



African Leadership Excellence Academy

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Centre for Institutional Building and Economic Transformation (CIBET)

1. Introduction

A leadership development programme is a typical leadership development tool that builds the leadership skills and capabilities of leaders to excel in their careers, leadership roles, and organizations. The programme enables leaders to achieve short-, medium-, and long-term goals set by the institution or organization they lead by continuously improving their attitude, skills, and leadership style and is a strategy to create the next generation of qualified leaders. Leadership Development Programme, CCL

According to international experience, international organizations in developed countries invest more than 60 billion dollars annually for the implementation of leadership development programs. According to the research findings of the scholars in the field the implementation of the programme, has enabled leaders to make a big impact on their lives and workplaces, and it has enabled them to acquire the mental readiness and skills to effectively lead institutional change and transformation. Apart from this, it was also included in the findings of the study that the employees, groups, and institutions they are led by have developed leadership skills that will allow them to lead their work daily and give them competent leadership. (Harvard, Business Review)

In general, the ability of these countries to create a generation of qualified leaders through their leadership development programmes not only enabled institutions to find their right leaders but also allowed them to record continuous macroeconomic growth, improve the lives of their citizens, strengthen their democratic system building process, spread social justice, and generally make their nation-state building work successful.

Africa has traditionally been the birthplace of great leadership, historians say. The continent's contribution to leadership philosophy is remarkable, including Nelson Mandela, Kwame Nkrumah, Steve Biko, and Julius Nyerere, to name a few. To cite two examples, Africa was the birthplace of Ubuntu, a shared belief in universal humanity that unites all human beings, and Satyagraha and Gandhi were able to embody the leadership philosophy and teachings developed while living in Africa. Both are known worldwide.

However, it is believed that it is not possible to produce international African leaders and create strong institutions in the process.

The studies conducted on the continent also confirm that the need for effective leadership and strategic leadership development is growing on the continent, but the work of creating competent leadership in practice is not being done properly. It indicates that many African leaders are underperforming in terms of their capabilities and leadership skills compared to leaders in developed countries and need to improve their capabilities. Leadership Development Inside-Out in Africa, Research Gate

Apart from this, there are currently global signs that could trigger the Third World War, and it can be understood that the continent has great limitations in understanding these signs, predicting the coming world, and carrying out the leadership development activities that make it ready for this.

Therefore, the Academy has designed a programme to alleviate this national and regional leadership development problem. He has also prepared fourteen projects to effectively implement the programmeme, and if this leadership development programmeme and the fourteen projects included in it can be effectively carried

out, the African Leadership Excellence Academy will be built as a source of pride for the continent and Ethiopia by expanding institutional reform and doing transformational work.

One of the strategies to achieve the framework of the leadership development programme is to establish centres to implement projects, and the main purpose of these centres is to serve as institutions to carry out research, capacity building, and consulting services that achieve the mission of the academy by bringing national and continental cultural change according to the leadership development programme. . These seven centres to be established will have their own leadership and senior experts (professors), buildings with modern and complete facilities, research and training centres, offices, dormitories, an adequate budget, and, in general, human resources, infrastructure, and other resources necessary for their work.

2. The concept and importance of institution-building

Institutions have a broad meaning, but the main point is that they are the basic organisations that make every part of society live according to the conditions and rules that they know and should know, so that society's daily or long-term life can be valued. Some experts in the field say that an organisation or an institution is a unity of people who have come together to work together to achieve a common goal. They indicate that they are a group of people who stand to achieve a goal, are purposefully created, and change according to need. Institutions and organisations have different characteristics, and the most important of them is that all organisations are created by people; they have their own goals and objectives, members who perform various tasks to achieve their goals and objectives, their own leaders, and they strive for the continuous success of their goals. Therefore,

institutions and organisations can be divided into two domains: public-social and economic organisations, in terms of their purpose and function.

