PAP 26.2

228

Received 21 June 2022 Revised 11 October 2022 8 February 2023 Accepted 23 April 2023

Effects of customised capacity building on employee engagement, empowerment, and learning in Ghanaian local government institutions

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Abstract

Purpose – Customised capacity building is thought to be essential for organisations. However, empirical studies are lacking with respect to its effect on employee outcomes. This study aims to examine the effect of customised capacity building on employee outcomes including employee empowerment and employee engagement through employee learning in Ghanaian local government institutions.

Design/methodology/approach — Valid responses from 281 employees of Metropolitan, Municipal, and District Assemblies (MMDAs) in Ghana were collected through a survey. A structural equation model was used to analyse the data and test the hypotheses formulated.

Findings – The results showed that customised capacity building has an effect on employee learning, employee empowerment, and employee engagement. Employee learning also had an effect on employee empowerment and employee engagement. In addition, employee learning partially mediated the effect of customised capacity building on both employee empowerment and employee engagement.

Originality/value – This study is of particular relevance to public organisations. As there is a dearth of studies focusing on customised capacity building, this study provides insight into incorporating the phenomenon into public sector organisations to enhance employee learning, empowerment and engagement.

Keywords Customised capacity building, Public administration, Decentralisation, Local governance, Community development, Human resource development

Paper type Research paper

Introduction

Capacity building has long been seen as a necessary component for accomplishing development goals (UNDP, 2009). The phenomenon is based on the idea that investing in human capital allows people to gain the skills they need to thrive and play autonomous roles in the development and renewal of their communities. Despite the gains in building capacities, Babu and Sengupta (2006) note that the development challenge for local government institutions, referred to as MMDAs in Ghana, is to translate sustainable development goals and policy statements into initiatives that identify relevant actions and resource investments. Similar reports have been presented by the UNESCAP (2015) that the capacities of municipal governments have failed to keep pace with development. In addition, Acharya and Scott (2022) mention capacity as a major limitation for local governments; given that Annan-Prah





Public Administration and Policy Vol. 26 No. 2, 2023 pp. 228-241 Emerald Publishing Limited e-ISSN: 2517-679X p-ISSN: 1727-2645 DOI 10.1108/PAP-06-2022-0068 © Elizabeth C. Annan-Prah and Raphael P.K. Andoh. Published in *Public Administration and Policy*. Published by Emerald Publishing Limited. This article is published under the Creative Commons Attribution (CC BY 4.0) license. Anyone may reproduce, distribute, translate and create derivative works of this article (for both commercial and non-commercial purposes), subject to full attribution to the original publication and authors. The full terms of this license may be seen at http://creativecommons.org/licences/by/4.0/legalcode

of customised

Effects

and Andoh (2023) established it is a necessity for MMDAs. Furthermore, a lack of tailor-made capacity building programmes has been discovered in district assemblies in Ghana (Ada East District Assembly Audit Unit, 2016). Sen (1999) argues that higher levels of missing capacity in society are associated with greater levels of poverty. This could be applied at the institutional levels (e.g., MMDAs) as the deprivation of capacities within institutions will inhibit the institutions from functioning effectively (Annan-Prah and Andoh, 2023).

The prevailing capacity gaps in institutions have been attributed to approaches used in building capacities. In the literature, it is contended that the traditional approaches used in building institutional capacity are largely responsible for the problematic capacities in sub-national institutions. It is acknowledged that the traditional approaches to capacity building are flawed, which paradoxically leave organisations with little in the way of transferable lessons, empowerment, and engagement (Babu and Sengupta, 2006; Noe, 2010; OECD, 2005; UNDP, 2009). Further, it is noted that public agencies are not all alike, so capacity building programmes must be tailored to their specific requirements and circumstances. The capacity building process, therefore, has to be endogenous instead of exogenous (UNDP, 2009). The endogenous capacity building is developed together with clients; pitching ideas; looking deeply into the needs and the gaps of the organisation; and identifying the potentials and possibilities so that the interventions will be able to work practically to the demands of the organisation. The endogenous process is highly appreciative of stakeholder engagement, participation, co-designing, and needs assessment, which leads to ownership, learning, empowerment, and engagement of the beneficiaries (Annan-Prah and Antwi, 2020; Chanturidze *et al.*, 2015).

