The practice of Institutional Capacity Building: A study of Dhaka city corporations in Bangladesh

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Abstract: **The study uncovered the practices and perspectives in building institutional capacity in urban governance in Bangladesh. The study conceptualized the institutional capacity building in the context of the city corporation governance of Dhaka in terms of organizational capacity, strategic capacity and organizational learning. The study collected qualitative data through interviewing concerned personnel from three categories including strategic policymakers, middle line manager and techno-structure urban planners working in city corporations. The study concluded that city corporations in the capital city of Bangladesh have a poor understanding of the theories and practices of institutional capacity building and the role of its strategic apex. Consequently, city corporations are not yet fully capable of ensuring efficient governance and effective service delivery for various practical barriers. The study suggests that the city corporations in Dhaka need to understand the importance of institutional capacity building process in general and the role of its strategic apex in terms of organizational capacity, policy capacity and learning capacity.**

Keywords: **Institutional Capacity, Dhaka City Corporations and Bangladesh.**

1. INTRODUCTION

Weak institutional capacity reduces efficiency and make urban governance ineffective in Bangladesh. Institutional context in which urban organizations and individuals operate is therefore important (Alam, 2016). In Bangladesh, municipal bodies are called 'Pourashavas' and City Corporations as urban governance agents responsible for providing municipal services in urban areas. In the capital, Dhaka has two city corporations (CCs) working; Dhaka North City corporation (DNCC) and Dhaka South City Corporation (DSCC). These two city corporations have 90 wards under 10 administrative zones five zones for each. Dhaka North City Corporation (DNCC) works for 36 wards and Dhaka South City Corporation (DSCC) works for 54 Wards. According to ordinance, city corporations are run by mayors and ward commissioners and reserved female representatives. Accordingly, city corporations in Dhaka have 02 mayors, 120 ward commissioners and 30 female commissioners. The mayors and commissioners are directly elected by vote. Thirty reserved women commissioners are elected in a prescribed manner from a list of female candidates. The institutional head of city corporations is the mayor (DCC, 2014). City corporations are governed through the council which is comprised of the mayor and ward commissioners for five years' tenure. The council lies at the apex of the corporation governance structure. The formulation of policies and strategies, approving the annual budget, undertaking development schemes and executing projects and programs are the main responsibilities of the council in City Corporation (Alam, 2016).

City corporations in Dhaka are autonomous body, but they suffer from a capacity crisis in governance (Alam, 2016). One dimension of the crisis is the inherent weakness of the Dhaka City Corporation itself due to its institutional and management deficiencies, personnel and capacity deficiencies, and resource constraints (Khan, et al 2000). The study identified that the city corporations in Dhaka suffer from a huge number of problems such as weak administrative capacity, poor human resources quality, lack of commitment and integration, shortage of financial resources and little public participation, inefficiency and corruption (Ahmed 1999, p. 4). Consequently, the city corporations in Dhaka have apparently failed to provide satisfactory conservancy services to residents (Alam, 2016).

This study explored existing practices and crisis in building institutional capacity in the governance of city corporations in Dhaka towards promoting their governance and service delivery. Therefore, the study firstly provided conceptual understanding of institutional capacity building. Secondly, it analyzed the perspectives on the practices and crisis of institutional capacity from personnel's point of views in the case of city corporations in Dhaka. Finally, study concluded with a theoretical framework of the contextual institutional capacity building body towards contributing new knowledge and policy framework in the urban governance in Bangladesh.

2. MATERIALS AND METHODS

The data has been collected through conducting qualitative interview following a case study approach from Dhaka North and South City Corporations in Bangladesh. The data of this paper were mainly collected during 2015 for my PhD study, which was defended on November 2016. Qualitative interview covered a total of 26 respondents from three categories following the organization structure of Mintzberg (1979) such as strategic apex, middle-line, and techno-structures. The strategic apex is charged with the overall responsibility of organization and for the development of the organization's strategy. Middle-line managers, are senior managers just below the strategic apex to the first-line supervisor, perform all the managerial roles of the chief executive in their own unit. Techno-structures, comprising analysts and highly trained specialists, serve the organization by affecting the work of others. Uncovering the perspectives and barriers in institutional capacity building, these peoples are important sources to find the answers towards highlighting the academic role on the issues. This study has also used secondary data through consulting the available literature, published articles and reports related to the City Corporations and solid waste management in Dhaka.

