Planning and Monitoring in Results-based Management of Projects and Programmes

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   Situation Analysis with SEPO or SWOT
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List of Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>DANIDA</td>
<td>Danish International Development Agency</td>
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<tr>
<td>DFID</td>
<td>UK Department for International Development</td>
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<tr>
<td>FAO</td>
<td>Food and Agriculture Organisation of the United Nations</td>
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<tr>
<td>GTZ/GIZ</td>
<td>Deutsche Gesellschaft für Internationale Zusammenarbeit (German Society for International Cooperation)</td>
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<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<tr>
<td>LFA</td>
<td>Logical Framework Approach</td>
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<td>LogFrame</td>
<td>Logical Framework Matrix</td>
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<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MIDR</td>
<td>Managing for Development Results</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
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<tr>
<td>OM</td>
<td>Outcome Mapping</td>
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<td>PCM</td>
<td>Project Cycle Management</td>
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<td>PLA</td>
<td>Participatory Action and Learning</td>
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<td>PRA</td>
<td>Participatory Rural Appraisal</td>
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<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
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<td>SDC</td>
<td>Swiss Development Cooperation</td>
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<tr>
<td>SECO</td>
<td>State Secretariat for Economic Affairs, Switzerland</td>
</tr>
<tr>
<td>SEPO</td>
<td>Analytical Matrix: Succès-Echecs-Potentialités-Obstacles</td>
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<tr>
<td>SIDA</td>
<td>Swedish International Development Cooperation Agency</td>
</tr>
<tr>
<td>SWOT</td>
<td>Analytical Matrix: Strengths-Weaknesses-Opportunities-Threats</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organisation</td>
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<tr>
<td>YPO</td>
<td>Yearly Plan of Operations</td>
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This document is a script for the NADEL courses on results-based management of projects and programmes in international cooperation. The concepts, methods and instruments described here are those currently used for results-based project/programme cycle management in most international development agencies. It focuses on schemes that are described either as projects or programmes (in the sense of complex projects or a bundle of projects) depending on their institutional context. Even though some of the methodological foundations remain the same, a new or expanded range of instruments is required for steering programme-oriented schemes such as sector plans and budget support in accordance with the Paris Declaration on Aid Effectiveness.

The basic approaches and methods that we present here are based on the practical experience of SDC, the Swiss Bilateral Agency for Development and Cooperation, which has traditionally played a leading role in defining project steering methodology in Switzerland. The methodology used by SDC today builds on the methods and approaches developed in the 1990s under the German acronym PEMU (Planning, Evaluation, Monitoring, Implementation). PEMU combined the requirements of objective-oriented planning, monitoring and evaluation practices with participatory approaches and concepts of partnership and learning. These concepts were later expanded to include the concept of systematic Project Cycle Management (PCM) as developed by the European Commission (EuropeAid). In more recent years the concept of “Managing for Development Results” (MfDR), has become one of the key issues on the agenda of international development cooperation (Paris Declaration on Aid Effectiveness 2005, Accra Agenda for Action 2008).

Most Swiss NGOs adopted the PEMU and adapted it to their needs. At NADEL, we think that the instruments we have developed for our PCM courses (planning, monitoring, evaluation and impact assessment) and which we now present in this script, can be used both in bilateral and civil society contexts, provided that the organisations make an effort to adjust the methods and instruments to each particular situation.

The script is structured according to the (chrono-)logical order of the cycle of PCM. Following an introductory chapter on the background and context of the results-based planning and steering, chapter 2 is an introduction to planning in general, planning approaches and finally to the PCM approach. Chapter 3 deals with the identification of project ideas. Chapter 4 contains a detailed presentation of the planning process using the Logical Framework Approach, which is the most widely used planning approach in international development cooperation. In chapter 5, we describe the further planning steps leading to the project document and the agreements. Chapter 6 gives an introduction to the topic of indicators. They are a central piece of results-based management. In chapter 7 we describe the yearly plan of operation, the interface between planning and implementation. Chapter 8 introduces the essential concepts of project steering, especially monitoring, whereas the last chapter discusses these concepts from the practical perspective of project management.
1. Management for Development Results

Background and Context

International cooperation has grown in complexity since the beginning of the 1990s. Its scope has widened, the levels of intervention have changed, and new modes of cooperation have come to the forefront. At the same time, widespread unease at the sometimes meagre results of aid and at relatively inefficient bilateral and multilateral development cooperation have led to calls for improvements in aid effectiveness. Aid agencies have been challenged to achieve concrete, measurable and sustainable results. This focus on results is relevant and legitimate for two reasons. It is important that developing countries realise the extent to which external aid can help them improve their situation. Donor countries and their organisations must know whether their funds are making lasting improvements in order to learn lessons from them.

A series of international conferences have been held since 2000 with the aim of converting these calls for greater aid effectiveness into reality. During this process, the international community of donor and developing countries has agreed on three fundamental commitments:

- The Millennium Development Goals (MDGs) adopted by UN General Assembly in 2000. The governments of 150 made the official commitment to achieve the eight concrete and measurable goals by the year 2015.
- The principle of Managing for Development Results (MfDR) in projects, programmes and policies by all actors (i.e. the governments of developing countries, multi- and bilateral funding agencies, as well as NGOs) was endorsed at several conferences and international roundtables (Monterrey, 2002; Rome, 2003; Marrakech, 2004; Hanoi, 2007; Accra, 2008).
- The 2005 ‘Paris Declaration on Aid Effectiveness’, in which developing countries, multilateral organisations and donor countries agreed on five basic principles for development aid, created a binding framework and defined a new “international aid architecture”.

The ‘Paris Declaration on Aid Effectiveness’ seeks to improve the effectiveness of development aid at various levels, and commits donor and recipient countries to:

- **Ownership**: Partner countries (developing countries) take control of their development policies and strategies, and coordinate the development measures.
- **Alignment**: Donors align their aid with national development strategies, institutions and procedures.
- **Harmonisation**: Donor countries coordinate their activities and ensure that they are transparent and effective.
- **Managing for development results**: Resources are managed and decision-making processes improved to achieve development results.
- **Mutual accountability**: Donors and partners are accountable for development results.

Actors in international development have been called upon to put the principles of the Paris Declaration into practice. For project and programme management, this means that the principles of managing aid for results must be applied throughout the entire project or programme cycle.
Key Concepts of Management for Development Results

Development projects (or programmes in the sense of complex projects) are bundles of activities that are oriented towards achieving an objective. Projects usually intend to solve specific problems or to improve unsatisfactory situations. Many of them have an innovative character and nearly all of them contain a capacity-building component.

Management for Development Results means that the delivery of project services is oriented towards bringing about developmentally relevant changes. But attributing results to the performance of a specific project is not always easy. It requires the use of a logical model that defines the cause-effect hypotheses between the inputs and activities of a project on one hand and the outputs, outcomes and impact on the other hand. As projects are no island but are put into practice in a concrete environment, factors other than the project activities have an influence on the results. The following diagram illustrates the relationship between planning and implementation as described in the logic model used by SDC.

From Planning to Implementation

Planning starts at the highest level of objectives and step-by-step it describes, by establishing a chain of IF-THEN relationships, how the project intends to bring about the changes at the different levels and how these changes contribute to improvements at the goal level. Planning and implementation of a project can also be understood as an experiential learning spiral: plan - do - reflect – re-plan – do – reflect.

When we assess a project planning or evaluate the performance of a project, we typically use the following DAC criteria, which to some extent describe the relationships between the different levels of objectives and between outputs and activities:

Efficiency is a measure of how economical resources/inputs (funds, expertise, time etc.) are converted into outputs: Activities vs output/outcome.

Effectiveness indicates the extent to which a programme/project's objectives were achieved, taking into account their relative importance: Activities vs output, outcome and impact.

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DAC Glossary of Key Terms and Concepts
Relevance indicates the extent to which the objectives of a project/programme are consistent with the beneficiaries’ need, country needs, global priorities and partners’ and donors’ priorities: Activities and outputs vs intended impact.

Sustainability is the continuation of benefits from a development intervention after major development assistance has been completed.

Components of Management for Development Results

The following illustration summarises the key components of MfDR.

Focus on the development or transition goals of partners and partner countries: The starting point of management for results is a deliberate focus on the development goals of the partners and partner countries. The frame of reference is given by national MDGs, national development plans (PRSP - Poverty Reduction Strategy Paper), sector development policies, etc.

Coherence with the cooperation strategy of donor: The SDC’s cooperation strategy and NGO country programmes aim at ‘harmonisation and alignment’ with national and international development goals and form the frame of reference for the results-oriented management of individual projects. Humanitarian aid agencies adapt their work in the fields of prevention, emergency aid, reconstruction and advocacy to the goals and needs of partner countries and of other actors within the development community.

Planning for Results

Hierarchy of objectives, logic model: Use of a logic model that presents the hypothetical causal relations between performance (activities and outputs) and results at outcome and impact level. This is also called the results chain.

Indicators, target values: Setting of objectively verifiable indicators for outputs, outcomes and impact, and as well as defining measurable target values and baseline data.
Monitoring and evaluation plan: Defining the tasks, methodologies, deadlines and responsibilities for monitoring and evaluation.

Results-based Monitoring and Evaluation

Continuous monitoring of performance and results, periodic evaluation: continuous data collection using the performance and effect indicators; detailed analysis through evaluation.

Systematic checking of cause-effect hypotheses: verification of the hypotheses upon which the logic model is based using appropriate methods.

Assessment of monitoring and evaluation results: analysis of monitoring and evaluation results; formulation of lessons learnt and recommendations for action for the following planning period.

Integration of insights gained from monitoring and evaluation: Lessons learnt, recommendation for future planning.

Results for Learning and Decision-making

Results-oriented reporting: Focus on results (outputs and outcomes) without losing sight of impact hypotheses.

Use of results for steering: How well a project/program performs can be perceived by the outcomes and impact it causes.

Core Values and Cross-cutting Issues

Alongside the specific results, projects and programmes are expected to convey certain fundamental values. The projects and programmes are supposed to:

- Strengthen partner organisations’ problem-solving capacity;
- Build up stakeholders’ ownership of the project’s goals through appropriate forms of participation in all phases of project and programme management;
- Empower poor and marginalised population groups (beneficiaries) to participate in development and political decision-making;
- Contribute to better governance in the partner country and to gender mainstreaming as well as to taking account of environmental aspects.
2. Planning of Projects and Programmes

Introduction to Planning

Real life is complex and dynamic, because it consists of an uncountable number of elements (people, things, structures, etc.) that interact and influence each other in many ways. Unless we reduce this complexity by “simplifying” life, it is impossible to develop, discuss and agree on plans. And there is a second difficulty: Planning means creating and agreeing on an idea or “mental image” about something that still does not exist but hopefully will come into being. Starting from the situation as it is now, we agree on how it should look in the future. Most development projects are considered as investments for (at least) contributing to the solution of a problem. A problem can be defined as the gap between WHAT IS and WHAT SHOULD BE. Only after having agreed on what the problem looks like at present and what the situation should look like after the completion of the project, are we able to define a strategy for getting there.

Project planning is usually done based on a document called planning platform. It sets out the fundamentals of the planning process and serves as an agreement between the donor’s field office and headquarter as well as between the donor and its partners. For new projects, the planning platform builds on the concept note and on the approved entry proposal. For follow-up phases of ongoing projects and programmes, the planning platform builds on the lessons learnt (end-of-phase report) and the evaluation of the preceding phases.

The planning process aims at:

- Looking into the preceding planning steps or evaluating the previous project phase
- Developing a realistic project or programme strategy
- Designing a detailed project plan (project document)
- Defining binding commitments and ways of cooperation among the partners
- Obtaining a final decision on a funding application from the donor in order to finance and carry out the project.
The end product of this planning stage is the **Project or Programme Document (ProDoc)**. It contains a detailed description of all the important aspects of the planning process, the objectives and the implementation strategies.

**Planning Approaches**

In the field of international development, specific methods and approaches are used. Many of them have been developed for the particular needs of development cooperation.

**Logical Framework Approach (LFA):** This planning approach has established itself in international development circles as a standard. It essentially involves the development of a strategy for interventions based on the principle of a chain of cause-effect relations: inputs → activities → outputs → outcome → impact. This approach is also used in the public sector management as part of results-oriented public management. It encompasses a series of steps of analysis and planning leading to the development of the project intervention logic or logic model using the Logical Framework matrix.

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**Outcome Mapping (OM):** In 2001 the International Development Research Centre, Canada (IDRC) published its planning approach called ‘Outcome Mapping’. It focuses on the behaviour of partners (called “boundary partners”) that are involved in processes of change and that are supported by the project or programme. OM defines expected outcomes (“outcome challenges”) as changes of behaviour of ‘boundary partners’ as a result of the services provided by the external change agent. These changes in behaviour in turn lead to changes in the situation of the target groups (development results). The external project or programme (‘change agent’) supports the boundary partners through capacity-building measures thereby facilitating the planned changes in their practice or behaviour. This focus on partners makes it easy to clarify the roles, responsibilities and division of work between the external ‘change agents’ (e.g. donors, development agencies, projects or programmes) and the local actors (‘boundary partners’). With slight adaptations OM can be used for results-oriented planning and the implementation of projects and programmes.
Logical Framework Approach versus Outcome Mapping

Both OM and LFA provide a framework for planning, monitoring and evaluation, and both have an explicit focus on results and change. The underlying principles are based upon fundamentally different approaches to development and social change.

<table>
<thead>
<tr>
<th>Logical Framework Approach</th>
<th>Outcome Mapping</th>
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</thead>
<tbody>
<tr>
<td>Aligns expected results with activities in a cause-effect chain. Activities produce outputs (goods and services), which result in immediate, intermediate and final outcomes.</td>
<td>Plans for and assesses outcomes, defined as changes of behaviour of the people with whom a programme works directly. Modifies the intervention according to the complexity of the change process and the development context.</td>
</tr>
<tr>
<td>Uses indicators for measuring performance at different levels. Plans and measures against predetermined targets of these indicators to determine success of project.</td>
<td>Uses progress markers as points of reference to motivate reflection and learning, and to represent change pathways of the boundary partners.</td>
</tr>
<tr>
<td>Focal point of planning and assessment is on the project or programme and what it has achieved.</td>
<td>Assesses change in the development players and how and why the programme hoped and was able to contribute to that change.</td>
</tr>
<tr>
<td>Strives for measuring downstream, widespread impact as evidence of programme “success”.</td>
<td>Focuses on analysing fundamental behavioural changes, and on the contributions made to support those changes, in order to tell a story of transformation from the outset of an intervention.</td>
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</tbody>
</table>
The LFA remains the standard planning and management tool of SDC for designing, monitoring and evaluating international development projects and programmes. Nevertheless the insertion of certain elements of OM – for instance the identification and inclusion of the boundary partner - in the planning process is encouraged.