Capacity building is an important issue in MMDAs in Ghana. A 2017 report from the Local Government Service and a study by Annan-Prah and Antwi (2020) revealed that some capacity building initiatives have been conducted between 2011 and 2017 yet, the projections of local-level development have only been partially achieved (Annan-Prah and Antwi, 2020; Awortwi, 2011; Zakaria, 2013). The result is also reflected in the 2015-2017 District League Table, which shows that MMDAs are still grappling with local-level development (UNICEF and CDD Ghana, 2015). The questions that come to mind are: (1) do leadership in MMDAs involve employees in the process of capacity building to enhance learning, empowerment, and engagement? and (2) how can this issue be addressed to enhance value for money in capacity building and for the achievement of the local level development mandate? This is because how to design and deliver effective capacity building interventions in organisations are lacking (Leeman et al., 2015).

When participants are involved in the capacity building process, the programme would be tailor-made to suit their capacity gaps (Asian Development Bank, 2019). Having a tailor-made or customised programme could result in employee learning, empowerment, and engagement, which may culminate in local-level development. However, this conjecture is not empirically proven. Several studies have investigated components of capacity building such as training and development in various organisations. For instance, Otibine (2016) considered the impact of Department for International Development's capacity building strategies on its performance in Kenya. Antwi and Analoui (2008) also focused on the issues of developing human resource capability in decentralised local administrations. Additionally, Odoom *et al.* (2014) studied human resource capacity needs in District Assemblies. It is observed that none of these focused on customised capacity building in MMDAs in Ghana. More so, there is none on its relationship with employee outcomes such as employee learning, employee empowerment, and employee engagement. This study, therefore, is intended to fill this gap.

Theoretical and conceptual review

Theoretical background

The optimal capacity and capacity threshold theories were used to support this paper. The theories have been applied to explain the processes and methods for conducting comprehensive capacity building for organisational success (Abrams, 2002). The theory of optimal capacity is concerned with the levels and dimensions of capacity growth required to meet pre-determined development goals. It also raises questions about the capacity levels that should be established to achieve optimal efficacy and minimise crowding out, even within locally produced capacity (Babu and Sengupta, 2006). The capacity threshold is similar to optimal capacity. According to the capacity threshold idea, there will be a specific degree of capacity in each given society or organisation (Abrams, 2002). Thus, existing capacities need to be assessed to determine the gap between current levels of capacity and the zone of proximal development in order to determine the appropriate point of entry where capacity should be built; determining the threshold required for optimal performance; and sequencing capacity building programmes to avoid duplication of effort and the wastage of resources (Babu and Sengupta, 2006; Chaiklin, 2003).

Customised capacity building

Capacity building is a management intervention used to develop and improve the abilities of people, organisations and society as a whole to enable them continually identify and manage their challenges optimally. It increases an organisation's ability to fulfill its mission by promoting sound management, strong governance, and persistent rededication to achieve results. It has long been a necessary component for accomplishing development goals (UNDP, 2009). One of the success drivers that has been emphasised by the optimal capacity and capacity threshold theories is participation. Theorists aver that capacity building should follow an iterative and participatory process of engaging stakeholders (European Commission, 2007). Participation of stakeholders in the capacity building process leads to a customised capacity building programme.

Customised capacity building is an outcome of the endogenous process of building capacity. It is a paradigm shift that conforms to the ideological thoughts of the strength-based model which emphasises needs and assets assessment as well as highly effective and participatory training programmes which can satisfy the demands of the local client organisations – in terms of building up the capacity of their employees at different levels of the organisation (Chanturidze *et al.*, 2015; Davies, 2009; UNDP, 2009). More so, when employees participate in the process of building capacities, the programmes become tailored to the work they do and lead to efficiency (Annan-Prah and Antwi, 2020). It is also essential for the development of sub-national governments in the decentralisation process (Olowu and Smoke, 1992). As Otibine (2016) asserts, capacity building strategies devoid of participation leave institutions with no learning. Ownership of the programme also becomes a challenge. Customised capacity building on the other hand is useful in enhancing learning, empowerment, engagement (Annan-Prah and Antwi, 2020; Noe, 2010; UNDP, 2009), and organisational effectiveness (Noe, 2010; DeSimone and Werner, 2012).