Accordingly, economic organisations are for-profit organisations that provide various goods and services for a fee. Civil-social organisations include the following: Religious—established to satisfy the religious needs of individuals; Service-providing organisations: these are non-profit organisations whose main purpose is to provide services without asking for full payment to satisfy people's needs (these may include charitable organisations, educational and health institutions, etc.); peace and security institutions: whose main purpose is to protect the safety of society (these include police, defense, and others) when such institutions exist; Social organisations are those that help society interact with each other (for example, networks, cooperatives, etc.). It can be understood from this that every part of society is covered by one or more of these.

Various scholars and researchers in the field have explained in their various articles that one of the basic issues in ensuring the development, sustainable growth, and prosperity of a country is to create a strong institution that can effectively fulfill its mission.

For example, economists have confirmed that if countries can create effective and strong institutions, apart from ensuring their development and economic growth, these institutions will play a significant role in increasing the GDP growth of their countries. (My Name, 2020)

Governmental institutions in African countries are not seen to achieve their mission effectively because their organisation and operating system are not

adapted to their actual situation but are mostly copied from foreign countries that have colonized them. (Muhula, 2019)

Developing countries need to create strong institutions that can carry this out effectively so that they can quickly get out of poverty and backwardness, ensure development, expand investment, and properly develop and use their natural resources. (UN 2016)

It is believed that institutions are very important in building a democratic and economically prosperous country. All developed countries today have very efficient and transparent institutions that promote growth and prosperity within them. That is why it is said that developing countries should learn from developed countries about the importance of institutions to expand economic growth. Institutions such as the judiciary, law enforcement agencies, and bureaucracy should be transparent and professional to help attract foreign capital and facilitate economic development and domestic change. This will prevent corruption and malpractice.

Institution Building Process Institutions are created as part of the nation-building process. The organisation and operation of any institution are highly dependent on the social, economic, and political support it receives from the government. It is believed that the proper management and efficient operation of institutions will ensure a better quality of life for people. (The World Financial Review)

To enforce the laws issued by the Supreme Council, to strengthen the development process of the democratic system, to ensure the fair benefit of the citizens, and to be able to implement the policies and strategies issued at every level with the

required quality and effectiveness, it is necessary to create strong institutions that will not waver whenever the system changes. (Chang 2017)

After the democratically elected parties have won the election and become the government, they are required to build strong political, governmental, and public institutions that will enable them to realize their political programme and the promises they made to the people. (Buntain & Buch, 2019)

It can be understood from the opinions of some of the scholars and researchers mentioned above that it is not only important to create strong institutions adapted to their mission but also to ensure the prosperity of the countries in general so that countries can effectively implement their political, economic, and social agendas. Especially developed countries that have been able to achieve the heavy responsibility of creating this strong institution have not only continued their development safely, but these institutions have now enabled them to become the owners of new ideas, innovation, technological knowledge, etc.

On the other hand, most of the political, governmental, and public institutions in third-world countries do not effectively achieve the mission they were established for; their service delivery does not meet the expected satisfaction; and they are seen to be riddled with corruption and backward thinking and actions. Apart from this, the institutions in these countries are mostly destroyed and rebuilt every time the governments change, so they are very limited in delivering the expected efficient services to the citizens.

3. Institutional building challenges

Ethiopia was once a nascent country, but it is believed that one of the reasons for its nascentness is the failure of our institution-building system. The reasons for the failure of this institution or the breakdown of the institution are:

3.1 The problem of our political culture: Political culture has a great influence on the process and system of building institutions. Countries with a stable political system have been able to build institutions that are strong and able to carry out their missions efficiently. On the other hand, most of the developing countries in Africa and Latin America do not have a stable political culture. As the fate of institutions depends on the new government that is established every time the governments are changed, these institutions are constantly destroyed and working. Because of this, it is not possible to create strong institutions. Therefore, by modernizing our political system and developing our political culture, we need to create a favorable environment for the development of institution building. One of the missions of the Institution Building and Economic Transformation Centre to be established at the African Leadership Academy will be to create a favorable environment for the creation of strong institutions in Ethiopia and Africa