**Business plan:** For planning business activities, the business plans can be an interesting tool. A business plan is the presentation of a business proposal that emphasises the financial aspects. It contains a comprehensive overview of the (market) context as well as of the organisation’s own capacities and competences. It defines the strategies and implementation plans that are required for a successful, i.e. profitable business activity. For small and medium-sized companies as well as producer organisations, cooperatives, etc. business plans are often a prerequisite for obtaining loans from banks and credit institutes.

The LFA and to a minor extent also OM are deficit-oriented approaches to development. The aim of a project is to solve a problem or at least improve an unsatisfactory situation. The business plan is an approach that focuses on opportunities and builds upon existing strengths and competencies.

**Project/Programme Cycle Management**

Project Cycle Management is the term that describes the management activities and decision-making procedures used during the life-cycle of a project. PCM helps to ensure that projects

- Are relevant in the reality of the target group
- Are feasible with the available resources, the capabilities of the executing partners (international and national) and the limitation of the project environment
- Match and support the programmatic framework of the partners
- Are likely to be sustainable after project end.

Most projects and programmes have a duration of several years and are implemented in phases. For practical steering purposes PCM applies two management or steering cycles:

![Two Project Steering Cycles Diagram]
1. The PCM of the project phase consists of phase planning, implementation, evaluation and end of phase/completion reporting.

2. The PCM for each project year consists of the yearly planning, the execution of the planned activities, the monitoring and the reporting.

Many agencies and partner organisations have agreed to apply a system of key documents for each stage of the two PCM cycles. The following table provides an overview of documents used by Swiss Cooperation Organizations:

<table>
<thead>
<tr>
<th>PCM cycle</th>
<th>Documents</th>
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</thead>
<tbody>
<tr>
<td>Identification</td>
<td>Concept note, Entry Proposal</td>
</tr>
<tr>
<td>Planning</td>
<td>Project Document (ProDoc), Credit Proposal</td>
</tr>
<tr>
<td>Implementation</td>
<td>Implementation Agreement</td>
</tr>
<tr>
<td>Operations</td>
<td>Yearly Plans of Operations</td>
</tr>
<tr>
<td>Monitoring, Reporting</td>
<td>Progress Reports, End of Phase Report, Completion Report</td>
</tr>
<tr>
<td>Evaluation</td>
<td>Terms of Reference, Evaluation Report, Management Response</td>
</tr>
</tbody>
</table>

Additionally PCM defines the following core components for each stage:

- **Management tasks**: processes, methods, responsibilities
- **Actors**: implementing organisation, partners, donors, target groups
- **Guidelines and quality standards**: in-house rules and guidelines, as well as reference documents from international organisations

PCM is organisation-specific. Each organisation defines the core elements of its PCM according to its own needs and requirements. Despite all the differences there is a certain consistency in the way different organisations in the field of international development organise their project and programme cycle management.
3. Identification of Projects and Programmes

Introduction

Ideas for new projects can come from different avenues: from the cooperation agency, from current or future implementing partners, from the partner government, or from other donors. Sometimes the affected communities turn to government agencies or non-governmental organisations with particular concerns. Sometimes NGOs identify problems and take the initiative for launching a new project.

A precondition for taking up and further developing project ideas in the project identification phase is that they are in line with the country strategy and programme of the donor organisation. Since the adoption of the Paris Declaration with its principles of alignment and harmonisation, projects also have to match the priorities of the partner country. Most countries define their priorities in the so-called Poverty Reduction Strategy Paper.

The aim of the project identification process is to:

- Develop together a common understanding of the problems to be tackled and their causes;
- Elaborate on realistic project or programme ideas that can contribute to achieving the development goals of the partners and partner country and that are in accordance with the priorities of the donor organisation’s own programme;
- Spot existing strengths and potentials that a future project might build upon;
- Reach a decision on the basis of an entry proposal; whether the identified project should be pursued and the corresponding means reserved.

The documents produced (e.g. by SDC) during project identification are the concept note (or project or programme outline) and the entry proposal. Invitations to tender can only be done after the approval of the entry proposal.

Key criteria for evaluating new project ideas are local ownership, coherence with relevant national development goals, and coherence with strategic priorities of donors and implementing agencies.

Especially in new or fast changing contexts a project identification mission might come to the conclusion that a certain intervention would be most relevant and meaningful, but too many variables are still unclear for a precise project planning with a time horizon of several years. They might recommend starting a project with a so-called orientation phase, during which certain – undisputed and confidence building – services are delivered and the situation is further explored.

Methods for Identifying New Project Ideas

Project and programme planning is an iterative process involving various actors. The order of the individual analysis and planning tasks as well as the choice of procedures, methods and instruments must be defined for each individual case.

The two most important steps in the project identification are the analysis of the initial situation (problem and context analysis), and the elaboration and prioritising of project ideas. As a rule, these steps are carried out in close cooperation with the participating or affected communities, their representatives or their organisations. Below we present a selection of methods used in project identification:

Semi-standardised interviews: Interviews with open questions are a good way of helping causes and results to emerge, of illuminating the context, and of organising
subject areas. This type of interview can record subjective assessments, wishes, expectations, fears etc. The important thing is that the selected interview partners are able to provide well-founded information due to their specific expertise or experience. All information collected must be verified using appropriate methods (triangulation, cross-checking, comparison with written sources, etc.).

**Focus groups:** Interviews can also be conducted with groups. These discussions are often far livelier than individual interviews. Arguments expressed in groups offer valuable insights and allow a great deal of information to be collected in a short time. Facilitating group interviews is a challenging job and should always be carried out by a team (division of roles, facilitation, observation, notes). A focus group can be the first step towards open dialogue and joint work on a new project.

**Roundtables:** Roundtables are organised as a means of bringing together as many groups as possible that are affected by a particular problem or conflict, or have for whatever reason an interest in a planning process. They can help to facilitate the exchange of opinions between experts and the people affected. Roundtables are a good tool for improving dialogue in conflict situations.

**Forum:** Forum processes are in general more formally structured than roundtables. Usually, representatives of the different groups involved in and/or affected by a problem or planning process sit at different tables and voice their ideas or project proposals. Each table represents a particular social group or represents specific social, economical or political interests. It is therefore clear where each view comes from. A forum process consists of a series of meetings at which the proposals of the various tables are presented and discussed. In a structured process of prioritising and selection, the participants finally agree on the projects they wish to see implemented.

**Workshops:** Workshops are in some ways similar to group interviews. They differ from them, however, in that they involve a combined effort to jointly carry out specific tasks such as context analysis, elaboration of project proposals, etc.

**SWOT analysis:** This is a commonly used, group-centred method of analysing a subject. It can be used for context analysis and to assess project ideas.

**Participatory Rural Appraisal (PRA); Participatory Learning and Action (PLA):** The PRA approach, which was originally developed by Robert Chambers (Institute of Development Studies, University of Sussex, UK), and other participatory methods for investigation, planning and monitoring that have been derived from it, have become a staple part of most development agencies’ work. These approaches are particularly suitable for participatory context analysis that is carried out during the identification of new project ideas.

**Success Orientation and Attitude towards Risks**

The inherent “strive for success” principle of Management for Development Results pressures development actors to produce “success stories” and to avoid failures. Of course, nobody wants to fail, because we invest the taxpayers’ and private donors’ money. Those who do avoid risks at all costs run the risk of missing the chance to make a real difference in the lives of the beneficiaries. Project identification is always an assessment of the trade-off between risks and potential benefits. Development cooperation is a risky business. As in the business world where not all start-ups succeed, so it is in development cooperation where some projects fail or at least do not meet the (too) high expectations.
4. Planning with the Logical Framework Approach

Background and Discussion

To gain a more precise understanding of the Logical Framework Approach, it is helpful to distinguish between two concepts that in practice are often described in the same terms:

- The Logical Framework Approach as a planning method consisting of a sequence of steps.
- The Logical Framework Matrix (LogFrame) as a logic model for a project and presented as a table.

The Logical Framework Approach was first used in international development by USAID in 1969. It has become a widely used instrument, forming the basis of results- and impact-oriented project cycle management. The core element of the matrix is the result chain, which defines the cause-effect hypotheses between inputs, activities, outputs, outcome and impact.

![The Result Chain](image)

At the beginning of the 1980s, in need of a coherent, simple and participatory planning method, the German cooperation agency GTZ developed a range of planning instruments known by its German acronym ZOPP (Goal-Oriented Project Planning). The method consists of a sequence of steps, which can be carried out in a participatory planning workshop. The final product of the process is the so-called Project Planning Matrix, which corresponds to the LogFrame.

Criticisms of the rigid and dogmatic use of ZOPP led to a more flexible and pragmatic application of the method in the planning practice of international development agencies. Particularly interesting were efforts to integrate approaches like Participatory Rural Appraisal (PRA) and Participatory Learning and Action (PLA) into project planning.
Today we find the Logical Framework Approach and its adaptations in the PCM handbooks of most bilateral and multilateral development agencies (e.g. DANIDA, SIDA, DFID, EuropeAid/EU, World Bank, UNDP and many others) as well as many international NGOs. When Management for Development Results became one of the five principles of the current international aid-effectiveness agenda, the Logical Framework Approach received a strong boost.

The Five Planning Steps of the Logical Framework Approach

There are five separate steps to the Logical Framework Approach methodology and they can be divided into two stages. The first three steps help to analyse the initial situation; the last two serve to plan the project/programme strategy or project design and further elements of the project. The following table presents the five planning steps, the tasks in each step and a selection of suitable instruments.

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<tr>
<th>Planning steps</th>
<th>Tasks</th>
<th>Instruments</th>
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<tr>
<td>IS 1. Situation analysis</td>
<td>• Stakeholder analysis</td>
<td>Stakeholder analysis matrix</td>
</tr>
<tr>
<td>Where are we? What are the problems and the potential?</td>
<td>• Problem analysis</td>
<td>Problem tree</td>
</tr>
<tr>
<td>• Potential analysis</td>
<td>• SEPO analysis</td>
<td></td>
</tr>
<tr>
<td>IS 2. Visioning</td>
<td>• Analysis of objectives</td>
<td>Objective tree</td>
</tr>
<tr>
<td>Where do we want to go to? What are the possible objectives?</td>
<td>• Visioning</td>
<td></td>
</tr>
<tr>
<td>IS 3. Alternative approaches</td>
<td>• Analysis of alternatives approaches</td>
<td>Decision matrix</td>
</tr>
<tr>
<td>What alternative approaches are there? How should we assess them? Which approach do we choose?</td>
<td>• Utility analysis</td>
<td>Cost-benefit analysis</td>
</tr>
<tr>
<td>• Scenario planning</td>
<td>• SWOT</td>
<td>Multi-criteria approach</td>
</tr>
<tr>
<td>HOW TO FILL THE GAP 4. Project strategy</td>
<td>Design of Logframe:</td>
<td>Logframe</td>
</tr>
<tr>
<td>What objectives do we set? How can we achieve them? How do we check, if we have achieved them? What external risks are there?</td>
<td>• Hierarchy of objectives</td>
<td></td>
</tr>
<tr>
<td>• Assumptions</td>
<td>• Indicators and sources of information</td>
<td></td>
</tr>
<tr>
<td>• Inputs/Resources</td>
<td>Logframe</td>
<td></td>
</tr>
<tr>
<td>SHOULDBE 5. Project organisation, means, steering (M/E)</td>
<td>• Definition of organisational set-up</td>
<td>Project document</td>
</tr>
<tr>
<td>What are the roles and responsibilities? What means are available and are needed? How will the project be steered and evaluated?</td>
<td>• Means (budget)</td>
<td>Feasibility study</td>
</tr>
</tbody>
</table>

This chapter provides an overview of the planning process and some of the key planning tools. All the tools can be used in participatory planning processes involving different types of stakeholders. In order to assure a high degree of participation they are best used in a workshop setting (max. 12 participants). The whole planning process normally lasts four or five days. This workshop approach is only feasible with professional facilitation and continuous visualisation.
**Step 1: Situation Analysis**

**Stakeholder Analysis**

The first part of the situation analysis is the stakeholder analysis, which provides an overview of:

1. The actors (organisations, groups, individuals) that are directly or indirectly involved in or affected by the project to be planned;
2. The interests, expectations, potentials and possible resistance of these actors.

**Tool: Stakeholder Analysis Matrix**

This tool allows the analysis of different categories of stakeholders according to different criteria.

1. List potential actors and try to find useful categories, such as
   - beneficiaries, users, target groups
   - donors, executing organisations, partner organisations
   - actors to be consulted or informed
   - opponents: actors who will be negatively affected by the project.

   According to the specific necessities of the case the categories might have to be further divided into sub-categories.

2. Agree on useful and relevant criteria for analysing these categories of actors such as their relevance for the project, their potential to contribute to solutions and the resistance which might be expected.

3. Facilitate the analysis.

<table>
<thead>
<tr>
<th>Actors</th>
<th>Relevance</th>
<th>Potentials</th>
<th>Resistance</th>
<th>Comments, possible solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partners</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opponents</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A wide range of other possible approaches and practical tools for stakeholder analysis are found in the literature. Regardless of the methods used, it is important to take into account the perspectives of different social realities with different and maybe even conflicting cultural models and obligations. In a stakeholder analysis we have to organise the people’s voice and participation appropriately (e.g. representation of underprivileged groups)

**Non-example of a problem:**

*Children get diarrhoea, because there is no money for building a drinking water system.*

- Does the water really cause the diarrhoea?
- Is the water dirty at the source or unsafe due to transport and storage?
- Is no money available or is the village too disorganised to apply political pressure?

**Problem Analysis**

A problem is a matter or situation regarded as unwelcome or harmful and needing to be dealt with and overcome. Problems are neutral descriptions of concrete negative situations and should not be confused with the absence of the preferred solutions or a lack of money.
The purpose of the problem analysis is to
• develop a common understanding of the main problems that the project should help to solve.
• make visible the cause-and-effect relationships between the problems.

**Problem analysis using the problem tree**
The problem tree is an analytical instrument that is very suitable for participatory problem analysis in workshop settings. This analysis is based on simple, linear causality and identifies the causes and consequences of problems. Although this linear logic is opposed to the principle of interdependent causalities used in systemic thinking, it is precisely this simplification, which makes this instrument suitable for participatory workshop settings. Depending on the situation, analytical tools that delve deeper like PRA instruments, mind-maps or SEPO/SWOT analysis may be needed.

**Steps**
1. Identify or re-confirm the so-called core problem. This generally has emerged during the project identification process.
2. Identify the direct causes of the core problem. Arrange them below the core problem on the pin board. Step by step, participants look for the causes of these causes, and the analysis is thus continually refined.
3. Identify the effects of the core problem. Place them above the core problem.