Hypotheses

Customised capacity building and employee empowerment

Employee empowerment is an effective technique for increasing the productivity of employees and aiding the optimal use of their individual capacity and group abilities to achieve organisational objectives (GanjiNia et al., 2013). It fosters creativity, quality of worklife, spirit of teamwork of employees and ultimately enhances organisational effectiveness as it promotes employees' participation in decision making, good idea generation and execution (Hieu, 2020). Tanjeen (2013) defines employee empowerment as fostering a work environment where employees can participate in decision making, problem solving and goal setting processes.

of customised

Effects

Tanjeen (2013) adds that the essence of empowerment is to enhance employees' responsibility and improve their quality of work. In the literature, training has been identified as a strategy to do so (Hieu, 2020). Training is a component of employee empowerment as it is a means through which employees get empowered (Azmee and Kassim, 2019; Hashemi and Ram, 2017). Also, Yamoah (2013) identified employee empowerment as an outcome of capacity building and Andoh *et al.* (2022b) established that training value influences the psychological empowerment of employees. More so, in a study by Voegtlin *et al.* (2015), they concluded that training participation affected empowerment. Further to their findings, the empowerment of individual employees following their training participation translated into collective empowerment. It is, therefore, hypothesised that:

H1: Customised capacity building has an effect on employee empowerment.

Customised capacity building and employee engagement

Employee engagement shows the willingness of employees to stay with an organisation despite other opportunities and frequently going above and beyond normal expectations to help the organisation succeed (Hewitt as cited in Gulati, 2012). Sharmila (2013) views it as a positive attitude of employees towards their organisation and is key for organisational success. Lin and Lee (2017) add that it is about the extent of employees' emphasis or recognition of their job. Employee engagement is, thus, a positive internal state that makes employees feel connected to their job and organisation.

Employee engagement is believed to be associated with a variety of employee and organisational outcomes and so makes it vital in the public sector because its maintenance at a high level in public organisations is challenging (Jin and McDonald, 2017). When the skills of employees become redundant, they become disengaged, but training gets them to be engaged (Sharmila, 2013). In the study of Azeem and Paracha (2013), they established that employee training programmes are positively related to employee engagement. Also, the model in the study of Sendawula *et al.* (2018) depicted that training significantly predicts employee engagement. From the foregoing, it is hypothesised that:

H2: Customised capacity building has an effect on employee engagement.

Customised capacity building and learning

Employee learning is a process that helps people achieve their maximum potential by facilitating personal and professional development and reinforcing self-belief (Coleman, 2018). It results in the accumulation of knowledge within organisations, which is necessary for achieving and maintaining a competitive advantage. Learning is an important outcome of capacity building programmes and is synonymous with the assimilation of training content which is a prerequisite for training transfer (Andoh *et al.*, 2022a; Andoh *et al.*, 2022c; Blume *et al.*, 2010; Ford *et al.*, 2018). According to Azmee and Kassim (2019), learning activities are essential in organisations. This is because they influence training transfer and employee outcomes such as employee empowerment and engagement (Andoh *et al.*, 2022b) which are needed by organisations to be successful. For instance, empowered employees are high in confidence, self-reliant, creative, and participate in decision-making (Hieu, 2020; Kumar and Kumar, 2017). These could result from participating in learning activities as Hashemi and Ram (2017) report that there is a correlation between organisational learning and employee empowerment. Likewise, Putri and Mangundjaya (2020) discovered that organisational learning has an effect on employee empowerment.

Moreover, Coleman (2018) revealed that in the literature, employee learning is a source of employee engagement. A similar assertion is made by Albrecht *et al.* (2015) regarding training and employee engagement. These assertions have been confirmed by Jain and Khurana (2017) that participation in capacity building programmes helps employees to learn, and consequently become engaged. This is largely because learning enables employees to

generate vitality that subsequently leads to positive mental states toward their work (Lin and Lee, 2017). Thus, it is postulated that:

H3: Customised capacity building has an effect on employee learning.

