

**PERFORMANCE MEASUREMENT IN PUBLIC SERVICE
MANAGEMENT: A REVIEW OF FRAMEWORKS AND
INDICATORS**

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PERFORMANCE MEASUREMENT IN PUBLIC SERVICE MANAGEMENT: A REVIEW OF FRAMEWORKS AND INDICATORS

I. Introduction

Management of any public service calls for the need to measure performance against a plan and use this information to monitor, manage or plan in a better way. Performance measurement works best when there is clarity about what is being measured and why. There is therefore a felt need to develop indicators that measure resources used (inputs) and activities completed (outputs) and also information on the state of the world outside the organisation (outcomes). A meaningful performance measurement entails a range of indicators that combine short-term organizational imperatives and long term societal considerations. Broadly then, it is useful to think in terms of four types of performance indicators:

- Input (quantitative) indicators: indicate the resources allocated to programs and organisations. They may be measured in terms of items such as funding, person-days, equipment, and supplies.
- Output (quantitative) indicators: indicate implementation of government programs and activities, e.g. services provided, research completed, kilometres of roads paved, number of schools constructed, conferences held, external organisation supported. Output measures have the advantage of focusing on results which are more fully within the control of the responsible agency. These measures tend to be more interest to those responsible for implementing programs.
- Efficiency indicators: tracks the efficiency with which inputs are transformed into outputs. They may be expressed in terms of cost per kilometres of paved road.
- Outcome (qualitative) indicators: indicate the state of society in areas where the government is trying to bring about change. The focus is on the desired results of government actions (healthier population, a more literate population, a safer urban environment). It is a constant reminder of why a program is being delivered. It is of greater interest to policymakers and those responsible for delivering particular outputs.

Performance measurement frameworks link strategic plans with work plans; long term vision with short-term operations and the immediate initiative with the organisational goal. The process of performance measurement can be thought of in terms of the following:

- Planning: Involves defining the goals and priorities of the organisation and articulating the strategy to achieve those goals.
- Performance Management: Data collected through lines of enquiry, including information systems, document review, interviews, workshops, surveys etc. and analyzed to uncover issues and evaluate performance.
- Reporting: Involves sharing progress and achievements with stakeholders, including the general public, government, strategic management and operation management.
- Feedback: Involves using the conclusions drawn from the information to make strategic and operational strategies to ensure that the goals and priorities are achieved during the next cycle.

The African Capacity Building Foundation (ACBF) strives to build and strengthen indigenous capacity in the continent to develop, implement, and sustain an improved development environment. Capacity building is primarily geared towards strengthening planning, management, human resource development and budgeting

in government ministries and departments. Additional capacity-building interventions include policy and strategic integration across government ministries and departments and support for staff capacity-training programmes.

In order to develop an effective performance measurement system, the ACBF has commissioned research to review practices in other international agencies, the current practice of performance management in Africa and to recommend development of suitable indicators for the ACBF. This paper focuses on the experiences and approaches of select international agencies – The World Bank, CIDA, UNDP and DFID - in establishing performance measurement systems. The study is based on desk, internet and library research of the agencies and gives pointers towards the framework which should be developed for performance measurement and management in ACBF.

II. Capacity Building and ACBF

Africa still suffers from a conspicuous shortage of human and institutional capacity, which is a major constraint to economic growth, poverty reduction and sustainable development. Many of the African governments need enhanced capacity to design, implement and monitor development programmes, strengthen links with the private sector and civil society, and raise the level of effectiveness of transparency and accountability mechanisms.

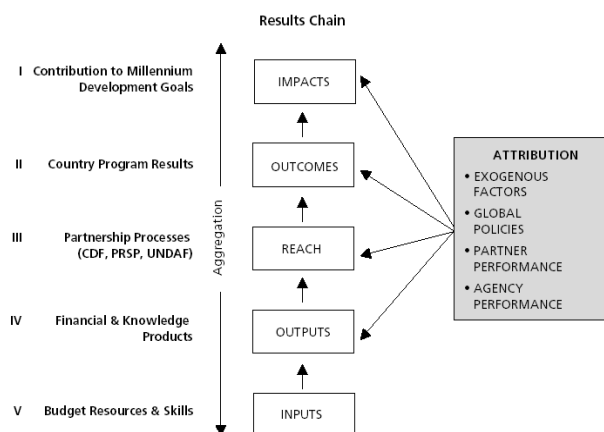
The African Capacity Building Foundation (ACBF), the continent's premier capacity building institution, has made enormous progress in the effort to build and strengthen indigenous capacity on the continent to develop, implement, and sustain an improved development environment.

In the context of public service management, capacity building is primarily geared towards strengthening planning, management, human resource development, and budgeting in government ministries and departments. Additional areas of capacity-building interventions include policy and strategic integration across government ministries and departments and support for staff capacity-training programmes.

III. Performance Measurement

In order to evaluate performance, development agencies have a process of performance evaluation and measurement. This helps in assessing progress towards the achievement of the objectives and goals of an intervention.

They make it possible to measure the extent to which objectives have been achieved, guide performance monitoring and evaluation, as also set benchmarks and implement performance improvement plans. However, performance measurement in the development sector is a complex subject in itself with the dynamics of development and the limited information available determining to a large extent the nature of the process.



Traditionally, evaluations and performance measurement results have been used by development agencies for some immediate objectives such as operational relevance of the project, conceptual use for designing future projects or instrumental use in shaping policy for the sector. However, now the focus of the evaluations is no longer the absolute success of the project, but its progress in achieving the impact in terms of accepted international targets – for instance, the Millennium Development Goals (MDGs).

The question that will be asked now is not just “Did the project or program do satisfactorily?” but “How did it affect the achievement of the Millennium Development Goals?”

The changing perspective of evaluation is given in the Results Chain model developed by the World Bank.¹

IV. Millennium Development Goals

The *Millennium Development Goals (MDGs)* are grounded in the agreements and resolutions of world conferences organized by the United Nations in September 2000 and endorsed by all 189 United Nations states.

The MDGs symbolize a focus on results with poverty reduction as the overarching mission of development. Hunger eradication, empowerment of women, improvement of maternal and child health, prevention, and cure of contagious diseases, as well as promotion of environmental sustainability, represent complementary objectives that people in rich and poor countries alike can readily grasp.

The Millennium Development Goals are given as Annex A to this paper.

V. Performance Indicators and Evaluation

For performance measurement, indicators are needed. These are again dynamic in nature and intended to measure the progress of implementing activities in terms of the larger objectives of the project / goals.

The indicators are usually constructed around the logframe specifying what to measure along a scale or dimension in order to gauge progress.