3. CONCEPTS OF INSTITUTIONAL CAPACITY BUILDING

organizational capacity, strategic capacity and learning capacity perspectives

Institutional capacity is a broad concept which is concerned with empowerment, social capital, and an enabling environment in organization including culture, values and power relations (OECD, 2000; Fukuda-Parr, 2002; GEF-UNDP, 2000). According to the agenda 21 (UNCED, 1992), capacity building 'encompasses… human, scientific, technological, organizational, and institutional and resource capabilities'. Brown (2004) defines the intra organization development as institutional capacity. The institutional capacity building in the context of urban governance in Bangladesh relate to; (i) the creation of an enabling environment with appropriate policy and legal frameworks; (ii) institutional development; and (iii) human resources development and strengthening of managerial systems (Alam, 2016). This study operationalized institutional capacity in terms of organizational including financial and technical capacity, strategy and policy capacity and learning capacity.

Organizational capacity is the ability of organization to fulfill its goal (Eisinger, 2002, p. 117). To Gargan (1980, p. 652), organizational capacity as the ability of an organization 'to do what it wants to do'. Ingraham, Joyce et al. (2003) argue that organizational capacity is concerned with "the extent to which a government has the right resources in the right place at the right time". There is no consensus in the literature about the constitution of organizational capacity. However, the concept has been interpreted from three perspectives; (i) The resources perspective - inputs for production and attracting human, financial and technical resources (Honadle, 1981; Wernerfelt, 1984; Barney, 1991; Fredrickson & London, 2000; Ingraham et al., 2003; Christensen & Gazley, 2008). (ii) The capability perspective - the ability to absorb, mobilize resources, specify ways for capacity to be utilized and transform input for outputs (Honadle, 1981; Teece et al., 1997; Ingraham et al., 2003; Helfat & Fredrickson, 2007; Harvey et al., 2010). (iii) The competency perspective - organizational effectiveness and performance (Ingraham et al., 2003; Bryson, 2004; Sowa et al., 2004; O'Toole & Meire, 2010).

Strategic capacity is an integral part of institutional capacity building. Strategic capacity stands for the various ways in which governance institutions learn about their environment, through which learning and understandings are spread throughout the governance network and the network's ability to translate into selection of strategic choices and importantly, action (Leibovits, Bailey, & Turok, 2001). The concept 'strategic governance' is also described as a dynamic process of policy creation, political and administrative practices. This process reflects interactions between multiple social and economic groups with different interests. It specially searches for a sustainable orientation and social contract(s) that make counterbalance among long-term interests of the entire society even for the generations in future (Potucek et al., 2004). Strategic capacity has also been defined as a 'strategic capability' which refers the ability to make decisions about on what to focus in urban economic development in the long term, and thus to set the strategic direction for development efforts (Sotarauta, 2004, p. 46). A study has identified several indicators of strategic capacity in urban governance. (i) The process by which an individual organization learns. (ii) The creation of shared understanding and common conceptions of problems. (iii) The mobilization of common conceptions and understanding in the process of agenda setting. (iv) The capacity to engage in action that is consistent with evidence-based policy goals; and (v) the ability to engage in strategic learning by monitoring and evaluating policy outcomes (Leibovitz et al., 2001, p. 10).

Organizational learning capacity is one of the important factors in improving institutional capacity. Schechter (2008, p. 157) states "learning has utmost importance for organizations to achieve their professional mission". According to Grant (1996), what an organization knows and how well an organization is able to use knowledge determines strategic successes and failures in governance. Scholars argue that an organization's performance also depends on its ability to generate, combine, recombine and exploit what it has learned (Kogut & Zander, 1992). Learning can be perceived as dependent and independent variables for organization (Getz, 1997; Shpilberg, 1997). As an independent variable, learning affects the activities, structures and strategies performed by the organization. As a dependent variable, learning detects the outcomes in organizational process. Organizational learning as a capacity within an organization is concerned with knowledge acquisition (the development or creation of skills, insights, relationships), knowledge sharing (the dissemination to others of what has been acquired by some), knowledge utilization (integration of the learning so that it is assimilated), and generalize the new situations (Huber, 1991 cited in Dibella et al., 1996, p. 363).

