Managing for Results

Organization Implementation Manual

Second Edition - 2016

ASIAN DEVELOPMENT BANK

Department of Project Management and Monitoring,
Ministry of National Policy and Economic Affairs,
Government of Sri Lanka

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Abbreviations

ADB	Asian Development Bank
ARF	Agency Results Framework
CSF	Critical Success Factors
DMF	Designing and Monitoring Framework
DMS	Designing and Monitoring System
MOF	Ministry of Finance
MPI	Ministry of Plan Implementation
MFO	Major Final Output
NWSDB	National Water Supply and Drainage Board
MfDR	Managing for Development Results
ORF	Organizational Results Framework
RBB	Results Based Budgeting
RBM	Results Based Management
PMF	Performance Management Framework
KPI	Key Performance Indicator
KRA	Key Results Area
M&E	Monitoring and Evaluation
KEQs	Key Evaluation Questions

Foreword

The Ministry of Finance and Planning and its Department of Project Management and Monitoring have been actively working on institutionalizing the Managing for Development Results (MfDR) Government wide in Sri Lanka for the past few years. His Excellency the President Maithripala Sirisena and the Cabinet of Ministers endorsed the institutionalization of MfDR and entrusted the implementation to the Ministry of Finance and its Department of Project Management Monitoring. To support and strengthen this initiative, the Ministry of Finance and Planning issued the budget call - 2016 requesting all the Ministries to submit their budget requests with MfDR based Results Frameworks. As a follow up to this budget call circular, the Finance Commission also requested all Provincial Councils to work on the MfDR agenda.

All these initiatives created a growing demand for MfDR expertise within Government. The Ministry of Finance and Planning and its Department of Project Management and Monitoring has been supported by the Asian Development Bank (ADB) and the UNDP to help the Government in developing a set of user friendly guidelines on MfDR. Ms. Sri Widowati, Country Director of ADB, very positively responded to this request and allocated necessary funds under TA 8798 SRI: Improving Project Readiness and Portfolio Management to support this important initiative.

I am very pleased to inform that a competent professional Mr. Prasantha Abeykoon, from Management Frontiers (Pvt) Ltd. who originally prepared this manual was assigned with the task of revising and improving the same.

I am also pleased that I have been able to work very closely with the TA consultants who provided the professional guidance and support and collaborated closely in taking this initiative forward to support the Government in this endeavour.

I wish to place on record the excellent technical support extended to us by the ADB and UNDP to take the MfDR initiative Government wide.

I sincerely hope that this manual will be of much value to the professionals who are involved in institutionalizing MfDR within the Government of Sri Lanka.

Mrs. Dharshana Senanayake
Director General
Department of Project Management and Monitoring
Ministry of National Policy and Economic Affairs

The Purpose of this Manual

The purpose of this manual is to provide staff of departments and agencies in Sri Lanka with specific guidelines regarding the successful implementation of a results management approach. The manual takes a step - by - step approach to the process, providing examples from experience to date and indicating how the components are intended to be implemented.

While the manual functions as a stand-alone document, it is intended to be supplemented by training. In this regard, it also serves as a reference document.

The manual also contains information from readiness assessments that were carried out in a range of organizations in Sri Lanka. The implementation processes that are included in this manual are in line with the practices of the Ministry of National Policies and Economic Affairs.

What is MfDR?

Managing for Development Results (MfDR) is a management approach with a focus upon performance management and effective and efficient results delivery. It is linked to all phases of the management cycle, from planning to reporting and feedback for future planning and re-planning and focuses on achievement of outputs, outcomes and impacts. Other names for MfDR include results based management, results management and performance management and assessment.

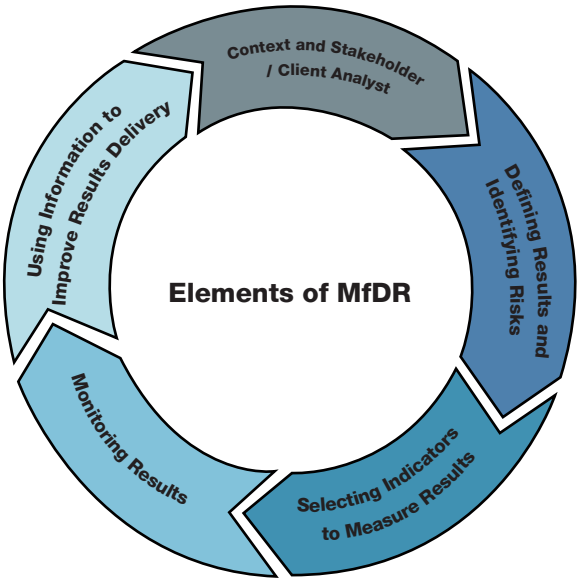


Figure 1 : Elements of MfDR

Managing for development results (MfDR) represents a process of change in an organization to align its values, culture, policies, strategies and practices behind a set of well designed and defined results. As a management strategy MfDR focuses on using performance information to improve decision making. It involves using practical tools for strategic planning, risk management, progress reporting, and outcome evaluation.

MfDR has a number of components. Figure 3 highlights the cyclical nature of MfDR and the importance of using results oriented, evidence based information to improve organization performance.

MfDR represents a shift in focus, from inputs and activities to outputs and outcomes: a shift from compliance to results.

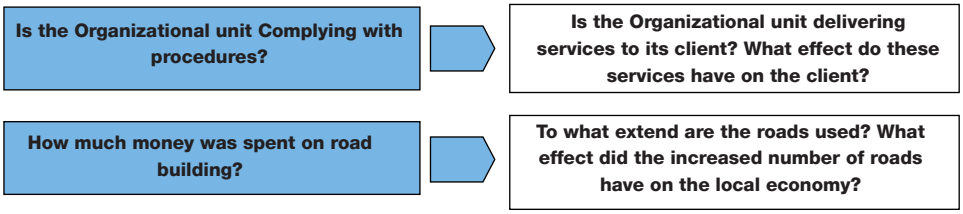


Figure 2: Shift from Compliance to Results

Implementing MfDR requires work in many key categories of organization performance:

Figure 3: Categories of Performance

Process of Institutionalizing MfDR in Sri Lanka

The Department of Project Management and Monitoring (DPMM) of the Ministry of National Policies and Economic Affairs has been given the mandate by the Cabinet of Ministers to institutionalize MfDR Government wide. The DPMM and the Ministry of National Policies and Economic Affairs have been working in implementing MfDR over the past few years using the process described below.

The process has 10 major steps:

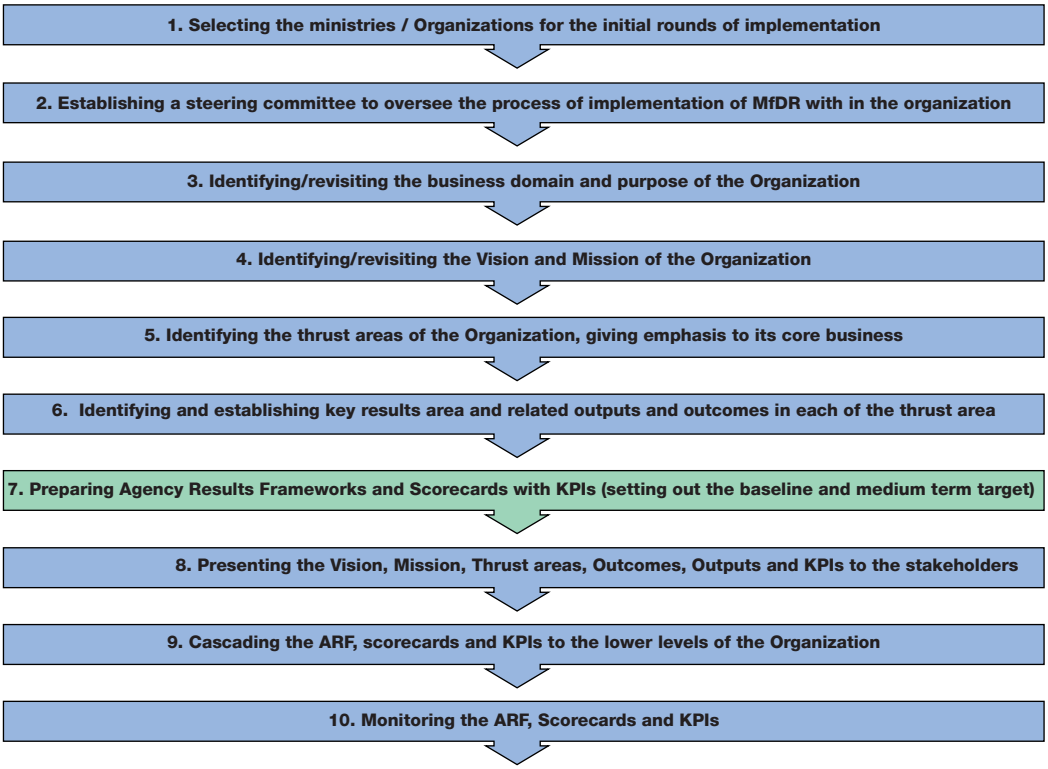


Figure 4: 10 Major Steps

Each of these steps is discussed in greater detail below:

Step 1:
Selecting the Ministries / Organizations for the initial rounds of implementation

The selection of Ministries and Institutions to be included in the initial rounds of implementation was based on the following criteria.

- ☞ Demand for institutionalization of MfDR by the Ministry / Organization
- ☞ Importance of the Ministry / Institution in relation to:
    - results delivery to the public, for example, Health, Education, Water Supply,
    - share of the Government Budget, for example Health and Education,
    - importance to the National output, (for example Agriculture), top management involvement (support, believe in MfDR. etc.) and their commitment to institutionalizing of MfDR.

For future interventions it is critical that the senior management of the organization want to change.

Experience in implementing MfDR has revealed that those organizations that succeed in the process are those led by managers who:

- Understood the need to deliver better services to stakeholders;
- Were passionate about change in the organization;
- Were intolerant of the 'status quo';
- Were personally involved in the process of learning and change;
- Harnessed forces for change wherever they could find them, even if the environment of the civil service was providing no overriding imperative for change;

- Were able to accept the need for personal learning and behavior change and led by example;
- Provided the organization and staff with clarity of purpose;
- Could communicate effectively with the organization;
- Demanded better information and understood the necessity of evidence based decision making; and
- Were able to protect the organization from any adverse effects of the environment.

In contrast, organizations which have more difficulty in implementing MfDR, or which fail completely, are those where managers and leaders:

- Lack of personal involvement, delegating the task of results to a subordinates;
- Talked about results but were unwilling to make personal sacrifices or to lead by example;
- Paid lip service to improved service delivery levels;
- Had no real commitment to the process of change and were not involved in the work;
- Did not develop real clarity in the organization, allowing existing patterns of work to continue as before; and
- Were unable, or unwilling, to protect the organization from a hostile environment. Rather, the external environment was used as an excuse for a stalled change process.

If the most senior internal leadership fail to lead the implementation process, all other efforts are likely to fail and the organization will continue as before. The presence of good, committed, knowledgeable leadership in the organization can make up for shortcomings in all the other prerequisites for change but the absence of leadership cannot be balanced by strength in the other factors. In fact, if there is no effective leadership, all the other prerequisites for change: clarity, planning, communication, rewards and systems, etc, cannot

be strong. They can provide the illusion of strength through, for example, well designed plans or effective information systems, but without leadership they will remain important. An assessment of 'readiness for change' starts with an assessment of leadership and leadership commitment.

The presence of MfDR leadership in the organization allows staff to identify and dismantle the barriers to progress. The absence of leadership blocks work on all the other barriers.

Consequently, a lack of leadership is the key barrier to MfDR implementation.

Step 2:
Establishing a Steering Committee to oversee the Process of Institutionalization of MfDR within the organization

The selected Ministry / Organization will appoint a steering committee to oversee the process of institutionalizing MfDR. This committee mainly comprise of those who can act as the change agents within their respective organizations.

The committee generally includes the top management of the relevant organization. It would comprise of senior level of officers of the relevant Ministry headed by an Additional Secretary (or the Secretary) of the Ministry and the DPMM officers. The DPMM officers would participate in an advisory capacity to guide the officers in this process.

Step 3:
Identifying/revisiting the business domain and Purpose of the Organization by reviewing the mandate of the Ministry or the organization / agency and its Gazetted functions

The initial discussions of the steering committee and others involved in the process should identify the business scope and the purpose of the organization. The scope and purpose of the organization will be identified by referring to the mandate of the Ministry or organization.

"The Purpose" is the basic reason for establishing the Ministry or what is intended to be achieved by the Ministry. If it is a Project or a Program, the Purpose is the basic reason for implementing a project/program or what is intended to be achieved by the project/program.

Building clarity in the organizational objectives and business results the organization is intended to deliver will greatly assist the process of institutionalizing MfDR. A clear understanding of purpose enables the organization to identify problems in delivery of results. The general domain of the organization can be identified and from that domain the purposes can be derived.

For example:

Organization	Domain	Purpose
Health	Quality of Life	Wellness/Health
Highways	Mobility	Safe and predictable travel

Figure 5: Examples of Domain and Purpose

Understanding that the real result for Highways is safe and predictable travel will bring clarity to the process of managing for results by the organization.

Step 4:
Identifying/revisiting the Vision and Mission of the Organization

Having clarified the domain and purpose, the organization should then formulate its vision and mission.

The vision refers to an image of what the organization aspires to become. It is not necessarily constrained by current realities. It represents a desirable state of affairs. Strategic Vision is a road map of an organization's future and its long-term direction.

Examples of Vision Statements:

- A Computer in every desk and in every home using great software as an empowering tool – Microsoft
- Getting to a million connected computers worldwide, millions of servers, and trillions of dollars of e-commence. - Intel
- We will be a smart, wise fair and happy society - Government of Papua New Guinea, Vision 2050

Mission

• Without a Mission the enterprise is rudderless and only drifts.
• Without an effective Mission Statement there will be no performance.

Peter Drucker

The mission statement expresses the purpose of the organization. It is a simple compelling statement of the business of the organization, how business should be done and a justification of the existence of the organization. It should also define who the customers are, the value it offers to customers and the means to be used to create value.

Examples of Mission Statements:

- Our mission is to ensure the public trust in gems and jewellery by upholding the highest standards of integrity, academics, science, and professionalism through education, research, laboratory services, and instrument development. – Gemological Institute of America
- "The pre-eminent building block supplier to the worldwide Internet economy" - Intel

Aligning vision and mission with a clear understanding of results is a critical early step for the institutionalization of MfDR.