The relative importance of indicator types is likely to change over the project's life cycle, with more emphasis on input and process indicators at first, then shifting to output, outcome (purpose-level), and impact (goal-level) indicators later on as the project matures. Many of the donor agencies have devised checklists of criteria against which proposed indicators can be judged and selected. Some commonly used criteria include validity, clarity, reliability, practicality, usefulness and ownership.

VI. Results Based Management

Performance management is being increasingly seen as a tool for managing results rather than inputs. The focus therefore is on output based management of projects, also referred to as results based management (RBM).

¹ Development Cooperation And Performance Evaluation: The Monterrey Challenge. The World Bank 2002.

RBM can be defined as a broad management strategy aimed at achieving important changes in the way government agencies operate, with improving performance (achieving better results) as the central orientation.

A key component of results based management is performance measurement, which is the process of objectively measuring how well an agency is meeting its stated goals or objectives.

It typically involves several phases: e.g., articulating and agreeing on objectives, selecting indicators and setting targets, monitoring performance (collecting data on results), and analyzing and reporting those results vis-à-vis the targets. While performance measurement is concerned more narrowly with the production or supply of performance data, performance management is broader. It is equally concerned with generating management demand for performance information -- that is, with its uses in management decision-making processes and with establishing various organizational mechanisms and incentives that actively encourage its use.

In an effective performance management system, achieving results and continuous improvement based on performance information is central to the management process.

VII. Phases of Results Based Management

Key elements or phases of Results Based Management include:

- i. Identifying clear and measurable objectives (results), aided by logical frameworks.
- ii. Selecting indicators that will be used to measure progress towards each objective.
- iii. Setting explicit targets for each indicator, used to judge performance.
- iv. Developing performance monitoring systems to regularly collect data on actual results.
- v. Reviewing, analyzing and reporting actual results vis-à-vis the targets.
- vi. Integrating evaluations to provide complementary performance information not readily available from performance monitoring systems.
- vii. Using performance information for internal management accountability, learning and decision making processes, and also for external performance reporting to stakeholders and partners.

The first three phases generally relate to a results-oriented planning approach, sometimes referred to as strategic planning. The first five steps, together, are usually included in the concept of performance measurement. All seven phases combined are essential to an effective results based management system.

Thus, integrating complementary information from both evaluation and performance monitoring systems and ensuring management's use of this information are viewed in this paper as critical aspects of results based management.

VIII. Levels of Performance Measurement

Performance management and measurement processes take place at three key organizational levels within the donor agencies. The first level, which has been established the longest and for which there is most experience, is at the project level. More recently, efforts have been underway in a number of the donor agencies to

establish country level systems, usually implemented by their country offices or operating units. Moreover, establishing performance measurement and management systems at the third level – the corporate or agency-wide level -- is now taking on urgent importance in many donor agencies as they face increasing public pressures and government-wide mandates requiring annual reporting on agency-wide performance and results.

IX. ACBF and Performance Management Indicators

Efforts by the ACBF to develop performance indicators for its operations date back to 1996-97, when a set of seminal operational and administrative indicators were proposed by the Secretariat for possible application.

Given the growing complexity of ACBF's operations, the focus of these efforts has become grossly inadequate although they help in defining prerequisites for the development of responsive performance measures. Drawing on the earlier work, the Foundation at present has a strong basis for defining prerequisites for the development of responsive performance measures, a much clearer definition of concepts relating to capacity building process and activity, especially, *Objective, Goal, Purpose, Input, Activity, Output and Impact* of an intervention.

ACBF now intends to develop an appropriate framework and identify indicators for measuring and monitoring its impact in the core areas in which it is working. As part of this exercise, a review of the existing frameworks and indicators used by development partners such as the World Bank, UNDP, DFID and CIDA is being carried out to help in the preparation of performance indicators by the ACBF.

X. Performance management at the World Bank

World Bank is one of the largest lending and financing institutions for development, providing low-interest loans, interest-free credit, and grants to developing countries for social and infrastructure development. Along with the rest of the development community, the World Bank (The Bank) directs its efforts towards the Millennium Development Goals aimed at sustainable poverty reduction.

Founded in 1944, the Bank originally provided assistance for post-war reconstruction. In the past 60 years the bank has ventured into providing assistance on macroeconomic and debt issues, social and environmental problems and today has a pronounced focus on poverty reduction and sustainable development in the world.

(a) Operations Evaluation Division (OED)

In 1970, a separate unit for evaluating contributions of The Bank to development of member countries was set up. The Operations Evaluation Department (OED), as it was called, was meant to review the past lending operations to establish whether the actual benefits of the completed projects are in accordance with those expected at the time of appraisal. Prior to this, the lending programmes were subjected to a systematic internal audit carried out by the operations staff themselves. Since then, OED has grown into an independent and specialized entity undertaking external evaluation of the bank's work and impact.

(b) Evaluation and Assessment

Evaluation at the Bank measures achievements in relation to institutional policies, Bank wide program objectives and the goals set for each operation. It is designed to:

Provide an objective basis for assessing the performance of policies, programs, projects and processes.

Help provide shared accountability for the achievement of the Bank's objectives.

Improve policies, programs and projects by identifying and disseminating the lessons learned from experience and by making recommendations drawn from evaluation findings.

Assessments focus on evaluating both the bank as well as the borrower performance during each stage of the project cycle. Bank performance is judged based on the extent to which services provided by the bank ensured quality at entry and supported implementation through appropriate supervision. Borrower performance evaluates the extent to which borrower assumed ownership and responsibility.

The purpose of evaluation is to learn from experience, to provide an objective basis for assessing the results of the Bank's work, and to provide accountability in the achievement of its objectives. It also improves Bank work by identifying and disseminating the lessons learned from experience and by framing recommendations drawn from evaluation findings.

(c) Approach to evaluation

The World Bank uses an **objectives-based approach** to evaluation. OED independently evaluates development interventions by assessing how their results stack up against their own stated objectives.

At the project level, this approach focuses on outcomes, sustainability, and institutional development impact of Bank operations. The **evaluation framework** at project level thus, incorporates the following five essential elements of project:

Inputs: resources required for project, capacity building, infrastructure and services

Outputs: infrastructure and services created, institutions trained and strengthened and other project outputs

Outcomes: relevance, efficacy and efficiency of development programs, achievements towards intermediate goals as specified in Country Assistance Strategies

Impacts: Goal of the program as specified in Country Assistance Strategies e.g. poverty reduction, sustainable development

Sustainability: resilience to risks of development benefits of country assistance program over time (if required).

