

GUIDANCE ON ASSESSING THE PERFORMANCE OF MFDR PROJECTS

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Tool N° 2

SYNOPSIS

A comprehensive assessment of an MfDR initiative will include continuous monitoring and periodic evaluation of the project design in light of MfDR processes and principles. This includes reviewing the underlying assumptions, progress of implementation and achievement of intended results. In order for an assessment to have its full value in terms of learning and accountability it has to be properly packaged and disseminated to the relevant audiences. It is important that assessment use performance data from all levels of the results chain (input, process, output, outcome, and impact indicators) and compare these against established targets. This note will specify numerous categories of performance, critical steps in laying the groundwork for assessment, and essential elements of a monitoring plan.

Introduction

The design of Managing for Development Results (MfDR) both facilitates and relies upon assessment. It comprises of performance indicators and a set of measurable targets, reflects the needs of assessment, and, critically, it provides a feedback loop for bringing performance data back into the system in order to guide implementation and provide an evidentiary basis for continuous learning and improvement.

MfDR has several core characteristics that facilitate assessment:

- Clear objectives
- Evidence-based decision-making
- Transparency
- Continuous monitoring of progress towards results
- Continuous adaptation and improvement

The focus on concrete results in MfDR project provides a clear structure for assessment: obviously, the critical performance assessment is

the determination of the degree to which the results agreed upon in the results framework are being or have been met.

Monitoring and evaluation are the two main modes of assessment of MfDR initiatives. Monitoring is a continual activity that tells us where we are at the given moment and how far we have come. Evaluation is a more in-depth activity assessing why targets and outcomes are or are not being met.

But it must be noted that MfDR is a *process* and that complete assessment of project performance must also include an assessment of the MfDR process.

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Steps to take

One of the major requirements of Managing for Development Results (MfDR) is building a system of monitoring and evaluation. The entire structure of MfDR is designed to produce specific knowledge about what has been achieved in order to focus efforts, inform the stakeholders, including the public, and provide a knowledge base for improved performance and institutional learning.

A complete assessment of an MfDR initiative will include ongoing monitoring, periodic evaluation, and reviewing the project design in light of MfDR process principles. Also, in order for assessment to have its full value in terms of learning and accountability it has to be disseminated to correct audiences.

Assessing the performance of a project means an assessment of whether the project has achieved its stated objective. This requires an analysis of the causal chain from inputs to activities to outputs and outcomes. When assessing performance, it is important to distinguish between outputs (e.g., number of teachers trained) and outcomes (e.g., teachers using the methods) as outputs do not reflect the changes in the beneficiaries as a result of the activities. It is also important to distinguish between outcomes and impacts, because impacts are often determined in the long term. One of the more difficult levels for indicator development is at the intermediate outcome level, where institutional capacity or performance improvement is often the desired result. A common mistake is to measure the completion of activities or outputs (e.g., number of health professionals trained; number of textbooks delivered to schools) as opposed to improved performance (health professionals providing ORT services; improved student outcomes).

There are numerous categories of performance which are outlined below:

Key performance categories

- Economy – the relationship between costs and physical inputs
- Efficiency – the relationship between costs and outputs
- Productivity – the relationship between inputs and outputs
- Excellence/ Quality – the production of high-quality outputs
- Equity – the extent to which sub-populations have equitable access (e.g. percentage of students in project school who are female)
- Client satisfaction – the extent to which outputs correspond to client preferences
- Effectiveness – the extent to which results—outputs, outcomes, impacts—are being achieved as planned or targeted
- Attribution – the extent to which observed outcomes and impacts can be attributed to a particular project
- Cost-effectiveness – the relationship between project costs and net outcomes and impacts attributable to the project
- Sustainability – the capacity for results to be extended beyond the life of the project
- Relevance – the continued appropriateness of a project's results to the needs of the target population, development goals, etc.

Several of these categories are primarily financial: Economy, Efficiency, Productivity, and Cost-effectiveness. Others have to do with outputs (the services delivered and products created): Excellence/Quality, Equity, and Client Satisfaction. Others are larger questions related to outcomes (Sustainability), the development goal (Relevance), or both (Attribution).