Step 5:
Identifying the thrust areas of the organization, giving emphasis to its business and mandate

The next step in the process is to identify thrust areas in the core business of the organization. Thrust area is the main driving force towards achievement of results of the organization. The thrust areas of the organization (in line with relevant Acts of Incorporation and documents relating to establishment) are the major areas of focus required to deliver the business domain and purpose. It is the core business of the organization. For each of the thrust area, there will be a number of goals. Such goal has to be formulated through Key Performance Indicators (KPIs) giving the base-line situation and expected medium-term targets.

For example:

Organization	Domain	Purpose	Thrust Areas
Health	Quality of Life	Wellness/Health	Medical Care, Health Education and awareness, Research and development, Medical education and training
Highways (Sri Lanka)	Mobility	Safe & Predictable travel	Planning and Designing of infrastructure relating to Road and highways network Construction and upgrading of road network Maintenance of road network Traffic planning and monitoring Road safety

Figure 6: Domain, Purpose and Thrust Area Linkages

For each of the thrust areas, key results, outcomes and outputs should be identified.

Key results areas should be identified for each of the thrust areas. There may be one, or a few key results areas for a thrust area. For example, 'medical care' at the Ministry of Health will have key results areas in 'general medical care', 'specialized medical care', 'epidemics', 'surgery' and 'regulation of private hospitals and private practices'.

Similarly, Water Supply may have 'construction', 'maintenance', 'advisory', 'production, distribution' and conservation as their key results areas.

In some cases all key result areas will be equally important. In others, some key results may be more important than others.

For each key result area, there should be outputs at the organizational level, leading into organizational outcomes. For example, 'Construction', 'maintenance and production' by the Water Board in addition to their advisory services to local authorities and small scale operators will have an output of increased access to safe drinking water and contribute to the outcome of sustained reduction in water borne diseases.

Progress towards the implementation of MfDR requires that the senior management of the organization understand the concepts of results management: if the senior management do not understand the principles, tools and language of results management it is very unlikely that the implementation process will succeed. A senior management group which lacks knowledge about the process of results management is a key barrier to implementation.

Steps 1-5 of this process are the foundation for work on results management which enables the management of the organization to articulate, and logically link, the results into a framework.

The logical articulation of results is a critical task. If results are not accurately defined, identifying organizational initiatives and / or program development for results delivery and implementation and monitoring them will be a difficult task.

Results Chain

The basic foundation of managing for results is the results chain. Results chain illustrates the connections between inputs, planned activities and intended results. The chain is a series of expected achievements that are

linked by causality. The chain shows the continuum from inputs to final impacts. In terms of removing the barriers to implementation, it is critical that the management understand the concept and how it is used.

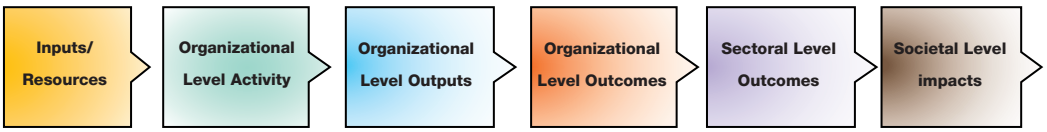


Figure 7: Results Chain

Figure 7 is an example of a results chain for an organization. Please note the logical linkages from inputs to organization activities and outputs, to sector and national outcomes and impacts.

Please note the following about the components of the results chain:

- Organizational outputs are 'The goods and services produced and delivered' by the organization. There are two types of outputs. They are Process Outputs and Organizational Outputs. Organizational outputs refer to the Outputs but not to the Process Outputs. (E.g. for Process outputs in relation to a Training program in MfDR for staff will be completed course materials, completed logistic arrangements and conduct of the training program etc. The Program output will be new MfDR skills gained by the staff. One will not be able to produce Organization outputs without process outputs. A very clear articulation of process outputs and outputs is required in developing a results chain /results ladder for a program or an organization.

- Organization outcomes are only 'directly influenced' by the organization and the ones that are to be accomplished by the interventions of the organization. Organization outcomes are the changes or effects of the outputs produced by an Organization. Organizations / Programs are expected to produce one or more outcomes that are directly linked with the needs/ problems of its beneficiary group/s. Outcomes can be classified into three categories

based on the sequence of its occurrence. They are:

i. Preliminary Outcomes,
ii. Intermediate Outcomes, and
iii. Tertiary Outcomes.

An organization/program should, at least, be accountable for ensuring that the Preliminary outcomes are achieved.

More examples of Results Chain are given below:

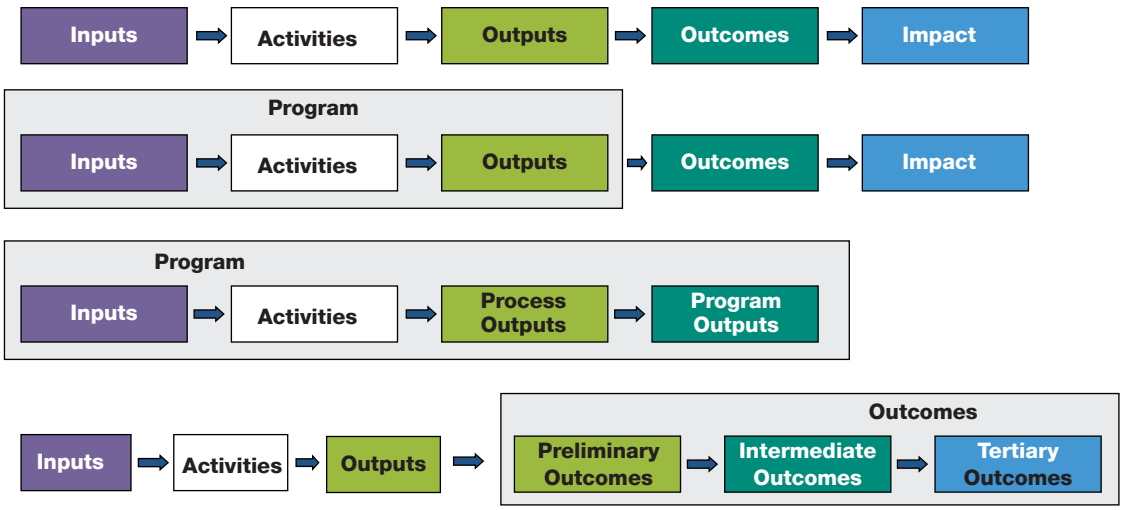
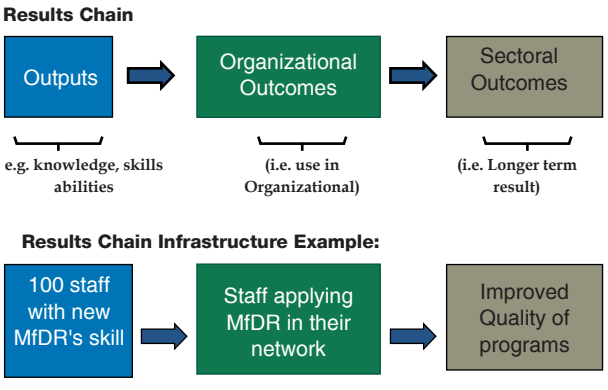


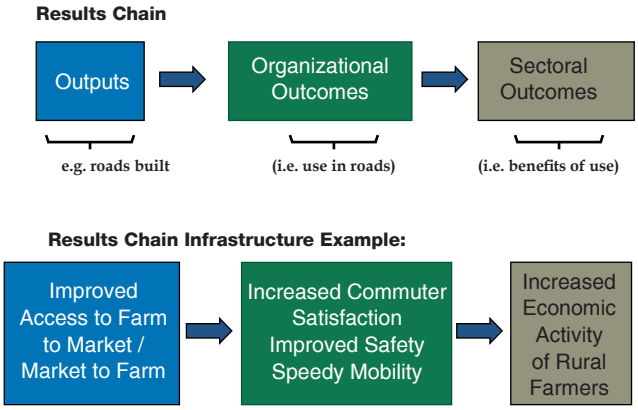
Figure 8: Results Chain Examples

Source: CeDRE International, Malaysia

This is a results chain for a training program in MfDR:



This is a results chain for a public works department:



This is a results chain for Power Generation and Distribution Company:

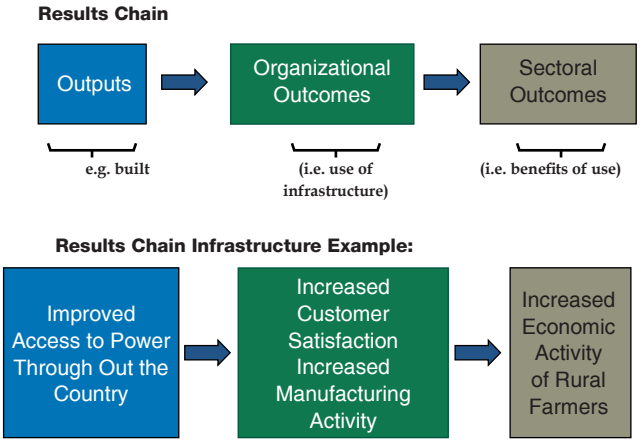


Figure 9: Examples of Results Chains

Preliminary Outcomes

It is important that we review the results chain from the point of view of the clients and beneficiaries of the respective organization/Project. We need to carefully articulate the outcomes, i.e. Preliminary Outcome that this organization or project be held accountable for. For example, it is not fair by the Power Generation and Distribution Company if we make them accountable for the outcome of increased manufacturing activity just because they have now electrified the area. The increase in manufacturing activities in the area will be dependent on and influenced by many other factors for which this company has no control of. Similarly, the public works/service department should not be held accountable for the increased agriculture activity or income of the farmers in the area as there is a road being newly constructed. Therefore, these outcomes are shown as intermediate or tertiary outcomes in their results chains. However, if there is a specific project being implemented covering all these aspects (e.g. BOI, Economic Corridors, then the outcomes will be different. Therefore, we need to validate the results statements with the purpose and mandate of the intervention or the organization. One has to critically evaluate why the intervention has been implemented in identifying the preliminary outcome and make them accountable for the same.

Generally, the results chain can be built starting with the desired/expected outcomes if the program is new or still being planned because the activities have not been established. If the program is established already, understanding can be built starting with the activities. However, in reality, there is merit in thinking about the results chain from a range of starting points. In preparing a results chain, it is critical to have a clear understanding and solid focus on what actually the program or organization ought to be delivering and what needs or problems of clients that the organization must be addressed.

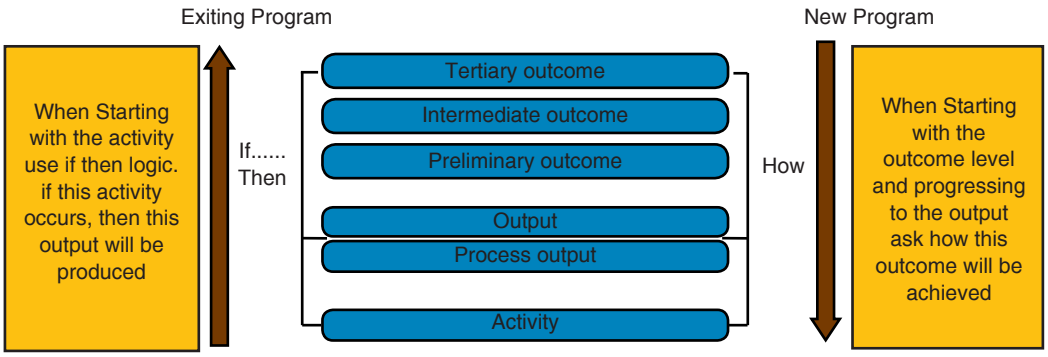


Figure 10: Moving up and down the Results Chain

Sometimes the problem with drawing results chains lies in differentiating between different levels of results. The table below provides tips which will assist in deciding whether something is an activity, an output or an outcome.

Tips for Distinguishing Level of Results	Organizational Level output	Organizational Level outcomes	Sectoral Level outcomes	Societal Level impacts
1.Relational to Your Organization	Output Produced	Directly Influences	Indirectly Influences	Little or no Influences
2. Control	Organizational Control	Clients Control	No Control	No Control
3. Attribution	Complete Attribution	Partial Attribution	Low Attribution	Little or No Attribution
4. Accountability/ Responsibility	Responsible	Accountable	Managing Towards	Correct Logic
5. Time frame	Within Program Cycle	By End of Program	Post Program	Post Program
6. Flexibility of Change	Flexible	Somewhat Flexible	Minimal Flexible	Minimal to No Flexible

Figure 11: Tips for Distinguishing Levels of Results

So, for example, in relation to the organization, Organization Level Outputs are 'produced' but Sector Level Outcomes are only 'Indirectly Influenced'. In terms of accountability, the organization 'manages towards' Organization Level Outcomes but is responsible only for ensuring the 'correct logic' at the level of Sector Outcomes.

In addition to making sure that the statements are at the correct level, care is needed regarding how results are worded: all results statements should show change:

- Improved
- Increased
- Enhanced
- Greater
- Higher
- Lower
- Presence
- Absence

In addition, they should not have phrases such as:

- Through.....
- In order to.....
- For.....

In other words, results statements should not incorporate causality in a single statement

Results statements should be realistic in terms of money, time and effort. There is often a tendency for organizations to overstate outputs and outcomes.

Results chains effectively articulate the results of the organization. However, they do not incorporate the idea that the overall results of the organization are made up of many results chains working together. To model the whole organization and to manage effectively for results you need to put everything together into a logic model.

