A CAPACIDADE ADMINISTRATIVA NO ECOSISTEMA DAS POLÍTICAS ESTRUTURAIS
Administrative Capacity Building in Structural Policies Ecosystem

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ADMINISTRATIVE CAPACITY AND COHESION POLICY: WHAT DO WE KNOW?

John Bachtler
European Policies Research Centre
"When I use a word, it means just what I choose it to mean—neither more nor less."

"The question is, which is to be master—that's all."

"The question is, whether you can make words mean so many different things."

Lewis Carroll, *Through the Looking-Glass* (1934)
Administrative capacity: what does it mean?

“The ability to perform functions, solve problems and set and achieve objectives” (OECD 2003)

“Administrative capacity cannot be directly observed, it is intuited to exist due to inadequately explained events, and its values are estimated indirectly via formative or reflective indicators” (Addison 2009)
# Administrative capacity: what does it mean?

<table>
<thead>
<tr>
<th>Category</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resources</td>
<td>Laws, mechanisms or structures in place (also stocks)</td>
</tr>
<tr>
<td>Capabilities</td>
<td>Operationalisation of tasks</td>
</tr>
<tr>
<td>Efficiency</td>
<td>How well the tasks are fulfilled (gaps, deficits in their operation)</td>
</tr>
<tr>
<td>Effectiveness</td>
<td>Performance of tasks in relation to objectives/outcomes</td>
</tr>
<tr>
<td>Relationships</td>
<td>The way individuals and organisations interact (e.g. collaboration, coordination)</td>
</tr>
<tr>
<td>Systems</td>
<td>How the organisational system as a whole operates to meet its goals</td>
</tr>
<tr>
<td>Culture</td>
<td>The shared values, beliefs and assumptions of those in the system</td>
</tr>
<tr>
<td>Other?</td>
<td></td>
</tr>
</tbody>
</table>
Administrative capacity: A complex factor chain

**Institutions**
1. Constitutional system
2. Social conflict potential
3. Administrative and judicial quality
4. Economic institutions
5. Educational system
6. Social system
7. Innovation potential

**Quality of government**
1. Legal framework
2. Transparency
3. Responsiveness
4. Consultation
5. Inclusiveness
6. Effectiveness and efficiency
7. Accountability
8. Participation

Administrative capacity
What do we know?
Why does administrative capacity matter?

**Effective implementation of Cohesion Policy**
- absorption correlates positively with government quality
- regularity and outcomes of spending also influenced positively

**Quality of spending**
- institutional capacity ➔ more effective use of Funds
- low institutional capacity (especially at local level) is associated with fewer and poorer projects

**Economic performance**
- government quality especially human capital, absence of corruption is a determinant of economic growth
Which factors make a difference?

**Internal factors**
- human resources – qualified staff, training, turnover, incentive systems
- organisational structures – allocation of tasks, cooperation, coordination
- resources, ICT
- systems & tools – management by objectives, performance audit
- leadership – goal setting, vision, motivation, collective commitment
- openness to external knowledge – advice, networks

**External factors**
- quality of public administration
- legal stability / regulatory quality
- centralisation / decentralisation
- political influence – stability, leadership & commitment, ideology/interests
- economic influence
- beneficiaries’ capacity
Which factors make a difference to implementation?

**Internal factors**
- Leadership quality
- Cooperation with external partners
- Human resources available
- Organisational structure
- Performance management systems
- Quality of consultants
- ICT resources

**External factors**
- Overall economic environment
- Beneficiaries' capacity
- Quality of public administration
- Quality of regulatory environment
- Political influence

The diagram shows a scale from very negative (1) to very positive (5), indicating the relative impact of these factors on implementation.
Which aspects of administrative capacity matter?

<table>
<thead>
<tr>
<th>Aspect of Administrative Capacity</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership quality within the organisation</td>
<td>4.07</td>
</tr>
<tr>
<td>Cooperation and coordination with key external partners</td>
<td>3.98</td>
</tr>
<tr>
<td>Human resources available to the organisation</td>
<td>3.63</td>
</tr>
<tr>
<td>Organisational structures</td>
<td>3.39</td>
</tr>
<tr>
<td>ICT resources available to manage programmes</td>
<td>3.39</td>
</tr>
<tr>
<td>Management systems for tracking performance</td>
<td>3.37</td>
</tr>
<tr>
<td>Quality of consultants and sub-contractors delivering tasks</td>
<td>3.33</td>
</tr>
<tr>
<td>Overall economic environment</td>
<td>3.10</td>
</tr>
<tr>
<td>Final beneficiaries capacity to prepare and deliver projects</td>
<td>3.07</td>
</tr>
<tr>
<td>Overall quality of the national public administration</td>
<td>2.97</td>
</tr>
<tr>
<td>Quality of the regulatory regime in specific sectors</td>
<td>2.76</td>
</tr>
<tr>
<td>Political influence on decision making</td>
<td>2.70</td>
</tr>
</tbody>
</table>
### Variation in influence of factors across the EU