Laying the groundwork: Laying the groundwork for good assessment may take a broad shift in mindset and in some cases an upgrade of administrative and data-management systems.

The results framework at the core of any MfDR initiative provides a structure for measuring and monitoring progress toward results. But the framework alone—without reliable, timely, and relevant performance data—cannot measure anything. During the planning process, therefore, it is important to do as much as possible to ensure that the data-collection regime is capable of collecting and processing sufficient data and corresponds to the underlying results framework.

It is important during the planning stage to select appropriate indicators and ensure that it will be possible to obtain reliable data at a reasonable cost and in a timely manner. Whenever possible, one should rely on existing data sources; however, in many cases, this may not be possible and instead require new procedures or data-collection methods. Sometimes this is a simple adjustment (for example, a statistics agency may have to add a new set of questions to a household survey), but sometimes it is complex. On the budgetary side, for instance, while a government may have the capacity to manage finances and account for expenditures, they may lack the capacity to link

expenditures directly to an MfDR initiative. The finance ministry may be able to tell you how much money was spent on personnel, equipment, and so forth in a particular implementing unit, but not be able to state how much was spent on a particular project or toward a particular outcome. This is especially true when more than one organizational unit is involved in a particular development initiative, as is often the case.

If the needed system appears to be beyond the current capacity of local monitoring and evaluation and statistics capacities, investments may be justified. If that is not possible, one may look for low-cost substitutes (e.g., focus groups instead of a household survey). The data-collection system is important, if easy to overlook or ignore needed upgrades. Technology-assisted “social monitoring” (the use of cellphones and an online platform for the public to provide data) may also provide lower-cost, rapid data collection in some instances (e.g. monitoring teacher attendance in schools).

Without good data, the evidence base for decision-making, program adjustments, and even basic accountability will be weakened. This should be thought out before the MfDR initiative is launched. The following 10-step approach

Ten steps to designing, building, and sustaining a result-based monitoring and evaluation system

- Assess readiness for introduction of the MfDR approach
- Agree on outcomes to monitor and evaluate
- Select key indicators to monitor outcomes
- Collect baseline data on indicators
- Plan for improvements; select results targets
- Monitor for results
- Evaluate
- Report findings
- Use findings
- Sustain the M&E system within the organization

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provides a good guideline for building and sustaining a results-based M&E system:

Adapted from Kusek and Rist (2004)

Monitoring:

MfDR requires that everyone with a stake in a development initiative will have regular access to performance information, and that those with managerial responsibility will have information that will help them make informed decision. To provide relevant, adequate and timely information to stakeholders requires a comprehensive monitoring plan, which should include the following basic elements:

Essential elements of a monitoring plan

- Establish baseline and target values to provide a basis for the measurement of changes in the indicators (use secondary sources if necessary)
- Identify data sources and data-collection methods
- Specify the agencies or individuals responsible for collecting and transmitting data
- Define timelines showing when data will be collected, when processed, and when transmitted
- Identify and consider assumptions and risks associated with data collection (e.g., the assumption that an outside party will provide certain data)

Adapted from World Bank, Independent Evaluation Group, *Designing a Results Framework for Achieving Results* (2012)

Data needs to be collected for two key types of monitoring: *implementation monitoring* which tracks inputs, activities, and outputs; and *results monitoring* which deals with outcomes and

goals. Data-collection teams should regularly discuss the monitoring results. Use of external staff (e.g. from NGOs, international agencies, etc.) or “crowdsourcing” via cellphones can enhance the credibility of the monitoring system, especially in cases where stakeholders are at odds or when controversy surrounds the particular intervention.