**Hints**
• The problem-tree analysis focuses on problems related to and felt by people. Sometimes it is helpful to state the stakeholders that are affected by a specific problem.
• Solving problems is a driving force for change, tapping potentials another.

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Step 2: Visioning

This second planning step consists of developing a common vision for the future and defining possible objectives. The guiding questions are: What is our vision of the future? Where do we want to be in 5 or 10 years? What do we want to achieve?

There are various methodological possibilities available. Here we limit ourselves to converting the “problem tree” into an “objectives tree”. Both “trees” are part of the original LFA methodology.

Steps

1. Reformulate negative conditions of the problem tree as statements (objectives) that are desirable and realistically attainable.

2. Check the links between means and objectives to see whether they are valid and complete.

3. Improve the definition of the objectives. If necessary, formulate additional objectives to achieve the level of objectives above.

Strengths

• It creates a common understanding of the future situation when the identified problems have been solved.

• It highlights the logical links between objectives (links between means and ends).

• It reveals possible alternatives or different options for the project.

Hints

• Do not include any objective that is not desirable, realistic or necessary.

• Create transparency about the framework formed by the ‘top-down’ objectives from the authorities. Sometimes the top-down objectives are not in line with the bottom-up objectives AND sometimes the top-down objectives are even opposed to the bottom-up objectives.

Step 3: Alternative Approaches

The aim of step 3 is to identify different possible project approaches and to agree on the most appropriate one.
Steps

1. Establish the possible means-objectives chains on the objectives tree. They might become the project approach.

2. Circle and label the different means-objectives: e.g. training, production, infrastructure, integrated approach, etc.).

In our example we identified three different project approaches:

**Blue**: A simple project with two components (safe drinking water supply; awareness-raising about hygiene). The expected positive change regarding the core problem might be limited.

**Blue + Green**: The component “Construction and maintenance of latrines” is added. The expected positive change regarding the core problem might be bigger.

**Blue + Green + Purple**: The component “Food security” with school meals and agricultural projects among others is added. The expected positive change regarding the core problem might be even bigger.

3. Assess the different approaches using specific criteria and select an approach. Assessment criteria could be:
   - Chances for success
   - Sustainability
   - Social compatibility
   - Political acceptance
   - Costs/benefits
   - Available competencies
   - Available means
   - Appropriate technology
   - Institutional capacity

**Remark**: The process described above with the three steps Problem Tree, Objective Tree and Alternative Approaches structures the planning process from the perspective of deficits and not from the perspective of opportunities. Successful projects bring into play existing strengths and potentials of the stakeholders, and they look for and take up promising opportunities.
Step 4: Project Strategy

The better and more carefully the preceding analyses have been carried out, the easier it is to develop a coherent project strategy.

The LogFrame depicts the causal links between the interventions and the expected results. It makes transparent which assumptions the cause-effect hypotheses are based on and how the success will be measured.

The LogFrame Matrix

<table>
<thead>
<tr>
<th>Hierarchy of Objectives</th>
<th>Indicators</th>
<th>Means of verification</th>
<th>External Factors (Assumptions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact</td>
<td>Impact Indicators</td>
<td>Source of Information</td>
<td></td>
</tr>
<tr>
<td>Outcomes</td>
<td>Outcome Indicators</td>
<td>Source of Information</td>
<td>Assumptions</td>
</tr>
<tr>
<td>Outputs</td>
<td>Output indicators</td>
<td>Source of Information</td>
<td>Assumptions</td>
</tr>
<tr>
<td>Activities</td>
<td>Resources Inputs</td>
<td></td>
<td>Assumptions</td>
</tr>
</tbody>
</table>

The process of designing the project using a LogFrame is done in several steps:

A. Hierarchy of objectives or results-chain: Define the chain of cause and effects between activities, outputs, outcome and goal.

B. External factors: Assess the external factor – often risks – that are likely to influence the project. They are formulated as positive assumptions.

C. Indicators and means of verification: Define the indicators and sources of information to measure the success of the project.

D. Resources: Determine the means necessary to execute the project and define the timetable, the project organisation, as well as the project management methods.

A. Hierarchy of Objectives

The LogFrame can be divided into the two parts: the performance (service delivery and products) of the project and the intended effects.3

Effects (impact and outcomes)

The planning of the project starts at the two top boxes of the left column, which describe the intended effects on the beneficiaries or target groups. The changes in their behaviour (people and/or organisations) should have a lasting impact on the life of the people. Like any other objective the impact statement should be formulated as concrete as possible. If it is farfetched and abstract, it is very difficult to establish a plausible causal relationship between impact and outcomes on one hand and the out-

3 Please notice the sometimes confusing difference between results and effects in the terminology of Results-based Management: Results include outputs, outcomes and impact, effects include outcomes and impact only.
puts and activities on the other hand. For abstract impacts is also difficult to define concrete and measurable indicators.

At **outcome** level we describe the direct and often immediate effects, which the project’s outputs are expected to have on the target system. Again, the outcomes should be as concrete as possible so that they can be verified by means of measurable indicators. Most projects aim at strengthening the capacity of people and/or organisations. Therefore the intended changes at outcome level often refer to changes and improvements in the skills and behaviour of target groups, i.e. the performance of organisations as a result of putting into practice the new knowledge or methods provided by the project.

**Service Delivery, Products (outputs and activities)**

In the lower part of the LogFrame (levels of activities and outputs) we define the expected outputs and the activities of the project. Outputs consist of services and goods such as training events, manuals, better or new organisational processes and structures in organisations, new technologies or methods, better or new infrastructure for organisations such as equipment, buildings, etc. Outputs may also be public infrastructure such as roads, bridges, drinking water supply systems, dams, irrigation canals, and so forth.

It is helpful to group the services in categories. This way it is easier to establish a structured plan for implementation of the project.

Next step is the definition of the activities, which are needed to produce the outputs. The implementing organisation must be able to take on full responsibility for this ‘production process’.

**Cause-effect hypotheses**

Planning is primarily a matter of formulating cause-effect hypotheses: IF we do this AND the assumptions are correct, THEN we will get that. The LogFrame places the cause-effect hypotheses in an increasing order starting at the activities.

![The Intervention Logic](image)
Activities → Outputs: There is a conclusive causal link between activities and outputs. The organisation implementing the project must have the professional competence and capacity to carry out the planned activities within the specified time with the means available and thereby produce the planned outputs of a satisfactory quality.

Outputs → Outcome(s): The hypotheses on the cause-effect relations between outputs and outcome(s) are crucial. Will the chosen project strategy have the intended effect? The causal link between outputs and outcome should be as direct as possible and thus exclude external influences to a great extent. Professional planners consult sector-specific literature (impact evaluations, studies, etc.) to make use of existing knowledge about proven cause-effect relations.

Outcome(s) → Impact: The higher the goals at impact level are set, the more difficult it will be to establish a plausible causal link between the effects at the outcome level and changes observed at the impact level. In practice it is often difficult or impossible to attribute these changes in causal terms to the project. Usually these changes are partially caused by other influences, too. This phenomenon is known as the ‘attribution gap’. Therefore it is advisable to set modest impact goals and not to promise more than the project will be able to deliver.

Procedure for Defining the Hierarchy of Objectives

Starting point of the development of a hierarchy of objectives is a decision about the general project strategy. Based on this decision the planning team designs the logic model in four or five steps:

1. Define the project objective in terms of expected outcomes.
2. Agree on the definition of the overall objective in terms of impact.
3. Define the outputs.
4. Define the activities needed for achieving the outputs.
5. Check the cause-effect relations.

Sample LogFrame: Drinking Water Infrastructure

<table>
<thead>
<tr>
<th>Hierarchy of Objectives</th>
<th>Indicators</th>
<th>Means of verification</th>
<th>External Factors (Assumptions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incidence of diarrhoea has decreased significantly</td>
<td>then ...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community has access to safe drinking water and transports water in closed containers</td>
<td>if ...</td>
<td>then ...</td>
<td></td>
</tr>
<tr>
<td>• Pumps are built &amp; functioning</td>
<td>if ...</td>
<td>then ...</td>
<td></td>
</tr>
<tr>
<td>• People are made aware of of hygiene &amp; sanitation issues</td>
<td>if ...</td>
<td>then ...</td>
<td></td>
</tr>
<tr>
<td>• Build rural community water pumps</td>
<td>if ...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Conduct awareness campaigns on hygiene</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

A high number of outcome statements might be divided into different components and thus call for several LogFrames, all of them linked together by the same impact statement.
B. Assumptions – Risk Management

As stated earlier project planning implies reducing the complexity of reality. The discussion of the assumptions is an opportunity for bringing back and reflecting at least some of the complexity. The careful analysis of the context and in particular the detection of possible risks is a major task in planning. Risks are external factors that could have a negative influence on the project. Risks converted into positive statements are called assumptions.

Example:

**Risk**: political instability  ⇒  **Assumption**: political stability is preserved

Not all assumptions are equally important. We include only those assumptions in the LogFrame that are important for the success and that the project management must have an eye on. In some cases the discussion about the assumptions might lead to rethinking and reformulating objectives.

Another way of dealing with assumptions is depicted in the matrix pictured here. We ignore assumptions that most probably will hold and are uncritical. The opposite case – high importance for project success and high probability of failing – calls for rethinking the project, because of the small chance of success.

All other cases oblige us to have, to a greater or lesser extent, a closer look at the assumptions. A high probability of failing and a medium importance (or the other way round) demand the design of mitigating activities, which need to be monitored permanently, and a contingency plan.
When we factor in the external risks - formulated as positive assumptions - the simple vertical cause-effect logic in the hierarchy of objectives (if activities, then outputs; if outputs then outcome; if outcome, then contribution to impact) becomes a horizontal chain of results. The integrated logic model now looks like this: if activities are carried out and if assumptions are correct, outputs are produced; if outputs are produced and assumptions are correct, then the outcome is achieved; if the outcome is achieved and assumptions are correct, then the project makes a contribution to the overall objective.

C. Indicators and Means of Verification

The LFA forces the planning team to think about how to measure the progress and success of the project. The second and third columns of the LogFrame contain indicators for the three levels of results (outputs, outcome, goal) and the related means of verification. The indicators are the measuring stick for a reliable assessment.

In order to measure progressive change, baseline data must be collected for each indicator (or at least for selected indicators) at the very beginning of the project. Nowadays many donors (including SDC) require that baseline data for key output, outcome and impact indicators are included in the project document. In 2009 the bilateral agency of the United Kingdom (DFID) produced a new standard-setting LogFrame format with additional columns for baseline data and end-of-project target values.

At the planning stage we often define provisional indicators only. At the beginning of and sometime during the project implementation the indicators are refined and modified as part of the monitoring system.

D. Resources

The required human, financial and material resources are derived from the activities. They are expressed in the forms of the budget, job descriptions for key staff and eventually material lists. Results-based management calls for a financial management

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4 We deal with the methodology for developing indicators in chapter 7.
that focuses on outcomes, and a budget structure and accounting system that reflects the costs for each outcome.

### Budget Phase 2010-2013

<table>
<thead>
<tr>
<th>Expenditure (€)</th>
<th>Outcome 1</th>
<th>Outcome 2</th>
<th>Outcome 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget lines</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultants (intern.)</td>
<td>Sub-total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office (admin., head office)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL (€uro)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL (CHF)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income (€)</td>
<td>Budget Phase</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local contribution</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grant SDC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other donors (e.g., DFID)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### The Complete LogFrame

The result of the planning process carried out up to this point is a complete LogFrame.\(^5\) It provides a comprehensive overview of the logic of a project. As such the LogFrame is an important means of communication among stakeholders. It allows stakeholders to agree on the core components of a project. Later on it will be the reference document for monitoring and evaluation.

### Sample LogFrame: Drinking Water Infrastructure

<table>
<thead>
<tr>
<th>Hierarchy of Objectives</th>
<th>Indicators</th>
<th>Means of verification</th>
<th>External Factors (Assumptions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incidence of diarrhoea has decreased significantly</td>
<td>• 30% reduction of gastrointestinal diseases among children under 5</td>
<td>Statistics of village health post</td>
<td>• Food processing has no high impact on diarrhoeal diseases</td>
</tr>
</tbody>
</table>
| Community has access to safe drinking water and transports water in closed containers | • 80% of population uses improved water source  
• People use 40L safe water/capita & day  
• 75% of households use covered transport & storage containers | • Information from Water Committee  
• Survey | • People clean covered storage containers in an appropriate way |
| • Pumps are built & functioning  
• People are made aware of hygiene & sanitation issues | • Pumps are built in 100 villages  
• In villages with new pumps 80% of people have heard of campaign 50% recall content | • Project statistics  
• Technical inspection  
• Survey | • New water pumps do not attract people from other villages  
• People stop using other water sources  
• People have money to buy covered containers |
| • Build rural community water pumps  
• Conduct awareness campaigns on hygiene | • Financial resources: pumps, concrete, iron, engineering services, salary of mason  
• NGO: training services, didactic materials, allowances | • Engineering capacities are found in country  
• Groundwater not deeper than 15 m  
• People have access to campaigns |

\(^5\) In the annex you can find a sample LogFrame of an education project financed by the World Bank.
The last task in developing a LogFrame is its critical review. You might use the check-
list below:

<table>
<thead>
<tr>
<th>Checklist LogFrame</th>
<th>✓/✗</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hierarchy of objectives</strong></td>
<td></td>
</tr>
<tr>
<td>All outputs define tangible products or services.</td>
<td>☐</td>
</tr>
<tr>
<td>All outcomes describe immediate and direct effects of outputs.</td>
<td>☐</td>
</tr>
<tr>
<td>All cause-effect hypotheses between the levels of objectives are logical and plausible.</td>
<td>☐</td>
</tr>
<tr>
<td>The project will be able to make a considerable contribution to the goal or impact statement.</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Assumptions</strong></td>
<td></td>
</tr>
<tr>
<td>All assumptions are external factors.</td>
<td>☐</td>
</tr>
<tr>
<td>All important risks are considered and formulated as assumptions.</td>
<td>☐</td>
</tr>
<tr>
<td>All assumptions are probable and there are no “killer” assumptions.</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Indicators</strong></td>
<td></td>
</tr>
<tr>
<td>Each result has at least one measurable indicator.</td>
<td>☐</td>
</tr>
<tr>
<td>There are direct links between results and indicators.</td>
<td>☐</td>
</tr>
<tr>
<td>None of indicators could be omitted or replaced by a more relevant one.</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Means of Verification</strong></td>
<td></td>
</tr>
<tr>
<td>The source of information for each indicator is clearly defined</td>
<td>☐</td>
</tr>
<tr>
<td>Verification of data relies mainly on already existing mechanisms and resources.</td>
<td>☐</td>
</tr>
<tr>
<td>Proper budget is made available for data gathering</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td></td>
</tr>
<tr>
<td>All sets of activities for the output reflect the main actions required for achieving the output.</td>
<td>☐</td>
</tr>
<tr>
<td>All activities are indispensable for achieving the output. No important activities are missing.</td>
<td>☐</td>
</tr>
</tbody>
</table>

**Step 5: Project Organisation**

The design of the project organisation is the point where planning and implementa-
tion meet. How we organise a project varies according to the institutional context. When we design the organisational structure, we usually distinguish between at least two important levels:

- The strategic and political level,
- The operational level.