This framework identifies project inputs, outputs, outcomes and impacts along with relationship among the components. There may be two frameworks developed for evaluation: from the point of view of the Bank and from the point of view of beneficiaries. Typically, inputs and outputs performance of a project is covered within project completion assessments carried out towards the end by internal staff itself.

(d) Evaluation Tools

Performance Evaluation is carried for entire operations of the Bank, and at multiple levels. This includes:

1. **Project Performance Assessments (PPAs):** of achievements and impacts at the project level
2. **Country Assistance Evaluations (CAEs):** examine Bank performance in a particular country, usually over the past four to five years

3. **Sector and Thematic Reviews:** examine Bank performance and experience in a lending sector or thematic area
4. **Process Reviews:** examine ongoing activities such as aid coordination or development grant-making and report on their overall efficiency, consistency with stated objectives, and effectiveness.

(e) The Evaluation process

Project completion reports are prepared by the operations/implementation staff which report on the inputs and outputs achieved. The outputs, usually defined during project design, are assessed during internal evaluation. Project completion reports and internal evaluation usually act as inputs to external evaluation design.

External evaluation refers to the project performance assessments, sector & thematic reviews and country assistance evaluation carried out by Operations Evaluation Department.

Project Performance Assessments (PPAs) are carried out after the funds have been fully disbursed and completion reports prepared by the implementation staff. PPAs are product in themselves but are also intermediate inputs – building blocks – for the other three kinds of evaluations – CAE, sector and thematic review and process reviews. PPAs, use an objectives-based approach to evaluation, with framework focusing on assessing the outcomes and impacts of the project. During the design of evaluation framework, certain key concerns are defined related to outcomes, impacts and sustainability.

OED measures Bank performance primarily on the basis of contributory actions. Judgments regarding Bank performance typically consider the relevance and implementation of the strategy, the design and supervision of the Bank's lending interventions, the scope, quality and follow-up of diagnostic work and other AAA activities, the consistency of Bank's lending with its non-lending work and with its safeguard policies, and the Bank's partnership activities. OED rates only the outcome of the Bank's program, not the Client's overall development outcome, although the latter is clearly relevant for judging the program's outcome.

(f) Indicators for evaluation

OED evaluates *outcome* by considering three factors: the relevance of the intervention's objectives in relation to country needs and institutional priorities; efficacy, i.e., the extent to which the developmental objectives have been (or are expected to be) achieved; and efficiency, i.e., the extent to which the objectives have been (or are expected to be) achieved without using more resources than necessary.

OED's *sustainability* measure assesses the resilience to risk of net benefits flows over time by answering these questions: At the time of evaluation, what is the resilience to risks of future net benefits flows? How sensitive is the project to changes in the operating environment? Will the project continue to produce net benefits as long as intended, or even longer? How well will the project weather shocks and changing circumstances? Sustainability reflects the resiliency to risks of a project as measured by the likelihood that its estimated net benefits will be maintained or exceeded over the project's intended useful life and beyond.

The *institutional development impact* measure evaluates the extent to which a project improves the ability of a country or region to make more efficient, equitable, and sustainable use of its human, financial, and natural resources and evaluates each project's success in fostering such changes.

OED's assessments of Bank and borrower performance focus on how good a job each partner has done during the different stages of the project cycle, i.e., project

identification, preparation, appraisal, and implementation. *Bank performance* is judged based on the extent to which services provided by the Bank ensured quality at entry and supported implementation through appropriate supervision (including ensuring adequate transition arrangements for regular operation of the project). *Borrower performance* evaluates the extent to which the borrower assumed ownership and responsibility to ensure quality of preparation and implementation, and complied with covenants and agreements, toward the achievement of development objectives and sustainability.

(i) Outcomes: In rating the outcome (expected development impact) of an assistance program, OED gauges the extent to which major strategic objectives were relevant and achieved, without any shortcomings. Programs typically express their goals in terms of higher-order objectives, such as poverty reduction. The CAS may also establish intermediate goals, such as improved targeting of social services or promotion of integrated rural development, and specify how they are expected to contribute toward achieving the higher-order objective. OED's task is then to validate whether the intermediate objectives produced satisfactory net benefits, and whether the results chain specified in the CAS was valid. Where causal linkages were not fully specified in the CAS, it is the evaluator's task to reconstruct this causal chain from the available evidence, and assess relevance, efficacy, and outcome with reference to the intermediate and higher-order objectives.

Outcome uses following three factors:

- The **relevance** of the intervention's objectives in relation to country needs and institutional priorities;
- **Efficacy** i.e. the extent to which the developmental objectives have been (or are expected to be) achieved; and

Efficiency i.e. the extent to which the objectives have been (or are expected to be) achieved without using more resources than necessary.

(ii). Institutional Development Impact (IDI): measures the extent to which the program bolstered the Client's ability to make more efficient, equitable and sustainable use of its human, financial, and natural resources. It can be rated as: *high, substantial, modest, or negligible*. Examples of areas included in judging the *institutional development impact* of the program are:

- The soundness of economic management;
- The structure of the public sector, and, in particular, the civil service;
- The institutional soundness of the financial sector;
- The soundness of legal, regulatory, and judicial systems;
- The extent of monitoring and evaluation systems;
- The effectiveness of aid coordination;
- The degree of financial accountability;
- The extent of building NGO capacity; and,
- The level of social and environmental capital.

(iii). Sustainability measures the resilience to risk of the development benefits over time. Sustainability can be rated as *highly likely, likely, unlikely, highly unlikely*, or, if available information is insufficient, *non-evaluable*.

Sustainability takes into account the following eight factors:

- Technical resilience;
- Financial resilience (including policies on cost recovery);
- Economic resilience;
- Social support (including conditions subject to safeguard policies);
- Environmental resilience;
- Ownership by governments and other key stakeholders;
- Institutional support (including a supportive legal/regulatory framework, and organizational and management effectiveness); and,
- Resilience to exogenous effects, such as international economic shocks or changes in the political and security environments.

Evaluation at the bank focuses on studying the impacts of bank's program through a qualitative analysis of programmatic outputs, stakeholder involvement and perceptible change. The evaluation does not use an indicators based approach. Certain qualitative indicators corresponding to evaluation questions are developed for each evaluation.

(g) Evaluation in Three Dimensions:

As a check upon the inherent subjectivity of ratings, OED examines a number of elements that contribute to assistance program outcomes. *The consistency of ratings is further tested* by examining the country assistance program across three dimensions:

- a. (a) A *Products and Services Dimension*, involving a "bottom-up" analysis of major program inputs -- loans, AAA, and aid coordination;
- b. (b) A *Development Impact Dimension*, involving a "top-down" analysis of the principal program objectives for relevance, efficacy, outcome, sustainability, and institutional impact; and,
- c. (c) An *Attribution Dimension*, in which the evaluator assigns responsibility for the program outcome to the four categories of actors.