Data managers should regularly inform the initiative’s managers, donors, or other stakeholders as to the status of the initiative. Ideally, monitoring and evaluation staff or statisticians should use summaries or visualizations to enhance understanding (e.g., indicating project components that are “on track,” “in need of attention,” or “off track”). Analyzing and reporting data would provide help improve projects, programs and policies. A monitoring system should include the following:

Essential ingredients of a monitoring system

- Units of analysis (e.g., community, village, region)
- Sampling procedure
- Data collection instruments to be used
- Frequency of data collection
- Expected methods of data analysis and interpretation
- Those responsible for collecting the data
- Data collection partners, if any
- Those responsible for analyzing, interpreting and reporting data
- For whom the information is needed
- Dissemination procedures
- Follow-up on findings

Adapted from Kusek and Rist (2004)

Evaluation

Due to the close monitoring that characterizes MfDR, evaluation plays a somewhat different role than it has traditionally. If the monitoring system has worked well, stakeholders and the public have full information about performance even before any summary evaluation is conducted. Still the evaluation of an MfDR initiative has several important functions:

- *Examining the reasons why the initiative achieved or did not achieve each expected outcome*
- *Documenting learning and facilitating discussion*: the evaluation, looking at the initiative on a broader time horizon, should compile as well as highlight the key findings; interviews with stakeholders and meetings to discuss findings provide an excellent venue for discussion
- *Revisiting and adjusting the strategy*: a full-scale evaluation also provides the perspective for revisiting the overall strategy and adjusting its course as needed, based on actual performance and the evidence of the monitoring and evaluation process
- *Reviewing not only results but the implementation of the MfDR process itself* (as discussed below).

Evaluation provides information on *strategy and design* issues (“are we doing the right things?”), on *operational and implementation* issues (“are we doing things right?”), and whether there are *better ways of approaching the problem* (“what are we learning?”). (Kusek and Rist, 2004).

The credibility of evaluation depends on the expertise and independence of the evaluators and the degree of transparency of the evaluation process (OECD, 1998). Thus, whenever possible, external evaluators should be involved in the evaluation to enhance the independence, objectivity and legitimacy of the findings and recommendations.

Using Evaluations for Decision Making

The ultimate aim of evaluation is to help decision makers to formulate and plan better policies. Therefore, evaluation findings and lessons should be *linked to the policy formulation, reforms, planning and budgeting process*. A list of pragmatic uses of evaluations include:

- Help make resource allocation decisions
- Help rethink the causes of a problem
- Identify emerging problems
- Support selecting the best strategy
- Support public sector reform
- Build consensus on the causes of a problem

Source: Kusek and Rist (2004)

Evaluation can also help answer different types of management questions, which can be broadly categorized as follows:

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Using Evaluation to Answer Questions

Descriptive questions:

- Who receives the program? When do they receive it?
- What much does it cost? What is the budget?
- How many teachers were trained? How many workshops were held?

Normative questions:

- Did we spend more than what was budgeted?
- Did we train as many teachers as planned?
- Did we deliver as many textbooks as planned?

Impact questions:

- What is the impact of training teachers on student learning outcomes?
- What is the effect of family counseling on reducing unwanted pregnancies?
- What is the impact of school de-worming program on students' learning?

Correlational questions: What is the relation between teacher attendance and teacher's pay?

Program logic: Is the sequence of planned activities likely to increase student's learning outcomes?

Implementation: Was the project implemented as planned?

Performance: Are the outcomes what we planned for?

Process Review:

As mentioned previously, beyond looking at the results and project performance, it is important to regularly revisit the project strategy and structure: is the system that the stakeholders designed doing what it is supposed to do? What can we do if it is falling short in one or more areas?

Key questions for a process review

- To what extent was the process that the stakeholders negotiated followed? What were the reasons for any divergences from the agreed-upon process?
- How familiar were/are the stakeholders with the concepts, instruments, and processes involved in MfDR?
- What happened when targets or timelines were missed? Document examples.
- Were the original targets appropriate? Were the indicators the right ones? Were there too many / too few?
- Was data collected consistently?
- Are any categories of data (e.g., financial) inadequate?
- Was it easily accessible to stakeholders?
- Were any categories of data inadequate, inaccessible, delayed, or?
- Has the MfDR initiative under review contributed to learning?
- To what extent has (or will) the project leads to stronger MfDR capacity?