4. INSTITUTIONAL CAPACITY BUILDING IN CITY CORPORATIONS IN DHAKA

organizational perspectives

In the context of urban governance in Bangladesh, this study assessed the perspectives of institutional capacity in the context of city corporation in Dhaka in terms of organizational capacity, strategic capacity and learning capacity. The main question of this investigation was 'how does institutional capacity create, manage and evaluate in the city corporations in Dhaka? The main question was divided again into three categories based on three themes of study and respondents were asked accordingly; (i) how do you evaluate existing organizational capacity of corporations? (ii) how do you analyze the strategic and policy capacity of corporations? And (iii) how do city corporations create learning mechanisms and learn? The opinions of respondents analyzed thematically through inductive approach arguing that qualitative analysis is led by an inductive approach (Strauss & Corbin, 1998 cited in Alam, 2016). as because of the data leads analysis of this study. The respondents number and types were following;

Table 1: categories of respondents

Strategic apex	Middle lines	Technocrats	Total
14	10	02	26
Mayor, secretary, chief executive officer and word commissioners	Conservancy, engineer, public health, estate, transport, accounts, administration and establishment	Town or urban planner	

4.1 Organizational capacity

To the question - how do you evaluate existing organizational capacity of corporations, the answers of respondents were diverse and descriptive. However, their opinion shed light on the existing organizational capacity of the city corporations. Responses indicated that the existing organizational capacity - in terms of structure, bureaucratic process, human and

technological resources – are insufficient and inadequate. According to them, city corporations in Dhaka appear unable to improve governance and its service delivery capacity. For a thematic analysis, responses were categorized into different groups and analyzed accordingly: organizational structure, financial dependency, technical and resources capacity and political interference and corruption. Major opinions about organizational capacity mentioned in table2;

Table 2: findings on organizational capacity

Strategic apex	Middle lines	Technocrats
- Capable in terms of structure - Resource constraints - Problems in Coordination with central government agents - Scarcity of budget - political interference	- Resources, skills & logistics are in huge crisis -Bureaucratic process is complex and lengthy that hindrance implementation - financial dependency on central government	- Bureaucratic structure hindrance organization performance - Crisis in technology, resources, logistics - Lacking action plans according to financial and resource capacity - corruption limits the performance of organization

4.1.1 Bureaucratic organizational structure

The organizational structure determines the governance process and reflects how governance efficiency effects service delivery. From an organizational point of view, the study found the city corporations is a highly bureaucratic organization like other public organizations in Bangladesh. Strategic respondents viewed that the City Corporations have a good hierarchy to direct, command and govern its affairs through organizational process. However, the coordination with central governmental agents is problematic and limitation in organization capacity. Managerial officials who are in the middle line of the corporations identified a bureaucratic process, lack of skilled staff, technical resources and financial dependency are the main factor for the existing crisis in organizational capacity. On the other hand, the views of technocrat officials are; bureaucratic organizational structure appears to hinder the effectiveness of corporations as an urban municipal government agent in general and organizational capacity for service delivery. They identified in addition the technical and technological resource crisis, lack of action plans and wide spread corruption are existing challenges towards improving the capacity of the city corporations.

4.1.2 Scarcity in Financial resources

Financial capacity is one of the most important factors in ensuring organizational capacity; particularly for strengthening institutional capacity. The crisis in financial capacity in the city corporations in Dhaka seriously hindrance to its organizational capacity. Interviewee of all the categories – strategic, middle line and technocrat viewed that corporations have financial deficiency. They lack about 50% of its budget requirements. City corporations depend on central government funding. The central government funding is procedurally lengthy and influenced by bureaucrats. The ministry of local government engineering and development (LGED) is a government agent for coordinating the local governance, dominates the governance of city corporations in Dhaka.