H4: Employee learning has an effect on employee empowerment.

H5: Employee learning has an effect on employee engagement.

Customised capacity building, employee empowerment, and engagement through employee learning

In synthesising the literature, it could be inferred that employee learning mediates customised capacity building, employee empowerment, and engagement. Participating in capacity building programmes maximises learning in organisations. This is affirmed by Otibine (2016) with the assertion that capacity building enhances learning. Thus, capacity building programmes enable individuals to learn and empower them to improve the provision of public goods and services. Also, employees learn through capacity building programmes and become engaged as training is a factor that contributes to employee engagement (Deloitte, 2015; Jain and Khurana, 2017). Arunmozhi (2013) in a study on employee engagement discovered that there were differences in engaged and disengaged employees in terms of employees who attended training and those who did not. This difference could be attributed to learning by the employees who attended the training. When employees learn new skills or get their redundant skills refreshed through training and development activities, they become engaged as work that was hitherto not meaningful becomes meaningful (Sharmila, 2013). As a result, the hypotheses set are:

H6: The effect of customised capacity building on employee empowerment is mediated by employee learning.

H7: The effect of customised capacity building on employee engagement is mediated by employee learning.

Research methods

Sambles

Two hundred and eighty-two mechanised employees (full-time employees on the government payroll) from a population of 426 in three MMDAs that were purposively selected participated in this study. One hundred and fifty-three of the population were in a metropolitan assembly, 143 in a municipal assembly and 130 in a district assembly. Krejcie and Morgan's (1970) Table was used to determine a sample of 108, 103 and 97 respectively from the three assemblies. Based on the sampling frame from each assembly, a quota sampling method was adopted to include all categories of employees in the population and in the proportion in which they were, to achieve representativeness. Two hundred and eighty-one of the responses were used for the analysis after the data were cleaned. One hundred and four, representing 37.0 percent, were from the metropolitan assembly, 86 (30.6 percent) from the district assembly, and the remaining 91 (32.4 percent) were employees of the municipal assembly. The majority (149; 53 percent) of them were females. In terms of their educational level, 102 (36.3 percent) representing the most, were diploma certificate holders with the least number of respondents. 22 (7.8 percent) having master's degrees.

Data collection

The survey method using a questionnaire was adopted in collecting the data for this study. To obtain access to the assemblies and the respondents, cooperation of the respondents and

capacity

of customised

Effects

ethically collect the data as well as to control common method bias procedurally, an introductory letter was sent to the respective assemblies. Also, included in the questionnaire were statements of anonymity and confidentiality of the respondents in the introductory part of the questionnaire. In addition, the purpose of the data collection and instructions for filling out the questionnaire were indicated (Chang *et al.*, 2010; Cohen *et al.*, 2007; Podsakoff *et al.*, 2012; Saunders *et al.*, 2012).

Measures used for the four variables were obtained from the literature (see Appendix by using the link https://bit.ly/appendix_measures). A four-point Likert-type scale was used. The four-point scale was used to prevent the respondents from selecting the midpoints not because it was the best response but out of convenience. This could be a disadvantage to respondents who truly wanted to choose the midpoint (Krosnick and Presser, 2009). However, according to O'Muircheartaigh et al. (1999), the selection of midpoints is usually rampant among respondents not interested in a study, which was likely not the case in this study.

Analyses

The data processing was done using the SPSS and PLS-SEM statistical software. The sample characteristics were analysed in frequencies and percentages. A structural equation model was used to test the hypotheses. A structural equation model was used because according to Hair *et al.* (2011), it is now the standard in management research, especially in studies involving cause-effect relationships. More so, even though it is similar to regression analysis, it has greater statistical power, is able to deal with measurement error, and combines confirmatory factor analysis and path analysis making it more powerful (Beran and Violata, 2010; Fan *et al.*, 2016).