Communications and dissemination

Beyond basic monitoring and evaluation, communication and dissemination constitute the critical feedback loop that links actual results and evidence of learning back to the planning and decision-making process. It is also critical to the accountability framework. It is therefore important to pay attention to the capacity to move information, findings, and “lessons learned” to relevant people in the implementing and oversight agencies but also to civil society, the public, and other relevant audiences.

The MfDR process should introduce or strengthen communications planning to identify key audiences who need to be aware of implementation results, and define the tools, formats (meeting, e-mail, newsletter, etc.), timelines, and content for each. The key audiences would include donors; implementing, planning, and budgeting entities; civil society; affected communities / beneficiaries; but also staff at all levels. Detailed information should be provided for each of the stakeholders based on their needs and measures should be put in place for periodic review and feedback from stakeholders. The frequency depends on a number of factors, but generally—at a minimum—there should be a mid-year meeting to assess early results during the start-up phase as well as a meeting to review each evaluation throughout the life of the initiative. The review meetings are also ideal for revisiting the strategy and for programmatic fine-tuning.

Communications tips

- Employ a mix of both face-to-face meetings and written exchanges to reinforce communication
- Create different communications for different audiences
- Provide online access to project performance database
- If possible, create dashboards, and for each outcome target clearly indicate whether or not the project is on track and highlight areas that need attention.

Conclusions

All of the above is critical to the success of MfDR: clearly articulating a results chain, selecting and clarifying expected outcomes through specific indicators and targets, continuous collection of performance information, and the use of performance information in accountability, learning, and decision making. It is important to ensure that all relevant stakeholders are fully and actively involved in the processes to ensure early buy-in, ownership and commitment as well as to promote effective utilization and sustainability of the results.

References

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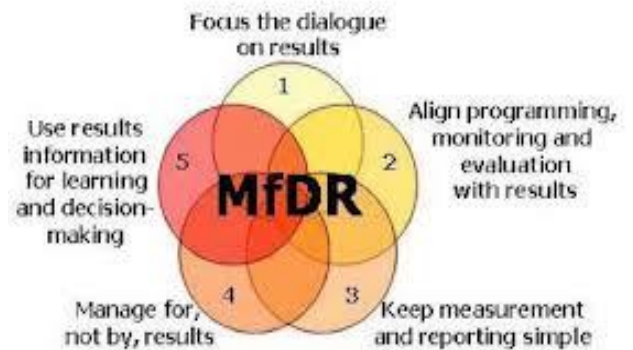
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Appendix 1: fundamentals of MfDR

Managing for Development Results (MfDR) is a technique for stakeholders to co-design and agree upon a path (usually extending over several years) towards particular desirable changes and align efforts towards overarching development goals. By building a consensus among stakeholders and clearly articulating intermediate as well as long-term targets and objectives, MfDR is meant to integrate planning, monitoring, implementation, and evaluation—as well as provide a feedback loop so that actual results evidence will be incorporated into future planning. MfDR itself has been elaborated in a series of international conferences aimed at making development assistance more effective: Washington Roundtable on Managing for Development Results (2002), the Marrakesh Roundtable (2004), Paris High-Level Forum on Aid Effectiveness (2005), the Hanoi Roundtable (2007), and others.

At the Second Roundtable in Marrakesh, five core principles were agreed upon. As Figure 1 illustrates, MfDR begins with a commitment to “focus the dialogue on results.” This means at all stages, not during the planning stage alone but throughout implementation until the project is completed—and even beyond when the results achieved are assessed against what was specified in the results framework and, after enough time has passed, in terms of sustainability. The unwavering focus on the agreed-upon objectives is meant to align all activities of all actors with achievement of the goal.

Figure 1: The five core principles of managing for development results



Source: Ministry of Foreign Affairs of the Netherlands

The backbone of the system is a results framework (Box 1). The framework can be applied to a national development strategy, a sectorial strategy within a country, a development program, or even an individual project. It is essentially a hierarchy of inputs, activities, outputs, and outcomes—all leading logically through a causal chain to the overall goal of the project. For each step in the hierarchy, a small set of indicators is articulated in order to facilitate monitoring and assessment. Crucially, the framework is the product of “backwards design,” in which the long-term goal that is desired is first established and then, building backwards chronologically, intermediate goals leading to the final goal are articulated and assigned realistic timeframes. The illustration below shows the basic structure of the results framework.