#### Rankings of factors

<table>
<thead>
<tr>
<th>Factor</th>
<th>Overall</th>
<th>EU 15</th>
<th>EU 13</th>
<th>Less dev</th>
<th>More dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership quality within the organisation</td>
<td>4.07</td>
<td>4.41</td>
<td>3.79</td>
<td>3.82</td>
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<tr>
<td>Cooperation and coordination with key external partners</td>
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<td>3.83</td>
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<td>3.54</td>
<td>3.63</td>
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<td>Organisational structures</td>
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<td>3.54</td>
<td>3.29</td>
<td>3.43</td>
<td>3.61</td>
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<tr>
<td>ICT resources available to manage programmes</td>
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<td>3.63</td>
<td>3.20</td>
<td>3.32</td>
<td>3.68</td>
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<tr>
<td>Management systems for tracking performance</td>
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<td>3.37</td>
<td>3.38</td>
<td>3.36</td>
<td>3.42</td>
</tr>
<tr>
<td>Quality of consultants and sub-contractors delivering tasks</td>
<td>3.33</td>
<td>3.62</td>
<td>3.11</td>
<td>3.11</td>
<td>3.61</td>
</tr>
<tr>
<td>Overall economic environment</td>
<td>3.10</td>
<td>3.04</td>
<td>3.14</td>
<td>3.04</td>
<td>3.33</td>
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<tr>
<td>Final beneficiaries capacity to prepare and deliver projects</td>
<td>3.07</td>
<td>3.15</td>
<td>3.00</td>
<td>2.71</td>
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<tr>
<td>Overall quality of the national public administration</td>
<td>2.97</td>
<td>3.38</td>
<td>2.66</td>
<td>2.71</td>
<td>3.67</td>
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<tr>
<td>Quality of the regulatory regime in specific sectors</td>
<td>2.76</td>
<td>2.83</td>
<td>2.71</td>
<td>2.52</td>
<td>3.25</td>
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<tr>
<td>Political influence on decision making</td>
<td>2.70</td>
<td>3.04</td>
<td>2.42</td>
<td>2.31</td>
<td>3.18</td>
</tr>
</tbody>
</table>
What is the influence of ‘leadership’?
Stability and experience, goal setting and motivation, feedback

Leadership attributes
- stability (low turnover) of management team
- clear goals and task division
- staff promotion system
- feedback and reflection
- stimuli for learning and performance
- policy brokerage / entrepreneurship
- external knowledge exchange

Associated with:
- better quality of programmes
- better quality of systems (esp. monitoring & evaluation)
- higher staff morale / motivation
- greater adaptive and networking capacity
WHAT KINDS OF ADMINISTRATIVE CAPACITY-BUILDING WORK?

- Leadership - ACB responsibility
- Resources for ACB
- Implementation - well-managed ACB
- Team involvement
- Common diagnosis
- Shared vision of ACB needs
- Timing of ACB
- Stakeholder involvement
- Monitoring & follow-up
- External support

Leadership, resources and sound planning are fundamental to successful administrative capacity-building.
**What kinds of administrative capacity-building work?**

**Value of external sources**

<table>
<thead>
<tr>
<th>Source</th>
<th>Overall</th>
<th>EU 15</th>
<th>EU 13</th>
<th>Less dev</th>
<th>More dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>European Commission</td>
<td>3.85</td>
<td>3.89</td>
<td>3.83</td>
<td>3.82</td>
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<tr>
<td>External training providers</td>
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<td>3.44</td>
<td>3.29</td>
<td>3.41</td>
<td>3.61</td>
</tr>
<tr>
<td>National peer organisations</td>
<td>3.34</td>
<td>3.74</td>
<td>3.09</td>
<td>3.29</td>
<td>3.60</td>
</tr>
<tr>
<td>External consultants</td>
<td>3.14</td>
<td>3.29</td>
<td>3.03</td>
<td>3.04</td>
<td>3.35</td>
</tr>
<tr>
<td>European peer organisations</td>
<td>3.12</td>
<td>3.22</td>
<td>3.06</td>
<td>3.11</td>
<td>3.00</td>
</tr>
<tr>
<td>European Institute of Public Administration (EIPA)</td>
<td>2.79</td>
<td>2.68</td>
<td>2.87</td>
<td>2.74</td>
<td>2.60</td>
</tr>
<tr>
<td>Academic institutions</td>
<td>2.72</td>
<td>2.74</td>
<td>2.71</td>
<td>2.96</td>
<td>2.53</td>
</tr>
<tr>
<td>NGOs</td>
<td>2.54</td>
<td>2.36</td>
<td>2.66</td>
<td>2.79</td>
<td>2.33</td>
</tr>
</tbody>
</table>
What can be done to build administrative capacity?
OECD Analytical Framework for Administrative Capacity-Building, 2020

- Stability in personnel
- Low organisational complexity
- Application of systems, tools
- Culture of evidence, openness
- Gaps in skills, competences
- Learning & development tools
- Performance management
- Leadership and motivation
- Clear regulatory and legislative framework
- Transparency and accountability
- Enabling fiscal framework
- Eco-system approach
- Whole investment cycle
- Inclusion of external actors and private sector
- Stability in personnel
- Low organisational complexity
- Application of systems, tools
- Culture of evidence, openness
- Gaps in skills, competences
- Learning & development tools
- Performance management
- Leadership and motivation

.....and learn from others!
OBRIGADO | THANK YOU

Professor John Bachtler
European Policies Research Centre
john.bachtler@strath.ac.uk
John.bachtler@eprcdelft.eu