, the reason behind of the turnover was the main the factor. Market destabilization was the problem of all organizations, shortage of electric power, network problems and other mentioned challenges were national problems. As concerning challenges of fund resource the organization has to look other means of fund resources such as encouraging internal donors and organizing income generating activities.

Besides the challenges the respondents were forwarded same solutions. The respondents mentioned the followings as a solution, looking for additional donors, revising recruitment policy, developing internal relation, increasing involvement of stakeholders and strength the role the role of management.

The middle and the low level managements has important role in managing all activities designed by the management of the organization. Without these level of managements the organization unable to manage it policies, plans strategies successfully. Therefore, their active

participation can bring change, promotion and development in the organization. In this study middle and low level managements were included in order to collect necessary data for the purpose of the research.

Middle level managements were large in number as compared top and low levels of management, they were also well educated organized and well-disciplined working force of the organization. The interview questions organized to this level of management were summarized in the following; problems related to management, opportunities to participate to the administrative affairs, management attitudes towards HRM and suggestions to enhance OCD.

Organizational development was influenced by the quality of leadership. Leaders play important role to enhance the activities of organization to the desired development. Accordingly respondent from the middle level of management mentioned during the interview, the organization has stable and experienced leadership. Most leaders and member of the management are devoted to organize every activities the organization on the basis of stakeholders well. The other respondent further more explain and He said,

“The leaders of the college were organized to implement their tasks, they were working jointly, motivating other employees to carry out their job, they provide current information, they understand problems of the staffs, and they value ideas and suggestions.”

Other respondents reflected that the leaders were occupied with very route activities. Sometimes it is impossible to communicate with them and to discuss about the problems of teaching and learning activities. Participation in administrative affairs was not simple as written in the paper. Participation is only possible said the respondent. There were same attempts to participate people from middle level management only when there was a conflict among the staffs or stakeholders. The other respondents were said,

“/HUC has good environments for exercising team leadership, the leaders of the college conditionally allows the staffs to participate in manner administrative issues”

Human resource management was an important task for ensuring sustainable organizational development. Human was the only force to bring change, development and progress to the organization. HUC said the respondent,

“Has organized human resource manual. But, all human resource activities were implemented on spontaneous base. Employees were not treated according to human resource manual because of these motivation was low, turnover was high and payment was not proportional to job description.”

Middle level management respondents were agreed that for farther development of the organization the management of the college has to create strong and committed staff. Human was the decisive factor of development. Therefore, in order to overcome the challenge the leaders and the management has to accept the following solutions; regular meeting with the stakeholders particularly with managements at different level, human resource guideline manual must be implemented step by step, continues training should be organized to the staffs, Motivation should be provided, different alternatives for fund resource must be organized, internal and external relations must be organized according to the interest of the organization finally the management has to revise all basic documents every year including the mission and the strategic plan of the organization.

In most of the Organizations low level managements were considered as service provider or supportive staff of the organization. Low level management members contribute a lot for the achievement of the objectives of the organizations; on the other hand low level managements are base for development and progress of the organizations. Therefore, organizing low level managements according to their ability was one of the mandates of the leaders without these level of management the organization could not be successful.

For this research interview questions were organized to the respondents on the following basic areas; the achievements what they observe, training and development opportunity, participation on managerial activities, relation to the management and other staffs and finally their knowledge to the basic documents of the college.

One of the first respondent replied that the organization has development and there were progress in its internal and external activities. Internally the organization organized itself with human forces and materials, new departments were opened different service sectors were expanded and finally system of management were developed. The other respondent said,

“The achievements that we observed was not human aspect, but there is physical change particularly change in infrastructure and transport service to the staffs.as concerning participation in administrative affairs was not active so far our job description was facilitating working atmosphere to top and middle level managements. Therefore, participation in management affairs for us was implementing the decisions through our respective department”.

Relations with management was one of the part of the interview, accordingly the participants informed that there was relation in terms of accomplishing working assignments. There was no defined and continuous working relation, but our relation with other staffs was formal and not organized for this reason the management has no intention to change the relationship.

Training and development was important factor for the development of staff performance. Training develops creativity and participation in administrative areas, training promotes the abilities of employees to participate actively in organizational strategies and plan without training said the respondent, one cannot perform his/her job and responsibility properly. Therefore, the management has to organize training session according to the needs of the organization and employees.

Finally the employees were asked how far they know the basic documents like the mission, vision, strategic plan, Human resource development manual, financial documents, the byelaws of the organization and structure of the organization. During the interview most of the respondents reflected that they were not well thought and informed to none of the above documents. Sometimes there were explanations concerning about the future annual plan of the organization. Due to these or other reasons contributions to the organization was very insignificant because most of us at the level of low management were not educated this is one of the reasons that hinder our participation and role in the organizational activities.