The delivery of Country Assistance Evaluation & Sector review is scheduled upstream of the revision of either a Sector Strategy Paper (SSP) or a CAS. The flow of revised SSPs is scheduled up to three years in advance, and CASs, up to two years in advance. OED sector and thematic reviews are produced from six months to a year before the SSP is finalized, so that the revised SSP can incorporate lessons or recommendations from the OED review.

XI. Performance Management at the Canadian International Development Agency (CIDA)

CIDA supports sustainable development in developing countries in order to reduce poverty and to contribute to a more secure, equitable and prosperous world. CIDA's objective is "to work with developing countries and countries in transition to develop the tools to eventually meet their own needs".

CIDA facilitates the efforts of the people of developing countries to achieve self-sustainable economic and social development in accordance with their needs and environment, by cooperating with them in developing activities; and to provide humanitarian assistance, thereby contributing to Canada's political and economic interests abroad in promoting social justice, international stability and long-term relationships for the benefit of the global community.

(a) Performance Measurement Framework (PMF)

CIDA has developed a framework of Key Agency Results, with the Millennium Development Goals (MDGs) and related targets as the overarching development results the Agency is seeking to achieve. Performance assessment at CIDA purports to assess the achievements of program against the key agency results. Thus, the primary objectives of the Performance Measurement Framework at CIDA are to:

- Set program performance expectations with a focus on longer- and medium-term outcome results;
- Delineate a strategy to monitor and assess results desired;

Measure and assess CIDA's international development interventions from a country program-level perspective;

- Enhance management and decision-making to facilitate the achievement of desired results as stated in the Country Development Program Framework (CDPF);
- Enable better performance reporting, based on more clearly identified development results grounded in the developing country PRS/NDP;
- Emphasize a results-oriented culture at the program-level by serving as a vehicle for all stakeholders to foster dialogue around continual performance measurement.

CIDA has developed a framework of results and key success factors which functions as a shaping agent for performance assessment activities such as monitoring, risk assessments, operational reviews, independent reviews and evaluations.

(b) The Approach to Performance Measurement

At the programme level, CIDA uses Results-Based Management (RBM) Policy Framework in its approach to effective and meaningful evaluation. RBM is a means to improve management effectiveness and accountability by involving key stakeholders in defining realistic expected results, assessing risk, monitoring progress toward the achievement of expected results, integrating lessons learned into management decisions and reporting on performance.

It emphasizes measuring the achievement of developmental results more so than the use of resources. Lessons learned from the analysis are to be applied in

management decisions, mitigation efforts, and other relevant activities in order to keep the program focus on the desired results.

Results-Based Management is becoming increasingly established in Canada and elsewhere in the world as an approach intended to promote more effective management of government funds. It is actively promoted by the Treasury Board of Canada (Treasury Board of Canada, Secretariat (TBS), 2000b), and has been adopted as CIDA policy (CIDA, 1996).

There is also an increasing tendency to group discussions of results management and accountability together. This arises because modern concepts of accountability increasingly emphasize accountability for results, rather than accountability for following certain rules and procedures.

The purpose of evaluation is to align its results-based management approach with the millennium development goals and new approaches for aid effectiveness. Performance Measurement Framework (PMF) is a planning and self-assessment tool meant to outline a strategic approach that will bring CIDA, other donor partners and developing country officials together to assess, manage and achieve better development results. More importantly, these frameworks enable CIDA to show its commitment to meet the MDGs.

(c) Result Based Management (RBM) Indicators

CIDA has a strong reputation among the international donor community for successfully implementing a results-based approach at the project level. Results-based approach identifies three kinds of development results:

Outputs are the immediate, observable or tangible consequences of the initiative's inputs; they occur throughout the life of the initiative.

Outcomes are the consequences of achieving a combination of outputs; they occur mostly in the final stages of the implementation of the initiative and reflect the real benefits accrued to the targeted population.

Impacts are the long-term socio-economic consequences at the societal level, of achieving a combination of outputs and outcomes. They occur mostly after the recipient partner has taken full ownership of the initiative and may take 10 to 20 years or longer after the termination of the CIDA initiative.

RBM, integrated at project design stage, comprises six distinct components:

- Stakeholder participation;
- Defining expected results;
- Identifying assumptions and risks;
- Selecting performance indicators;
- Collecting performance information, and
- Performance reporting.

Given below is a format of the Results-Oriented Logical Framework used at CIDA. The framework essentially uses cause-effect relationships to define the expected outcomes and impacts of a given programme.

NARRATIVE SUMMARY	EXPECTED RESULTS	PERFORMANCE MEASUREMENT	ASSUMPTION/RISK INDICATORS
<p>Project Goal (Program Objective)</p> <p>The program objective from the C/RPF to which this project is intended to make a contribution</p>	<p>Impact</p> <p>A long-term developmental result at the societal level that is the logical consequence of achieving a specified combination of outcomes.</p>	<p>Performance Indicators</p> <p>Performance indicators that will provide evidence that the project has made a contribution to the achievement of the stated developmental impact.</p>	<p>Assumptions - Risk Indicators</p> <p>ASSUMPTIONS The necessary conditions that must exist for the cause-effect relationships between outcomes and impact to behave as expected.</p> <p>RISK INDICATORS Risk indicators that will measure the status of the assumptions identified above.</p>
<p>Project Purpose</p> <p>The project objective which addresses the priority development needs of the identified beneficiaries and is achievable within the scope of project activities.</p>	<p>Outcomes</p> <p>Medium-term development results benefiting an identified target population that are achievable within the timeframe of the project and are the logical consequence of achieving a specified combination of outputs.</p>	<p>Performance Indicators</p> <p>Performance indicators that will provide evidence that the project has achieved the stated developmental outcomes.</p>	<p>Assumptions - Risk Indicators</p> <p>ASSUMPTIONS The necessary conditions that must exist for the cause-effect relationships between outputs and outcomes to behave as expected.</p> <p>RISK INDICATORS Risk indicators that will measure the status of the assumptions identified above.</p>
<p>Resource</p> <p>Listing by categories of resources (inputs and/or activities) required to achieve the project purpose, planned budget for each type of resource and total project budget.</p>	<p>Output</p> <p>Short-term developmental results produced by or for the benefit of project delivery partners that are the immediate consequences of project activities and inputs.</p>	<p>Performance Indicators</p> <p>Performance indicators that will provide evidence that the project has achieved the stated developmental outputs.</p>	<p>Assumptions - Risk Indicators</p> <p>ASSUMPTIONS The necessary conditions that must exist for the cause-effect relationships between inputs and outputs to behave as expected.</p> <p>RISK INDICATORS Risk indicators that will measure the status of the assumptions identified above</p>

Unlike World Bank, where evaluation seeks to answer the key concerns of outcomes and impacts, CIDA uses indicators-based approach to quantitatively and qualitatively assess the outcomes, outputs and impacts at each level. Performance indicators are defined and information required is collected at all stages of the project i.e. performance measurement is integrated into project design itself.