Logic Models

A logic model is a diagram that clearly shows logical connections between work (activities), process outputs (completed work), outputs and the intended results (outcomes). It shows the rationale behind an intervention or an organization. It graphically shows expected or intended results:

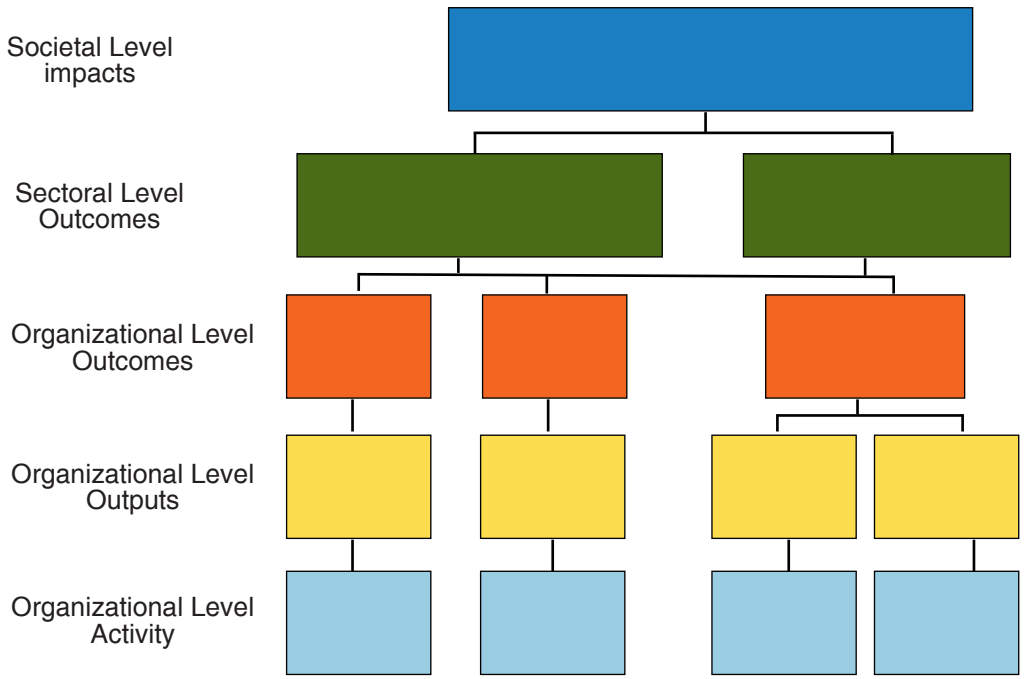


Figure 12: Example for Logic Model

A logic model can be applied to a program, a policy, a project or an organization. It is useful in planning, planning communication channels, for project or organization management and for monitoring and evaluation.
Logic models help to identify results at all levels and are directly linked to the results chain as can be seen in the Figure 14 below.

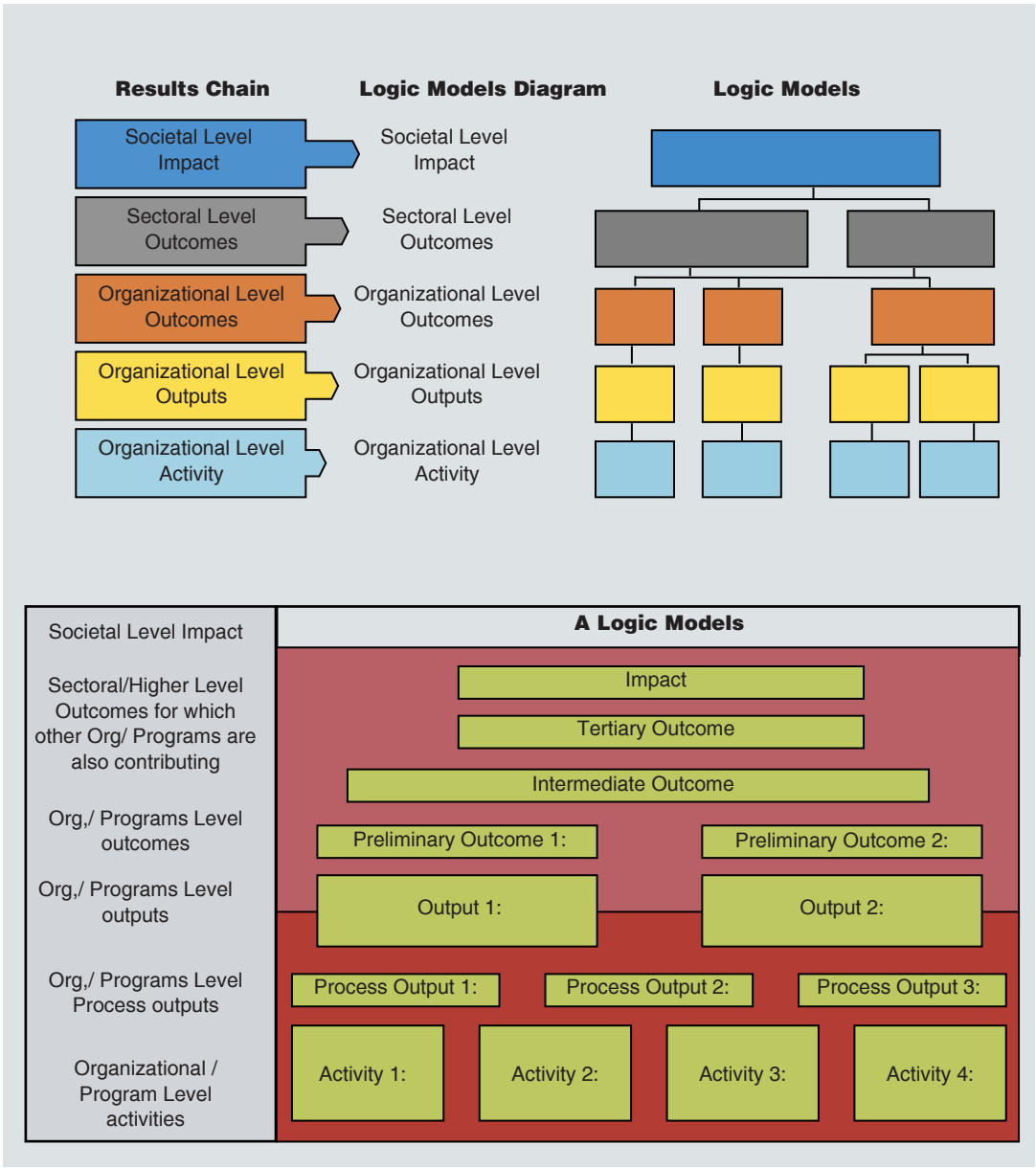


Figure 13: Samples of Results Chain Logic Model Linkages

Good logic models should:

- Have clear logic. The links between activities, process outputs, outcomes and impacts should be logical and clear. The model should demonstrate the 'if…then' logic of the organization of project: if that activity occurs then that output will be delivered;
- Build upon the strategic direction and objectives of the organization;
- Show the appropriate scope and focus;
- Have clarity – an outsider should be able to understand the project or organization by looking at the model;
- Have buy-in. Did the development of the model involve the key stakeholders in a participative way?;
- A good logic model links outputs and outcomes to sectoral and higher level results and provides the basis for cascading results down to the divisions and units of the organization.

Another way of developing a logical sequence is to work from your programs, projects, and activities up to higher level results. This works well for existing departmental programs.

- You could start by asking what is it that we do? We deliver training (this is an activity).
- You can then ask why: Why are we delivering training? The answer to the question becomes the organizational output - skills and knowledge for clients.
- Why do we provide training workshops to clients? The answer to this question could become the organizational outcome - to improve the capacity of our clients and their results delivery.

You could also try developing departmental results by starting with the higher level results and moving backwards to the activities. This can work well when the initiative is in the planning stages. Starting with a national / societal result

or sectoral results, you could then ask how to achieve this result. The answer to the question becomes your sectoral result statement. You can then ask how you will achieve the sectoral result. The answer to this question becomes your organizational outcome statement and so on.

Tips for developing results:

- Select the key activities - which activities are most likely to lead to the organization's major final outputs (MFO) and then influence or contribute for desired outcomes or outcomes that the organization ought to be delivering?
- Or you can start with the higher level results and work back to programs, projects, and activities. Logically link components together. Consider what programs, projects, and activities most plausibly lead to organizational outputs and whether the outputs plausibly lead to organizational outcomes and so on.
- Identify the purpose of the organization and try to formulate outcomes based on the purpose of the organization.
- Keep the results as focused as possible - balance detail with the need for clarity and focus.
- If you can control it, then it's a activity or an output, if you can only influence it, then it's an outcome.
- Check the logic of your results by using if...then logic or asking how and why questions.

Specifying Higher Level Outcomes

A common question for many organizations trying to put together a logic model is, "Where do my higher level results statements – national and sector - come from?"

Typically there are three levels of planning with results that overlap and cascade downwards, each level directing and providing guidance to the one below. The organization's results are directed by the sector results, which in turn are directed by the national / societal level results.

1. National / Societal results - Should be focused above the sector level, on desired goals / results in terms of quality of life of citizens, increased employment, economic and commercial performance, etc.

2. Sector results - Based on an agreed upon set of sectors, a series of sector plans are developed, detailing how each sector will contribute to national level results through sector results.

3. Organizational results - Delivery of results only takes place through interventions: programs and projects that produce outputs and influence outcomes. Programs and projects need to be linked to sector results.

Consequently, at the organization, sector and national / societal levels, the sources of your results at each level might include:

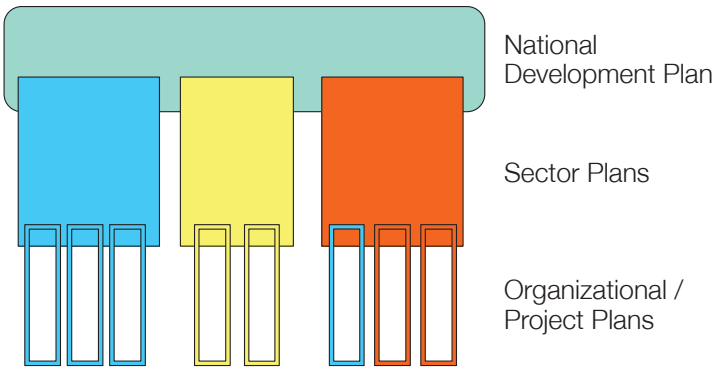


Figure 14 : Three Levels of Planning

Results	Key Sources/Considerations
Impacts at the national/ societal level	National level documents such as a National Development Strategy, Poverty Reduction Strategy (PRSP), or a National Plan.
Sectoral Level Outcomes	Documents such as a Sectoral Strategy or Plan
Organizational outputs and outcomes	Results statements at this level are typically developed by the organization. Review all strategic documents at the organizational level(e.g. Organizational Strategic Plan). Results should be closely linked to clients (direct beneficiaries of organization's goods and services) and the purpose of the organization. The purpose of the organization will be a guide to identify the organizational outcomes. The organization needs to figure out what the change that is expected to bring out in terms of meeting the needs or resolving the problems of its clients and beneficiaries. If your organization's key client is another government organization, your results statements should reflect this.

Figure 15 : Sources of Results Statements

Developing Higher Level Results Statements – National / Societal Results

The national development strategy should contain results statements at the highest level. The following are characteristics of national / societal level plans:

- Long-term, high level, above sectors
- Often 5 or more years in duration, some longer term (i.e. 20 years)
- Articulate the response to the major development challenges and themes for the country
- Include national level results, indicators, targets such as:
  - Quality of life of citizens, increased employment, economic and commercial performance

Developing Higher Level Results Statements – Sector Results Frameworks

As a lead organization in a particular sector it may be its responsibility to develop a sector plan, or you may be required to make contributions to a national development strategy. Perhaps you are required to develop a sector results framework. The same logic of the results chain applies at the sector level, however, instead of the organization, the focus is now on the sector level.

National level planning should be focused above the sector level, on desired results in terms of quality of life of citizens, health of citizens, employment, livelihood and education, economic and commercial performance, etc. The role of sector level planning is then to cascade those desired national level results to sector outcomes and outputs. The cascading process is a strategic planning process that makes choices about allocation of effort and resources, based on information about the context of the national level result.

For example a country wants to improve the health status of its people what aspect of health does it want to focus on? If it chooses maternal mortality what are the important contributing factors to high rates of maternal mortality? If it is lack of access by rural women to clinics then road sector outcomes and outputs too may be required. If it is support at birth by traditional birth attendants or village health workers then health sector outcomes and outputs may be needed. Sometimes, results of both sectors may be required (multisector projects).

Sector Plans

A sector plan should have the following characteristics:

- The plan focuses on one sector (based upon an agreed set of sectors)
- It may be integrated into national plan or standalone document
- It is often 5 years in duration
- The plan should articulate the major development challenges and desired results for the particular sector, including contribution to national level results
- Should include sector level results, indicators and targets

Defining sector results

1. Define the boundaries of the sector or sub-sector with as much precision and specificity as possible. Example – Rural roads.

2. Consider the sector as a whole and articulate what goods, services, products and deliverables the sector produces, delivers, manages, and maintains. These are the first / lowest level of Sector Outcomes. It may be useful to think of the sector as a system. The main output of the sector is a Rural

road system that is provided, managed, and maintained. This can also be presented as access to safe, reliable and quality road network. The inclusion of managed and maintained is important as the sector is assumed to operate in perpetuity, unlike a time bound project or program. The first outcome level of the sector should focus on the benefits accruing from use of this infrastructure. It could result in reduction of travel time and increased transportation of agricultural produces and other products from farms/villages to market centers.

3. Consider how these first level outcomes of the sector will be used and by whom. These are the higher level Sector outcomes. Articulate the next level of changes or effects of the first level of outcomes and these effects. Example – One effect of transporting products to markets is increased commercial activity. Another is increased income of farmers. These are national / societal level results.

The national / societal level results linked to a sector are never sector specific. The road sector can have an impact on health, as well as the water supply and sanitation sector), or the healthcare system / sector. Therefore, the sector can only have two levels of results. Once the results chain moves to the national / societal level the sector cannot be recognized.

Examples of First Level Sector Outputs	Examples of Corresponding Sector Level Outcomes
Road system provided, managed, and maintained – Improved Access to mobility - roads	Benefits from being able to move goods and mobility of people between A to B
Rail system provided, managed, and maintained - Improved Access to mobility - rail	Benefits from being able to move goods and mobility of people between A to B
Education system provided, managed, and maintained - Improved Access to Education/increased knowledge	Knowledgeable (graduated) students Increased employability
Electrical system provided, managed, and maintained - Improved Access to Electricity	Benefits from use / consumption of electricity (residential, commercial, industrial, public sector)/ Increased industrial production
Agricultural infrastructure and system provided and maintained - Improved Access to irrigated water, seeds, fertilizer, technology and know-how	Increased agricultural produce (food, non-food, etc.)/ Increased yield
Health infrastructure and system provided and maintained - Improved Access to health care services	Reduction in prevalence of diseases

Figure 16: Sector Outcomes Sector Components

Sector Components

Since the sector is typically a system with different components it is necessary to unpack those components that constitute the system. These could include:

- Policy and regulation
- Technical and physical capacity
- Governance and management

- Physical works
- Financial resources
- Operations

All these components play a role in the production and delivery of first level sector outcomes. As such, they are the levers that organizations / programs / projects / interventions can use to engage with the first level sector outcome production and delivery process. In addition, some components influence the way in which the system is used at the higher outcome level. Regulation of the road system (speed limits) influences the speed at which goods and people move from A to B on roads.