4.2. Result of Interview and Document Analysis

The interview was carried out successfully; all respondents participated according to the plan organized for the interview. There has been active participation from all side. Because of the nature and composition of the staffs expected information was not extracted. Therefore, based on the given information of data during the interview and document analysis the following were extracted

4.2.1. Human Resource Management

According to the literature review seen in chapter two, human is the basic factor for development of the organization. Without adequate human resource strategic plans, programs and financial activates never achieve organizational goal. During the interview top level management respondents almost all reflected that the organization has human resource development manual and middle level managements too knows that there was human resource development manual but the challenge was the management does not act according to the manual. Therefore, the researcher found that the problem related to human aspect was from mismanage of the administration.

4.2.2 Financial Problem and Management

Hope University College has strong financial manual and working experience concerning finance. All respondents from all level of management reflected that the management has to do a lot to develop its income; even respondents from top level management would not like to accept to be dependent on external financial assistance for all its activities. The assistance and collaboration of private organization is also of paramount importance for ensuring its financial sustainability and for the execution of all its programs. The organization needs to do a lot strengthen its financial ability through devising different fund soliciting mechanisms.

4.2.3 Leadership and Management Activities

As it was mentioned during the interview the organization has educated and devoted management. Many research works underline that, strengths of the management promote the development of the organization along progress. Most participants reflected that the

management and the leader of HUC were occupied with most routine activities. Participation of employees in managerial activities were very low, power was centralized at the hands of certain individuals.

4.2.4 Infrastructure

The role of infrastructure could not be undermining for the success of the organization. Physical and technical infrastructures are essential elements for organizational capacity development. HUC has well organized infrastructure at technical and physical level. These was confirmed by most of the respondents of the interview. Whereas it was believed that due to fast development of technology and science technical infrastructure were changing this change needs the management to update its own infrastructure regularly.

4.2.5 External and Internal Relationship

Both internal and external relations have great influence in developing organizational capacity development. Relation determines the achievement of the organization. Strengthens of internal relationship develop external relation. The respondents have their own experience concerning both internal and external relation. Most of them believed that internal relation developing from time to time but external relation remained only to the same direction mostly relation with donors.

The respondents from top, middle and low level of management has dedication and have good willing for their organization to be more competent. The researcher feels from the interview with all level of managements and document analysis of the organization that relevant and contentious studies have to carry out and appropriate strategies have to be developed in order to establish strong basement for sustainable development of the organization.

CHAPTER FIVE

Summary, Conclusions and Recommendations

This chapter deals with the summary of the major findings, conclusion and recommendation of the study. The summary part of the study includes brief discussion of the research and summarized the findings of the study which is followed by the conclusion, at last, recommendation that helpful to improve were presents.

In the course of addressing the purpose of the study, the following basic questions were raised:-

1. What are the current organizational practices of organizational capacity in Hope University College?
2. What are the challenges for enhancing the effectiveness of organizational capacity development at Hope University College?
3. How Hope University College manage performance assessment and evaluation in order to identify progress and the challenges during past strategic plans?
4. What are the prospective strategies for enhancing the effectiveness of the Organizational Capacity Development in the Hope University College?

In the course of answering the question a descriptive method was employed. To give appropriate answer to each of the questions the researcher used interview and document analysis were utilized as instrument of data collection. A total of 26 respondents/key informants considered provide relevant data for the study.

5.1 Summary of main findings

The main objective of this study was to show the effectiveness of organizational capacity development at Hope University College (HUC). In achieving these objectives, four basic questions were set. To address these four questions a descriptive survey method was conducted at HUC. Relevant and related literatures were reviewed. Interview was prepared and conducted

with different level of managements and intensively documents were investigated and analyzed.

Concerning the result of respondents back ground information 81.5% were relatively accounts male. It is also indicated that all the respondents were mostly found in one sex category (male). Secondly, as concerning educational background majority of respondents were allocated between PhD and BA/BSC, holders with different field of study. The employees at the low level management were diploma holders.

Regarding the average year of experiences of the respondents 48% of the leaders were in the range of 1-10 years, 36% were in the range of 11-20 year of service, 16% of them had more than 21 years of experiences. In addition, teachers in the sample were 74.5% have an experience of 1-10 year, 16% of them had between 11-20 years of experience, and the remaining 9.5% had more than 21 years of experience.