4.1.3 Technical and resource scarcity

Technological and resource capacity have immense affect in expediting organizational capacity. For efficient governance and effective service delivery, organizations demand the required and appropriate skills, technological supports, and logistics. In city corporations in Dhaka, financial deficiency is particularly the cause for the scarcity of technological, logistical, and resource capacity according to the respondents under study. However, they identified other factors also involved for resource scarcity like; lack of strategic plan for resources and crisis in leadership. Consequently, city corporations in Dhaka could not utilize their existing resource properly and initiate to increase technical and resources capacity.

4.1.4 Political interference and corruption

Political interference and corruption in the utilization of financial resources are also big challenges and create financial scarcity in city corporations in Dhaka. According to the respondents, political interference and corruption have adverse effect on organizational capacity and governance performance. Central government interference in the city corporation in the form of political patronage. City corporations require proper administrative, political and legal initiatives to reduce political interference and corruption.

4.2 Strategic capacity

The study considers strategic capacity in city corporations in Dhaka pertaining to existing policies and strategies. The study asked respondents 'how do you analyze strategic capacity in city corporations?' According to the respondents, in corporations there are many strategies and policies. However, appropriateness and applicability on context of those in question for the reason of policy and strategy formulation practices. Their responses were thematically grouped for analysis; (i) the existence of strategic and policy gaps; (ii) complex coordination in resource mobilization; and (iii) crisis in strategic and policy implementation. The detailed findings are as follows table3:

Table 3: findings on strategic and policy capacity

Strategic apex	Middle Line	technocrat
- so many policies and strategies but not appropriate in context - Coordination strategy gaps exist - Require explicit policies - financial crisis limits policy implementation	- Lacking implementation strategy & action plan - Crisis in getting management decision - no established mechanism for coordination and resource mobilization	- strategies and policies based on government instructions and political agenda. - Implementation strategy not appropriate - No provision for existing resource Utilization strategy - absence of implementation plan corruption are problems

4.2.1 Gaps in Strategies and policies

Strategic capacity plays an enormous role in speeding up institutional capacity building in organizations. Through this capacity, organization identify gaps, configure overall resources and create appropriate strategies for achieving organizational policy objectives. The city corporations in Dhaka is not yet institutionally capable from a strategic capacity perspective, and suffers from huge strategic and policy gaps. When implementing programs and plans, managers sometimes face this strategic crisis. In these situations, they implement policies through management decisions. The strategies and policies are formulated mostly based on government instruction and political agendas, not for contextual demands. As a result, current strategies and policies are frequently ineffective.

4.2.2 Complexity in Coordination for resources mobilization and utilization

At least 40 other public agents working in city corporation's jurisdiction provide central government services. Corporations abide by the law to coordinate and compile available rules, policies and strategies when formulating and implementing new policies and strategies. City corporations face a multiplicity of problems in coordinating with central government agents. Strategic coordination problem has adverse effects in mobilizing other resources and the utilization of policies and strategies as well. City corporations in Dhaka need a broader strategy for coordinating with other agents to mobilize resources and implement its internal policies and strategic decisions effectively. However, respondents indicated that city corporations have been working in formulating coordinating strategies with the assistance of international organizations.

4.2.3 Crisis in strategic and policy implementation

The study found that most existing strategies and policies are not implemented effectively because of administrative, political and financial reasons. The failure to implement policy strategically weakens institutional capacity. The city corporations in Dhaka need a strategy to implement its existing policies and resources more effectively. Owing to its limited financial and organizational capacity, corporations still do not have a proper strategic plan to maximize existing resources, logistics and strategies. In addition, the contextual usefulness and applicability of existing strategies and polices in city corporations are also questionable. According to the respondents' opinion, financial constraints, political interference and corruption have left many strategies un-implemented. For appropriate institutional capacity building, the city corporations in Dhaka should prioritize the practice of strategic decision making based on its apex instead of central government reliance.