Linking Sector Results to the Organizational / Project Level

With a sector results framework there cannot be a uniform and consistent linkage between first level sector outcomes and the organizational / project results chain (contained in the agency results framework / logic model / logical framework analysis). This is due to the fact that depending on the component(s) that an organization or project works on; there will be different levels of the results chain separating the project output from the first level of sector outcomes.

Take for example the road sector. The first level of result is the road system provided, managed, and maintained. If a project is focused on physical works, i.e. road construction, then the day that the road is completed and opened up for public, then it has added directly to the first level sector outcome, by the length of the new piece of road is (ex. 600 km). In this case the project output (600 km of road) is at the same level as the first level sector result, as another 600km of road has been provided. The project output is, therefore, access to the new or improved mode of mobility which is directly linked in a causal fashion to the sector outcomes which are the changes or effects from being able to move goods and mobility of people between the two points as well as points along the way.

However, consider a project that is providing expert policy advice to the Ministry of Highways. From the project's perspective the output could be something like "Improved access to policy related advisory/policy level solutions". It is impotent that the results framework is prepared with the focus on the purpose of the intervention (Why the program/project is implemented in the first place). The project's outcome may be that the policy advice is adopted into a revised transport policy, and the impact of the project is improved regulation of the transport system. In this case improved transport system, the project impact, is at the same results level as the first level sector results, as the system is being better managed. The project impact is also directly linked in a causal fashion to the higher level sector outcome of movement of people and goods.

Aligning the Organizational / Project Results Framework to the Sector Framework

The alignment of the organizational / project framework with the sector framework will need to be a flexible process that considers the causal results relationship of the two levels of sector outcomes to the organization's / project's outcome and outputs. Ideally the process would follow the same analytical consideration that cascaded national level planning down to the sector level. The cascading process is again a strategic planning process that makes choices about allocation of effort and resources, based on information about the context of the national level result.

For example, in the case of maternal mortality, if the problem is lack of access by pregnant women and mothers in rural village to clinics then the road sector outcomes may be increased movement of people from rural households to district centers. The project outcome, at the same level, may have an indicator that measures the movement of pregnant women and mothers from homes to clinics. The project output, as the same level as the first level sector outcome will depend on the problem - are the deaths due to poor quality roads (bumpy and slow) or lack of roads (woman has to be carried 5 Km from village to road). The first would require project level road maintenance outputs, the second project level road construction outputs.

In the same example the problem may be that the Ministry of Highways does not have road and population data that will enable them to properly plan where to put the roads to improve access.

Proper planning requires a geographical information system (GIS) to be developed, installed, and maintained and therefore a project is set up to do this. The project output may be that the reliable data is now available for planning, the outcome is from the use these information for planning, and the impact improved road network, which is at the first level of sector results (Output).
There cannot be a water-tight rule of how they should fit together but a set of common examples will assist in the alignment process.

Project Modality	Correspondence to Sector Results
Provision of physical infrastructure	Project output = first level sector output
Capacity building and human resource development for the sector system	Project outcome = first level sector outcome
Development of policies, regulations, systems, procedures	Project impact = first level sector outcome

Figure 17: Sector Results, three possibilities

Logic Models that Connect Organizations to Sectors to National / Societal Levels

The logic model below graphically depicts the results for a Department of Agriculture. This department is a line ministry that delivers goods and services direct to citizens (farmers), who are its clients. You can see from the logic model that the department has two main outputs in line with its two key functions in accordance with its mandate and organizational purpose. The two sector level outcomes are drawn from the sector strategy or plan. The societal level impact is drawn from the National Development Strategy.

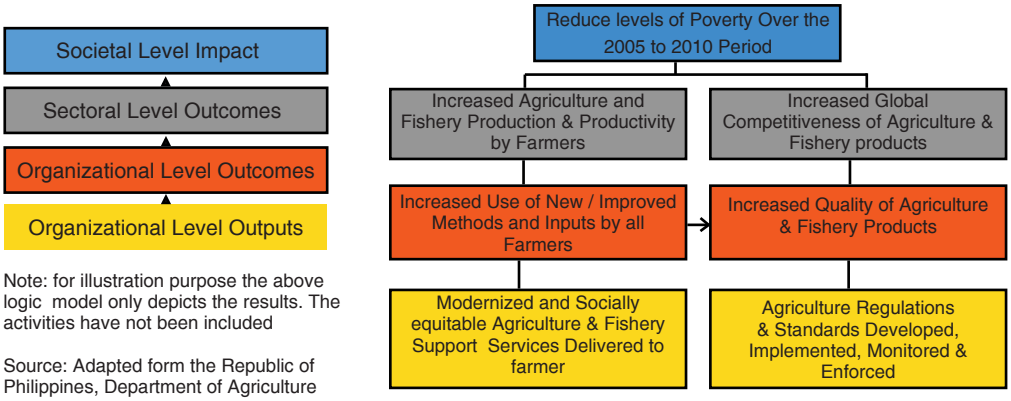
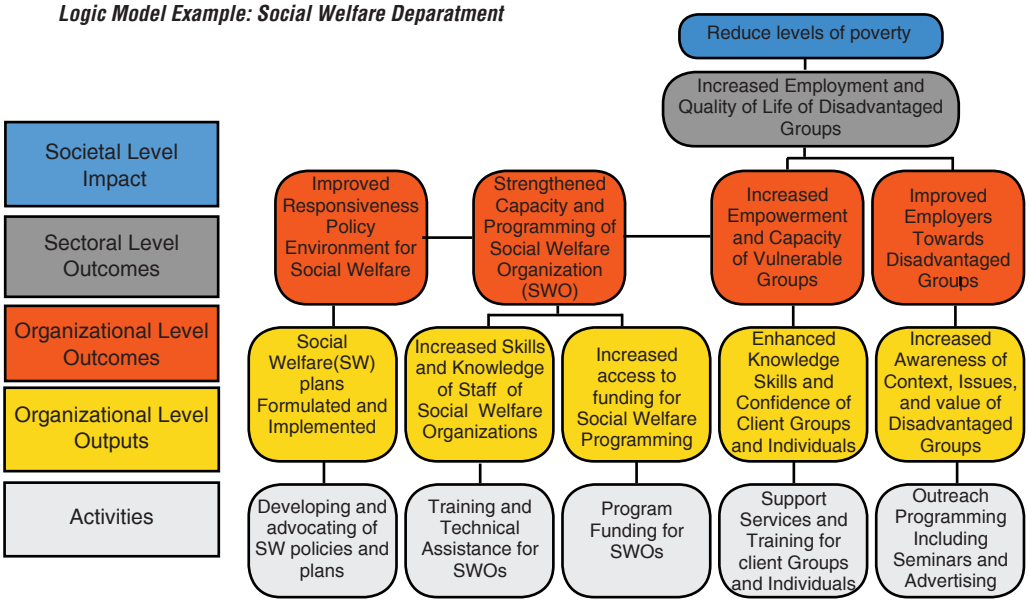


Figure 18: Simple Logic Model: Agriculture

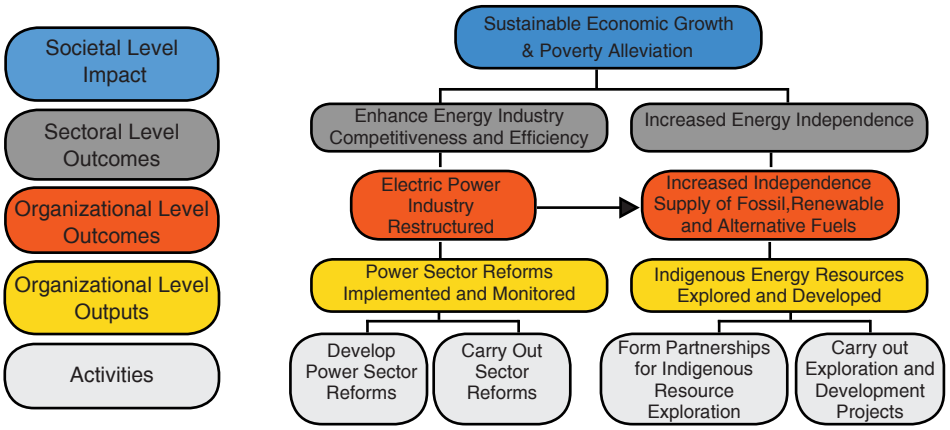
The logic models for three organizations follow. Please take a few minutes to read and understand them and to work out the 'story' of each organization based upon logic models.

Logic Model Example: Social Welfare Deparatment



Source: Adapted form the Republic of Philippines, Department of Social Welfare and Development

Logic Model Example: Department of Energy



Source: Adapted form the Republic of Philippines, Department of Energy

Figure 19: Sample logic models

Logic Model Example: Social Welfare Department

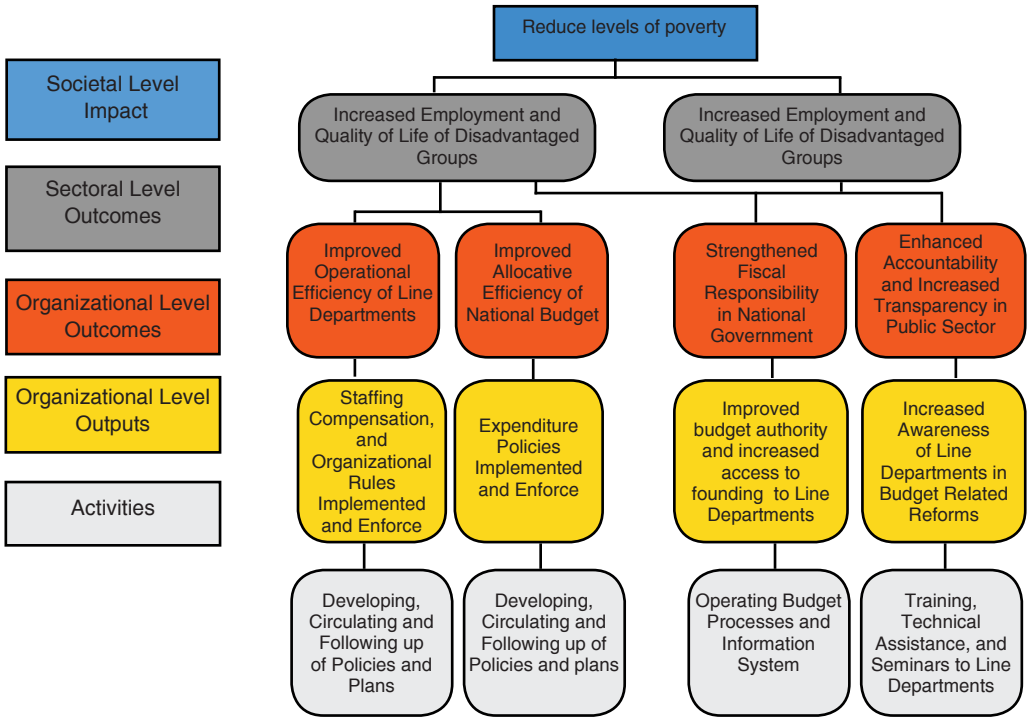


Figure 19: Sample logic models

Source: Adopted form the Republic of Philippines, Department of Budget and management

It is important to remember that all levels of your organization deliver outputs. However, some parts deliver "internal" outputs to other parts of your organization rather than to external clients. Other parts deliver only to external clients. Both internal and external results are important. For example, you may have a planning section. All the plans of that section are delivered internally to other parts of your organization. These "internal" outputs are important because they give direction to the logic models of other parts of the organization.

At the organizational level, your outputs may be quite broad in their scope. For example, for a Department of Highways, the overall organization output could be:

"Access to properly maintained national road network"

An annual output for the same department could be:

"Access to 500 km of the highest priority roads with a budget of $50,000,000"

You need to take these broad organization outputs and assign different aspects of that output to different sections of your organization. This is 'cascading': the process of breaking down your overall organization outputs into sub-outputs. The sub-outputs and their indicators should be assigned to units in your organization. The manager in charge of each section should then be responsible for the production of particular sub-outputs and for unit performance.

To make sure that this can be done, you need to identify and evaluate risks and external factors (for example the availability of resources) that could impede progress on sub-outputs.

Taking the Department of Highways as an example, with the broad organization output of "Access to 500 km of the highest priority roads with a budget of $50,000,000", the figure below illustrates how this annual output could be broken down into sub-outputs with different units of the organization responsible for each sub-output. This is the process of cascading:

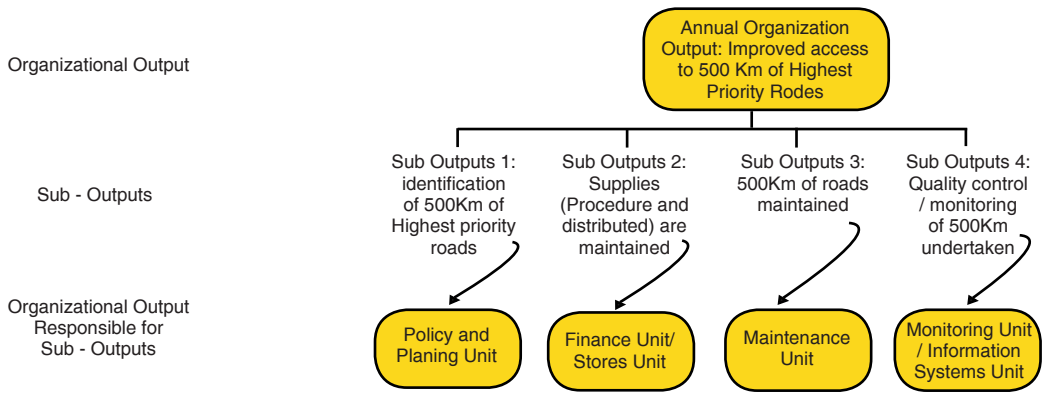


Figure 20: Examples of cascading Outputs

In some cases you might find that multiple organizations working in the sector will contribute to the same outcomes, even though they have different organizational outputs and outcomes. The design framework below shows how the Department of Rural Roads and the Rural Development Bank, separate organizations, both may make contributions to a sectoral outcome of increased economic activity in a rural region.