3.2 The problem of our poverty: One of the basic reasons why it is not possible to generate the resources needed for the poor in many third-world countries is that the governments are unable to create and empower institutions that can solve the universal problems of their citizens and make them strong according to the actual situation of each country. There must be experts. Apart from this, it is necessary to provide the necessary infrastructure and facilities for the development of institutions. It is necessary to establish and implement the necessary technologies

and procedures for the construction of the institution. In order to meet these above-mentioned issues, on the one hand, sufficient resources, skilled manpower, technology, and effective organisation and procedures are required. It is not possible to find strong institutions in many African countries, including our country, in the required quantity and quality because there are serious deficiencies in fulfilling these issues to the required level.

3.3 The problem of our work culture: They say that work culture is a system of institutional values, beliefs, and attitudes that binds officials and employees working together in a government institution, workers employed by manufacturing organisations or companies, or employees engaged in private work through social interaction. (Schall 1983; Schein 1984; Schneider et al. 2013)

Our work culture as a country, especially at the level of government institutions, has a bad attitude and operational problems that prevent the institution from achieving its mission. A bad organizational culture is when leaders and employees in an organization have habits, attitudes, and behaviors that have a negative impact. Apart from this, poor use of time management—the employee does not value the culture of the institution, does not manage the work efficiently, etc. This poor or bad work culture can have a significant impact on the productivity of many organizations.

To improve these organizational work culture problems described above, engage with employees in positive ways, create healthy dialogue processes, develop emotional intelligence, which is key to any great relationship, lead by example in the leadership process, praise hardworking employees, value the unique strengths of each team member, respect the needs of employees, It is necessary to provide constructive criticism, establish and apply fair evaluation standards, facilitate

opportunities for inclusive group bonding, and make institutional members aware of their roles and performance. 10 Ways to Fix a Toxic Work Environment: CoachDiversity.com

3.4 Weaknesses of Policy Implementation: Countries should record excellent performance based on their work plans to ensure social development and security by achieving rapid economic growth and achieving the goals they plan to achieve in the medium and long term.

However, in the reality of our country, there is a fundamental problem in our execution ability, from small plans carried out on an individual level to large projects planned as a country, which not only prevents plans from being carried out on time but also poses a great challenge to the benefit of citizens and the development of the country. Apart from this, it is observed that the problem of policy implementation has a direct or negative impact on the process of building institutions.

Therefore, it is necessary to design and implement a big strategy at the centre to solve the above-mentioned institutional building obstacles and create institutions that are up-to-date, strong, and fulfil their mission effectively in Ethiopia and Africa. Apart from the main institutional building challenges mentioned above, there are other problems as well, which are:

a. Lack of leadership skills:

As it is known, leaders have a great role to play in turning the material and spiritual wealth of a country into tangible national potential and power and ensuring the development and survival of the country. The failure and success of a family,

institution, or country are closely related to the philosophy of the institutions and the competence of the leaders (Abay, 2011)

b. The fact that the change of governments affects the continuity of institutions:

According to experts in the field, one of the fundamental reasons that is believed to be a challenge to the development of institutions in many developing Latin and African countries is the destruction of institutions caused by the change of governments.

c. Institutions are not immune to political influence.

It is believed that institutions should be free and independent to achieve the purpose for which they were established. However, in many developing countries, it is observed that the implementation of the system and politics. This has a significant impact on the efficiency and effectiveness of the institutions.

d. The fact that institutions have the problem of continuous change and implementation of the reform system

In order to be the owners of new procedures and changes, institutions must constantly follow modern procedures and carry out reforms regularly. However, it is observed that the institutions in our country and in many African countries are fundamentally flawed in this regard.

e. The fact that they have limited human resources and technological capabilities:

Among the forces that enable institutions to effectively fulfil their mission, the human resources in the institutions take the first place. If the capacity of the human resources in the institutions is high, the impact on the effectiveness of the institutions is also high. On the other hand, if the capacity of the human resources in the institutions is low, it is not possible to achieve the desired results. In the same way, the institutions' use of technology has a direct relationship with their efficiency, and most of our country's institutions are highly deficient in properly empowering their human resources and using modern technology.