4.3 Organizational learning

Organizational learning plays significant role in institutional capacity building through contextually assimilating new learning for policy and strategic renewal. Respondents were asked 'How does the city corporations learn, renew and evaluate its learning?' Responses reflected a diverse range of opinions. In some cases, interviewees were cases mystified by the concept of organizational learning. Interviewee Responses were coded into three groups: (i) training for skill development; (ii) information exchange; and (iii) absence of evaluation mechanism. The study suggests that city corporations in Dhaka do not emphasize learning due to a lack of conceptual understanding of its importance. The perspectives of organizational learnings were found as following:

Table 4: findings on learning capacity

Strategic apex	Middle line	Technocrats	Dominant finings
- Foundation training, - Mainly On job but outside trainings are also arranged - Experience sharing	- Foundation training - On job training & few outside training	- Foundation training - on job & outside training	Learning by doing
- No evaluation mechanism - projects & program evaluation reports	- No mechanism internal work - Projects has external evaluation provision	- No mechanism - Projects has external evaluation provision	Absence of sustainable evaluation mechanism

4.3.1 Training for skill development

City Corporations in Dhaka have provisions of training for skill development of their staffs. Generally, they organize orientation training for a short period. Through this training, corporations provide the basic idea of duties, responsibilities and organizational rules and regulations. After receiving orientation training, staff take their office and learn more on-the-job. The City Corporations in Dhaka prioritize on job-the-job training. After holding office, the staff is further trained by senior supervisors if necessary. Mostly, staff learn throughout their professional lives. The practice of on job training is not planned but if staff need assistance, they can ask their supervisor. For professional skill development, city corporations in Dhaka also organize training sometimes at home or abroad. Besides, the central government also provides various training opportunities to the corporation staffs with other government staffs. However, professional training for skill development at home and abroad is inadequate relative to the demands of organization.

4.3.2 Information exchange

According to the personnel's opinion, city corporations' officials generally exchange and disseminate information, ideas and personal experiences. City corporations also organize monthly, quarterly, half-yearly and yearly programs and projects meetings where staffs could learn from each other through sharing ideas, experiences and challenges at work. In addition, staff with training from abroad share their learning and experiences through short presentation in their concerned department.

4.3.3 No mechanism for learning evaluation

City corporations in Dhaka have no formal mechanism for learning evaluation and reviewing learning feedback. Learning evaluation is still insignificant in governance processes due to the lack of proper understanding the role of learning in improving organizational capacity. City Corporations in Dhaka considers learning only as a tool for individual staff development. Learning does not receive much priority in the context of institutional capacity building. The study found that officials are unaware that learning may affect strategic practices and ensure appropriate strategic choices. City corporations in Dhaka should prioritize organizational development towards institutional capacity building by renewing its policies, strategies and management decisions.

5. CONCLUSION

Based on the perspectives of three categories personnel, the study concluded that the city corporations in Dhaka have yet to properly understand the importance of institutional capacity building and the role of organizational perspectives like organizational capacity, policy capacity and learning capacity. From an organizational capacity perspective, the practical

barriers in institutional capacity building are the highly bureaucratic organizational structure, central government control, financial dependence, a lack of proper planning for existing resource utilization, a technological and resource capacity crisis, weak leadership, political interference and widespread corruption. These factors negatively affect governance efficiency and service delivery. To minimize practical barriers to build institutional capacity, city corporations require effective administrative, political and legal initiatives. From policy capacity perspective, city corporations have limited capacity. Existing strategies and policies are in most cases inappropriate and useless in context. Central government instruction, guidance and control of strategic decisions were found to be the reasons for strategic ineffectiveness. Financial constraints, political interference and corruption are found to be great barrier of most of the strategies and policies to be implemented. City corporations should prioritize the improvement of its strategic capacity. The study revealed that organizational learning does not get priority in strategic practices and management decisions. City Corporations in Dhaka considers learning only as a tool for individual staff development. They do not have any learning evaluation mechanisms, nor does it properly understand the meaning of learning in an organizational context. Consequently, city corporations' officials were found to be unaware of learning effects in strategic practices and choices. Therefore, the study suggests that city corporations should prioritize learning as a dependent variable for organizational development for improving institutional capacity. For these practical organizational barriers, the city corporations in Dhaka not yet fully capable of ensuring efficient governance and effective service delivery. However, institutional capacity building is a continuous process. City corporations must acknowledge and emphasize the importance of institutional capacity in its policy formulation practices.

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