The strategic and political responsibility is shared between the donors and the govern-
mental and non-governmental partner organisations in developing countries.

The operational responsibility is in the hands of the organisations that are commis-
sioned to implement the development projects. In bilateral and multilateral interna-
tional development work, projects are increasingly being mandated to specialised im-
plementing organisations (in Switzerland: Helvetas Swiss Intercooperation, Swisscon-
tact, private consultancy companies) through calls for tender.

In projects funded by NGOs, it is often impossible to separate strategic/political from operational responsibility because the local partner organisations implement the pro-
jects themselves. To ensure strategic leadership and control, a clear-cut separation between the different levels of responsibility is vital. The Board members of the Man-
agement may have a say, but should not have a vote. The controlled should not be the controller.
In practice, we find a wide range of organisational structures. The illustration below provides an example of how a bilateral donor agency, a national partner, and an international NGO as implementing organisation cooperate.
5. Project Document and Agreements

The Project Document

The completed LogFrame summarises the core elements of the future project or programme. However there are a number of additional aspects that have to be analysed and defined in order to complete the planning process and prepare the final project document (ProDoc). Contrary to the LFA there is neither a universally valid methodology for these further planning steps nor a generally accepted format for project documents. Therefore we describe the current, recommended practice of SDC.

The ProDoc is the final product of the planning process. It contains written evidence of all planning steps and describes in detail all aspects of the future project.

The ProDoc serves several purposes:
- It is the basis for the Credit Proposal, an internal 5-page document of SDC.
- It is the basis for the cooperation and implementation agreements signed by the key stakeholders and partners.
- It is the “bible” for the implementation of the project and a key reference for yearly plans of operation (YPO).
- It is the reference document for monitoring and evaluations.

Context and Project Rationale

This first chapter of the project document (ProDoc) describes the previous history and initial situation of the project. Important topics to be mentioned are:
- Project background, situational analysis, results of and lessons-learnt by previous project phases or relevant similar projects. Reference to relevant studies and publications. Brief description of planning process.
- Country and local context, in relation to the project. Relevance of the project with regard to the national context.
- Relation to MDG, national development strategy (Poverty Reduction Strategy) and sector policy framework. Coherence with partner strategies.
- Coherence with donor (e.g. SDC Cooperation Strategy) and implementation agency strategic framework.
- Relation to harmonisation with Government, national partners and other donors.

Project Description

This chapter contains the detailed description of the project. Main topics are:
- Description of the intervention logic of the project: expected changes at impact and outcome level, and description of outputs and corresponding activities (implementation strategy). Justification of development hypotheses.
- Beneficiaries, area of intervention, intervention levels (micro, meso, macro), relation to policy level.
- Relevant stakeholders and partners. Approach for empowerment, capacity development, and network management.
- Exit strategy and issues of sustainability.
• Methodological approach and implementation issues relevant to key cross-cutting themes such as poverty reduction, gender equality, human rights, good governance.

• Risk management with regard to key assumptions.

• Phase planning and timeframe (for multi-year projects, a rough breakdown of activities and outputs for each year).

Project Organisation, Management and Administration

This chapter contains a detailed description of the organisational set-up and the management arrangements for implementation. The aspects to be detailed in this chapter of the Project Document include:

• Cooperation arrangements between main partners. Supervision by Steering Committee. Decision-making procedures for project steering. Decision-making procedures for revision and adjustment of project and budget.

• Implementation arrangements with implementation organisation(s): authority, responsibilities, tasks, human resources, procedures (planning, budgeting, tendering and contracting, reporting)

• Project organisation, networks

• Security management system (if necessary).

Sourcing and Financial Management

This chapter describes all aspects related to financing and financial management:

• Summary of overall budget (a detailed budget is to be annexed to the ProDoc).

• Financial and other contributions of all actors of the project.

• Financial management: procedures for budgeting transfer of funds, cash flow management, accounting, financial reporting, and auditing procedures.

Monitoring, Reporting and Evaluation

The main elements to be included in the project document are:

• Planned activities for providing baseline data (if necessary)

• Monitoring procedures for outcome (and impact, if feasible) monitoring.

• Discussion of outcome indicators: rationale, problem of attribution, data collection, and resources.

• Reporting system: implementation, outcomes and impact (if feasible).

• Planned reviews and/or evaluations.

Annexes to the Project Document

In the annex we include all relevant additional information, which is necessary for the understanding of the details of the project and for the implementation of the project.

• Relevant policy documents (or summaries) with regard to the overarching policy framework (PRSP, sector policies, etc.)

• LogFrame, including indicators with baseline data and target values

• Detailed activity-based budget and cash flow

• Detailed description of management system, decision making, roles, rules and regulations, mandate and terms of reference of Steering Committee

• Organisational set-up (organisational chart)

• Terms of reference of national and international key project staff

• Other information necessary
Agreements

In the cases of multi- and bilateral cooperation, projects are implemented under the umbrella of “framework agreements” between two or more governments or between a government and an international organisation.

For each project a “specific project agreement” is signed. It defines the mechanisms of cooperation between the partners involved, the working conditions between the funding agency and the implementing organisation as well as the strategic/political and operative responsibilities. These agreements deal with the various management tasks and mechanisms for decision-making as part of PCM:

- Operational responsibility (project management, mechanisms for stakeholder participation, delegations of authority)
- Decision-making mechanisms for all PCM steps and tasks (e.g. terms of reference for the steering committee)
- Key documents (including guidelines on format) for planning and reporting
- Financial management (disbursements, statements, audits, etc.)
- Steering: monitoring, evaluation

The strategic/political decision-making bodies are mainly responsible for the medium- and long-term steering of the project (at the outcome and goal level), whereas the project management team is above all in charge of the short-term steering of activities and outputs.

Project organisation at the operational level: Organisation structures are established within the project team to cope with the operational needs of project implementation. It is recommended to strive for as much coherence as possible between the various content areas of the project (project components, which are mostly placed at the output level) and the organisational structure of the project team. Occasionally the project team will consist of units from different organisations.

If it is an ad hoc project organisation that has to be put together at the beginning of the project, then it is advisable to foresee this as a specific separate component in the project plan. The simplest way of doing this is to include the establishment of the project organisation as a separate output in the LogFrame. The corresponding activities can then be planned into the yearly plan of operation for the first year and the corresponding budget items listed in the regular project budget.
6. Indicators - Data for Steering Change

Overview

Meaningful indicators are at the core element of any effective monitoring system. A first set of indicators is developed during the planning phase. Generally, during the implementation phase we modify these indicators and the planned target values in light of the practical experience.

The involvement of the stakeholders in the elaboration of the indicators and the setting of the target values is essential for creating a common understanding of the project and its ambition among donor, project staff and beneficiaries. This transparency increases ownership and has positive motivational effects. Making public agreed upon targets fosters accountability and shields the projects from possible opponents.

Indicators are control instruments that provide concrete and objectively verifiable data on facts that cannot always be directly perceived. They are the control instruments of a project. In a car the speedometer tells us how fast we are driving. A thermometer shows us the temperature of the cooling water and the fuel gauge indicates the quantity of fuel in the tank. If we do not pay attention to these indicators we might get a ticket for speeding, the engine might blow up or we might run out of fuel. SDC defines an indicator as "a quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievements and results, and to reflect processes as well as changes in the context."\(^6\)

As you can see in the example, a complete indicator for an output, outcome or impact is composed of several elements:

**Criterion**: Which measurable characteristic of the situation described in the specific output, outcome or goal do we observe and analyse?

**Measure/indicator**: How can we measure the criterion? What is the measuring unit?

**Target value**: What is the quantitative target to be achieved by the end of the project, by the end of the phase or by the end of the year?

**Baseline**: What is the situation at the beginning of the project?

**Data Source**: Where do we get the data from? What methods do we use for collecting data? When and at what frequency do we collect?

**Analysis and presentation**: How do we analyse the data and present the information?

**Duty**: Who is responsible for collecting this specific data?

\(^6\) SDC Glossary
<table>
<thead>
<tr>
<th>Objective</th>
<th>Elements condensed to LogFrame Indicator</th>
<th>Elements for Monitoring System</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Criterion</strong></td>
<td><strong>Measure</strong></td>
<td><strong>Baseline/ Benchmark</strong></td>
</tr>
<tr>
<td>Child is healthy</td>
<td>Body temperature ° C</td>
<td>36-37</td>
</tr>
<tr>
<td>Impact: Health condition of population improved</td>
<td>Prevalence of gastro-intestinal diseases among children under 5</td>
<td>Number of cases reported in health post per year</td>
</tr>
<tr>
<td>Outcome 1: Community uses sustainable and well functioning drinking water supply</td>
<td>Availability of water</td>
<td>Number of days without water per year</td>
</tr>
<tr>
<td></td>
<td></td>
<td>% of taps delivering 40l of clean water per head per day at the end of dry season</td>
</tr>
<tr>
<td>Outcome 2: Community adopts latrines</td>
<td>Use of latrines</td>
<td>% Population using latrines</td>
</tr>
</tbody>
</table>

Many complex, broad-based goals we check by using several indicators. Overloading the monitoring system with a multitude of indicators is a common mistake, because monitoring becomes a time consuming burden and sometimes even an end in itself. Ask yourself, which data are indispensable for steering this project, and limit yourself to the minimum number of relevant and meaningful indicators.

Agreeing on indicators forces us to have a second, closer look at the objectives. Often, this leads to the conclusion that certain outcomes or outputs have been defined vaguely or are unrealistic. This may (and should) lead to the redefining of objectives.

**Quantitative indicators:** Quantitative (i.e. objectively verifiable) indicators refer to characteristics that can be reliably measured. The following examples are all *simple quantitative indicators:*

- Child’s body temperature,
- Number of households within 300 metres of a tap,
- Number of advisory sessions per advisor per month.

**Complex quantitative indicators** include several elements that have to be measured and then combined. An example of this is the indicator regarding the availability of drinking water, which involves measuring the daily output of a tap at a particular time period (at the end of the dry season when springs provide the least water) and relating this to the size of the user group.

**Qualitative indicators** measure personal and subjective perceptions and experiences. Qualitative information is of great importance and must not be neglected. They allow us to find out what is important to people and to detect unintended effects or missing elements. However, objectivity is a problem. We can make them more objective and concrete in various ways:
• We increase objectivity by a statistically correct sampling. We carry out the cus-
tomer survey among a representative number of representatively selected people.
• We record judgements on a scale: In a survey about a bus service, customers ex-
press their satisfaction on a scale from 1 (not at all satisfied) to 5 (very satisfied).

**Compound indicators:** These are indicators containing qualitative elements, which
need to be further defined and quantified.

Example: Outcome indicator of capacity building activities with community-based or-
ganisations: number of well functioning water user associations (WUA).

The concept of 'well functioning' might be defined:
• WUA that meet at least once a month;
• WUA with approved rules and regulations;
• WUA with elected board.

**Proxy indicators:** Proxy indicators are an indirect means of recording facts. We
use them, when the desired direct indicator is too complicated or too costly to
measure. Proxy indicators need a sound knowledge of the context. Here are two ex-
amples from practice:
• The payback rate in a micro-credit programme gives some indication of the qual-
ity of the project management (preliminary clarifications with the borrowers,
customer care, etc.);
• Replacing thatched roofs with corrugated iron roofs may be an indication that
the economic situation of the household has improved.

**Standard Criteria:** For various domains of development there are lists with stan-
dard criteria and indicators (e.g. agriculture, health, enterprise development, etc.).
We find them on the websites of the specialised UN organisations (FAO, WHO,
etc.) or networks (e.g. Donor Committee for Enterprise Development DCED,
Global Donor Platform for Agricultural Development, etc.). However, project teams
should weigh the advantage of using standard criteria against the advantage of devel-
oping project-specific indicators in a participative process. The following table pro-
vides an example of standard criteria used in rural development.7

<table>
<thead>
<tr>
<th>Food Security</th>
<th>Poverty</th>
<th>Empowerment of Grassroot Organisations</th>
<th>Empowerment of Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food production</td>
<td>Household real income</td>
<td>Farmers' groups' participation in decision-making</td>
<td>Female enrolment in primary education</td>
</tr>
<tr>
<td>Cultivated area</td>
<td>Access to off-farm income</td>
<td>at project/local level</td>
<td>Number of women's groups formed in project area</td>
</tr>
<tr>
<td>Yields of staple food</td>
<td>Access to capital</td>
<td>Autonomous farmers' group formation in project area</td>
<td>Number of loans approved/disbursed for women's groups</td>
</tr>
<tr>
<td>Consumption of staples</td>
<td>Access to labour</td>
<td>Grassroots ability to self-monitor and evaluate progress</td>
<td>Number of women's groups accessing second and third loans</td>
</tr>
<tr>
<td>Prices for staple food</td>
<td>Access to irrigation</td>
<td>Ability to market own products</td>
<td>Number of women members of local production/ service associations</td>
</tr>
<tr>
<td>Access to markets</td>
<td>facilities</td>
<td>Terms and conditions of marketing arrangements</td>
<td>Women’s decision-making capacity at household level</td>
</tr>
<tr>
<td>On-farm food storage capacity</td>
<td>Availability of basic needs services</td>
<td></td>
<td>Women’s participation in decision-making at project/local level</td>
</tr>
<tr>
<td>Chronic malnutrition among children</td>
<td>Access to safe water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rate of stunting (under 5)</td>
<td>Access to basic education</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Access to basic health services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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The Quality of Indicators

There are numerous systems for assessing indicators. We suggest the following quality criteria:

<table>
<thead>
<tr>
<th>Each indicator</th>
<th>Relevant: The indicator covers a relevant aspect of the objective</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Attributable: The indicator is unambiguously attributable to the objective to be measured. There is a proven causal link between the indicator and the objective</td>
</tr>
<tr>
<td></td>
<td>Precise and measurable: The indicator is precise and can be measured in an objective way. If two persons use the same indicator independently from each other they will get the same results</td>
</tr>
<tr>
<td>Set of indicators</td>
<td>Doable: The data can be collected easily, on a timely basis and at reasonable cost</td>
</tr>
<tr>
<td></td>
<td>Sufficient: The set of indicators related to the objective is sufficient to measure the intended result</td>
</tr>
</tbody>
</table>

Measuring Change

Projects aim at bringing about change. Best for monitoring change is comparing the data provided by the monitoring system with the data of the baseline study. But many projects lack a baseline study. In some cases control groups might serve as reference points. Unfortunately, it is often very difficult to find adequate control groups or the exercise becomes too complex, time consuming and costly. If there are neither baseline nor control groups available, change is usually assessed in a kind of retrospective exercise by asking people about their perception of changes and progress. When we have to rely on the memory of individuals, we have to calculate with large measurement errors.