As considering nature of the management, HUC is functioning according to the bylaws of Hope enterprise. Of course the university has its own operational and leadership manual, according to the manual and document analysis the management has three levels top, middle and low level of management; 16% among the total staff were included in top management 48% in the middle management the rest 36% were low level management. All level of managements was organized to function effectively and jointly for successful accomplishment of organizational mission.

Practice and problem of exercising organizational capacity development is the basic part of the summary accordingly, HUC was established on frame organizational foundation that it has strong organizational structure which defines the role of top, middle and low level managements. Besides, organizational structure and regulation of the organization identifies clear lines of authority and responsibility which is supported with administrative manuals.

The management of HUC contributed a lot for the effectiveness of OCD; the management encourages good use of information technology to support the activities of the organization, organized clear defined, communicated and well documented job description among sections

and departments. The management stated, transparent and competitive selection criteria and recruitment, ability to produce different reports timely with planned and desired quality.

Besides, the strength the management has clear defined problems such as involvement of staff is less in developing programs, there is low practice of organizing and exercising organizational learning and adapting clear plan for knowledge management, as well as expanding external relation, employees involvement in managerial activities are same of considerable problems in exercising organizational capacity development.

Hope University College has strong Human resource management practice that includes, there is well defined link exist between staff capacity and the college mission, staffs are encourage to take initiative and self- motivated, job description and job appraisals performance based and equitable all these documented and updated regularly finally, there are also, short comes in human resource management includes low training and development performance of the employees, no clear salary payment plan, human resource development plan is not matured, regular staff meeting is absent and finally there is shortage of manpower because of this there are many vacant places that needs additional employees.

Financial management practices of HUC has both strong and weak achievements, among the strong practices the college has strong budgeting plan process and which is integrated into strategic plan, there is defined financial procedures as well as reporting, internal and external auditing is conducted on regular basis and financial reports are summited regularly to concerned bodies, at the last the organization depends on external financial supports, the organization does not have diversified resources for meeting its long term financial needs, local fund resource and income generating activities are not yet planned.

Infrastructure management is another achievements and practices of the UC, where there correlation between physical and technological infrastructure, there is adequate physical infrastructure for the current organizational capacity development. Most buildings and offices equipped with necessary materials like computers, printers, other accessories and networked in all buildings. However few working areas share same important equipment's and materials. External relationship plan and practice shows that, HUC has strong practice of shared vision among stakeholders there is remarkable relationship with PHEIs and government

institutions but, there is lacks working relation with local and international NGOs and business sectors.

5.2. Conclusions

Based on the findings the following conclusions were developed. The ultimate goal of organizational capacity development is to enhance all rounded effectiveness of the organization. The effectiveness of the organization depends on the quality of leadership, management, strategic plan to carry out the vision and the mission of the organization. On the other hand success of the organization determined by the quality and quantity of human resource and internal and external relation as well as reliable financial resource and management.

The management and leaders are expected to know how to be effective in managing and defining the organizational vision, mission and other organizational strategic planning and monitoring the progress of each organizational department such as human resource, finance, social, legal and other related activities mainly internal as well external organizational relation.

In order to achieve relevant organizational tasks the management created conducive organizational climate, mobilize all necessary human and material resources. The efforts of all staff were a considerable input to enhance organizational capacity development. However, the

study revealed that most the management of HUC has given all necessary attention to increase the effects of organizational capacity development in all sphere of internal and external activates. Moreover, the strategic plan to enhance the organization along capacity development has effectively performed by the correlation efforts and participations of all stakeholders.

Furthermore, the study revealed that, organizational capacity development is a continuous process. The capacity of organization develops and changes itself according to the growing demand of stockholders. The development of science and technology affects overall systems of

the organization including human resource of the organization because human resources of the organization are the only forces to carry out organizational strategic plan.

Hope University College is the only non-profitable educational institution that works to promote the life of very poor young students who are unable to learn and get training with payment therefore, in order to achieve this basic humanitarian strategy the college planned to organize itself with the elements of OCD.

After intensive work and taking into consideration the strength and weakness in consideration has come up with the following conclusions were extracted as the result of the research. Top management levels of the college are well educated, experienced and committed to the vision and mission of the organization. However, because of lack of sufficient employees most activities were managed and centralized by few top management members. Because of these realities the management failed to be effective in exercising vision and mission of the organization.

The college does not have defined and clearly planned training program to develop the capacity of the management and non-management staff. Spontaneous and short term trainings were organized from donors without training need assessment of the staff. These show that training practice of the college was undefined and spontaneous by its nature.