The measurement model was first assessed using the outer loadings of the indicators, Cronbach's alpha, composite reliability, average variance extracted (AVE), Heterotrait-Monotrait (HTMT), and variance inflation factors (VIF) to ascertain its reliability, validity, and multicollinearity. This was followed by the structural model assessment where a bootstrapping sequence of 5000 samples was performed to determine the significance of the paths. Also, the effect size (f²), coefficient of determination (R²), and predictive relevance (Q²) of the variables were determined.

Results

Measurement model assessment

To begin with the measurement model assessment, the outer loadings, construct reliability, and convergent validity were examined and displayed in Table 1. The outer loadings were first examined. Table 1 shows that all but two of the indicators had loadings of >0.708. The two indicators, EMLE 2 and EMP7 with 0.682 and 0.670 loadings respectively were maintained because their presence did not affect the validity and reliability of the model. More so, they were statistically significant (**p<0.05) as revealed by the full bootstrapping sequence performed (Benitez *et al.*, 2020; Hair *et al.*, 2019).

To assess the internal consistency of the variables, Cronbach's alpha and composite reliability were used. Ranging between 0.883-0.934 and 0.906-0.950, Cronbach's alpha and composite reliability respectively were above the threshold of 0.7 (Hair *et al.*, 2011). This is an indication of the reliability of the model. Furthermore, the AVE was assessed for the convergent validity of the model. With the AVE values of each of the variables being >0.5, convergent validity was also achieved (Benitez *et al.*, 2020; Hair *et al.*, 2019).

To determine the discriminant validity of the model, the HTMT Ratio criteria was used and is presented in Table 2. In going by the liberal threshold of <0.9 recommended by Henseler *et al.* (2015) and Hair *et al.* (2019), it can be observed from the table that discriminant validity was achieved.

PAP 26,2	Variable	Outer loading	Cronbach's Alpha	Composite Reliability	AVE
20,2	Customized Capacity Building		0.934	0.950	0.793
	Programme	. , .			
	CCBP1	0.854**			
	CCBP6	0.816**			
	CCBP8	0.883**			
234	CCBP9	0.962**			
	CCBP10	0.931**			
	Employee Eng	gagement	0.887	0.911	0.633
	EMEN1	0.877**			
	EMEN2	0.887**			
	EMEN3	0.744**			
	EMEN4	0.776**			
	EMEN5	0.724**			
	EMEN10	0.749**			
	Employee Lea	rning	0.883	0.906	0.619
	EMLE2	0.682**			
	EMLE3	0.836**			
	EMLE4	0.814**			
	EMLE5	0.795**			
	EMLE6	0.871**			
	EMLE7	0.708**			
	Employee Em	powerment	0.924	0.939	0.690
	EMP1	0.866**			
	EMP11	0.838**			
	EMP12	0.861**			
	EMP13	0.817**			
Table 1.	EMP7	0.670**			
Outer loadings,	EMP9	0.866**			
construct reliability,	EMP10	0.877**			
and convergent	**p<0.05				
validity	Source: By au	thors			

Variable	Customised CBP	Employee Empowerment	Employee Engagement	Employee Learning
Customised CBP				
Employee Empowerment	0.853			
Employee Engagement	0.560	0.611		
Employee Learning	0.165	0.212	0.367	
Source: By authors				

Table 2. Discriminant validity (HTMT Ratio)

In addition, to ensure that the model had no common method bias, multicollinearity was examined using VIF. The results of which have been displayed in Table 3. With values less than 3.3, the model had no multicollinearity issues (Kock, 2015).

Structural model assessment

Subsequent to the measurement model assessment was the structural model assessment in which the coefficient of determination – explanatory power (\mathbb{R}^2), predictive accuracy (\mathbb{Q}^2), effect size (f^2), and the statistical significance of the path coefficients (beta) were examined as

the key criteria in the structural model assessment (Hair *et al.*, 2017). In assessing R², Hair *et al.* (2019) posit that values of 0.25, 0.50, and 0.75 imply weak, moderate, and substantial explanatory power. From Table 4, the explanatory power of Employee Learning is weak (0.032) whereas that of Employee Empowerment (0.670) and Employee Engagement (0.407) are moderate. In effect, the model explained 3.2 percent, 67.0 percent, and 40.7 percent of the variance in Employee Learning, Employee Empowerment, and Employee Engagement respectively. This is further confirmed in Figure 1.