<table>
<thead>
<tr>
<th>Types of Comparison</th>
<th>Methodological Aspects</th>
<th>Advantages</th>
<th>Disadvantages</th>
</tr>
</thead>
<tbody>
<tr>
<td>before / after</td>
<td>Baseline: assessing change by comparing situation at beginning of project with actual situation</td>
<td>easily feasible if baseline data are available and coherent with actual monitoring data</td>
<td>attributing change to project intervention might be difficult (external factors)</td>
</tr>
<tr>
<td>with / without</td>
<td>Comparison or control group: assessing change by comparing situation of target groups with situation of groups outside the project</td>
<td>way of attributing change to project intervention, especially if baseline available in both intervention and control group.</td>
<td>difficulty in finding adequate comparison or control groups; may be too complex and costly</td>
</tr>
<tr>
<td>Difference –in difference</td>
<td>Baseline &amp; comparison group: assessing change by comparing with a comparison group (first difference) before and after the project (second difference)</td>
<td>It provides the highest accuracy. It controls time and location fixed effects, taking into account confounding (influences by another project and factors) and selection bias.</td>
<td>It has the highest data requirement compared to the other methods</td>
</tr>
<tr>
<td>retrospective</td>
<td>Reconstructing change: Assessing change by trying to reconstruct baseline and asking beneficiaries to reconstruct change process</td>
<td>no baseline needed</td>
<td>results may not be very precise; initial situation is unclear; often with large measurement error. attribution difficult</td>
</tr>
</tbody>
</table>
Baseline: The concept of baseline refers to the situation at the beginning of a project. The simplest form of a baseline is the collection of data for the key outcome and impact indicators (maximum three per objective). Without baseline data it is difficult to find out what changes the project has brought about. More and more donor agencies require baseline data to be included in project proposals as a precondition for financing. Comparing the measurement of these indicators after one or more years with the baseline data allows assessing the progress made by the project.

Comprehensive baseline studies analyse in detail the situation at the outset of a project, collecting data on a multitude of indicators. These studies often are part of the planning process and allow the stakeholders to gain a detailed picture of the starting situation. Existing data such as statistics and household income and expenditure surveys can often be used for baseline studies (as well as for monitoring). These detailed baseline studies form an ideal precondition for an equally detailed impact study after a number of years of project execution.

However project implementation teams frequently are overburdened if they have to use all indicators of detailed baseline studies for the ordinary project monitoring.

Benchmarking means comparing performance, to a given set of standards. Benchmarking involves putting side-by-side deliverables or objectives (outcomes, impact) with fixed standard values. Benchmarking is mainly used to set targets for the implementation of projects. Specialised international UN organisations and/or national ministries have set standards in many areas, which can be used as benchmarks for the specific projects and programmes.

Assessing Change

Measuring change against reference points is one thing, to prove that the intended changes have happened and have been caused by the interventions of the project, another. As projects take place in complex contexts and over time, external factors play a role and might have an even greater influence than the project itself. Three types of analysis help us to determine the effects caused by a project.

The Trend Analysis aims at demonstrating to what extent we can observe over time a change of outcomes. To achieve this goal a baseline has to be established at
the beginning of the project. Ideally, each monitoring system should be able to conduct a trend analysis. The question is: Are we going in the intended direction?

The **Contribution Analysis** aims at demonstrating to what extent the project could be one of the causes of observed changes of outcomes. Contribution analysis relies upon chains of logical arguments (i.e. the LogFrame) and measured changes (i.e. a monitoring system). Contribution Analysis should be an integral part of any evaluation and (annual) monitoring reports. The question is: Are our IF-THEN arguments and the assumptions correct?

The **Attribution Analysis** aims at assessing the proportion of observed change, which can really be attributed to the evaluated project or program. It involves building a counterfactual assessment: What would have been the condition of the population at the time of the impact analysis, if the project had not taken place? This is usually possible for the outputs of any projects, often possible for outcomes and mostly not possible for impacts of a project or program. In the best-case scenario however, Evaluators should be asked to analyse the attribution of a project to a measured change in outcomes and/or impacts within the final evaluation report.

**Methods for Data Collection**

Here, a brief summary of methods that are widely used in international development circles is provided. There is a crucial difference between quantitative and qualitative approaches and methods.

**Quantitative approaches and methods**: The goal of quantitative approaches and methods is to record facts as quantifiable units. They provide quantitative results, which are generally expressed in figures. The accuracy of the results depends on the accuracy of the primary data, the accuracy of the measuring methods, and their correct interpretation. Familiarity with statistics is one of the methodological skills required to be able use quantitative methods. Quantitative approaches are used to record quantifiable measurements, for example, crop yields (kg/ha), the construction of irrigation channels (km), increases in household income, etc. The results of quantitative methods come in the form of statistical series, tables, graphs, diagrams, etc. Standardised surveys are also a quantitative approach. They are based on the principle of quantifying qualitative information, i.e. the personal opinion of respondents, by surveying a statistically relevant number of people. Since they are costly in both time and money, surveys using questionnaires are only used in the international development field when the necessary methodological skills and material and staff resources are available.

**Qualitative approaches and methods**: These approaches and methods are very popular in development work, particularly because qualitative approaches fit a participatory approach. Approaches such as Participatory Rural Appraisal (PRA) and Participatory Learning and Action (PLA), which have become almost standard practice in international development work, are largely based on qualitative methods. Qualitative approaches are able to record information about subjective perceptions, observations, feelings and opinions; they frequently provide descriptions. Occasionally other means of illustration are used such as photographs, drawings, etc.

Qualitative approaches allow us to answer questions such as how and why certain situations have come about. They are especially well suited to record people’s habits, opinions, experiences and priorities. Some common methods are individual interviews (with key informants) or focus group interviews (interviews with groups that have been selected according to specific criteria).
### Major Monitoring and Evaluation Methods

**Core methods:** These core methods are very often used in monitoring and evaluation because they are particularly suited to measuring and recording changes.

- Stakeholder analysis
- Documentation review
- Biophysical measurements
- Direct observation
- Cost-benefit analysis
- Surveys and questionnaires
- Semi-structured interviews
- Case studies

**Discussion methods for groups:** These methods are particularly suited to participatory monitoring and evaluation processes. The card technique (pin board, cards) is particularly useful to stimulate and structure discussion.

- Brainstorming
- Focus groups
- SWOT or SEPO
- Role plays

**Methods for spatially-distributed information:** These methods make it possible to record geographical aspects. These may involve land distribution and land use questions, but they may also be about spatial aspects linked to health, education or economic issues.

- Sketch (mapping)
- Transects
- GIS mapping
- Photographs and video

**Methods for time-based patterns of change:** These methods help with recording and understanding time-based change, e.g. changes from one month or year to the next.

- Diaries
- Historical trends and time-lines

**Methods for analysing linkages and relationships:** It is essential in monitoring and evaluation to grasp changes in the relationships between groups (stakeholders, organisations) as well as between problems, production cycles, resources, cause-effect, and input-output.

- Mind maps
- Impact flow diagram (cause & effect)
- Venn diagram
- Problem and objectives trees
- M&E wheel
- Input–output diagram

**Methods for ranking and prioritising:** Ranking is important, when information has to be compared on the basis of strengths, importance or pre-defined criteria.

- Wealth ranking
- Matrix scoring
- Ranking

**Selection criteria:** The following are considerations when selecting the most appropriate methods for each context:

- Resources and skills available
- Requirements in terms of participation
- Requirements in terms of accuracy and scientific rigour
- Time available
- Possibility of using existing data or information

In all cases, it is advisable to test the methods by random sampling or pilot tests and, if necessary, to adapt them.

### Quality of Data

There are many opportunities for making errors and getting things wrong in the process of data collection, processing, interpretation and understanding by the end user, e.g. the reader of a report.

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8 IFAD 2002, Annex D
The following points should help to improve or validate the quality of data:

- The people collecting data must have a solid understanding of the purpose of the data collection and the methods they are using. Train them properly.
- They must be committed to remaining as objective as possible. Appeal to their professionalism.
- Back up Data regularly to avoid loss of data (both physical and computer back-up systems).
- Crosscheck each and every interpretation of results (triangulation of results).
Planning does not end with the production of the project document. The implementing develops the “yearly plans of operation”. The YPO is a management instrument for executing the project, it breaks down the logic model of the project/project phase into one-year plans.

**Steps in Yearly Planning**

**Lessons learnt**: Analyse the experiences of the previous year or from the previous phase. Integrate the results into the planning. In new projects this step is left out.

**Context analysis**: Analyse and take into consideration changes in the context since the beginning of the project or since the time of planning the project.

**Hierarchy of objectives**: Sequence the outputs (and related activities) in order to make operational the LogFrame for the year to come. As a general rule, the level of impact remains untouched. Usually the outcomes remain the same as well.

**Outcome and output indicators**: Check the indicators and target values that have been set for the entire phase. Although the indicators at the outcome level generally remain the same, it is necessary to define yearly target values. Often it is required to define new indicators at the level of outputs. Plan the data collection for outcome indicators as a specific activity.

**Activities**: Describe and define the activities for each output in the following terms: activities, duration, milestones (intermediate stages and closing deadline), responsibility, time and financial budget.
YPO Format

The diagram below shows the key elements of a YPO. The activities are entered under the related output headings using a bar graph along the time axis. Important dates (intermediate steps, closing deadline) can be entered under the ‘Milestones’ heading so as to monitor that the execution of activities is progressing on time. The responsibility, the amount of time needed and the budget must also be defined for each activity.

In practice it will not always be possible to enter all information in one table format. Particularly the planning of outcome indicators including baseline data and target values may require a separate table.

The key elements for the YPO are best defined together with an analysis of the monitoring results of the previous year. This is done in the form of a yearly monitoring and planning workshop carried out towards the end of the year.9

In most projects the YPO is approved by the steering committee.

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9 See chapter 10
8. Steering for Development Results

Purpose and Definitions of Monitoring, Evaluation, Controlling, Audit

Phase plan and YPOs are the basic documents for project and programme steering. They are like the maps, on which we outline our journey. As soon as we are on the way, monitoring, evaluation, controlling and auditing are our tools for steering projects, programmes and whole organisations or organisational units. At different times they provide different types of answers to the two major questions of quality management:

- Are we doing the right things?
- Are we doing the things right?

Except for the term “audit” SDC uses the definitions of the OECD Development Assistance Committee DAC glossary agreed on by all donors:

**Monitoring** is “a continuous observation function that uses the systematic collection of relevant, selected data to provide a project or programme’s management and most important stakeholders with indicators about the progress being made and the objectives reached, as well as about processes and impact.”

**Evaluation** is “a judgement that is as systematic and objective as possible of a policy or an ongoing or completed programme/project including its concept, implementation and results. An evaluation is intended to judge the relevance and attainment of development goals as well as efficiency, effectiveness, impact and sustainability.”

**Controlling** is “a key function within an organisation, which consists of compiling relevant data for steering purposes, and analysing and interpreting it in order to provide a solid basis for decision-making.”
Audit is an independent or internal objective assessment of either compliance with applicable statutes and regulations (Regulatory Audit) or the relevance, economy, efficiency or effectiveness (Performance Audit).

The terms monitoring and evaluation are often twinned and ultimately serve the same purpose. Nevertheless, they are different tools each with their own specific functions. Monitoring is the tool for continuous steering and decision making to confirm that the project is doing things right. Evaluation is a tool, which is applied at specific moments like in the middle or at the end of a phase. Evaluation asks rather whether we have been doing the right things.

Monitoring – Staying on track

Monitoring continuously collects data to systematically document results or processes and to make steering decisions. In other words, monitoring means asking ourselves over and over again: Where are we? Are we on track? Do we have to accelerate or slow down? Which corrections we might need to make? Monitoring helps to stay on track and to keep in touch with the reality of the project or programme and its context.

As decision-makers at operational or strategic levels want their monitoring system to inform them at an early stage about any qualitative and quantitative changes that call for decisions about corrective measures, monitoring includes both factual proof and subjective personal impressions.

Monitoring of the fast-changing parameters of projects and programmes is becoming increasingly important as an early warning system.

Steering Instruments and Responsibility

One important distinction is who is responsible for carrying out the monitoring activities and who is responsible for making the steering decisions. The implementing organisation is always responsible for carrying out the monitoring activities, i.e. collecting, analysing and interpreting the data of the various observation fields. It is a different matter when monitoring results are used for steering. Here it is generally the
organisations that are responsible at a strategic and political level that need the results from impact monitoring and general context monitoring for mid- and long-term steering decisions. The executing organisation, on the other hand, relies on monitoring of service delivery and project-specific context monitoring for short- and midterm steering of the project or programme.

The diagram below attributes the three most important steering instruments – activity schedules, yearly plans of operation and phase plans – to the areas of service delivery and results, and defines who is responsible for taking steering decisions.

Participation in Monitoring and Evaluation

As in project cycle management tasks, the participation of stakeholders and target groups in M/E activities increases understanding of the project and its relevance to their lives. It fosters ownership. Participation is possible in different tasks:

- Participation in developing indicators and choosing methods
- Participation in data and information collection
- Participation in the analysis and interpretation of the data and information
- Participation in the steering decisions that are taken based on the results of monitoring and evaluation.

Unfortunately, participation is often limited to data collection in the sense of extracting information from the beneficiaries.

Monitoring and Evaluation between Accountability and Learning

Development agencies spend the taxpayers’ money of donor countries abroad. They have the right to know what happens with their money. Monitoring and evaluation
systems were developed to record and assess impact and benefits and thereby account for the use of this money.

These M&E systems were largely defined by the needs of donors. Often they focused on quantitative information and neglected the learning needs of receivers and direct beneficiaries.

Monitoring and evaluation have shifted their focus over recent decades from controlling project progress and results to participative learning processes in groups and teams. Raw data are analysed and converted into information. Relating the information to the actual concrete situation might turn it into experience and knowledge. Through the systematic use of the results in participatory learning processes, monitoring and evaluation can empower the actors involved in the project and lead to learning-oriented project steering.

Accountability: Prove what you have achieved

Accountability means liability for the money received. In the case of Switzerland the money often flows from Parliament via SDC or SECO and a Swiss NGO as implementing organisation to the beneficiaries. Accountability works like a chain reaction the other way round, but with one important difference: The NGO is accountable “downwards” and “upwards”, to the beneficiaries on one hand and to SDC/SECO on the other hand. SDC/SECO are accountable to the parliament.
In many projects the chain is even longer. Accountability requires transparency and implies the obligation to respond to questions.