Performance indicators are defined for each output, outcome and impacts along with assumptions and risks. Following six criteria are used by CIDA to select performance indicators for a given project.

- Validity - Does it measure the result?
- Reliability - Is it a consistent measure over time and, if supplied externally, will it continue to be available?
- Sensitivity - When a change occurs will it be sensitive to those changes?
- Simplicity - Will it be easy to collect and analyze the information?
- Utility - Will the information be useful for decision-making and learning?
- Affordable - Can the project afford to collect the information?

It is important to note that assumptions and risk indicators are defined in each case, which are essentially the pre-conditions that must exist for defined outputs, outcomes and impacts. Risk indicators measure the status as well as skewing of results that may occur if the assumptions do not hold good.

(d) Evaluation Tools

CIDA uses two kinds of tools for project performance monitoring and reporting, used by country and program staff for information collection. These include:

- **The Annual Project Progress Report (APPR):** The APPR design is based on the Performance Framework meant for evaluation of program performance. APPR enables the Country team to assess the results of their project-level portfolio relative to the country program-level result. The information collected in this report is focused on comparing expected results (as set out in the latest Performance Framework and/or LFA) to the results actually achieved to-date. APPR is completed on a yearly basis.
- **The Bilateral Project Closing Report (BPCR):** While BPCR is based on the Framework of Results and Key Success Factors, the BPCR is the primary mechanism for results reporting at the Branch and corporate levels. BPCR gives CIDA and its partners the opportunity to reflect on a completed (or inter-phase) project, from design to completion. The intent of the BPCR is not only to assess whether a project has achieved its results but also explain why it has or has not. The BPCR is not only a self-assessment tool; but also serves the function of recording results for reference and reporting purposes. BPCR is completed once the project has terminated and is used to report on the entire project from beginning to end, including the results achieved in the project's last year.

CIDA's policy on PMF mandates that all stakeholders, including the beneficiaries where feasible, should review the project/program at least once a year and should draw conclusions about its performance. There is constant feedback to the planning and management process as results are assessed. Based on constant feedback of performance information, inputs and activities can be modified and other implementation adjustments made. This corresponds to the two management functions of continuous performance measurement and iterative implementation.

(e) The Evaluation Process

Performance evaluations, usually an internal exercise, is carried out at two levels within the agency:

- Project/ programme monitoring and evaluation
- Country programme evaluation

Impact Statements, Targets, and Critical Assumptions and Risks: describe the overarching vision or goal that is present in the PRS/NDP (National Development Programme) or equivalent of many partner countries. This overarching impact also forms the foundation of CIDA's interventions in those countries, and should be the highest level of "macro-result" that will guide programming strategy. For example, many countries have poverty reduction as their overall developmental impact, but countries such as those in Central and Eastern Europe may have other core development goals more suited to their context.

CIDA's challenge now, under the new program approaches, is to move the emphasis on results to the program and country level. At the planning and implementation stage, this entails agreeing with the partner country and other donors on the appropriate follow-up to implement the national poverty reduction strategy, or equivalent plan; setting targets to be achieved within a particular time frame (such as increased literacy rates, increased ratio of girls to boys in school, and immunization rates); designing a common performance measurement and accountability framework; and conducting joint monitoring and assessment of progress. A country

program-level development result will be based on the results of a number of projects (or programs equivalent to project-level interventions), which, together with initiatives from other stakeholders, contribute towards the achievement of that particular result.

CIDA approach to country programme performance measurement is based on the "Framework of Results and Key Success Factors". This framework establishes the foundations for developing a consistent body of information on CIDA's performance in developing countries. This information, in turn, contributes to informed policies, strategies and practices. Thus, the Performance Management Framework (PMF) at CIDA is divided into two major sections:

- The **Strategic Results Framework** (SRF): which outlines the logical results chain of the country program strategy from impact to outcome levels, and links those results to the partner country's development or poverty eradication strategy, CIDA's Agency and Branch Specific Results (e.g. KARs), and the MDGs.
- The **Results Assessment Framework** (RAF): which captures the country program results achieved at the medium- and longer-term outcome levels, and compares them to the results expected at those levels. The explanation of the variance between what is achieved and what is expected is further examined in the RAF.

The PMF is a "living tool" that will require periodical updates to take into account subsequent changes made to Poverty Reduction Strategy objectives and targets, significant changes in resource allocation, directions, and priority areas, and yearly progress made toward the achievement of expected results. In order to foster dialogue and inform decision-making, the frequency of PMF revisions and updates is part of the annual program planning and performance reporting cycle.

XII. Performance Management at the United Nations Development Programme (UNDP)

UNDP is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. It is focusing in six core practice areas that include:

- Democratic governance,
- Poverty reduction,
- Crisis prevention & recovery,
- Energy & environment,
- Information & communication technology,
- Prevention of HIV, AIDS.

(a) Evaluation Office (EO) at UNDP

UNDP focuses on evaluating its interventions at the level of outcomes rather than inputs and outputs. Until now, monitoring and evaluation have been traditionally situated at the individual project level. Success was defined by timely implementation and on meeting project objectives. In a results-based environment, however, projects remain a key vehicle of development assistance, but their success is marked by measurable contributions to outcomes.

The Evaluation Office (EO) at UNDP was set up to:

- Refocus EO's policy, strategy and priorities to help in the repositioning of UNDP and enhance its relevance as a knowledge-driven global advisor and catalyst in the context of rapidly changing global development conditions.
- Support improving UNDP's development effectiveness through introduction of methodological innovations and application of Results-Based Management.
- Support implementation of the organization's change initiatives through mainstreaming the culture of measurement, monitoring and evaluation

With these overarching goals in mind, the evaluation office functions to evaluate, develop evaluation guidelines, methodological tools and system methods, oversee the evaluation function in UNDP including compliance with requirements and tracking of recommendations, conduct assessment of specific organizational policy and evaluate impact of UNDP funded programmes. It provides UNDP support on its goal on policy, performance and partnerships.