The process of building the results framework for a program or project brings together stakeholders—government agencies, development organizations, civil society, intended beneficiaries, and the public—who through an iterative process or “dialogue” agree upon goals and a path to achieving those goals. . . . Once the goal and the intermediate objectives

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have been established, the stakeholders build out a detailed action plan, which spells out who “owns” the initiative, the team members responsible for moving the initiative forward, the required resources, and the timeline.

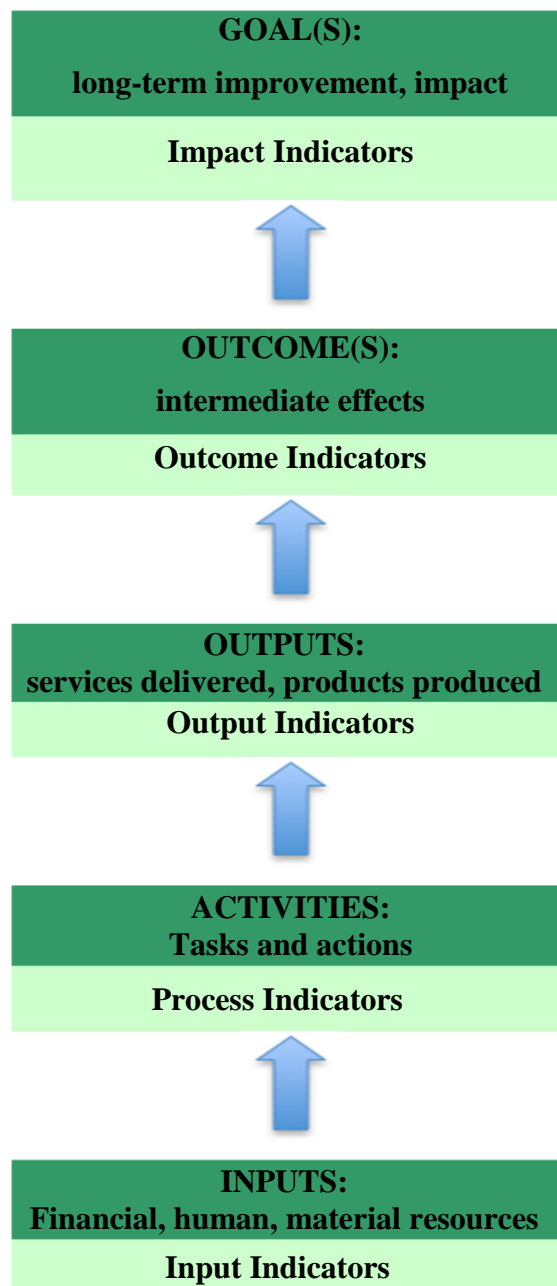
If the plan and the budget are sufficiently explicit and specific, managers should have greater flexibility as to implementation. In other words, if a manager’s work plan and budget are spelled out in line with the government’s intentions, the manager is bound to those intentions and should have greater flexibility in how he or she chooses to fulfill that intention, since service providers generally know more than central agencies about what they are doing and how to do it. To return to a previous example, if the budget allocates resources to

building rural clinics, those resources cannot be spent on staff salaries.

The results framework, then, depicts the future that the consensus of stakeholders wants and, ideally, a well-defined path to that future. The framework presents an explicit definition of results—precisely what is to be achieved through the project or program or national strategy and by when. With measurable objectives in sight, the framework provides the basis for monitoring progress toward those objectives and managing and adjusting program implementation. Box 2 gives an example.