Key questions:
- Which resources are used for what?
- How cost effective have the resources been invested?
- What proportion of the resources reaches the poor?

Learning and Knowledge Management: Improve performance

Projects are “learning arenas” for all who participate in them. Many projects have a strong inbuilt research and development component and aim at developing new technologies or processes for doing things better under specific circumstances. Projects offer learning opportunities for individuals and entire organisations.

Key questions:
- To what extent does the project design stand up to the test of reality? (Verification of the impact hypothesis)
- How do the various stakeholders contribute to the success of the project, and how could their performances be improved?
- How does the collaboration of the stakeholders work and how could it be improved?
- What has changed the context? How does it affect the project and how should the project react?

Fields of Monitoring

The following diagram illustrates how the LogFrame can be used for defining the fields of observation for monitoring (and evaluation).
Output monitoring: At the level of monitoring of inputs and activities, the instrument used for steering is the short-term (weekly or monthly) activity planning on the basis of the yearly plan of operation. The implementing organisation uses output indicators to check service delivery and performance at yearly intervals and uses the results of output monitoring in the yearly plan of operation.

Outcome monitoring: Checking the results of project implementation at the outcome level are core tasks of results-based management. Collecting and analysing the data is the responsibility of the implementing organisation. This creates a solid basis for reporting and is an input into the yearly plan of operation for the subsequent year. Responsibility for the actual steering, however, lies with the organisations that are responsible at the strategic and political level (donors and partners). As members of the steering committee, they approve the annual report and the yearly plan of operation.

Impact monitoring: Generally speaking, changes at the impact level we can only detect in the medium term. Moreover, it is often difficult to establish the causal link between changes at the impact level and the services and direct results of a project (attribution gap). Research for identifying these changes is costly and often beyond the capacity of implementing organisations. Therefore in most cases it makes little sense to ask for ‘impact monitoring’. So-called impact assessments are carried out either as part of a review or at the end of a longer implementation period (at least 5 years) in parallel to the ongoing implementation.

Monitoring of result chain: Output monitoring and outcome monitoring cannot be separated from each other. Only when we link these two levels, are we able to answer the key question concerning the effectiveness of a project: Do the services delivered by the project actually bring about the planned results? This question is of interest to all partners and hierarchical levels involved in a project. It is useful – although in many cases difficult – to make these cause-effect hypotheses explicit and try to find indicators to verify their occurrence.

Context monitoring: The donor agency and the implementing organisation are both involved in context monitoring; the donor is responsible for the national and international context and the implementer keeps an eye on the project-specific context. Context monitoring is particularly important for the discussion whether ob-
servable changes at outcome level can be attributed to project interventions or to some external influences not related to project activities.

**Process monitoring.** Processes are just as important for the success of the project as the planned activities and services. Some examples of this are learning processes of stakeholders, cooperation between stakeholders, team and organisation building processes within the project organisation or in the organisations of the partners or target groups. Process monitoring is used in particular to check the compliance with fundamental values and to integrate crosscutting issues (partnership, participation, empowerment, governance, gender). For further information see next chapter.

**Monitoring of unexpected results:** Development interventions can produce unplanned (positive or negative) results. By focusing monitoring activities only on the fields of observation as defined by the LogFrame, project teams risk disregarding these phenomena. Generally we deal with unexpected results at the outcome level.

**Process Monitoring**

Alongside the implementation of the planned activities, the success of development projects greatly depends on ‘soft’ factors that usually do not appear in the project logic model. We distinguish between two types of processes:

A. **Formal** - structured and planned - processes such as the yearly planning, reporting, accounting, etc.

B. **Informal** - unstructured, spontaneous - processes such as communication, creativity, relationships, individual growth, etc.

Process monitoring provides information for optimising informal processes and preventing disruptive influences. Process monitoring borrows concepts and methods from the fields of adult education, human resources development, team building, organisational development, and network development.

**Learning processes**

At the individual level, the aim is to expand the technical, methodological and social competencies of the project staff. Some of the key questions for monitoring are:

- How can the project staff upgrade qualifications through their work?
- What opportunities for (further) training do staff members have?
- How does the (further) training take into account specific concerns, e.g. gender questions?

At the organisational level we are interested in learning organisations:

- Does the organisation have an environment that is conducive to learning (feedback culture, exchange of experiences and information, transparency, etc.)?
- What structured procedures are in place to promote processes of organisational learning?

**Example of a monitoring instrument for assessing the learning orientation of an organisation** (to be filled out individually by staff members):

<table>
<thead>
<tr>
<th>Criteria for a Learning Organisation</th>
<th>++</th>
<th>+</th>
<th>-</th>
<th>--</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Information</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have all the information I need to do my job.</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>I know where to get hold of the information I need.</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Criticism</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Critical remarks are registered and lead to changes.</td>
<td>☐</td>
<td>☐</td>
<td>☑</td>
<td>☐</td>
</tr>
<tr>
<td><strong>Decisions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
All staff members are listened to, when important decisions are made  ✔  ✔  ☑  ☐

**Assessment of experience**

We analyse experiences and formulate lessons learnt and conclusions.  ☑  ☐  ☑  ☐
We make use of lessons learnt and conclusions in planning.  ☑  ☑  ☐  ☐

**Cooperation within the Project Organisation**

There are various methods to analyse teamwork. These are often based on a list of criteria or questions, which are then answered individually. The results can subsequently be compared, and differences in perception and assessment can be discussed. Appraisal interviews and workshops are well suited to this task.

Possible focuses of process monitoring are:
- Quality of teamwork
- Conflict management
- Gender questions
- Motivation
- Leadership
- Motivation
What is the Working Climate like in our Team?

<table>
<thead>
<tr>
<th></th>
<th>true</th>
<th>partly true</th>
<th>not true</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. The climate is unbureaucratic, comfortable and relaxed</td>
<td>○</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>2. The roles, responsibilities and powers are clearly defined.</td>
<td>●</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>3. We take time to inform each other about our objectives and expectation.</td>
<td>○</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>4. Clear agreements are made and accepted.</td>
<td>●</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>5. Employees are ready to contribute to achieving the project objectives.</td>
<td>○</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>6. We stick to the decisions and implement them.</td>
<td>●</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>7. We can speak openly about our uncertainties and fears.</td>
<td>○</td>
<td>●</td>
<td>○</td>
</tr>
<tr>
<td>8. Differences in opinion are sorted out and individual points of view are taken into account.</td>
<td>●</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>9. We invest time in checking our problem solving strategies.</td>
<td>○</td>
<td>○</td>
<td>●</td>
</tr>
<tr>
<td>10. Decisions are taken by consensus</td>
<td>●</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>11. We discuss the quality of our cooperation</td>
<td>○</td>
<td>●</td>
<td>○</td>
</tr>
</tbody>
</table>

Cooperation with Partners

There are various diagnostic methods available to analyse the cooperation between partners. Two main questions for monitoring cooperation processes can be:

- How good is the cooperation between the partners?
- How do the partners manage or shape their cooperation?

Qualitative Analysis of the Cooperation between two Partner-Organisations

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Partner A</th>
<th>Partner B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreement on objectives</td>
<td>We set common targets at regular intervals.</td>
<td></td>
</tr>
<tr>
<td>Contract</td>
<td>We make clear and unambiguous agreements defining rights and duties.</td>
<td></td>
</tr>
<tr>
<td>Contract fulfilment</td>
<td>We keep to agreements or announce any deviation from the contract at an early stage.</td>
<td></td>
</tr>
<tr>
<td>Advantages</td>
<td>We derive a benefit from the cooperation.</td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>We actively inform our partners about our intentions.</td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td>We provide project staff and make available appropriate communication materials.</td>
<td></td>
</tr>
<tr>
<td>Conflicts</td>
<td>We address conflicts promptly and directly, and make proposals for conflict management.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Partner A</th>
<th>Partner B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>++</td>
</tr>
<tr>
<td>2</td>
<td>++</td>
</tr>
<tr>
<td>3</td>
<td>+</td>
</tr>
<tr>
<td>4</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>-</td>
</tr>
</tbody>
</table>
We can analyse the cooperation of two partners using the tools like the one above. They help to compare how each organisation involved sees both itself and its partner. With similar tables we can assess the division of work or communication, as well as power or financial relations.

**Monitoring and Evaluation Plan**

Without a good plan, it will be very difficult to do systematic steering of all the fields and aspects described above. The monitoring and evaluation plan covers the Yearly Steering Cycle as well as the Phase or Project Steering Cycle.

<table>
<thead>
<tr>
<th>Short-term Steering</th>
<th>Annual Steering</th>
<th>Medium-term Steering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short term steering of the project activities</td>
<td>Annual steering based on the YPO</td>
<td>Medium-term steering based on the ProDoc and the phase planning</td>
</tr>
</tbody>
</table>

**What?** Fields of Observation

<table>
<thead>
<tr>
<th>Activities</th>
<th>Inputs</th>
<th>Processes</th>
<th>Context (project-specific)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Results: outputs, outcomes (impact)</td>
<td>Processes: cooperation, learning</td>
<td>Context: general and project specific</td>
<td>Coherence with overarching goals Harmonisation</td>
</tr>
</tbody>
</table>

| Results: outputs, outcomes, impact Efficiency and effectiveness Sustainability and relevance Context | Coherence with overarching goals Harmonisation |

**How?** Tools for Monitoring, Reporting, Evaluation, Planning and Decision-making

<table>
<thead>
<tr>
<th>Team meetings</th>
<th>Data collection and assessment Monitoring &amp; planning workshops Annual reports, YPOs</th>
<th>Internal review, external evaluation Workshops Phase reports, new phase plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working reports, budget reports Monthly work plans</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Who?** Responsibilities

<table>
<thead>
<tr>
<th>Project teams together with partners and target groups</th>
<th>Project teams together with partners and target groups Coordination Office Steering Committee</th>
<th>Project teams together with partners and target groups External evaluation team Coordination and Head Office Steering Committee</th>
</tr>
</thead>
</table>

**When?** Timing, Intervals and Milestones

| Weekly, monthly | Half-yearly or yearly | At 3-years intervals (as a rule) |
9. Using Monitoring Results for Steering

Overview

A key precondition for results-oriented implementation and steering is a clear attribution of the strategic/political and operational responsibility. After the approval of the YPO by the Steering Committee the implementing organisation is fully responsible for its implementation and the management of the Yearly Steering Cycle.

The Yearly Steering Cycle consists of four stages: Yearly Planning of Operations, Execution, Monitoring and Reporting. Operations and monitoring are on-going activities throughout the year. Reporting and planning is done on specific occasions.

The Yearly Planning ensures consistency between the objectives of the current phase and the annual objectives. With approval of the YPO the Steering Committee acknowledges this consistency and approves the means.

The Monitoring focuses on performance and impact indicators, the cause-effect hypotheses and the assumptions. Monitoring results are analysed to formulate the lessons learnt and recommendations for planning the subsequent period.

The Reporting provides accountability for results (outcome), performance and learning. In most projects reporting is done twice a year.

When developing a monitoring system, organisations often limit themselves to defining indicators and the data collection methods. Little attention is paid to questions of analysis, interpretation and presentation. Sometimes too little attention is paid to planning the necessary resources in terms of money, staff time and available know-how. A number of organisational questions need to be answered:

- Who is responsible for data collection and processing?
- How long will these tasks take?
- What material resources (e.g. vehicles, measuring devices, cameras, laptops, etc.) are required?
- What support is required from the people involved for participatory methods?
- What external support (e.g. specific technical expertise) needs to be mobilised?

When monitoring results are used in reporting and steering, it is crucial that they are made available on time and in a user-friendly format. This means that monitoring has to be included in the YPO like any other project activity. The required human and financial resources have to be assigned.

Assessment of Monitoring Results

Monitoring is more than just measuring and collecting data. Monitoring includes the interpretation of the data and drawing conclusions. Only a systematic assessment of its results ensures that monitoring can play a central role in results- and learning-oriented project management.

Monitoring results are useful, if they are

- Available at the right time
- Relevant for the practice
• Integrated into the decision making process
• Focus on outcome

Shifting the focus from output monitoring to outcome monitoring requires collecting and analysing data for outcome indicators. We measure changes at outcome level by going through the following comparisons:
1. Compare outcome monitoring results with target values to assess achievements
2. Compare outcome monitoring results with results of previous years and baseline data to determine changes and to detect trends
3. Compare outcome monitoring results with comparison group to ascertain attribution (if feasible)
4. Analyse context to detect non-project factors that might have influenced change.

The following questions serve as guidelines for assessing monitoring results for the purposes of reporting and steering:

| Facts | What have we planned?  
Review of the YPO  
What have we carried out and achieved?  
Information from the monitoring results such as measuring results with output and outcome indicators |
| Feelings | What successes and difficulties have there been?  
Analysis of the ‘success stories’, difficulty and mistakes.  
What have we learnt from these experiences?  
Formulation of lessons learnt |
| Future | What are the conclusions for the next period of implementation?  
Formulation of recommendations relevant to practice intended for use in planning the next period. |
Yearly Monitoring and Planning Workshop

Monitoring is done on a weekly, monthly or bi-monthly basis according to the Monitoring and Evaluation Plan of the project. The organisation of an Annual Monitoring and Planning Workshop is an efficient way of linking yearly monitoring, yearly planning and reporting. The purpose of such a workshop is to analyse the results of the monitoring in order to draw conclusions for the subsequent YPO. Depending on the size of the project, such a workshop usually has a duration of 2-3 days. It assures collective and organisational learning of all stakeholders invited to the workshop (beneficiaries, partners, donors, project team, etc.), and fosters ownership. For the preparation of the workshop the project team processes all monitoring data and prepares adequate forms of presentation of these results. Possible topics to be dealt with in this annual event are:

- Review of the overall project design and critical analysis underlying cause-effects hypotheses
- Assessment of progress towards planned outcomes
- Review of the project implementation (operations, delivery of outputs)
- Analysis of deviations and their causes
- Review of the specific and overall context
- Identification of lessons learnt and adjustments to be made for improving the performance
- Definition of the objectives and activities for the next year, eventually including the target values for monitoring
- Setting of timing and deadlines for the planned activities

Often it is useful to engage an external moderator to conduct the workshop. Special attention should be paid to carefully recording all discussions and contributions of the participants. The results of this workshop constitute a main input for the yearly report.

Results-oriented Reporting

Reporting mainly aims at accounting for the project implementation to the donor and national partners (government, partner organisations, and civil society). Reports include the following aspects:

- They account for the deliverables produced with the funding provided.
- They provide information about the results (outcomes) these deliverables have produced.
- They bear witness to the experiences and the learning processes undergone during project implementation.
- They give information about the context of the project.