Evaluation office does not undertake programmatic evaluations on its own, but only works to ensure, assist and oversee the evaluation of project and programmes and then compiles the Administrator's report to the Board on organizational effectiveness.

(b) Evaluation and Monitoring

UNDP employs a results-based monitoring & evaluation (M&E) framework for performance measurement. The performance of UNDP projects is rated by the degree of their contributions toward progress and achievement of outcomes and outputs. A common rating system permits performance comparisons across results, whether such comparisons are done by thematic category (e.g., governance, poverty, etc.); level of intervention (e.g., project, output, outcome, etc.); geographic area (e.g., Africa, Asia, etc.); or organizational unit (e.g., country office, regional bureau).

Result Oriented Annual Report (ROAR) focuses on progress towards strategic development outcomes (rather than on the achievements of a single development agency). As such, the ROAR has the potential to serve as a barometer of change towards sustainable human development at the country level in areas UNDP is mandated to support.

In other words, these four major components are examined in depth to varying degrees depending upon the purpose of the exercise. Outcome evaluators can add other objectives to these - e.g., objectives related to implementation issues - while recognizing that the more objectives added, the more time and financial resources will be needed for the exercise. Outcome evaluation assumes working with strategic partners that have been indispensable for the achievement of an outcome. Key partners would be involved in all stages of the evaluation – planning, providing information and for feedback and action.

The purpose of evaluation is integration of performance planning, measurement and accountability in areas where learning strategies have a critical role to play in harnessing knowledge, experience and resources from throughout the organization. Emphasis on performance and effectiveness has increased the demand for evaluation, establishing a three-tiered accountability and learning system at UNDP:

- The programme level – outcome evaluations;
- The country level – a select number of country evaluations; and
- The organization level – the development effectiveness report (DER). Each component builds on the other.

The purpose of **monitoring** of projects at UNDP is to ensure the systematic assessment of performance and progress of UNDP interventions toward achievement of outcomes at country level. In practice, monitoring assesses the performance and progress of projects, programmes, partnerships and soft assistance in relation to SRF outcomes.

(c) Approach to Evaluation and Monitoring

UNDP uses Result-Based-Management (RBM) approach for ensuring efficiency & effectiveness of the programmes funded by them. Introducing a results-based approach aims to improve management effectiveness and accountability by “defining realistic expected results, monitoring progress toward the achievement of expected results, integrating lessons learned into management decisions and reporting on performance”. RBM in UNDP is based on four main pillars:

- The definition of strategic goals, which provide a focus for action;
- The specification of expected results, which contribute to these goals and align programmes, processes and resources behind them;
- Ongoing monitoring and assessment of performance, integrating lessons learned into future planning;
- Improved accountability based on continuous feedback to improve performance.

UNDP’s approach to results-based management is centred on two types of development results: outputs and outcomes. In RBM, inputs and the activities that transform them into outputs reflect the process of implementing projects/programmes rather than desirable end results in themselves. From a results perspective, the implementation process is significant only in terms of what it leads to – or what follows from the process of planning, managing and implementing.

(d) Indicators for Evaluation

Within the RBM framework, UNDP uses at least three types of indicators, also known as results indicators: **Situational** (impact) indicators, **Outcome** indicators, and **Output** indicators

Situational indicators: Situational indicators describe the national development situation. They relate to the Millennium Development Goals and the SRF (strategic results framework) Goals and Sub-goals, and reflect long-term development results, or impact. Situational indicators provide a broad picture of country development status (macro baseline). They are most useful to the country office senior management, informing the level at which senior management interacts with partners and develops strategies.

Outcome indicators: Outcome indicators help the organization and country offices think strategically about the key results or outcomes they want to achieve. They help verify that the intended positive change in the development situation has actually taken place. Outcome indicators are designed within the SRF framework and the Country Programme, and they are most useful to the country office programme managers who liaise both with the CO senior management on progress towards outcomes and with the project-level management on the contribution of outputs to outcomes.

Output indicators: Output indicators help to measure and verify the production of outputs. Outputs are tangible results that can be delivered within a short timeframe. This means that the output itself may be measurable and may clearly indicate how to verify that it has been produced. Output indicators are most useful to project managers, who are responsible for the production of outputs and their relevance to the outcome in question.

(e) SMART way to select indicators

Under the SMART way, UNDP employs following five parameters to select suitable Indicators:

- Specific,
- Measurable,
- Attainable,
- Relevant, and
- Trackable.

(f) The Evaluation Process

The ROAR is one way to assess progress against results. Outcome evaluations, project and programme evaluations, and country evaluations are other ways to complement and validate the progress reported in ROAR.

Important phases in RBM in case of UNDP includes *strategic planning, performance measurement, & performance management*. Effective evaluation of the final results plays an important role in the new phase of strategic planning.

Here is a list of indicators used in the Human Development Report, UN, for assessing the human & income poverty at country evaluation level: *Probability at birth of not surviving to age 40(% of cohort), adult illiteracy rate (% of 15years & above), population without sustainable access to clean drinking water, children under weight for age under 5 years (%)*, *Population below income poverty line (%)*. UNDP, in a similar way, uses a list of indicators for assessing other development parameters as

well e.g. parameters like Commitment to health access services & resources, Leading global health crises & challenges, Survival progress & setbacks, Demographic trends, Commitment to education & public spending etc.

(g) Impact Assessment

Similar to the needs that underlie the development of RBM, Country-Level Impact Assessments (CLIA) aim to demonstrate results. The general objectives of the CLIA are to effectively document impact, to support learning, and to promote and support M&E capacity.

XIII. Performance Measurement & Evaluation at the Department for International Development, UK (DFID)

(a). Goals of DFID

Framing of goals by DFID has been to a large extent influenced by the Millennium Development Goals (MDG), which have crystallized over time. The influence has worked in many ways:

- Establishing an overall global policy orientation for the Department and enshrining this in legislation.
- Setting summary departmental performance targets by which DFID is held accountable to Parliament and the Treasury.
- Creating an institutional structure and approach to programming which reflects this strategic orientation and framework for performance management.
- Providing guidance to DFID staff in their attempts to promote development by influencing the goals, structures and practices of other international actors.
- Providing a framework for monitoring DFID actions.

(b). The Evaluation Department

The primary aim of the Evaluation Department within DFID is to help enhance its

- Accountability to the Parliament and the public issued by the House of Commons International Development Select Committee
- Impact and effectiveness in achieving its developmental assistance targets.