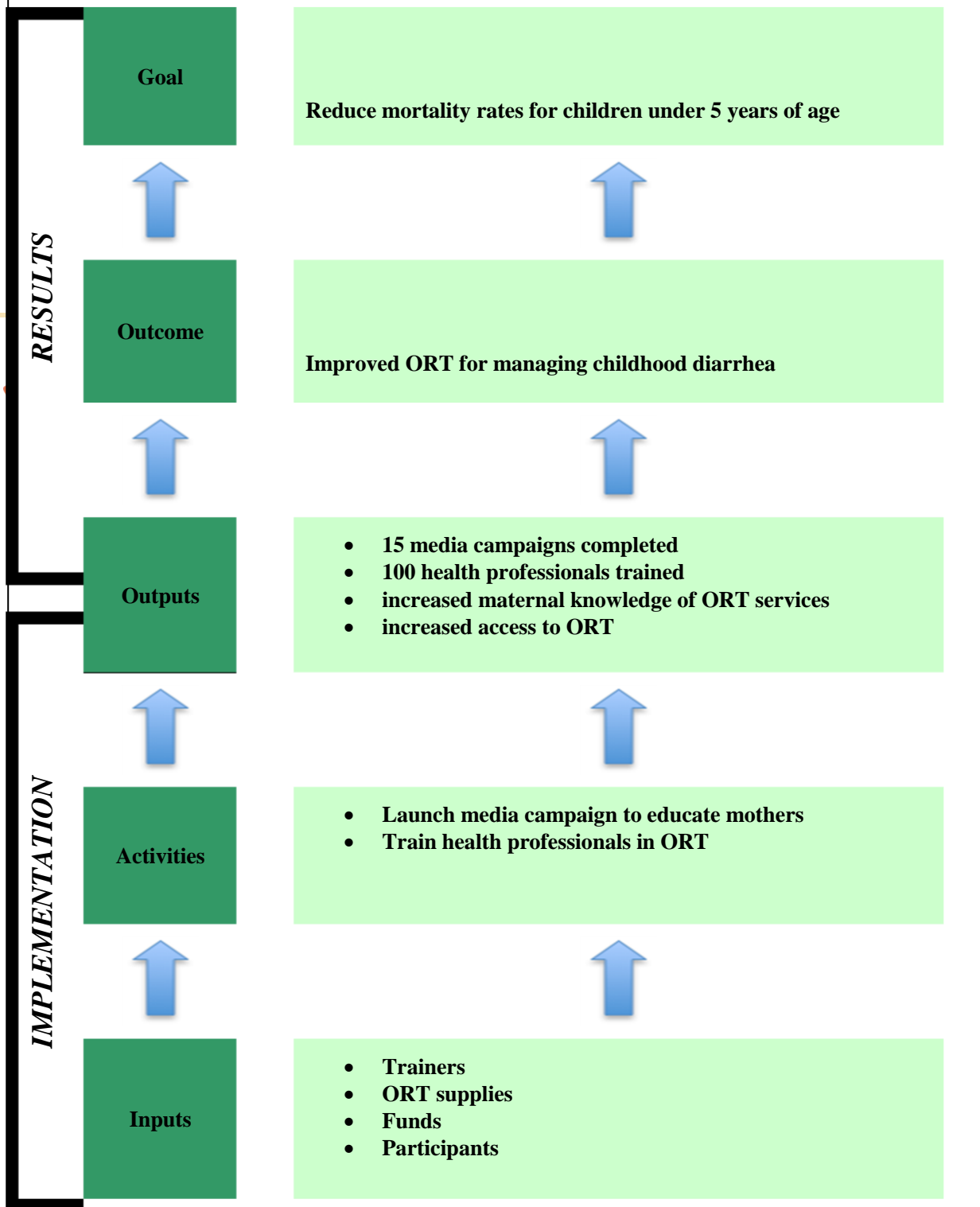
Box 1: results framework and types of indicators

A results framework is a logical representation of how inputs, activities, and outputs affect outcomes and the long term goals through causal pathways (see figure below). The framework can be applied to a national development strategy, a development program, or an individual project.



Source: Adapted from DAC Working Party on Aid Evaluation, Results based management in the development of co-operation agencies: a review of experience – background report (2000)

Box 2: Sample Results Framework for reducing childhood morbidity through Oral Rehydration Therapy (ORT)



Source: The World Bank, Independent Evaluation Group, Designing A Results Framework for Achieving Results: A How-To Guide (2012)