f. The fact that they have limited infrastructure and resources:

Institutions should be provided with appropriate infrastructure and resources (human resources, finance, material, policy, etc.) to perform their duties properly. However, many institutions in our country and in Africa have gaps in meeting the required level of institutional infrastructure and resources.

g. The fact that there are no successful institutions where experience can be gathered:

One of the strategies that make institutions competent is to learn from successful institutions and apply the experience in a way that suits them to reach the success of other institutions. However, this is not the case in developing countries. Because of this, it is difficult to modernize the institutions and increase them to the required level so that they can carry out their mission efficiently.

It is necessary to design and implement institutional development strategies so that the institutions can effectively fulfil their mission by improving these above-mentioned institutional breakdowns and challenges step by step. To this end, the Centre for Institution Building of the African Leadership Academy focuses on

three programmes to solve the problems of local and other continental institutions step by step, which are described below.

4. Ethiopia's economic situation

In the last three consecutive years, the Ethiopian economy has recorded encouraging domestic product growth. As a result, per capita GDP growth has more than doubled. It has been possible to reach 23.5 percent of poverty reduction from the previous 40 percent. Beyond this, there have been improvements in infrastructure access, human capital development, investment, etc.

Despite these achievements, economic growth has not been entirely effective in bringing about structural transition. To make it more descriptive, there are deficiencies in ensuring the access and quality of basic services, the lack of foreign loans, weak project performance in terms of financing investment programmes, macroeconomic imbalances, the lack of foreign currency, increased risk of foreign debt, and limited access to finance for the private sector. Inflation, etc., continues to be the challenges that challenge the continuity of national economic growth and our vision of creating a middle-income country by 2030.

Therefore, to achieve our national vision by strengthening our economic growth, creating a stable economic and social national environment, ensuring safe peace in all areas, strengthening the achievements recorded in infrastructure, ensuring the growth of human capital, creating an economic environment that supports private investment, strengthening the macro-financial reforms, It is necessary to focus on stabilizing operations, increasing the efficiency of institutions, modernizing services such as logistics, telecommunications, and electricity, creating new

growth opportunities in the fields of agricultural investment and tourism, as well as developing the transport and energy sectors.

Apart from this, improving the monetary, physical, financial, and capital markets, especially by making significant reforms in taxes and gathering resources from foreign countries, are highly focused in the country and are considered to be activities that help the national economic reform.

5. Africa's economic situation

Africa's economy is largely based on the continent's trade, industry, agriculture, and human resources. It was estimated that by 2021, about 1.4 billion people will live in Gurugram. Although Africa is considered a poor supplier of raw materials by developed countries, if it can properly develop its high potential resources, it can become a rich continent in a short time, according to the experts on the continent.

The continent's recent growth is believed to have come from growth in sales, goods, services, and manufacturing. In particular, West Africa, East Africa, Central Africa, and South Africa are expected to have a total GDP of 29 trillion dollars by 2050. The World Bank predicts that if current growth rates continue, most African countries will reach the "middle income" level, reaching at least US\$1,025 per year.

Over the past few years, more than a third of African countries have recorded growth rates of 6 percent or more, and 40 percent of countries are growing between 4 percent and 6 percent annually. Apart from this, many international economists estimate that Africa will be the world's future engine of economic growth.

However, although Africa is a continent with such economic prospects, some risks and challenges do not allow us to accelerate the growth to the required level and ensure a structural transition.

These are: First, Africa is a continent that has economic connections and trade with many parts of the world, but many of its citizens are uneducated and still live in rural areas.