(c). Approach and Objectives of Monitoring and Evaluation

- Lesson-learning:** to understand why particular co-operation initiatives are more or less successful in order to improve future performance. Evaluations are intended to help DFID and its partners learn from experience. (Why are we in Latin America (Brazil) if not to learn? Without taking a developmental view of world development it can be argued that the high inequality figures of LA are replicating themselves in other parts of the developing world, Sub Sahara Africa being a particular case. What can we learn about working with inequality that can be applied more widely?)
- Accountability:** to provide an objective basis for accountability to the principal stakeholders outside DFID. These include the UK and partner governments and parliaments: civil society, taxpayers, and people affected by the programme.
- Organisational development:** To look at how we do things and how we can evaluate the processes that are necessary to deliver the desired annual and longer-term outcomes of the programme. Improve our planning, management and administration skills.

(d) Indicators for Evaluation

All DFID commissioned evaluations is expected to comply with five measures of evaluation quality:

- **Utility:** evaluations need to be useful and meet the needs of the intended users.
- **Accuracy:** evaluation should identify and convey valid information about the features, which determine the worth of the project.
- **Independence:** The evaluation process should be impartial and independent from the process concerned with policy-making
- **Credibility:** The credibility depends on the skill and experience of the evaluators
- **Propriety:** evaluations should be conducted legally.

(e) The Performance Assessment system

DFID's performance assessment systems operate at several levels:

- **Corporate Level:** reviews of corporate performance including the annual Departmental Report, Public Service Agreement and the Service Delivery Agreement as well as statistical reports, including Statistics for International Development.
- **Country Level:** Reviews of performance against objectives set out in Country Strategy Papers (CSPs) including Annual Plan and Performance Reports and end of cycle reviews
- **Institutional Level:** reviews of performance against objectives set out in Institutional Strategy Papers (ISPs) including Institutional Performance Reviews
- **Programme and Project Level:** performance assessment at this level includes annual performance scoring.

Evaluation Studies at DFID include studies of individual completed projects (ex-post evaluations) and examination of themes (e.g. gender), sectors (e.g. basic education) and country programmes. The aim is to determine relevance and fulfilment of objectives and assess developmental efficiency, effectiveness, impact and sustainability. Joint monitoring and evaluation activities, and the sharing of DFID information with its development partners and other donors, are also gaining importance.

To enhance performance assessment capacity within DFID and our partner organisations, the Performance Assessment Resource Centre (PARC) has been established. The PARC supports international efforts to improve performance assessment in international development practice.

(f). Phases of Evaluation

The Concept Note is the first opportunity to (a) assess what the central evaluation issue will be and the evaluation approach and (b) build a constituency within and beyond DFID that are interested in the results. Evaluation Manager starts by carrying out an initial review of all relevant papers, to prepare the draft evaluation concept note which forms the basis for consultation. The inception report includes a work plan for the evaluation, discussion of the evaluation approach proposed and a dissemination strategy. Evaluators aim to complete as much preparatory work and preliminary analysis as possible before the main visit/visits

Preparation and research involves three sets of tasks started during the inception phase:

- Reviewing documents

- Interviews
- Planning country visits and fieldwork

(g). Tools of Performance Assessment:

- Output to Purpose Reviews (OPRs)
- Project Completion Reports (PCRs)
- Annual Plan and Performance Reviews (APPRs)
- End of Cycle Reviews of country strategies (EOCRs)
- Institutional Strategy Reviews (ISRs)

Many of DFID's performance assessment instruments – such as annual project scoring, OPRs, APPRs and PCRs – include elements of self-evaluation and draw on data derived from M&E systems that are either project based or are based on national government systems, with varying degrees of donor involvement.

Output to Purpose Reviews (OPRs) for projects and End-of-Cycle Reviews are meant as tools for Institutional and Country Strategies, using external consultants that have not been involved in implementation.

Diagram tools have a key role to play at many different stages and levels of impact assessment. They have the potential to considerably increase the usefulness and reliability of information and contribution to empowerment and capacity building. The six diagram tools can be applied at all levels of impact assessment:

- Grassroots learning - diagrams allow people with low levels of literacy to contribute to discussions and have their ideas documented in a way which they can also understand.
- Program level and researchers - diagrams provide a useful shorthand for thinking through and documenting complex ideas which are difficult to capture in conventional note taking.
- Policy makers - diagrams provide an effective means of representing and communicating findings of research and assessment and focus for discussion of policy responses.

Evaluation Stages and Responsibilities:

Stage	Tasks	Responsibility	Outputs
Planning and Commissioning	Drafting, circulation, Approval of concept note	Evaluation Manager	Concept Paper
	Selection & briefing of steering Drafting, Circulation Approval of terms of Reference	Evaluation Manager & Steering group	Terms of Reference
Inception	Briefing Consultants Initial Research Drafting Inception Report Circulation and approval of Inception report	Evaluation Manager Consultants Consultants Evaluation Manger and Steering group	
Preparation and research	Project /programme research	Consultants	
	Interviews	Consultants	
	Planning country visits and dissemination strategy	Consultants, Evaluation manager	
Country Visits	Preparatory visits Planning activities Draft and circulate visit	Consultants Evaluation Manager	Visit Reports In-country workshops
Reporting	Draft report and EVSUM Circulate report Edit and revise report	Consultants Evaluation manager	Draft Report Revised report Final report
Dissemination	Publication and distribution of report	Evaluation manager Consultants, steering group	Published report

XIV. Choosing Indicators For Performance Management

It is fairly acceptable that any effort to expand knowledge on performance measurement should be a collaborative exercise with all development stakeholders. The complex nature of the task would however, require constant fine tuning in order to maintain relevance of the management framework. Much of the experience in the evaluation of the effectiveness of capacity building interventions is relatively recent. As a result, methodological frameworks and tools are still evolving, thus reflecting the complexity of capacity building processes, the challenging task of measuring impact and linking capacity intervention, with change and performance.

Most development stakeholders are grappling with the issues of performance measurements of development efforts. So, one can presume that there is a shared, common interest among key players to collaborate on searching for concepts and methodologies which may not be unified, but which would provide at least a common ground to work towards common understanding and comparable-if not compatible-performance evaluation systems.

Review of Other agencies

From the review in the first section of the paper it is apparent that performance indicators for management and evaluation of development projects should be built around a strong results based management framework. The broad evaluation framework of the various agencies can be summarized as in the figure attached.

This section highlights the learnings which the ACBF can use to develop its own framework and indicators for evaluating and managing performance in its capacity building efforts.