The college does not have diversified fund sources. The current fund sources are from abroad which was from donors. Moreover, there was no planed strategy to strength local fund resources and other options on the other hand the organization did not established any relationship with private investors, companies and sectors, which might be the source of additional local resource to the organization. Moreover it seems that the organization does not have any strong desire and intention in mobilizing resources from local sources using various means like fund raising programs. Therefore,HUC dependent to donors support which may develop dependence to foreign aid rather than creating internal sustainable fund resource.

Infrastructure was one of the basic factors for successful management of organizational capacity development. HUC has organized and structured modern infrastructure and it has

impressive organizational culture, working environment and common working understanding. However, the management does not have sustainable plan to maintain achievements.

Finally HUC as HEI has interrelated challenges highly manifested in human management, sustainable fund resource, training, internal as well as external relationship development of infrastructure and organizing knowledge management these and other related challenges can bring destabilizations in leadership, shortage of fun and high turnover of employees.

5.3. Recommendations

Depending on the findings of the study and the conclusion derived so far, the following recommendations were forwarded to improve the effectiveness of the organizational capacity development of Hope University College.

1. Human resource management plays decisive role in order to enhance the effectiveness of the organizational capacity development. So, to realize the vision and the mission HUC needs strong working staff. Therefore, to overcome the shortage of its appropriate human needs the organization should recruit, select and staff new energetic staff, which will reduce work redundancies of the management.
2. The study revealed that payment of salary for the academic staff and employees needs to be revised. There is a gap of payment among the staff, which has influence on work motivation. Therefore, to reduce turnover and to increase work motivation among the staff, it is advisable to plan a clear and standardized salary payment or adjustment policy which helps the organization for sustainable human resource development.
3. To enhance the organizational effectiveness the organization needs to have clear human resource training and development plan. Therefore, provision of appropriate trainings based on training needs assessment will develop the capacity of the organization to remain competitive on the market and helps to reduce turnover of the employees.

4. Participation or involvement of staffs and employees in management decision promotes the quality of leadership. OCD needs broad participation of employees and stakeholders in the environment of administration affairs. Therefore, in order to achieve participation of the staff on management planned regular meetings are essential to discuss on work plans, accomplishments and constraints and sharing work experience among the staffs and provide them with the opportunities to be involved in management decisions.
5. Finance has strong power and influence to carry out strategic plan of the organization and sustainability of the organization depends upon strong financial potential. Fund from external donors may be one of the resources but, it may not be sufficient for organizational development. Therefore, HUC has to maintain sustainability and reliable external and internal fund sources, including income generating projects.
6. Infrastructure is an important aspect of organizational capacity development, organized physical and technical infrastructure helps the organization in promoting its plan. Therefore, the UC must plan for continuous expansion of both physical and technical infrastructure.
7. The effectiveness of organizational capacity development depends on knowledge management and organizational learning. Both knowledge management and organizational learning are pillars for sustainable development of the organization. Therefore, the management of the organization in order to achieve its organizational objectives, system of knowledge management and organizational learning must be planned and organized to meet the needs of the organization.
8. Organizational capacity assessment is an essential instrument to extend capacity development of the organization. Performance assessment and evaluation are the elements for strengthening of systems of the organization. Therefore, the management of the university college must organize continuous organizational performance assessment and evaluation plan.

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Appendix I
Addis Ababa University
School of Graduate studies college of education
Department of Educational planning and Management

A study title: - **“ The Effectiveness of Organizational Capacity Development at Hope University College”**

The purpose of this interview is using as an instrument to gather data so as to assess the organizational capacity development Therefore, your sincere frank and timely response is greater value for the final conclusion and recommendation of the study.

The researcher wants to assure you that in either part of this study the yourname won't be mentioned that it couldn't affect any body in any way. Besides through the research is conducted for the partial fulfillment of MA degree, your careful and honest response to the interview determines the success of the study and the researcher as well. Your answer will be kept confidential.

Remark: 1.No need to inform your name,

2. Failure not to answer the interview properly will heavily affect the study. So, it is great help to describe interview question related to your responsibility and work position.

Thank you and I appreciate your kindly cooperation

NB. Interview Questions Prepared to Top Level of Managements of Hope University College.

Section I Section-- Personal Data and General Information

Instruction I. Indicate your response either by using a tick mark “√” in the box provided or by giving short answers on the space provided.