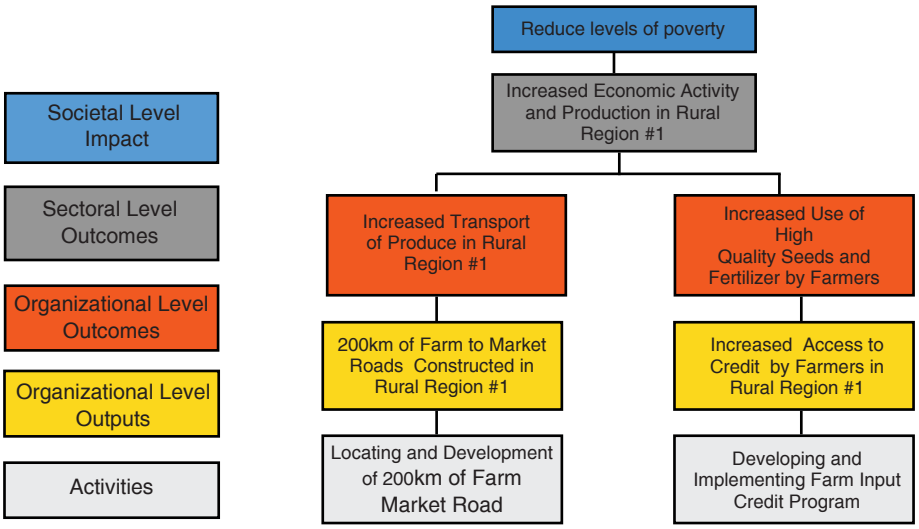


Figure 21: Example of the Contribution to a Single Sector Outcome from two departments

It is very important that you work with other organizations to identify the higher levels of the logic model towards which you are both working. It is only through a process of working together on the logic model that you can ensure that your different organization activities and outputs actually contribute together to the outcome. It is rare that an organization works alone in a sector(s).

Having created a good design framework, building a Design and Monitoring Framework (DMF) based upon sound logic is now possible:

Design Summary	Description of Result/s	Performance Targets/ Indicators	Data Sources/ Reporting Mechanism	Assumptions/ Risks
Societal Level Impacts				
Sectoral Level Outcomes				
Organizational Level outcomes				
Organizational Level outputs				
Activities				

Figure 22: The DMF

Step 6:

Identifying and establishing key results areas and related outputs and outcomes in each of the thrust areas

Once the thrust areas are identified, the next step would be to identify the key results areas, outputs and outcomes for each of them. In an organization, there will be at least one thrust area but there will be a few thrust areas in most occasions. Thrust area is the main driving force towards achievement of results of the organization. The key result area is the highest priority problems or needs that are being addressed by the organization or the areas which create the largest contribution for achievement of results.
Example: Ministry of Health, Sri Lanka

Organization	Thrust Areas	Key Results Area	Output	Outcome
Health	Curative health (Medical Care)	Outpatient treatment, In-patient treatment, Diagnostic services, Medical clinics, and Surgical Services for various deceases (TB, Leprosy, Cancer)	Improved access to curative health to in-patient and out -patient Improved knowledge on hygienic and sanitation practices, health care practices and lifestyles	Improved health of citizens Increased customer satisfaction

Organization	Thrust Areas	Key Results Area	Output	Outcome
	Preventive Health (Health Education and Awareness)	Sanitation and Hygienic practices Control of disease outbreaks Preventive medicine (e.g. Vaccination for Polio)	Increased awareness on sanitation and hygienic practices by the Public Disease / acute disease outbreaks are effectively controlled	Improved preventive medical care Increased customer satisfaction
	Research and Development	Diagnostic Services New drugs and formulations Researches on new disease outbreaks	Improved diagnosis of diseases and diagnosis services	Improved medical care
Medical Education and Training	Medical Education	Training and development of medical officers, Para-medical officers, nurses	Increased competences and skills of those engaged in the Health sector	Improved medical care

Example: Ministry of Highways and Road Development, Sri Lanka

Organization	Thrust Areas	Key Results Area	Output	Outcome
Highways (Sri Lanka)	Planning and Designing of infrastructure relating to Road and highways network	Collection and analysis of current traffic data for future access requirements (roads, highways, bridges, etc.) Planning Designing	Practicable short-term and long-term access improvement plans are developed	Improved Island wide Access
	Construction and upgrading of road network	Project formulation Contracting Contract monitoring / executing	Improved Island wide Access XX Kms of Roads, X Kms of highways, XY of bridges have been constructed / upgraded in 20XX / by 20XY	Increased customer satisfaction Reduction in travel time/cost Improved safety on road

Organization	Thrust Areas	Key Results Area	Output	Outcome
	Maintenance of road network	Maintenance planning Maintenance	Improved Island wide Access XX Kms of Roads, X Kms of highways, XY of bridges have been maintained in 20XX / by 20XY	Increased customer satisfaction Reduction in travel time/cost Improved safety on road
	Traffic planning and monitoring	Traffic planning Traffic monitoring Commuter awareness Communication	Improved passage of vehicles / (Average time for 100 Kms)	Improved Island wide Access Improved safety on roads
	Road Safety	Safety on Road	Safety management systems are effectively operationalized	Improved safety on roads

Example: National Water Supply and Drainage Board (NWSDB), Sri Lanka.

Organization	Thrust Areas	Key Results Area	Output	Outcome
National Water Supply and Drainage Board (NWSDB)	Access to safe drinking water	Investigation, planning, designing and construction of water supply schemes Operation and maintenance water supply schemes Awareness on use of safe drinking water	Increased access to safe drinking water Increased public knowledge and awareness of use of clean and safe water	Increased use of safe drinking water
	Access to Sewerage Facilities and Sanitation	Investigation, planning, designing and construction of sewerage facilities Operation and maintenance sewerage facilities Awareness on sanitation	Improved waste water disposal Increased public knowledge and awareness on waste water disposal	Improved quality of raw water / surface water

	Public Health Education	Awareness of good hygiene practices	Increased awareness of good hygiene practices	Improved use of hygiene practices by target group
	Water Resource conservation and protection	Awareness of water resource conservation and protection Joint actions implemented to address water contamination and pollution	Increased awareness of water resource conservation and protection Effective joint actions implemented to address water contamination and pollution	Increased water quality and water resources conservation and protection

Step 7:
Preparing Agency Results Frameworks with Key Performance Indicators (KPIs), setting out the baseline and medium term targets

The Agency Results Framework (ARF) or Organizational Results Framework (ORF) presents the results that need to be delivered by an organization. As mentioned earlier in this manual, these results would include outputs, outcomes, sectoral outcomes, and national / societal outcomes. Therefore, it is essential that results at each of these levels are appropriately identified and cascaded. Hence, before preparing the ARF/ORF, it is advisable that the organizational logic model is formulated to identify results to be delivered by the organization. Once the logic model with the results at

each level are finalised, targets should be set for each of the outcomes, and outcome related outputs. These targets will be the indicator to measure the progress. The target, therefore, should be the most appropriate one given the level of result, relevance and ability of collection of data.

For example, for the National Water Supply and Drainage Board (NWSDB), the vision is:

'To be the most prestigious utility organization in Sri Lanka through industry and service excellence'

The Mission is:

'Serve the nation by providing sustainable Water and Sanitation solutions ensuring total user satisfaction'

The Thrust areas are,

1. Safe drinking water - Investigation, planning, design, construction, operation and maintenance of Water Supply Projects
2. Sanitation - Investigation, planning, designing, construction, oversight, operation and maintenance of Sewerage Projects
3. Public health education
4. Promotion of water resource conservation

Work by NWSDB resulted in the following logic model:

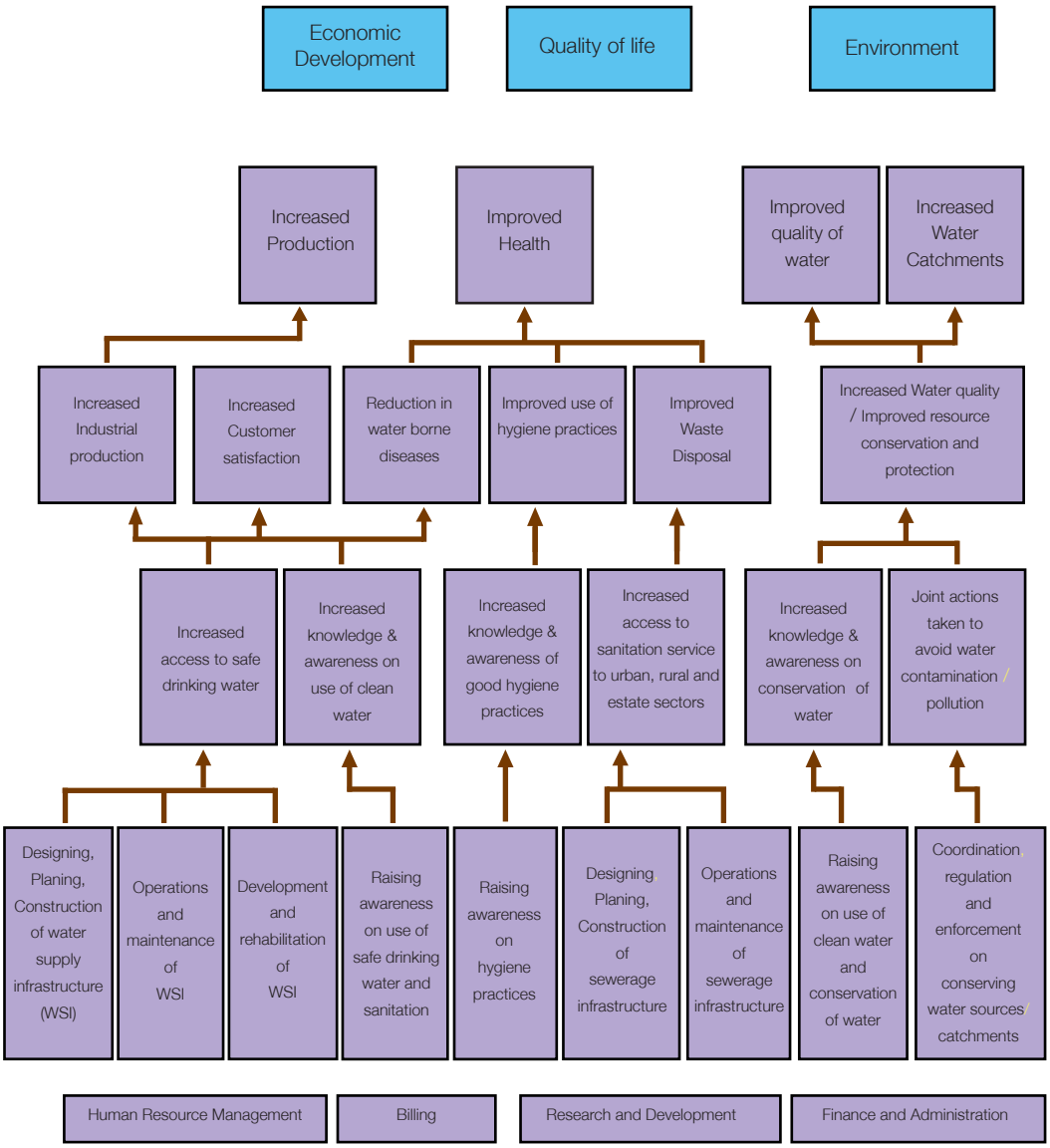


Figure 23: Logic Model NWSDB (2008)

Based upon the vision, mission and logic model, the results frameworks for NWSDB are as follows:

NWSDB Impacts – Economic Development, Quality of Life, and Environment

No.	Results	Key Performance Indicator	Baseline 2007	Targets / Lead Unit					Lead Unit
				2008	2009	2010	2011	2012	
Impact									
1	Increased economic production	a) Level of production leveraged by water consumption	Not available	N/A	N/A	N/A	N/A	N/A	TBD
2.	Improved health	a) Level of health of people (Various health indexes can be used)							
3.	Increased water availability	a) Volume of water at sources (pattern/trend) b) Level of water table							
4.	Improved water catchments	a) Volume of water at sources (pattern/trend) b) Quality of water							

NWSDB Outcome 1 – Water Use

No.	Results	Key Performance Indicator	Baseline 2007	Targets / Lead Unit					Lead Unit
				2008	2009	2010	2011	2012	
Preliminary Outcomes									
1	Increased client satisfaction on improved access to safe water.	Level of Satisfaction:	Not available	N/A	N/A	N/A	N/A	N/A	TBD
		Level of Satisfaction: Residential customers							
2	Reduction in water borne diseases	Industrial - Incidences of water borne diseases							
		Residential - Incidences of water borne diseases							
Output									
1.1	Increased Access to clean drinking water	a) Level of Total Coverage - No. of Lts.	77 (Av)	77.6	79.5	81.4	82.7	84	
		b) Area/ Province wise coverage							
		c) No. of Bacteriological failures in pipe borne WS (% No. of samples against total tests)	Country Av 4	4	4	2	1	0	
		d) Average no. of hours of service / day							

		e) Quality of water (turbidity, ppm contaminants, colour, etc.)							
		f) Level of residual pressure							
1.2	Increased public knowledge and awareness of use clean and safe water	a) Level of awareness							

NWSDB Outcome 2 – Sewerage and Sanitation Services

No.	Results	Key Performance Indicator	Baseline 2007	Targets / Lead Unit					Lead Unit
				2008	2009	2010	2011	2012	
Outcome									
2	Improved waste disposal/clean environment	Level of cleanliness of the environment							
Output									
2.1	Increased access to sewerage facilities	Level of access							
2.2	Increased access to sanitation services to urban, rural and estate sectors	Level of access							
2.3	Increased public knowledge and awareness of use clean and safe water	a) Level of awareness							

NWSDB Outcome 3 – Public Health

No.	Results	Key Performance Indicator	Baseline 2007	Targets / Lead Unit					Lead Unit
				2008	2009	2010	2011	2012	
Outcome									
3	Reduction in water borne diseases	Incidences of water borne diseases							TBD
Output									
3.1	Increased awareness of good hygiene practices	a) Level of knowledge on good hygiene practices							

NWSDB Outcome 4 – Conservation and Protection

No.	Results	Key Performance Indicator	Baseline 2007	Targets / Lead Unit					Lead Unit
				2008	2009	2010	2011	2012	
Outcome									
4.	Increased water quality / resource conservation and protection	a) % reduction of incidence of catchments getting affected per year							TBD
Output									
4.1	Increased awareness of conservation of water resources	a) Level of knowledge							
4.2	Joint actions taken to address water contamination / pollution	b) No. and importance of joint actions	5	5	5	3	2	1	NWSDB

Development of Key Performance Indicators

Only after you have identified the key results of your program, project or organization you can start to identify appropriate indicators to measure results. You cannot develop indicators before developing the logic. How would you know what and when to measure without a clear results logic? This is a common mistake made by many projects and organizations.