2nd: The fact that there is still economic and social instability and a lack of reliable peace on the continent is a big threat to ensuring economic growth;

3rd: The fact that infrastructure and technology access and effort are highly problematic, and such problems are prominent. (World Bank, African Economy, 2022)

6. Centre for Institution Building and Economic Transformation;

The African Leadership Excellence Academy will establish an institution-building and economic reform centre that will facilitate the improvement of the institutions of our country and the institutions of the African continent by improving their capacity and efficiency step by step.

General Purpose:

At the centre, the work to ensure institution building and economic transformation in Ethiopia and Africa is done to generate ideas and strengthen the strategic partnership of institutions.

Detailed objectives

- ✓ collects sufficient resources from domestic and foreign donors and partners to achieve the mission of the centre;
- ✓ It studies and evaluates the status of Ethiopian and African institution building and economic transformation.
- ✓ designs institutional building and economic transformation strategies and draws on experience from other countries.
- ✓ It allows scholars who have ideas on the issues of institution building and economic transformation to share their ideas, expanding our experience in the country.
- ✓ Assists in identifying tired institutions and works together with the Public Service Reform Programme.
- ✓ Establishes an index of institutional building and economic transformation and annually measures African and Ethiopian institutions based on the index.

7. Benefits of the Institutional building and Economic transformation center

New ideas are generated through the studies and researches, think tanks and consultancy services of the African Leadership Academy on Institution Building and Economic Transformation, as well as through national and continental seminars and discussions.

- ❖ In this way, it allows new ideas that are useful for economic transformation to be found for national and continental institution building.
- ❖ It is possible to be effective by designing strategies that can jointly solve problems that hinder the efficiency of institutions and the achievement of their mission.

- ❖ Increases the ability of leaders and scholars in the field to generate ideas; It allows them to embrace national, continental and global perspectives.

7. The main activities of the centre

The Centre for Institutional Building and Economic Transformation of the African Leadership Academy of Excellence will carry out the following main activities, as stated above:

- collects the resources needed for the achievement of the centre's mission in a coordinated manner from donors and partners; According to the centre's financial system, it uses the resources properly. conducts studies and research based on Ethiopian and African institution building and economic transformation.
- Based on the findings of the study, it creates discussion forums with the relevant parties, designs strategies, and develops designed strategies with partners. Based on the developed strategy, he will implement it together with the relevant government institutions. He also monitors the performance properly.
- The centre identifies best practices from other countries based on issues of institution building and economic transformation; it mixes properly. It expands on best practices by exploring the centre's mission.
- It allows scholars who have ideas on the issues of institution building and economic transformation to share their ideas, expanding our experience in the country.
- Based on institution building and economic transformation, it identifies weak institutions, provides them with special leadership and professional

support and assistance, and works together with public service and economic reform programmes;

- Establishes an index of institutional building and economic transformation and annually measures African and Ethiopian institutions based on the index.

8: The organisation of the centre

The Centre for Institution Building and Economic Transformation will have the following arrangements:

8.1 In terms of manpower

There will be one director who is able to manage the operations of the centre efficiently and has the best leadership skills in the field.

A total of ten senior experts and professors from local and other African countries who have deep knowledge and extensive work experience in the fields of institution building and economic transformation, trainers, researchers, and who will efficiently carry out the work of the centre will be selected through competition.

8.2 In terms of infrastructure

The centre will have a modern building equipped with resources to carry out its work efficiently.

It will have a research centre to conduct studies based on institution-building and economic transformation activities;

The centre will have a fully equipped symposium hall that can accommodate 500 people at a time.

Likewise, it will have 10 modern syndicate rooms that can accommodate 50 people at a time.

Apart from this, the centre will have 500 modern dormitories that can accommodate 500 people at a time.

The centre will have 11 offices for 1 director and 10 professionals for a total of 11 people.

Salaries and benefits for the centre's staff will be covered by the secondment option or project resources.

8.3 In terms of technology and resources

- The centre will have complete ICT infrastructure development and broadband internet service;
- Modern electronic resources (laptops, computers, CCTV cameras, etc.), convenient facilities, etc. will be provided.