The demands for projects to be managed for results has brought about a shift from former reporting practice, where the focus was on listing the activities that had been carried out and the deliverables, towards a new orientation on providing information about results.

As a general rule, a comprehensive report that provides information about results is produced once or twice a year. SDC as well as some other donors additionally produce a so called end-of-phase or project completion report. These reports have different characteristics.
<table>
<thead>
<tr>
<th></th>
<th><strong>Half-yearly Report</strong></th>
<th><strong>Yearly Report</strong></th>
<th><strong>End of Phase Report</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Author</strong></td>
<td>Project leader</td>
<td>Project leader</td>
<td>Desk Officer in-charge in Coordination Office or at Headquarters</td>
</tr>
<tr>
<td><strong>Primary addressees</strong></td>
<td>Desk-officer of executing organisation</td>
<td>Desk Officers of SDC and/ or executing organisation</td>
<td>Operational Units of SDC</td>
</tr>
<tr>
<td><strong>Primary purpose</strong></td>
<td>Steering of the project implementation</td>
<td>Accounting for the results achieved so far</td>
<td>Accounting for the results achieved by the project</td>
</tr>
<tr>
<td><strong>Focus of reporting</strong></td>
<td>Inputs spent, outputs and eventually outcomes</td>
<td>Outputs, outcomes and context (assumptions)</td>
<td>Outcomes and impact</td>
</tr>
<tr>
<td><strong>Reference documents</strong></td>
<td>YPO and yearly budget</td>
<td>YPO, ProDoc and yearly and phase budget</td>
<td>ProDoc, Credit proposal, Budget</td>
</tr>
</tbody>
</table>

**Questions for results-oriented yearly reporting**

**Outcome** (and maybe impact):
- Which results (at the outcome or possibly impact level) have been attained over the reporting period? (Comparison with baseline)
- How can these results be proved?
- What explanations are there for results that have not been attained or not adequately attained?
- What proof is there to show that the results achieved can be attributed to project outputs?
- What is the relationship between the results that have been obtained and the overarching framework formed by the cooperation strategy or country programme and national development policies and their objectives?

**Outputs**:  
- Which deliverables (outputs) has the project produced during the reporting period (compared to planning)? (in brief)
- What explanations are there for deliverables that have not been produced or not adequately produced?

**Cause-effect hypotheses**:  
- On the basis of experiences during the reporting period, how plausible are the cause-effect hypotheses underlying the project design (causal link between outputs, outcome and goal)?
- Is there any need for changes to be made to the underlying project strategy?
<table>
<thead>
<tr>
<th>Quality Criteria for Good Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Criteria</strong></td>
</tr>
<tr>
<td>Readability and structure</td>
</tr>
<tr>
<td>Objectivity, critical reflection and learning</td>
</tr>
<tr>
<td><strong>Criteria related to the LogFrame</strong></td>
</tr>
<tr>
<td>Project/Programme Outcome</td>
</tr>
<tr>
<td>Delivery of outputs</td>
</tr>
<tr>
<td>Context analysis</td>
</tr>
<tr>
<td><strong>Criteria related to Finance</strong></td>
</tr>
</tbody>
</table>
| Financial information            | The report provides information on budget and financial resources spent. The report also explains how economically resources / inputs (funds, expertise, time, etc.) are converted into outputs/outcomes:  
  (i) Are things done in an economically sound manner?  
  (ii) Are the inputs reasonable in relation to the outcomes achieved? |

**Reporting Shortcomings and Failures**

In practice dealing with and reporting unsatisfactory performance and failures is a hot issue. Development cooperation is a risky business, because projects are financed for contributing to the solution of specific problems in difficult contexts. In many cases ready-made solutions do not exist, but the development of new solutions is part or even the essence of the project. Although they are not desirable, errors and failures are part of development processes. If a project reports successes only, we may be forced to ask whether it is really contributing to the solution of relevant problems that people could not have solved themselves.

For implementing organisations it is sometimes difficult to report on errors and deviations from the original plan, because they fear that the donor might cast doubt on the project or reduce funding. Deviations do not necessarily happen due to poor planning or bad project management. On the contrary, they might indicate that the management has been able to detect new challenges and has reacted accordingly. Dealing with failures is the proof of the quality of the cooperation between donor and the executing partners. Failures are prime opportunities for learning. Those who do not accept failures and shortcomings, show little desire to improve performance.
References for Further Reading and Websites

Publications

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DAC/OECD: Glossary of Key Terms in Evaluation and Results Based Management


Dearden, Philip: Programme and Project Cycle Management (PPCM): Lessons from DfID and Other Organisations. 2001


DFID: Guidance on using the revised Logical Framework
How to note, a DFID practice paper, 2009


Earl, Sarah; Carden, Fred; Smutyo, Terry: Outcome Mapping, Building Learning and Reflection into Development Planning. International Development Research Centre (IDRC), Ottawa, 2001

European Commission, EuropeAid (2004): Project Cycle Management Guidelines

Gasper, Des (2001): Logical Frameworks; Problems and Potentials


www.gtz.de/de/dokumente/de-Leitfaden_Wirkungsorientiertes_Monitoring.pdf

http://www.ifad.org/evaluation/guide/index.htm

International Institute for Environment and Development: PLA Notes http://www.iied.org/


Kusek J.Z. and R.C. Rist (2004); Ten steps to a result-based monitoring and evaluation system. World Bank


Websites

Outcome Mapping Learning Community: www.outcomemapping.ca/index.php

University of Wageningen; Website on participatory planning, monitoring & evaluation: http://portals.wdi.wur.nl/ppme/index.php?Home

Outcome Models: www.outcomesmodels.org/

University of Wisconsin, Extension, Program Development and Evaluation: http://www.uwex.edu/ces/pdande/progdev/index.html
(contains on-line course on use of logframe model)

Monitoring and Evaluation News: http://mande.co.uk/
Website of Rick Davies
## Education: Primary Education Improvement (Complete Logframe is in Worldbank 2001)

<table>
<thead>
<tr>
<th>Strategy of Intervention</th>
<th>Indicators</th>
<th>Means of Verification</th>
<th>External Factors (Assumptions, Risks)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goal/Impact:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More and better trained students enroll and graduate</td>
<td>1. Transition rates from primary to secondary schools increases from 27% in 94/95 to 37% in 99/2000, and 45% in 2005</td>
<td>1. National Educational Independent Survey</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2. Percentage of students graduating from secondary schools increases from 45% in 94/94 to 65% in 2005</td>
<td>2. National Educational Independent Survey</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3. Percentage of secondary school students achieving minimum scores in standardised examinations increased from 31% in 94/95 to 56% in 2005</td>
<td>3. National Educational Independent Survey</td>
<td></td>
</tr>
<tr>
<td></td>
<td>4. Proportion of girls enrolling in secondary schools increased from 22% in 94/95 to 45% in 2005</td>
<td>4. National Educational Independent Survey</td>
<td></td>
</tr>
<tr>
<td><strong>Outcome:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More and better trained students graduate from primary schools at reduced costs with more gender equity</td>
<td>1. Retention rates in primary schools reduced from 25% in 94/95 to 18% in 2001</td>
<td>1. National Educational Independent Survey</td>
<td>1. Students have support from their families to enrol in secondary schools and to continue their education</td>
</tr>
<tr>
<td></td>
<td>2. Percentage of students achieving minimum scores in standardised examinations increased from 35% in 94/95 to 52% in 2001</td>
<td>2. National Educational Independent Survey</td>
<td>2. Secondary schools have excess capacity to provide education from an increased number of enrolments</td>
</tr>
<tr>
<td></td>
<td>3. 8,000 additional students from the 10 regions with the lowest coverage enroll in primary education schools (with at least 40% being girls) by 2001</td>
<td>3. National Educational Independent Survey</td>
<td></td>
</tr>
<tr>
<td><strong>Outputs:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adequate, quality classrooms are used by students in the target groups</td>
<td>1.1 The student classroom ratio is at least 20/1 in all areas</td>
<td>1. Quality assessment of construction of classrooms</td>
<td>1. Transportation system allows children to get to schools in less than one hour</td>
</tr>
<tr>
<td></td>
<td>1.2 The walking distance to school is no more than 20 minutes in all areas</td>
<td>2. Audit of walking distance from villages and placement of schools</td>
<td>2. Children are well fed when they arrive at school</td>
</tr>
<tr>
<td></td>
<td>1.3 At least 90% capacity levels are reached in all schools built</td>
<td>3. Review of school use</td>
<td>3. School directors and advisors implement skills developed program</td>
</tr>
<tr>
<td>New and improved curriculum and pedagogic materials are used in the classrooms</td>
<td>2.1 85% of schools receiving new textbooks and materials are in use in the classroom within 2 months after delivery</td>
<td>Sampling of schools and use of textbooks</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2.2 The newly developed textbooks meet professional criteria for new and pedagogic materials</td>
<td>Evaluation of quality of textbooks and materials</td>
<td></td>
</tr>
<tr>
<td><strong>Component Activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Classroom renovations</td>
<td>1. Determine school needs for construction and rehabilitation</td>
<td></td>
<td>Activity to Outputs</td>
</tr>
<tr>
<td></td>
<td>1.2 Construct schools</td>
<td></td>
<td>1. Weather does not hinder building</td>
</tr>
<tr>
<td></td>
<td>1.3 Equip schools</td>
<td></td>
<td>Political stability</td>
</tr>
<tr>
<td>2. Curriculum Revisions</td>
<td>2.1 Revise general primary education curriculum to incorporate new skills and requirements from secondary schools</td>
<td></td>
<td>2. Incentive systems for teachers reflect new desired use of new methods</td>
</tr>
<tr>
<td></td>
<td>2.2 Develop Pedagogic material to support the new curriculum</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Resources</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Classroom renovations</td>
<td>$ 89m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Curriculum revisions</td>
<td>$ 10m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teacher training</td>
<td>$ 15m</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>$ 5m</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Situation Analysis with SEPO or SWOT

SEPO and SWOT analysis are working tools for organisation analysis, self-evaluation, and project piloting. It emerged from cooperation with projects and has proven its worth in practice.

The SEPO analysis investigates four dimensions of the topic of interest (usually a problem field, a project idea, a project or project element): its successes and its problems or failures, its potentials and its obstacles. Looking back, the successes and failures of a project can be discussed; looking towards the future the project’s potentials and obstacles can be assessed.

SEPO stands for the abbreviations in French for past successes (Succès) and failures (Echecs), and future potentials (Potentialités) and obstacles (Obstacles).

The SEPO analysis is similar to the well-known SWOT analysis. The SWOT analysis divides the field of analysis in an internal (Strengths, Weaknesses) and an external dimension (Opportunities, Threats).

In project identification and/or planning phases, SEPO / SWOT analysis
- is often used to make a general analysis of an organisation or a project or to look at how an organisation or project might address a specific problem or challenge
- helps involved stakeholders to express their experiences, disappointments, hopes and fears in view of future changes
- reveals the diverse visions entertained by the various actors and makes them comprehensible to all
- facilitates the quest for common interest and values
- links the view of the past with looking into the future (SEPO), respectively link the internal with external dimensions (SWOT) in order to initiate possible joint actions.

Further explanation on SEPO analysis …

The SEPO window is based on our fundamental ability to recall the past and to anticipate the future, and it assigns four universal questions to these two dimensions.

Time axis
First and foremost, the SEPO window invites the participants to illuminate a past experience or activity. It locates the experience on the time axis

Positive - Negative
Both the look into the past (review) and the look ahead into the future (anticipation), are completed by a simple evaluation criterion, "positive - negative", creating the four-parts of the SEPO window.

According to the individual assessment, experiences are written down in one of the four parts of the window; for example
• Success: Successes (qualitative and quantitative), results achieved, pleasure
• Failures, problems: Difficulties, bottlenecks, anxiety, dejection
• Potentials: Ideas, wishes, trends, unused abilities
• Obstacles: Resistances, unfavourable framework conditions

The quality of information derived from using this tool depends (as ever) on who is involved and how the process is managed – it simply provides a structure and focus for discussion.

The analytical steps of SEPO / SWOT Analysis

These following 5 steps of the SEPO/SWOT analysis should be understood as general guidelines. It is important that all workshop participants are involved in the analysis!

a) Identify the object/topic of the SEPO/SWOT analysis

Establish a common understanding of the topic to be analysed.

b) Analysis

Attach a big paper on the wall with the four windows for SEPO “Success”, “Failures/Problems”, “Potentials” and “Obstacles”, respectively for SWOT: “Strengths”, “Weaknesses”, “Opportunities” and “Threats”

Formulate the leading question and write it in the middle of the big paper. Leading questions often start with “how do we assess (evaluate) …?”

Every team member writes answers/statements on cards.

The rules for writing cards are:
• Write in big letters (only three lines per card)
• Write only one idea on each card
• Mark each card with the initial letter of the respective window (S for success, W for Weaknesses, etc.). In this way, cards that fall down can be reattached to the correct window.

All team members attach their cards to the correct window as they produce them. Seeing the answers of other team members might stimulate additional ideas.

c) Forming Clusters

Once the flow of answers has stopped, the participants arrange the cards into clusters: In each window, statements/answers that refer to the same topic or area are arranged into one cluster.

The definition of clusters should ideally be established in common agreement.

If possible each cluster can be marked with a special card indicating its general concept (keyword).

Cards that do not fit into a cluster can be kept separately in the window.

d) Looking for Explanations, Lessons Learned or Project Ideas

The prioritised topics are submitted to an in-depth analysis in order to formulate coherent conclusions, which will serve as inputs for the planning process.

A basic question for the analysis is “why?” What are the reasons for an identified problem (or success)? Any answer can again be analysed by asking “why?” for arriving at a more in-depth understanding. Other good helpers are: “when?” “what?” “who?”, “how?”, “how much?” etc.

Weaknesses, Failures: A thorough analysis of problems or failures (in the case of the planning of an ongoing project) is of vital importance. The analysis of problems and its causes will give important indications to finding solutions. The analysis of failures in previous project phases will provide “lessons learned” to be taken into consideration when planning a next phase.

Opportunities: An important category for project planning is the quadrant for opportunities. In this quadrant we can find potentials to be developed and to build upon with the project. Including this category of potentials may counterbalance a general tendency to perceive the world in terms of problems, which is often the case when we talk about social or economic development.
Amendment on Outcome Mapping to the NADEL-ETHZ script on Planning and Monitoring in Results-based Management of Projects and Programmes

Introduction
This document is an amendment to the script for the NADEL courses on results-based management of projects and programmes in international cooperation. The Outcome Mapping approach is an integral part of the NADEL course since 2008.