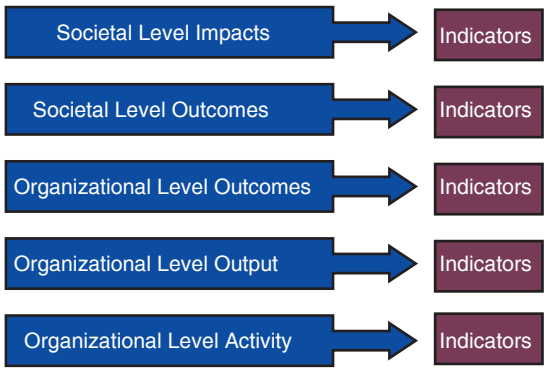


Figure 24: Linkage between Results and Indicators

Indicators are a measurement device to help determine progress towards a result. The indicators are the means to show evidence that a program has achieved its intended or planned results. It is the information about a performance aspect that is used for measuring or assessing the performance of a result area. They help indicate the status of a particular result. Indicators do not exist in a vacuum.

It is very important that you tie indicators to results statements at each of the levels of the logic model, i.e. indicators at organizational activity level, organizational output level and organizational outcome level, sectoral level and at sectoral impact level.

It is also very important that you measure the right things in the right way, remembering that as a manager you can only handle a few critical measures of performance. No manager can handle 30, 40 or 50 indicators! They may also not require that many indicators to manage their affairs effectively and

efficiently. Therefore, we need to formulate the appropriate indicators and the table below presents the four step process to be followed in developing indicators.

Step No.	Description of the Step	Example for each step
1	State a complete program result	Sustainable safe use of water by households & conservation of the new, sustainable source of safe water
2	Narrow to one aspect of the complete result (if useful).	E.g. safe use of water in households
3	Identify evidence which can be used when reporting this aspect of the result without limiting how this evidence is obtained	Evidence of safe and unsafe use of water in households
4	State the Indicator for this aspect of the program result	Safe and unsafe use of water in households throughout the village (patterns of safe & unsafe use)

Figure 25: Steps for formulating indicators

You can have qualitative or quantitative indicators, whichever is appropriate for your result statement.

Quantitative	Qualitative
% of…	Congruence with…
Number of…	Satisfaction with…
Frequency of…	Knowledge of…
Ratio of…	Ability to….
Timeliness of…	Importance of…

Figure 26: Examples of Qualitative and quantitative Indicators

Good indicators force you to clarify what you mean by your expected results, they tell you how you will recognize success or failure and they provide a measurable basis for monitoring and evaluation.

For an Electoral Reform process, which indicators match each results level?

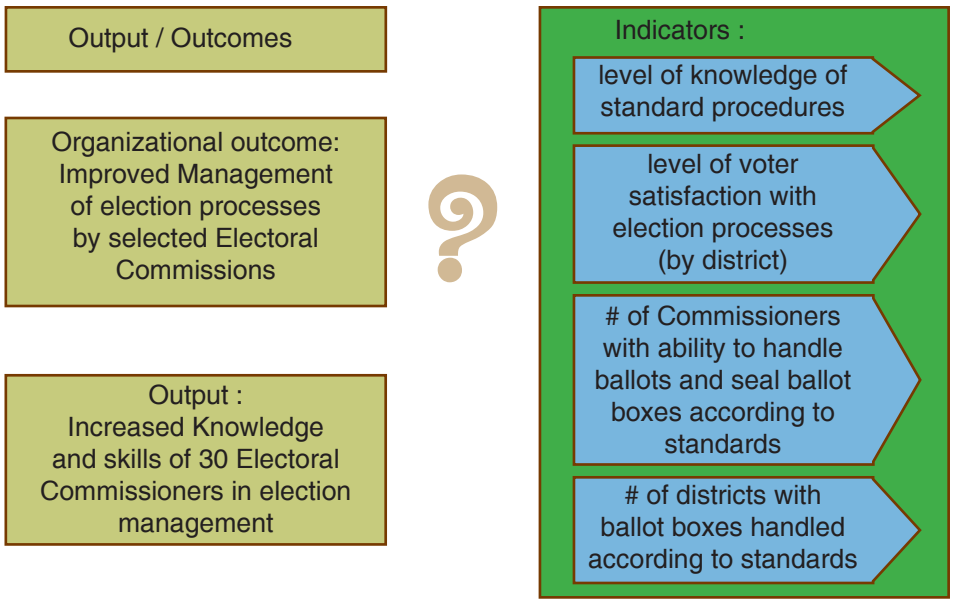


Figure 27: Indicators for Electoral Reform - Questions

The answers are provided below.

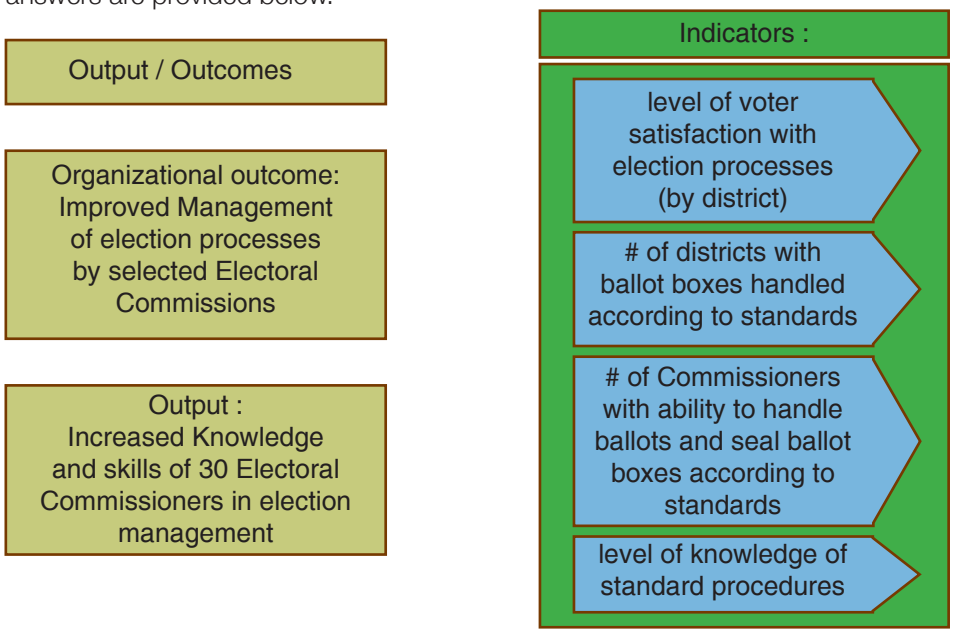


Figure 28: Indicators for Electoral Reform - Answers

Proxy Indicators

When you can't measure something directly, or when it is too expensive to collect the data, for example measuring trends in rural incomes, you may use proxy indicators – indirect indicators. Examples of proxies could be:

The proportion of women in senior positions as a proxy for the empowerment of women with respect to decision-making processes.

Another example could be:

Result	Increased income in rural areas
Direct Indicator	Household income in US$
Possible Proxy Indicator	% of rural households with motorcycles, type of roofing, type of housing etc.

Developing good indicators involves:

- Developing them in a participatory fashion
- Making sure that they are relevant to the user and assist in decision making
- Making sure that they are related to results and do not exist in a vacuum
- Making sure you only have a few but that they are the correct ones
- Making sure you have a balance of quantitative and qualitative indicators

Having generated a list of possible indicators for your project or organization, use the criteria in the table below to ensure you select the best possible indicators.

Selection Criteria for Indicators	Yes	No
Is the indicator valid? Does it measure what it purports to measure?		
Is the indicator clear? Will users (those collecting the date) interpret the indicator in the same way?		
Is the indicator practical? Will it be easy to collect and analyze data? Will data collection be affordable?		
Is it comparable? Is it similar to what other organizations or areas in your organization already measure?		
Is it useful for management information purpose?		

Figure 29 : Indicator Selection Criteria
Source : Treasure Board of Canada -RBM E Learning Tool

Step 8:
Presenting the Vision, Mission, Thrust areas, Outcomes, Outputs and KPIs to the Stakeholders, (ensuring the ownership by the agency and stakeholders)

Once the vision, mission, thrust areas, key results areas, outcomes and outputs are identified by the management of the respective organization, through a series of brainstorming and consultative strategic planning sessions, they will be presented and discussed with the stakeholders of the organization and the relevant sector. This will also be done at several workshops and discussed in detail. Changes that are suggested and considered will be accommodated and revised before development of Agency Results Frameworks, Scorecards and KPIs and cascading them down in the organization. However, most of the details that are required for ARF/ORF and scorecards would have been discussed while developing Vision, Mission, KRAs etc.

Once the key results areas, outputs and outcomes are finalized, performance measurement indicators will be developed for each of the outputs and outcomes. These indicators are known as Key Performance Indicators (KPIs). There will be separate KPIs for outputs and outcomes.

Step 9:
Cascading the ARF/ORF, Scorecards and KPIs to the lower levels of the Organization

Once the ARF/ORF is developed for the whole organization it should be cascaded to the divisions and units responsible for delivery of results.

For example the organizational output of increased access to safe drinking water will not be done by the NWSDB headquarters but the NWSDB production units in the reservoirs and water treatment plants. Therefore, in order to achieve the output of increased access to safe drinking water, there should be a mechanism of identifying and operationalizing targets for each and every treatment plant and reservoir. This applies to all divisions of NWSDB such as production, distribution, commercial, planning, HR, IT and Training. Results frameworks should be prepared by the divisions and units in line with the overall organizational results framework. The information on the divisional frameworks should be communicated within the organization.

Performance assessment of staff and units should be then based upon the results specified in the unit level frameworks. However, assessment of heads of department and units would also have organizational output level performance indicators, as they are the officers who are responsible in delivering organizational results in addition to those who come under their own department or unit.

Step 10:

Monitoring the ARF, Scorecards and KPIs

Results will not be delivered without effective monitoring. Each ARF/ORF and its targets need to be monitored on an ongoing basis, and cycling information back to management to improve decision making. It is VITAL to develop a performance management strategy for your organization based upon your work on the logic model and the ARF/ORF. The system is a critical element for meeting your management information needs and for ensuring accountability at the various levels of your organization.

Performance Monitoring versus Performance Evaluation

Performance monitoring is the regular collection of information regarding how you are doing/progress. It tracks, records and reports how inputs are used to achieve outputs and how the outputs produced influencing for expected outcomes, i.e. expected changes and effects. This includes a range of key monitoring tasks:

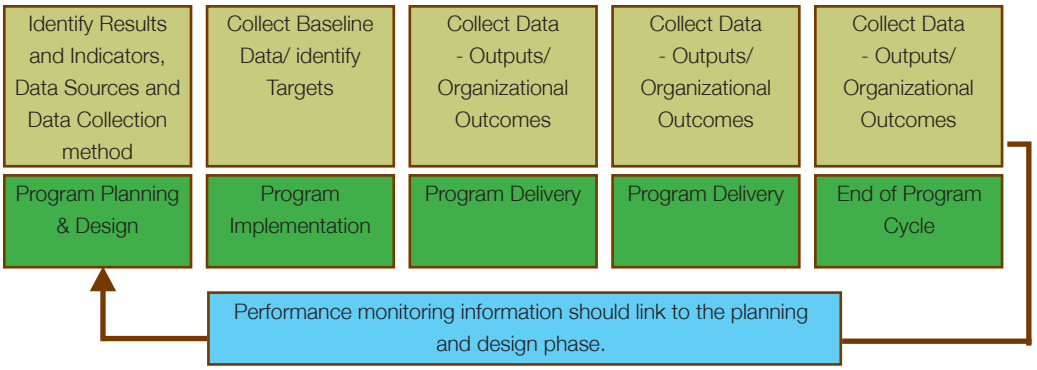


Figure 30: Performance Monitoring

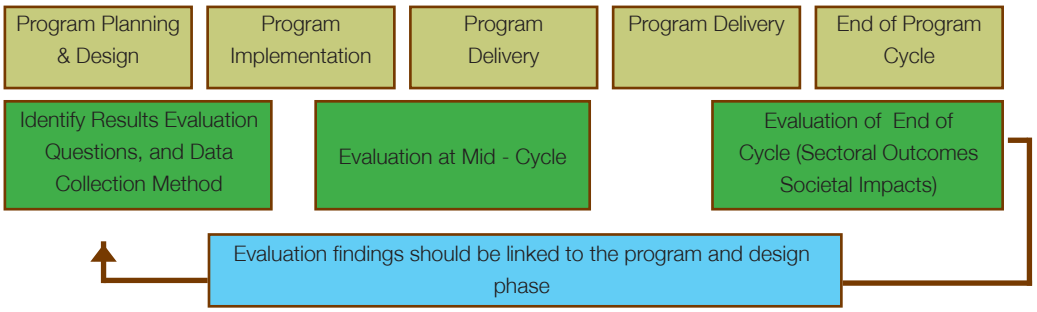


Figure 31: Performance Evaluation

The Performance Management Framework

Bringing the logic models and the indicators together into a usable management tool is an essential step in improving the delivery of results. There should be a framework which monitors all major results streams and enables a quick and effective measure of performance against indicators.

One of the guiding principles in the design of your system is that the performance management framework needs to be consistent with existing results and indicators.

Properties of a good performance management information system – the FABRIC of performance management information

- Focused on the organization's aims and objectives;
- Appropriate to, and useful for, the stakeholders who are likely to use it;
- Balanced, giving a picture of what the organization is doing, covering all significant areas of work;
- Robust in order to withstand organizational changes or individuals leaving;
- Integrated into the organization, being part of the business planning and management processes;
- Cost effective, balancing the benefits of the information against the costs.

Source: UK Government Results Implementation (2007).

The implementation of the performance management system will need a carefully managed change process to ensure that the various components of the system are coherent and have clear owners.

A well designed performance system is an effective management tool that:

- Promotes remedial action in results areas where there is room for improvement;
- Provides senior management with an at-a-glance overview of the performance of the organization; and
- Provides management with better information to make informed decisions.

It is important to design a tool that is based upon the designing and monitoring framework but is simple and usable by management, giving them a picture of the organization on one easy to understand page.

The performance management system should report an agreed set of results and indicators that provide managers with a comprehensive and timely view of the organization's performance. The reporting tool should provide management with information regarding key indicators of performance. It may be that different parts and levels of the organization need different details in the reporting tool. Special projects or strategic initiatives may require special reports.