9. Affiliates of the Centre:

The centre will enhance the experience of working in cooperation with international continental and regional institutions that have a high stake in the achievement of institution building and economic transformation for Ethiopia and the African continent.

Accordingly:

from institutions in the country

- ✚ Ministry of Finance,
- ✚ Economic development institutions,
- ✚ Civil Service Commission,

From the continental institutions

- ✚ African Union,
- ✚ Africa Development Bank (ADB)
- ✚ The African Monetary Fund (AMF)
- ✚ EGAD

from international institutions

- ✚ World Bank
- ✚ International Monetary Fund (IMF)
- ✚ Asian Development Bank

Beyond this, we will continue to strengthen economic and diplomatic efforts and strategies to strengthen our national economic capacity, and for this purpose: -

1st: The national economic cooperation with Middle Eastern countries, especially with the United Arab Emirates and Dubai, will be strengthened.

The economic cooperation and diplomatic efforts with these countries will allow Ethiopia to get financial support on the one hand, and on the other hand, it will

strengthen the possibility that Ethiopia can serve as a bridge to connect Africa and the Asian continent.

2nd: It is known that our country, Ethiopia, recently joined the BRICS member countries. For this reason, the creation of close cooperation with these member countries, especially with China, Russia, India, etc., plays an important role in moving its economic and diplomatic relations to a higher level and ensuring its economic benefits. Therefore, the comprehensive cooperation and mutual support that have been started with these countries will be worked on to continue.

10. Institutional building and operational strategies of the Economic Transformation Centre

There are three main strategies by which the Centre for Institutional Building and Economic Transformation carries out its activities, and these are as follows:

10.1 research, think tank, and consulting activities;

The institution building centre conducts research and research activities based on government institutions in our country and various institutions on the African continent, with the help of senior researchers who are in the institution and outside the institution who have experience in the field. .

Apart from this, the basic problems of the institutions, the main causes of their problems, and the solution directions will be indicated in these research works. Based on this, the institutions included in the study and other similar institutions in the country and in Africa will learn from the results of the research, and additional procedures will be developed and implemented to enable their institutions to

become institutions capable of generating new ideas, providing core research services, and achieving their mission properly. It will be done for the institutions to prepare and implement a strategic plan that will enable them to transform themselves.

Apart from this, when these institutions enter into the implementation of change and institutional transformation according to the strategic plans of institutions prepared based on the recommendations of the study and research, it will be done to regularly get recommendations for the implementation of institutional change from experts in the field, which will enable them to carry out the implementation of institutional change effectively.

Identify the best practices of successful institutions based on the process and effectiveness of institutional change transitions. Best practices will be compiled by experts in the field to serve as lessons for other areas. Other institutions will also be made to take education based on the best practices of successful institutions and expand it.

10.2. Capacity-building activities:

One of the activities that the Centre for Institutional Building and Transformation of the African Leadership Excellence Academy pays great attention to is the capacity building of institutional leadership and experts in the field, which is a survey of the basic challenges faced by institutional leaders and experts in the effectiveness of institutional leadership and economic transformation and to fill the capacity gap of these leaders and experts. After identifying the training topics based on their needs, capacity-building work will be done by the centre and other international and continental senior experts and leaders who have the best

knowledge, skills, and experience in the field. Institutional leadership capacity building work, especially on new ideas in institution building and economic transformation, institutional leadership process and effectiveness, internal and external challenges faced in institutional leadership and economic transformation process and their solutions, customer management and partner participation strategies, institutional leadership communication skills, use of technology Capacity building will be done through participation, transparency, and accountability. Apart from theory, skill capacity-building activities based on the practical leadership process will also be included in institutional leadership capacity-building activities.

10.3 Carrying out project-based capacity-building activities

The Centre for Institutional Building and Economic Transformation of the African Leadership Excellence Academy pays special attention to project-based institution-building among the strategies it carries out to ensure the effectiveness of institutions in the country and on the continent. It is a strategy to create excellent institutions that will set an example for other institutions in all aspects by providing financial and technological support.