Effects of customised capacity building

235

In respect of the Q² of a model, Hair *et al.* (2017) indicate that a value >0 shows predictive relevance. However, the magnitudes are determined as follows; >0 – small predictive relevance, >0.25 – medium predictive relevance, and >0.50 – large predictive relevance (Hair *et al.*, 2019). It can be observed from Table 4 that Employee Learning and Employee Engagement had weak predictive relevance while Employee Empowerment had medium predictive relevance. Most importantly, however, the model had predictive relevance.

Variable	Employee Empowerment	Employee Engagement	Employee Learning
Customised CBP	1.033	1.033	1.000
Employee Learning	1.033	1.033	
Source: By authors			

Table 3. Collinearity statistics (VIF)

Variable	R^2	Q^2
Employee Empowerment Employee Engagement Employee Learning	0.670 0.407 0.032	0.443 0.214 0.011
Source: By authors		

Table 4.
Coefficient of determination (R²) and predictive accuracy (Q²)

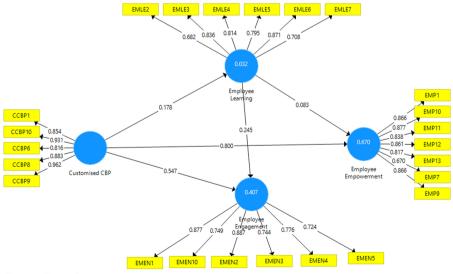


Figure 1. Structural equation model

Source: By authors

Included in Table 5 is f^2 , which is an indication of the contribution of the exogenous variables to the endogenous variables. According to Benitez *et al.* (2020), Customised Capacity Building Programme had a large effect on Employee Empowerment (1.879) and Employee Engagement (0.489) but a weak effect on Employee Learning (0.033). Also, Employee Learning had a weak effect on Employee Empowerment (0.020) and Employee Engagement (0.098).

The results of the direct paths are also shown in Table 5. Customised Capacity Building Programme had a significant positive effect on Employee Empowerment (β =0.800; t=22.418**; p=0.000); Employee Engagement (β =0.547; t=18.488**; p=0.000); and Employee Learning (β =0.178; t=5.057**; p=0.000). As a result of these, hypotheses 1, 2, and 3 could not be rejected. Similarly, Employee Learning had a significant positive effect on Employee Empowerment (β =0.083; t=3.059**; p=0.002) and Employee Engagement (β =0.245; t=4.461**; p=0.000). Thus, hypotheses 4 and 5 could also not be rejected.

Table 6 is a presentation of the results of the mediation analysis. It is observed that the specific indirect effect of Customised CBP -> Employee Learning -> Employee Empowerment was statistically significant (β =0.015; t=2.857**; p=0.004). Again, the specific indirect effect of Customised CBP -> Employee Learning -> Employee Engagement was statistically significant (β =0.044; t=4.039**; p=0.000). Since the direct paths Customised CBP -> Employee Engagement and Customised CBP -> Employee Empowerment were statistically significant and positive, Employee Learning had a complementary partial mediating effect on both paths according to Nitzl *et al.* (2016). Thus, hypotheses 6 and 7 could not be rejected.

Discussion and conclusion

In this study that examined the effect of customised capacity building on employee outcomes (empowerment, engagement, and learning) as well as the mediating role of employee learning in the effect customised capacity building has on employee empowerment and employee engagement, all the hypotheses formulated could not be rejected. Thus, customised capacity building had an effect on 1) employee empowerment; 2) employee engagement; and 3) employee learning. Also, employee learning had an effect on employee empowerment and employee engagement. Lastly, the effect of 1) customised capacity building on employee empowerment; and 2) customised capacity building on employee engagement were both partially mediated by