The introduction and training of the Outcome Mapping approach, along the Logical Framework Approach provides a basis for broader methodological knowledge and mirrors the methodological state-of-the-art in result-based management as of 2011.

Even though Outcome Mapping offers a different entry point and perspective than the classic Logframe Approach, it is essential to acknowledge that all specifications made in the NADEL script are true and relevant also for Outcome Mapping practitioners. Especially the chapters 1 (Management for Development Results), 2 (Planning of Projects and Programmes), 3 (Identification of Projects and Programmes), 5 (Project Documents and Agreements), 6 (Indicators – Data for Steering Change), and 8 (Steering for Development Results) will not be discussed or adapted in this amendment. It is only chapter 4 (Planning with LFA) that can be adjusted with the OM perspective. This brief paper shall therefore be used as an amendment to the existing training script.

1 The Outcome Mapping Approach

1.1 Background
Since the introduction of many PCM approaches in the 1970ies and 1980ies, a series of fundamental changes have taken place in the ways in which development assistance is delivered. These changes raise questions about the explanatory power and the performance of the logframe approach with respect to results-orientedness. Seen from the perspective of donor countries, these changes can be characterised as a process leading from project to programme approach. In concrete terms, these changes can be divided into four partly overlapping areas or trends1:

• From direct poverty alleviation to capacity building and social development
• From direct implementation to a multi-stakeholder approach
• From direct cooperation with beneficiaries to “vertical integration”
• From implementing donor-driven projects to supporting partner programmes

1 For more information, please consult the discussion paper “Logical Framework Approach and Outcome Mapping: A constructive attempt of synthesis”, W. Schlaeppi et. al.
The use of planning tools in the 1990ies has been subject of frequent criticism for a number of reasons. Criticisms follow several lines of argumentation:

- It is argued that new modalities of cooperation make it increasingly difficult to attribute development results to the outputs provided by individual programmes and projects on the basis of a linear causality model.
- The principle of causality is seen as too rigid, culturally unadapted, and unrealistic as a basis for planning and management.
- The model offers the temptation to engage in inflexible “blueprint planning”. Modification of goals or indicators is often avoided during implementation.

The above-mentioned criticisms of existing project cycle management tools and - more specifically - their weaknesses in the monitoring and evaluation of development effects, have motivated IDRC (International Development Research Centre, Canada) to develop a different approach. IDRC’s practical and conceptual work with donors, research institutions, programme staff and evaluation experts has brought to the fore a fundamental problem with existing approaches to reporting on development impacts. Their current response, published as “Outcome Mapping: Building Learning and Reflection into Development Programs”\(^2\), includes the following assertions: (p. 2) “As development is essentially about people relating to each other and their environments, the focus of Outcome Mapping is on people. The originality of the methodology is its shift away from assessing the development impact from a programme (defined as changes in state: for example policy relevance, poverty alleviation, or reduced conflict) towards a change in behaviours, relationships, networks, actions or activities of people, groups and organisations with which a development programme works directly. This shift significantly alters the way a programme understand its goals and assesses its performance and results. OM establishes a vision of the human, social and environmental betterment to which the programme hopes to contribute and then focuses M&E within that programme’s direct sphere of influence. The programme’s contributions to development are planned and assessed based on its influence on partners with whom it is working to effect change. (...) OM does not belittle the importance of change in state (such as cleaner water or a stronger economy) but instead argues that for each change in state there are correlating changes in behaviour. By using outcome mapping, a programme is not claiming the achievement of development impact; rather the focus is on its contributions to outcomes.”

**Outcome Mapping Approach and Methodology:** Outcome Mapping (OM) focuses on one particular category of results: changes in the behaviour of people, groups, and organisations with whom a programme works directly. These changes are called "outcomes". Through the OM method, development programmes can claim contributions to the achievement of outcomes rather than claiming the achievement (attribution) of development impacts. OM helps to analyse complex changes, especially those relating to behaviour and knowledge. The underlying principles are that (1) changes are complex and do not move in a linear way, (2) development is done by and for people, and finally (3) although a programme can influence the achievement of outcomes, it cannot control them because ultimate responsibility rests with the people affected.

**Non-causality:** Outcomes (changes in the behaviour, relationships, activities, or actions of people, groups, and organizations) “can be logically linked to a programme’s activities, although they are not necessarily directly caused by them. These changes are aimed at contributing to specific aspects of human and ecological well-being by providing partners with new tools, techniques, and resources to contribute to the development process” (OM, p. 1).

**Contribution instead of attribution:** (OM p. 1) “By using Outcome Mapping, a programme is not claiming the achievement of development impacts; rather, the focus is on its contributions

\(^2\) OM uses the expression "Programme" to refer to the external Change Agent who supports partners (boundary partners) from the outside for a limited period. In this paper we use the terms “project” and “change agent” as well.
to outcomes. These outcomes, in turn, enhance the possibility of development impacts — but the relationship is not necessarily a direct one of cause and effect. Ultimately, all organizations engaged in international development want their work to contribute to long-term development impacts. However, this is rarely accomplished by the work of a single actor (especially an external donor agency). The complexity of the development process makes it extremely difficult to assess impact (especially for an external donor agency seeking attribution).”

Control of change / development: (OM, p. 1 & 2) “Outcome Mapping assumes that the boundary partners control change and that, as external agents, development programmes only facilitate the process by providing access to new resources, ideas, or opportunities for a certain period of time. A focus on the behaviour of the boundary partners does not mean that the programme decides how, when, and why those partners will change. In fact, by focusing on changes in behaviour, Outcome Mapping makes explicit something that has been accepted by development practitioners for a long time: the most successful programmes are those that devolve power and responsibility to endogenous actors”.

Outcome Mapping is divided into three stages. (OM, p. 3) “The first stage, Intentional Design, helps a programme establish consensus on the macro level changes it will help to bring about and plan the strategies it will use. It helps answer four questions:

- Why? (What is the vision to which the programme aims to contribute?);
- Who? (Who are the programme’s boundary partners?);
- What? (What are the changes being sought?); and
- How? (How will the programme contribute to the change process?).

The second stage, Outcome and Performance Monitoring, provides a framework for the ongoing monitoring of the programme’s actions and boundary partners’ progress toward the achievement of outcomes. It is based largely on systematized self-assessment. It provides the following data collection tools for elements identified in the Intentional Design stage: an “Outcome Journal” (progress markers); a “Strategy Journal” (strategy maps); and a “Performance Journal” (organizational practices). (…) The third stage, Evaluation Planning, helps the programme identify evaluation priorities and develop an evaluation plan. Figure 1 illustrates the three stages of Outcome Mapping”.

1.2 The OM framework

The compulsory interactive and iterative planning process with OM takes into account existing local organisations, institutions and structures. The pre-planning phase is used to get to know the ‘big picture’—systemic analysis of what kind of relationships exist, who interacts with whom, and why (i.e. a historical scan looks at the organisational processes of the potential stakeholders).
Obviously, system borders must be drawn, while recognising that the ‘defined system’ is interacting with a wider world. While the wider world and its interaction with the project system can be observed, it is very unlikely that the project will be influencing it in a meaningful way. The system border is reflected in the vision, where a description of the changed behaviour of key stakeholders (change agents, decision-makers, policy-makers, etc.) and the expected change for the ultimate beneficiaries are related (impact hypotheses).

The project defines its mission by reflecting on its interests, motivations and means for influencing / supporting the key stakeholders in the process of moving towards the stated vision. The concrete counterparts of the mission statement are the ‘outcome challenges’; these describe the roles, responsibilities and aims of each project partner. The project will not be held responsible for these changes, as the ultimate decision stays with the partners.

<table>
<thead>
<tr>
<th><strong>The vision</strong> reflects the broad human, social &amp; environmental betterment in which the programme is engaged and to which it is contributing.</th>
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<tbody>
<tr>
<td><strong>The mission statement</strong> describes in a broad way the contribution of the donor programme to the vision. It describes how the programme intends to operationalise its role in support of the vision and support the achievement of outcomes by its partners, and how it will remain effective, efficient, relevant and sustainable.</td>
</tr>
</tbody>
</table>
| **Outcome Challenge:** Boundary Partner A  
The outcome challenges describe the changed behaviours (relationships, activities, and/or actions) of a partner; and how they would be behaving if they were contributing ideally to the vision.  
Set of **progress markers**: Progress Markers are a gradual set of statements (milestones) describing a progression of changed behaviour in a partner. They describe changes in actions, activities & relationships leading up to the ideal outcome challenge statement. |
| **Outcome Challenge:** Boundary Partner B  
Set of **progress markers** |
| **Outcome Challenge:** Boundary Partner C  
Set of **progress markers** |
| **Support strategies** from the programme / project:  
The strategies outline the approaches of the project team in working with the partners. They indicate the relative influence the programme is likely to have on a project partner. An overview of the strategies helps to pinpoint strategic gaps in the approach or determine whether the programme is over-extended; it also suggests the type of evaluation method appropriate to track and assess the performance of the project. |
| **Support strategies** for Partner B |
| **Support strategies** for Partner C |
| **Organisational practices** describe the efforts of the project team in order to remain innovative, efficient and relevant for the programme purpose. |

*Table 1: The OM framework*
The progress markers are a set of milestones that indicate the expected changes in a project partner. These milestones indicate possible ways to achieve change on a bigger map; they are not used for assessing failure or success, but for learning and reflection.

- Many progress markers can / should be changed
- Progress markers link the boundary partners with their partners
- Progress markers indicate changes beyond the programme’s own practices, i.e. interaction with beneficiaries, etc.

Support strategies are the basis for elaborating working plans and assessing the performance of the project. Activities are planned and can be monitored (if needed the same way as activities within a LFA model).

Organisational practices help to build ‘organisational development’ matters into the project team. Projects allocate resources (time and money) for remaining relevant and innovative. The project team has to be able to adapt its strategies, competencies and approaches in accordance with the (non-) intended changes in the practice of partners.

Figure 2: Logic Model of Outcome Mapping as interpreted by the authors of the present paper

Practical experience in working with OM indicates three main distinctive features that add value to existing / other PCM tools:

- Clear definition of system borders, roles and responsibilities; a process that supports the partners in assuming responsibility and clarifies the end of project status at the very beginning (i.e. includes the exit strategy during the planning phase).
- Milestones that indicate a possible process, not final indicators; these indicate a path of change that makes it possible to assess development in short time periods and therefore to assess / change / adapt strategies within a short time.
• Concentration on learning and accountability (as opposed to ‘accountability only’); learning from experiences and coping with change are the key elements of OM. Accountability issues (in all directions) and learning purposes are held in a balance.

Outcome Mapping and Results-based Project and Programme Cycle Management (PCM): PCM defines the key documents, decision-making processes and management tasks for the stages in the project cycle: planning, monitoring, implementation and reporting, evaluation, and redesign. In our view the use of Outcome Mapping as a methodological approach has proven to be an effective basis for results-based project or programme management:

► **Focus on measurable outcomes:** Clear formulation of responsibilities, roles and measurable milestones. Each partner (boundary partner and the project team) develops a set of activities (i.e. milestones or strategies) that allow for results-based project and programme management (i.e. outcome based = behavioural change based).

► **Focus on learning and participation:** The iterative and participative planning is the basis for the key documents and their systematic linkage throughout all stages of the project cycle allows for learning-based management and effective, comprehensive information management involving all stakeholders.

► **Transparency, ownership and accountability:** The use of Outcome Mapping assures the clear formulation of responsibilities, roles and progress markers for each project partner. Clear outcomes and milestones (i.e. observable and measurable qualitative changes) enhance ownership, clear responsibilities, transparency and accountability between implementers, beneficiaries and donors.

2 Planning with the Outcome Mapping Approach

2.1 **The 7+1 Planning Steps of the Outcome Mapping Approach**

There are seven plus one separate steps to the Outcome Mapping methodology and they can be divided into four stages. The first step (Step 0) helps to analyse the initial situation; the following 3 steps (Step 1-3) support the elaboration of a common strategic program framework; the following 3 steps (Step 4-6) serve to plan the project/programme strategy or project design; and the final step (Step 7) assures a coherent organisational setting and development of the program team.

<table>
<thead>
<tr>
<th>Planning steps</th>
<th>Planning tasks</th>
<th>Selection of methods and instruments</th>
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</table>
| **Step 0: Preparation** of the intentional design (Step 1-7) / Situation analysis | • Stakeholder analysis  
• Problem analysis  
• Potential analysis | • Brainstorming with presentation in matrix form  
• SWOT analysis |
| **Step 1: Vision**  
Which person, group or organization should do something different? What would be ideal? | Definition of an overall guiding vision & impact hypotheses | • Objective tree  
• Visioning  
• Impact logic |
| **Step 2: Mission statement**  
Who are WE and what can we contribute to the vision? | Definition of the role of the program (clarification of capacities and responsibilities) | • Mission statement |
<table>
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<tr>
<th><strong>Step 3: Boundary Partners</strong></th>
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<tbody>
<tr>
<td>With whom will the project work together directly?</td>
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<tr>
<td>Choice of individuals, groups &amp; organizations with whom the program interacts directly.</td>
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<tr>
<td>• Venn-Diagram</td>
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<tr>
<td>• Stakeholder Mapping</td>
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<tr>
<td>• Power-Relation Analyses</td>
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<th><strong>Step 4: Outcome Challenges</strong></th>
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<tr>
<td>How would the boundary partner be behaving in order to contribute ideally to the vision?</td>
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<tr>
<td>Definition of the role and responsibility of each boundary partner &amp; formulation of the behavioural challenge</td>
</tr>
<tr>
<td>• SWOT</td>
</tr>
<tr>
<td>• Business-Plan</td>
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<td>• Organisational Assessment</td>
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<th><strong>Step 5: Progress Markers</strong></th>
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<tr>
<td>What milestones would be reached as the boundary partner moves toward the intended role in contributing to the vision?</td>
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<tr>
<td>Elaboration of a graduated set of milestones and/or indicators describing a progression of change in a boundary partner.</td>
</tr>
<tr>
<td>• Ladder of progress markers</td>
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<th><strong>Step 6: Strategy Map</strong></th>
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<tr>
<td>Which are our strategies to contribute to the achievement of the outcome challenge of a boundary partner?</td>
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<tr>
<td>Outline of key strategies for supporting the boundary partner.</td>
</tr>
<tr>
<td>• Strategy map</td>
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<tr>
<td>• Results-Chains</td>
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<td>• Strategy portfolio</td>
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<th><strong>Step 7: Organisational Practices</strong></th>
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<tbody>
<tr>
<td>What does the project needs to do, in order to remain effective?</td>
</tr>
<tr>
<td>Definition of key strategies for remaining innovative, creative, efficient and relevant.</td>
</tr>
<tr>
<td>• Organisational practices</td>
</tr>
</tbody>
</table>

*Lindau, January 2011 – AGRIDEA*