The key to the reporting tool is to make sure that the critical indicators are reported – not every indicator. Similarly, it is important to report an overall rating for each key area of results. This would mean reporting the overall status of an outcome. If there is more than one outcome you would report each one.

One effective method is to develop a system which rates progress towards each outcome in terms of traffic lights:

Outcome	Rating of the previous review	Rating at current review	Trend	Comment/ Analysis
Description: Outcome 1				
Description: Outcome 2				

Figure 32: Outcome Monitoring: Traffic Lights

In the above example, the trend for outcome 1 is green because the rating improved from red to orange between two reviews. The trend for outcome 2 is red because the rating declined from green to orange between two reviews.

Each output critical to the outcomes should be added to your framework. Where possible the report on the output should be quantitative. Where this is not possible the traffic lights should be used. The numbers in the table below are for illustration only:

Outcome	Rating the review before last	Rating at last review	Trend	Comment/ Analysis/Action
Description: Outcome 1				
Description: Outcome 2				

Outputs for Outcome 1	Target	Actual	Target	Actual	Target	Actual	Comment/ Analysis/ Action
Description: Output 1.1	5	3	5	3.2			
Description: Output 1.2							
Description: Output 1.3	2	4	5	6			
Description: Output 1.4	5	4	5	3			

Figure 33: Output Monitoring: Traffic Lights

In the example, Outputs 1.1, 1.3 and 1.4 have quantitative indicators. Output 1.2 has qualitative. In terms of performance management, the tool shows management that the key areas for concern are Outcome 1 and Outputs 1.2 and 1.4.

Your framework would report each critical output for each outcome in a similar way.

Your framework would continue with the key activity indicators for each output. Some quantitative, some qualitative:

Activities for Output 1.2	Target	Actual	Target	Actual	Target	Actual	Comment/ Analysis/ Action
Description: Activity 1.2.1	100	80	95	85			
Description: Activity 1.2.2	5000	10000	10000				
Description: Activity 1.2.3							
Description: Activity 1.2.4	50	50	50				

Figure 34: Activity Monitoring: Traffic Lights

The above example shows that for the problem area Output 1.2, the key activity problems are 1.2.3 and 1.2.4.

Your framework would report each critical activity for each critical output in the same way.

When completed, your framework may look like this:

Outcome	Rating the review before last		Rating at last review		*Trend*		*Comment/ Analysis/ Action*
Description: Outcome 1							
Description: Outcome 2							
Outputs for Outcome 1	Target	Actual	Target	Actual	Target	Actual	
Description: Output 1.1	5	3	5	3.2			
Description: Output 1.2							
Description: Output 1.3	2	4	5	6			
Description: Output 1.4	5	4	5	3			
Outputs for Outcome 2	Target	Actual	Target	Actual	Target	Actual	
Description: Output 2.1							
Description: Output 2.2							
Description: Output 2.3							
Description: Output 2.4							

Activities:

Activities for Output 1.1	Target	Actual	Target	Actual	Target	Actual	
Description: Activity 1.1.1							
Description: Activity 1.1.2							
Description: Activity 1.1.3							
Description: Activity 1.1.4							
Activities for Output 1.2	Target	Actual	Target	Actual	Target	Actual	
Description: Activity 1.2.1	100	80	95	85			
Description: Activity 1.2.2	5000	10000	10000	8000			
Description: Activity 1.2.3							
Description: Activity 1.2.4	50	50	50	20			

Figure 35: Complete PMF

The framework may be constructed as above, with outcomes, outputs and activities separate, or the table may cluster together outcomes with their outputs and activities, depending upon the data and how management use the information.

Implementation Conditions: Critical Success Factors, Risks and Assumptions

The objective of this section is to identify risks and assumptions applicable for the program interventions. The other objective is to formulate plans to mitigate risks and assure assumptions and be mindful about critical success factors while implementing the programs and activities and ensure achievement of intended results.

What are Critical Success Factors (CSF)?

Description of internal or external activities or recognized issues that may influence the results achieved by a program. There are a number of characteristics, conditions, or variables that have direct and serious impact on the effectiveness, efficiency, and viability of a program or project being able to deliver its intended results. Activities associated with CSF must be performed at the highest possible level of excellence to achieve the intended overall results. Critical success factors are typically included as part of an Outcome Hierarchy and described in a program's Terms of Reference. Some of the critical success factors could be categorized under assumptions while some could be risks that need to be mitigated by the program or project.

What are Assumptions?

Conditions essential to achievement of expected results, that are more likely to happen, but are beyond direct control of the program.

What are Risks?

Conditions that are less likely to happen (may or may not happen, uncertain) and could negatively affect achievement of results and are beyond direct control of the program.

There must be some uncertainty in relation to the risks and assumptions. If there is a 100% likelihood of the event occurring then it is not an assumption or risk, but a fact. If there is 0% likelihood of occurrence then it is fiction.

It is essential that the appropriate assumptions and risks are identified and necessary assurances and mitigatory measures are planned, when developing a log-frame or a DMS. Key external positive factors that have a high likelihood of remaining true throughout the program and you are depending on the achievement of results should be included under the assumptions. It is not necessary to include those that are relatively minor in nature.

Risks are generally included in the log frame or a DMS based on the impact of two factors. The two factors are: likelihood of happening and the extent of the negative effect due to the risk factor being occurring. If there is high likelihood of happening and if the effect is significant, then we need to consider dropping the initiative/program all together. At the same time, if both the likelihood of occurring the factor and the effect are low then we might decide not to include them in the log frame or DMS. The following table can be used as a guide in deciding whether the factor has to be included as a risk or not.

	Likelihood		
Negative effects	Low (1)	Medium (2)	High (3)
Significant (3)	Include	Include	Cancel or redesign
Moderate (2)	Don't Include	Include	Include
Minor (1)	Don't Include	Don't Include	Include

Figure 36: Risk Assessment Matrix

Risks and assumptions could be presented in general terms or in relation to the programs. It is advisable that they are presented in relation to the programs so that program implementers would be compelled to take them into account while implementing. An example of risks and assumptions in relation to a Rural Water Supply Project covering a few Rural Villages in a Province is presented below.

Figure 1:

An Illustration for presentation of Risks and Assumptions relating to a Rural Water Supply Project covering a few Rural Villages in a Province

Result Level / Result	Rating	Probability	Effect	Mitigation Strategy
100: Tertiary Outcome / Impact				
101: Improved Rural Well-Being				
A - Villages continue to receive other services (education, infrastructure, markets etc.) and on a continuous / sustainable basis				Coordination of implementations with other ministries and agencies
R - Seasonal breakdowns in other services	Low	Low	Low	Maintain links with organizations Regular assessment of service conditions and levels
R – Political and social unrests	Low	Low	Low	Ensure social harmony and equity is maintained in the rural community.
200: Intermediate Outcome				
201: Improved Health of Rural Community				
A - Households are provided with good health services and are practicing good sanitary and hygienic practices				Obtain assurances by undertaking evaluations and making observations

Result Level / Result	Rating	Probability	Effect	Mitigation Strategy
R – Unhealthy overall environmental and societal conditions in the area (e.g. Waste water disposal ignored, broken drainage systems not repaired, solid waste not properly disposed of)	Medium	Low	Medium	Ensure sufficient environmental research and provision of adequate resources as a result of action by other stakeholders (LA, Environmental Authority etc.)
R - Seasonal incidents and outbreak of diseases due to other reasons (Tourists/ Travelers, Vector borne diseases and other epidemics etc.)	Low	Low	Medium	Maintain links with organizations Regular assessment of healthiness of rural households Additional investments on preventive campaigns
300: Preliminary Outcome				
301: Sustained reduction in Water borne diseases				
A – Households use water from the new source in an appropriate and correct manner				Obtain assurances by undertaking evaluations and making observations, by the independent group of people
R - Water contamination at the user points	Medium	Medium	High	Ensure sufficient follow up and additional resources Periodical Surveys/ Observation
R - Improper application of H&S practices promoted	Medium	Low	High	Ensure sufficient follow up and additional resources Periodical Surveys/ Observation
R – Households continue to use unsafe water from other sources	Medium	Low	Medium	Ensure sufficient follow up and additional resources Periodical Surveys/ Observation
R – Habits of use of drinking water unchanged (e.g. Safe drinking water is used only at home but not in other places such as farms, workplaces and schools)	Medium	Low	Medium	Measures to improve use of safe drinking water at all times to be implemented on a continuous basis, based on findings on periodical surveys.
400: Output				
401: Improved Internal Access to Safe Drinking Water from New Source within all Premises in Village (including households, businesses, community centers and other institutions)				
A - Adequate volume of safe water is available for distribution from the source				Results of analysis of data on the annual rainfall and reservoir capacity indicate that there will be adequate water at the source, for draw down by the new infrastructure.

Result Level / Result	Rating	Probability	Effect	Mitigation Strategy
R - Village households are not able to afford the cost of house connection and tariff	Medium	Medium	High	Assessment of affordability and tariff setting commissioned. Suggestions implemented at beginning. Second and later round of assessment of affordability planned
R - Inadequate number of skilled plumbers and shortage of supplies required to make connections	Low	Medium	High	Training of plumbers in the area.
R - Seasonal droughts lead to water shortages / non-availability of water	Medium	Low	High	Measures to improve the protection of the catchment area established and enforced. (E.g. logging prohibited, planting of trees in low density areas, measures for the protection of soil erosion, measures to protect from wild-fire) National level interventions need to be planned to conserve available water
402: Improved Hygiene and Sanitation Practices are understood and followed by Users				
A - The households apply and follow the practices promoted / suggested by the community education program				Obtain assurances by undertaking evaluations and making observations, by the independent group of people
A - The households understand the message that are communicated by the program				Pilot testing in the filed before implementation Continuous assessment based on feedback Continuous assessment based on feedback
R - Some households do not change their practices	Low	Low	Medium	Ensure sufficient follow up and additional resources when required
R – Incomplete application of hygiene and sanitation practices promoted by the Program	Medium	Low	High	Ensure sufficient follow up and additional resources when required
R – Unhealthy overall environmental and societal conditions in the area (e.g. Waste water disposal ignored, broken drainage systems not repaired, solid waste not properly disposed of)	Medium	Low	Medium	Ensure sufficient environmental research and provision of adequate resources as a result of action by other stakeholders (Local Authorities (LA), Environmental Authority etc.)
403: Improved WS O&M and Management by the LA				
A - Skills and assistance provided to LA is sufficient for sustainable WS O&M and management	Medium	Low	Medium	Ensure that sufficient resources dedicated to build relationships & trust with LA officers/staff

Result Level / Result	Rating	Probability	Effect	Mitigation Strategy
R - Depletion capacity of LAs in providing basic facilities (Lack of resources, staff, funds, management skills etc.)	Low	Medium	Medium	Funds generated through the supply of water is primarily utilised for same activity Additional resources need to be planned for next three years by the Ministry Training and development of second tier level of officers for O&M
R – Unavailability of additional funding for improvement and unexpected / sudden repairs and maintenance	Low	Low	Medium	Additional resources need to be planned for next three years by the Ministry
500: Process Output				
501: Safe Drinking Water Available at the “Last Mile Point” to be Accessed by the Users				
A – Works department completes the construction on time, as per quality standards				Special assurance obtained from the Works Department
R – Contaminants introduced into the source water and cannot be removed / purification not possible	High	Low	Medium	Restricted access and activities in the catchment area High risk industrial activities are prohibited in the catchment area.
R - Adequate water is not available at the source for draw down by the system	High	Low	Medium	Measures to improve the protection of the catchment area established and enforced. (E.g. Logging prohibited, planting of trees in low density areas, measures for the protection of soil erosion, measures to protect from wild-fire)
R – Deterioration of quality of ground water	Medium	Low	Medium	Measures to maintain quality of ground water is established
502: Developed and Delivered the Community Education Program on Hygiene and Sanitation Practices				
A – Program staff able to travel and stay in the villages during the education campaign				Check and confirm with the field officials before finalizing training plans. Finalize logistics ahead of training programs.
R - Shortage of staff to conduct education activities within the Program	Medium	Medium	High	Use trainers from the local area Use public officers to conduct the education programs (e.g. Public Health Workers)
R - Selected trainers unable to carry out activities due to workloads or other restrictions	Medium	Low	Medium	Regular monitoring system of staff training activities is developed and implemented

Result Level / Result	Rating	Probability	Effect	Mitigation Strategy
R - All material and delivery mechanisms are unacceptable to and not understandable by the villagers	Low	Low	Low	Use proper material and media channels and sympathetic stakeholders to conduct the awareness programs Develop training areas and processes relevant to & in consultation with LAs and Health workers in the area Seek support of regional network
503: Completed Training (Knowledge and Skills) of LA about WS O&M, PM and provided the ICT infrastructure (hardware and software)				
A - There are adequate and capable staff to complete the training and skill development program				Special Assurance is obtained from the LA; regular reviews by Coordination Committee
R – Lack of continuity of employment of trained staff, leading to unsustainable O&M	Medium	Medium	High	Young staff with appropriate attitude selected to undergo training Second tier staff engaged soon after first round of training / implementation
R – Training material and delivery mechanisms are unacceptable to LA officers/ staff Training content is not understood by LA officers/ staff	Low	Low	Medium	Use of proper material and training mechanisms including on-the-job training while installing and testing the system Periodic evaluation of skill development by individual staff conducted and, when necessary, appropriate measures taken

Definitions of MfDR Related Terms

Accountability: Obligation to demonstrate that work has been conducted in compliance with agreed rules and standards or to report fairly and accurately on performance results vis-à-vis mandated roles and/or plans. This may require a careful, even legally defensible, demonstration that the work is consistent with the contract terms.

Note: Accountability in development may refer to the obligations of partners to act according to clearly defined responsibilities, roles and performance expectations, often with respect to the prudent use of resources .For evaluators, it connotes the responsibility to provide accurate, fair and credible monitoring reports and performance assessments. For public sector managers and policy-makers, accountability is to taxpayers/citizens.

Activity: Activities are the groups of tasks carried out using project inputs to produce the desired outputs. Can also be identified as the actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources are mobilized to produce specific outputs. Related term: development intervention.

Analytical tools: Methods used to process and interpret information during an evaluation.

Appraisal: An overall assessment of the relevance, feasibility and potential sustainability of a development intervention prior to a decision of funding.

Note: In development agencies, banks, etc., the purpose of appraisal is to enable decision makers to decide whether the activity represents an appropriate use of corporate resources. Related term: ex-ante evaluation.

Assumptions: Hypotheses about factors or risks which could affect the progress or success of a development intervention.