Direct path	Beta	T Statistics	f²	<i>p</i> -value
H1: Customised CBP -> Employee Empowerment H2: Customised CBP -> Employee Engagement H3: Customised CBP -> Employee Learning H4: Employee Learning -> Employee Empowerment H5: Employee Learning -> Employee Engagement **p<0.05 Source: By authors	0.800 0.547 0.178 0.083 0.245	22.418** 18.488** 5.057** 3.059** 4.461**	1.879 0.489 0.033 0.020 0.098	0.000 0.000 0.000 0.002 0.000

Table 5.
Hypotheses results
(Direct effects)

Table 6. Hypotheses results (Mediated effects)

Specific indirect path	Beta	T Statistics	<i>p</i> -value
H6: Customised CBP -> Employee Learning -> Employee Empowerment H7: Customised CBP -> Employee Learning -> Employee Engagement **p<0.05 Source: By authors	0.015	2.857**	0.004
	0.044	4.039**	0.000

Effects

capacity

building

of customised

employee learning. The foregoing shows that customised capacity building is a predictor of employee empowerment (Voegtlin *et al.*, 2015; Yamoah, 2013), employee engagement (Azeem and Paracha, 2013), and employee learning (Meier, 2003). Similarly, it is evident that employee learning predicts employee empowerment and employee engagement (Coleman, 2018; Putri and Mangundjaya, 2020; Hashemi and Ram, 2017). Furthermore, employee learning affects the effect of customised capacity building on employee empowerment and employee engagement (Jain and Khurana, 2017).

It has been shown that when a capacity building programme is customised, the learning of employees occurs. This is the goal of capacity building programmes (Meier, 2003). Learning is a prerequisite in enhancing organisations through the realisation of the potential of the participants of customised capacity building programmes and subsequently, transferring training to meet the development objectives of assemblies (Azmee and Kassim, 2019; Blume et al., 2010; Coleman, 2018; Ford et al., 2018). This is an indication that to improve employee learning, employee empowerment, and employee engagement, capacity building should be customised. Also, learning should be encouraged and facilitated due to its role in the effect of customised capacity building on employee empowerment and employee engagement.

This study shows that MMDAs should utilise not just capacity building but customised capacity building programmes because of its involvement factor that gets employees to learn, be engaged, and be empowered. More so, employee learning should be encouraged in MMDAs because this study has revealed that it is a catalyst for employee empowerment and employee engagement since it facilitates them when it comes to customised capacity building.

Implications

Theoretically, this study adds to the optimal and capacity threshold theory by providing support for it. When capacity building efforts in organisations are customised, the participants of the customised capacity building programmes become equipped with the capacities they require to function within their areas of operation. This is done by assessing the existing capacities to determine the gap between current levels of capacity and the zone of proximal development to determine the appropriate point of entry where capacity should be built. Among the capacities they become equipped with are the knowledge and skills (obtained through employee learning), becoming engaged, and empowered. These are crucial in delivering the optimal performance needed by MMDAs to overcome the development challenges of their respective assemblies (Abrams, 2002; Babu and Sengupta, 2006; Chaiklin, 2003).

Empirically, the effect of both customised capacity building and employee learning on employee empowerment and employee engagement is critical for MMDAs. Following their participation in customised capacity building programmes, employees in MMDAs would get to find meaning in their work and become engaged as well as feel empowered (Arunmozhi, 2013; Jain and Khurana, 2017; Putri and Mangundjaya, 2020; Sharmila, 2013). Empowered and engaged employees get to be happy, focused, and dedicated to their work in the assemblies, which would inure to the assemblies in meeting their development objectives.

Practically, these findings imply that in overcoming the development challenges and meeting the development agenda of MMDAs (Babu and Sengupta, 2006), the capacities of the employees of MMDAs must be developed. In doing so, the capacity building programme needs to be customised. That is, a capacity building programme which is developed from within the local organisations based on the strengths and needs of the employees specifically and their assemblies in general (Davies, 2009; UNDP, 2009) as this makes the capacity building efforts contextualised. In this, donors, consultants, and other experts outside of the organisation only need to facilitate the customisation of the capacity building programme using participatory and co-designing approaches so that the internal people take ownership (Annan-Prah and Antwi, 2020; Chanturidze et al., 2015; Otoo et al., 2009).

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