1. Sex a. Male b. Female

2. Are you a. Married b. single c. divorce d. separate e. widowed

3. Age range: a. 20-25 b. 26-30 c. 31-35 d. 36-40
 e. 41-45 f.46-50 g. 51 and above

4. Academic qualification

 a. BA/BSC b.MA/MSC c. PhD

 d. If any other, specify

4. Your current position:- -----

5. Year of service

a. In the other organization-----

b. In the university College-----

6. By what mechanism you were appointed for the current position? -----

7. Employment status

a. permanent employee b. temporary employee c. contract

SectionII-Interview Questions

1. What are the basic practices and achievements of your organization?
2. What strategies were implemented for current achievements of your organizations?
3. How do you categorize the challenges of your organizations?
4. What are the prospective solutions for the challenges of the organization?
5. How did you conduct performance assessment?
6. What strategies were designed to enhance OCD?
7. Is there resource limitation for implementing objectives of the organization?
8. What strategic plans did you have to develop your financial resources?

Appendix II
Addis Ababa University
School of Graduate studies college of education
Department of Educational planning and Management

A study title: - **“ The Effectiveness of Organizational Capacity Development at Hope University College”**

The purpose of this interview is using as an instrument to gather data so as to assess the organizational capacity development Therefore, your sincere frank and timely response is greater value for the final conclusion and recommendation of the study.

The researcher wants to assure you that in either part of this study the yourname won't be mentioned that it couldn't affect any body in any way. Besides through the research is conducted for the partial fulfillment of MA degree, your careful and honest response to the interview determines the success of the study and the researcher as well. Your answer will be kept confidential.

Remark: 1.No need to inform your name,

2. Failure not to answer the interview properly will heavily affect the study. So, it is great help to describe interview question related to your responsibility and work position.

Thank you and I appreciate your kindly cooperation

NB. Interview Questions Prepared to Middle Level Management of Hope University College

Section I Section-- Personal Data and General Information

Instruction I. Indicate your response either by using a tick mark “√” in the box provided or by giving short answers on the space provided.

1. Sex a. Male b. Female

2. Are you a. Married b. single c. divorce d. separate e. widowed

3. Age range: a. 20-25 b. 26-30 c. 31-35 d. 36-40
 e. 41-45 f.46-50 g. 51 and above

4. Academic qualification

 a. BA/BSC b.MA/MSC c. PhD

 d. If any other, specify

4. Your current position:- -----

5. Year of service

a. In the other organization-----

b. In the university College-----

6. By what mechanism you were appointed for the current position? -----

7. Employment status

a. permanent employee b. temporary employee c. contract

Section II-Interview Questions

1. What basic problems did you observe related to leadership and management of the your organization?
2. Did the management allow other level of management to participate in administrative affairs?
3. What problems did think are most challenging to your organization?
4. What were the attitudes of the management towards human resource management?
5. What suggestions did you propose to make OCD more effective?

Appendix III
Addis Ababa University
School of Graduate studies college of education
Department of Educational planning and Management

A study title: - **“ The Effectiveness of Organizational Capacity Development at Hope University College”**

The purpose of this interview is using as an instrument to gather data so as to assess the organizational capacity development Therefore, your sincere frank and timely response is greater value for the final conclusion and recommendation of the study.

The researcher wants to assure you that in either part of this study the yourname won't be mentioned that it couldn't affect any body in any way. Besides through the research is conducted for the partial fulfillment of MA degree, your careful and honest response to the interview determines the success of the study and the researcher as well. Your answer will be kept confidential.

Remark: 1.No need to inform your name,

2. Failure not to answer the interview properly will heavily affect the study. So, it is great help to describe interview question related to your responsibility and work position.

Thank you and I appreciate your kindly cooperation

NB. Interview Questions Prepared to Low Level Managements of Hope University College

Section I Section-- Personal data and general information

Instruction I. Indicate your response either by using a tick mark “√” in the box provided or by giving short answers on the space provided.

1. Sex a. Male b. Female

2. Are you a. Married b. single c. divorce d. separate e. widowed

3. Age range: a. 20-25 b. 26-30 c. 31-35 d. 36-40

 e. 41-45 f.46-50 g. 51 and above

4. Academic qualification

 a. BA/BSC b.MA/MSc c. PhD

 d. If any other, specify

4. Your current position:- -----

5. Year of service

a. In the other organization-----

b. In the university College-----

6. By what mechanism you were appointed for the current position? -----

7. Employment status

a. permanent employee b. temporary employee c. contract

Section II-Interview Questions

1. What achievements did you observe in your organization?
2. Did you have training and development opportunity? If yes for how long?
3. Did the management participate you to discuss the problems of the organization?
4. How did explain your relation to the management and to the other staffs?
5. Did you know basic documents of your organization?

DECLARATION

I, the undersigned, declare that this thesis is my original work and has not been presented for any other university and that all sources of materials used for these have been duly acknowledged.

Name: AsnakeGorfu

Signature: _____

Place and date of submission: Addis Ababa University, Ethiopia, June 2014

Dr. BefekaduZelege _____

Advisor

Signature

Date