Note: Assumptions can also be understood as hypothesized conditions that bear on the validity of the evaluation itself, e.g., about the characteristics of the population when designing a sampling procedure for a survey. Assumptions are made explicit in theory based evaluations where evaluation tracks systematically the anticipated results chain.

Attribution: The ascription of a causal link between observed (or expected to be observed) changes and a specific intervention.

Note: Attribution refers to that which is to be credited for the observed changes or results achieved. It represents the extent to which observed development effects can be attributed to a specific intervention or to the performance of one or more partner taking account of other interventions, (anticipated or unanticipated) confounding factors, or external shocks.

Audit: An independent, objective assurance activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to assess and improve the effectiveness of risk management, control and governance processes.

Note: a distinction is made between regularity (financial) auditing, which focuses on compliance with the applicable statutes and regulations; and performance auditing, which is concerned with relevance, economy, efficiency and effectiveness. Internal auditing provides an assessment of internal controls undertaken by a unit reporting to management while external auditing is conducted by an independent organization.

Base-line study: An analysis describing the situation prior to a development intervention, against which progress can be assessed or comparisons made.

Benchmark: Reference point or standard against which performance or achievements can be assessed.

Note: A benchmark refers to the performance that has been achieved in the recent past by other comparable organizations, or what can be reasonably inferred to have been achieved in the circumstances.

Beneficiaries: The individuals, groups, or organizations, whether targeted or not, that benefit, directly or indirectly, from the development intervention. Related terms: reach, target groups.

Cluster evaluation: An evaluation of a set of related activities, projects and/or programs.

Clients: Recipients or beneficiaries of goods and services produced by a program who are due a duty of care. While a duty of care exits for direct clients, this duty may not exist for indirect clients. Clients are generally described as beneficiaries as they are the intended targets to benefit from a program.

Conclusions: Conclusions point out the factors of success and failure of the evaluated intervention, with special attention paid to the intended and unintended results and impacts, and more generally to any other strength or weakness. A conclusion draws on data collection and analyses undertaken, through a transparent chain of arguments.

Counter-factual: The situation or condition which hypothetically may prevail for individuals, organizations, or groups where there is no development intervention.

Critical Success Factors: Description of internal or external activities or issues that are recognized may influence the results achieved by a program. Critical success factors are typically included as part of an Outcomes Hierarchy and described in a program's Terms of Reference.

Country Program Evaluation/ Country Assistance Evaluation: Evaluation of one or more donor's or agency's portfolio of development interventions, and the assistance strategy behind them, in a partner country.

Data: Also called 'raw data'. Recorded or reported observations that are collected and analyzed during monitoring or evaluation. Data should not be confused with information. Information is what is produced after data have been analyzed and the analysis has been interpreted and put into the context of decision making. Many so-called performance measures and indicators are little more than raw data. Data may be qualitative or quantitative.

Data collection tools: Methodologies used to identify information sources and collect information during an evaluation.

Note: Examples are informal and formal surveys, direct and participatory observation, community interviews, focus groups, expert opinion, case studies, literature search.

Data Sources: Data sources refer to the individuals, organizations or documents from which data about indicators will be obtained. Examples of data sources include clients/beneficiaries, stakeholders, government documents and/or statistical reports.

Development intervention: An instrument for partner (donor and non-donor) support aimed to promote development.

Note: Examples are policy advice, projects and programs.

Development objective: Intended impact contributing to physical, financial, institutional, social, environmental, or other benefits to a society, community, or group of people via one or more development interventions.

Economy: Absence of waste for a given output.

Note: An activity is economical when the costs of the scarce resources used approximate the minimum needed to achieve planned objectives.

Effect: Intended or unintended change due directly or indirectly to an intervention.
Related terms: results, outcome.

Effectiveness: The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance. It also describes how well the results of a program contributed appropriately to meeting needs or solving problems for which the program has been formulated and implemented.

Note: Also used as an aggregate measure of (or judgment about) the merit or worth of an activity, i.e., the extent to which an intervention has attained, or is expected to attain, its major relevant objectives efficiently in a sustainable fashion and with a positive institutional development impact.
Related term: efficacy.

Efficiency: A measure of how economically resources/ inputs (funds, expertise, time, etc.) are converted to results. Efficiency refers to a comparison between the results achieved and the resources that were consumed or required in order to achieve these results. Efficiency can focus on either (a) the extent to which 'inputs' are minimized for a given level of program 'output', or (b) the extent to which program 'outputs' are maximized for a given level of 'input'.

Evaluability: Extent to which an activity or program can be evaluated in a reliable and credible fashion.

Note: Evaluability assessment calls for the early review of a proposed activity in order to ascertain whether its objectives are adequately defined and its results verifiable.

Evaluation: The systematic and objective assessment of an on-going or completed project, program or policy, its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, development efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors.

Evaluation also refers to the process of determining the worth or significance of an activity, policy or program. An assessment, as systematic and objective as possible, of a planned, on-going, or completed development intervention.

Note: Evaluation in some instances involves the definition of appropriate standards, the examination of performance against those standards, an assessment of actual and expected results and the identification of relevant lessons.
Related term: review.

Ex-ante evaluation: An evaluation that is performed before implementation of a development intervention.
Related terms: appraisal, quality at entry.

Ex-post evaluation: Evaluation of a development intervention after it has been completed.

Note: It may be undertaken directly after or long after completion. The intention is to identify the factors of success or failure, to assess the sustainability of results and impacts, and to draw conclusions that may inform other interventions.

External evaluation: The evaluation of a development intervention conducted by entities and/or individuals outside the donor and implementing organizations.

Feedback: The transmission of findings generated through the evaluation process to parties for whom it is relevant and useful so as to facilitate learning. This may involve the collection and dissemination of findings, conclusions, recommendations and lessons from experience.

Finding: A finding uses evidence from one or more evaluations to allow for a factual statement.

Formative evaluation: Evaluation intended to improve performance, most often conducted during the implementation phase of projects or programs.

Note: Formative evaluations may also be conducted for other reasons such as compliance, legal requirements or as part of a larger evaluation initiative.
Related term: process evaluation.

Goal: The higher-order objective to which a development intervention is intended to contribute.
Related term: development objective.

Goal Displacement: Goal displacement occurs when managers and staff attempt to meet performance targets “in order to look good”; regardless of the consequences this has in terms of meeting client needs and the broader goals of the agency and government. We say the goal has been ‘displaced’

from producing the right outputs to meeting the targets, which are typically quantitative. Also called 'goal replacement'. Different from data gaming, as goal displacement involves changing preferred or ideal behaviour "in order to look good", while data gaming occurs when behaviours are unchanged, but data is manipulated to disguise what is happening.

Impacts: Positive and negative, primary and secondary, long-term effects produced by a development intervention, directly or indirectly, intended or unintended. The impact of a project or a development intervention is influenced by many factors other than the project or the development intervention itself. Impact is the follow-through consequence of one or more outcomes from one or more outputs and activities under them. Generally, impact takes a longer time to occur though not necessarily always long term. Impact should be thought of more as the changes that occur as a consequence of one or more outcomes, rather than just long term. Generally, it is difficult to directly attribute an impact exclusively to an outcome as it could be influenced by several, other contributory factors.

Independent evaluation: An evaluation carried out by entities and persons free of the control of those responsible for design and implementation of the development intervention.

Note: The credibility of an evaluation depends in part on how independently it has been carried out. Independence implies freedom from political influence and organizational pressure. It is characterized by full access to information and by full autonomy in carrying out investigations and reporting findings.

Indicator: Quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development actor.

Inputs: Inputs are the main resources required to undertake the activities and to produce the outputs. The financial, human, and material resources used for the development intervention / project.

Institutional Development Impact: The extent to which an intervention improves or weakens the ability of a country or region to make more efficient, equitable, and sustainable use of its human, financial, and natural resources, for example through: (a) better definition, stability, transparency, enforceability and predictability of institutional arrangements and/or (b) better alignment of the mission and capacity of an organization with its mandate, which derives from these institutional arrangements. Such impacts can include intended and unintended effects of an action.

Internal evaluation: Evaluation of a development intervention conducted by a unit and/or individuals reporting to the management of the donor, partner, or implementing organization.
Related term: self-evaluation.

Joint evaluation: An evaluation to which different donor agencies and/or partners participate.

Note: There are various degrees of "jointness" depending on the extent to which individual partners cooperate in the evaluation process, merge their evaluation resources and combine their evaluation reporting. Joint evaluations can help overcome attribution problems in assessing the effectiveness of programs and strategies, the complementarity of efforts supported by different partners, the quality of aid coordination, etc.

Lessons learned: Generalizations based on evaluation experiences with projects, programs, or policies that abstract from the specific circumstances to broader situations. Frequently, lessons highlight strengths or weaknesses in preparation, design, and implementation that affect performance, outcome, and impact.

Logical framework (Log-frame): Management tool used to improve the design of interventions, most often at the project level. It involves identifying strategic elements (inputs, outputs, outcomes, impact) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure. It thus facilitates planning, execution and evaluation of a development intervention.
Related term: results-based management.

Meta-evaluation: The term is used for evaluations designed to aggregate findings from a series of evaluations. It can also be used to denote the evaluation of an evaluation to judge its quality and/or assess the performance of the evaluators.

Mid-term evaluation: Evaluation performed toward the middle of the period of implementation of the intervention.
Related term: formative evaluation.

Monitoring: A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.
Related term: performance monitoring, indicator.

Outcome: The likely or achieved short-term and medium-term effects of an intervention's outputs. In a context of development interventions, it typically describes the change of behaviour of the beneficiaries using the outputs of an intervention. It can also describe performance changes of systems, organizations, and institutions. (E.g. Financial services are more accessible to small enterprises, public service is more accountable)

Outputs: The products, capital goods and services that result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes. Outputs are the physical and / or tangible goods and / or services delivered by a project / development intervention and describe the scope of it. These outputs must be necessary to achieve the outcome.

Participatory evaluation: Evaluation method in which representatives of agencies and stakeholders (including beneficiaries) work together in designing, carrying out and interpreting an evaluation.

Partners: The individuals and/or organizations that collaborate to achieve mutually agreed upon objectives.
Note: The concept of partnership connotes shared goals, common responsibility for outcomes, distinct accountabilities and reciprocal obligations. Partners may include governments, civil society, non-governmental organizations, universities, professional and business associations, multilateral organizations, private companies, etc.

Performance: The degree to which a development intervention or a development partner operates according to specific criteria/standards/ guidelines or achieves results in accordance with stated goals or plans.

Performance indicator: A variable that allows the verification of changes in the development intervention or shows results relative to what was planned.
Related terms: performance monitoring, performance measurement.

Performance measurement: A system for assessing performance of development interventions against stated goals.
Related terms: performance monitoring, indicator.

Performance monitoring: A continuous process of collecting and analyzing data to compare how well a project, program, or policy is being implemented against expected results.

Process evaluation: An evaluation of the internal dynamics of implementing organizations, their policy instruments, their service delivery mechanisms, their management practices, and the linkages among these.
Related term: formative evaluation.

Program evaluation: Evaluation of a set of interventions, marshaled to attain specific global, regional, country, or sector development objectives.

Note: a development program is a time bound intervention involving multiple activities that may cut across sectors, themes and/or geographic areas.
Related term: Country program/strategy evaluation.

Project evaluation: Evaluation of an individual development intervention designed to achieve specific objectives within specified resources and implementation schedules, often within the framework of a broader program.

Note: Cost benefit analysis is a major instrument of project evaluation for projects with measurable benefits. When benefits cannot be quantified, cost-effectiveness is a suitable approach.

Project or program objective: The intended physical, financial, institutional, social, environmental, or other development results to which a project or program is expected to contribute.

Purpose: The publicly stated objectives of the development program or project.

Quality assurance: Quality assurance encompasses any activity that is concerned with assessing and improving the merit or the worth of a development intervention or its compliance with given standards.

Note: examples of quality assurance activities include appraisal, RBM, reviews during implementation, evaluations, etc. Quality assurance may also refer to the assessment of the quality of a portfolio and its development effectiveness.

Results-Based Management (RBM): A management strategy focusing on performance and achievement of outputs, outcomes and impacts.
Related term: Managing for Development Results (MfDR).

Review: An assessment of the performance of an intervention, periodically or on an ad hoc basis.
Note: Frequently "evaluation" is used for a more comprehensive and/or more in-depth assessment than "review." Reviews tend to emphasize operational aspects. Sometimes the terms "review" and "evaluation" are used as synonyms.
Related term: evaluation.

Risk analysis: An analysis or an assessment of factors (called assumptions in the log-frame) that affect or are likely to affect the successful achievement of an intervention's objectives. A detailed examination of the potential unwanted and negative consequences to human life, health, property, or the environment posed by development interventions; a systematic process to provide information regarding such undesirable consequences; the process of quantification of the probabilities and expected impacts for identified risks.

Sector program evaluation: Evaluation of a cluster of development interventions in a sector within one country or across countries, all of which contribute to the achievement of a specific development goal.

Note: a sector includes development activities commonly grouped together for the purpose of publication such as health, education, agriculture, transport, etc.

Self-evaluation: An evaluation by those who are entrusted with the design and delivery of a development intervention.

Stakeholders: Agencies, organizations, groups or individuals who have a direct or indirect interest in the development intervention or its evaluation.

Summative evaluation: A study conducted at the end of an intervention (or a phase of that intervention) to determine the extent to which anticipated outcomes were produced. Summative evaluation is intended to provide information about the worth of the program.
Related term: impact evaluation.

Sustainability: The continuation of benefits from a development intervention after major development assistance has been completed. The probability of continued long-term benefits. The resilience to risk of the net benefit flows over time.

Target group: The specific individuals or organizations for whose benefit the development intervention is undertaken.

Terms of reference: Written document presenting the purpose and scope of the evaluation, the methods to be used, the standard against which performance is to be assessed or analyses are to be conducted, the resources and time allocated, and reporting requirements. Two other expressions sometimes used with the same meaning are “scope of work” and “evaluation mandate.”

Thematic evaluation: Evaluation of a selection of development interventions, all of which address a specific development priority that cuts across countries, regions, and sectors.

Triangulation: The use of three or more theories, sources or types of information, or types of analysis to verify and substantiate an assessment.

Note: by combining multiple data sources, methods, analyses or theories, evaluators seek to overcome the bias that comes from single informants, single methods, single observer or single theory studies.

Validity: The extent to which the data collection strategies and instruments measure what they purport to measure.

Source : CeDRE International, Malaysia.