Matrix of performance measurement & evaluation process followed by various donors/agencies

	Who Does it	Approach to Evaluation	Tools for Evaluation	Evaluation process	Indicators
World Bank	OED - An independent and specialised entity undertaking external evaluation of the banks work and impact.	Objective-based approach based on five key ratings: outcome, sustainability, institutional development impact, and Bank and borrower performance.	<ul style="list-style-type: none"> ▪ Project Performance Assessments (PPAs), ▪ Country Assistance Evaluations (CAEs), ▪ Sector and Thematic Reviews, Process Reviews 	<ul style="list-style-type: none"> ▪ Internal Evaluation ▪ External Evaluation ▪ Country Evaluation 	Outcomes: Relevance, Efficacy, Efficiency Institutional Development Impact (IDI) Sustainability
CIDA	In house evaluation department	Results-Based Management (RBM) Framework ; involving key stakeholders in defining results, assessing risk, monitoring progress and integrating lessons learnt.	<ul style="list-style-type: none"> ▪ The Annual Project Progress Report (APPR) ▪ The Bilateral Project Closing Report (BPCR) 	<ul style="list-style-type: none"> ▪ Project/ programme monitoring and evaluation ▪ Country programme evaluation 	<ul style="list-style-type: none"> ▪ Validity ▪ Reliability ▪ Sensitivity ▪ Simplicity ▪ Utility ▪ Affordability
UNDP	Evaluation office at UNDP	Results-Based Management (RBM) Framework with definition of strategic goals, specification of expected results, identification of processes and resources, ongoing monitoring of performance and integration of lessons learnt into future planning	<ul style="list-style-type: none"> ▪ Result Oriented Annual Report (ROAR) 	<ul style="list-style-type: none"> ▪ The programme level – outcome evaluations; ▪ The country level – a select number of country evaluations; and ▪ The organization level – the development effectiveness report (DER). 	<ul style="list-style-type: none"> ▪ Specific ▪ Measurable ▪ Attainable ▪ Relevant ▪ and ▪ Trackable
DFID	Evaluation department within DFID	Lesson-learning to understand why particular co-operation initiatives are more or less successful; Accountability to provide an objective basis for accountability to the principal stakeholders outside DFID. Organisational development exploring ways to improve further.	<ul style="list-style-type: none"> ▪ Output to Purpose Reviews (OPRs) ▪ Project Completion Reports (PCRs) ▪ Annual Plan and Performance Reviews (APPRs) ▪ End of Cycle Reviews of country strategies (EOCRs) ▪ Institutional Strategy Reviews (ISRs) 	<ul style="list-style-type: none"> ▪ Corporate Level ▪ Country Level ▪ Institutional Level ▪ Programme and Project Level 	<ul style="list-style-type: none"> ▪ Utility ▪ Accuracy ▪ Independence ▪ Credibility ▪ Propriety.
	Only WB has an independent office to carryout M&E Tasks	Results Based Mangement frame work is appropriate	Most of the donors use internal documents for evaluation generated by their own departemnts.As evalutaion does not have seperate budget head the recipients are not able to particiapte in the process effectively.The participation of the recipient country as well as other stakeholdres representing the recipient country is yet to be established.	Evaluation prcesses have shifted from Project Approach to Sector wide and Country level approaches	For the purpose of ACBFthe following set of indicators seems to be relevant: Independence, credibility, propriety, relevant, institutional development impact, sustainability

(a). Developing a Framework for Performance Management

The major lessons that can be drawn upon for developing a performance management framework are as follows:

- **Indicators for performance measurement should go beyond the inputs and try to capture programme results, i.e., outputs, outcomes, and impacts.** Capacity building, by definition, is a slow process which needs to be adopted, internalized and then used by the governments for better performance, services and outcomes. The success of a capacity building, thus, can be best assessed through indicators which assess the ultimate outcomes and impacts of the programme.
- **World over, the approach of evaluation is shifting from the project as a primary unit to a country or regional approach.** Most development agencies are realizing that the success of large programmes and more so capacity building efforts can be assessed at the macro level of countries or regions. The ACBF may consider this while developing its own evaluation framework.
- **The performance indicators should allow tracking of progress toward the MDGs.** The selection of indicators should ensure that the ultimate question of 'how is this helping in achieving the millennium goals' is addressed. This could be achieved, if, in consonance with the earlier objective, country wise programmes are prepared with targets designed to reach the MDGs. In such a case, the indicators should be designed for assessing the progress against MDGs as well the intermediate objectives embedded in country programmes.
- **The performance of partner agencies (central governments, state departments etc.) should be assessed in terms of their distinctive accountabilities and reciprocal obligations.** This is important, especially in a capacity building context as the role of governments and partners agencies is very important in determining the success of programmes.
- **Excellence in evaluation requires adoption of appropriate survey instruments** and analytical tools. This is important to ensure that the quality of output is credible and a useful tool for future planning and design.

This is a demanding agenda and requires not only strengthening the evaluation capacity of agencies but also the awareness and need for evaluation in partner agencies.

(b). Establishing Performance Management systems

Some preliminary lessons learned about establishing effective performance management systems can be highlighted as follows:

- The process of development and implementing is **evolutionary**. It requires sufficient time and resources to build effective performance management systems.
- The performance measurement system should be kept relatively **simple and user-friendly**. The performance measurement system should complement the implementation system and the focus should not shift to the latter.
- The performance management framework should be adopted in a **participative manner** with support from the highest level of the development agency

- **Start with pilot efforts** to demonstrate the efficacy of the framework. This gradual approach avoids the dangers of being too ambitious and also minimizes ineffective practices.
- Give managers autonomy to **manage-for-results** as well as **accountability**. Managers being held accountable for achieving results should also be empowered with the decision-making authority and flexibility to shift resources away from poorer-performing to higher-performing activities and projects.
- **Build ownership** by using participatory processes. Such a participatory approach has the potential to increase the effectiveness of development efforts and builds ownership and commitment of partners and stakeholders to shared objectives of performance management.

(c) Developing a framework for ACBF

To carry out a task as challenging as this, there has to be certain decisions that would have relevance at the policy level. The next layer of intervention is at the implementation level and third is at the process of making it an institutionalized activity.

At the policy level

The review of the evaluation processes of the donor agencies (ref the matrix) brings out one major concern - **Most evaluation tasks are donor driven**. Although it is not that this fact has not been noted before but there has not been enough effort to understand why recipients are not interested in carrying out the evaluation tasks. The reasons for this could be:

- It is an imposed task by the donor; there is a lack of willingness from the donor end to adapt to the local situation.
- Recipient do not have separate budget for carrying out evaluation tasks
- Lack of local capacity as the knowledge base about evaluation has never got institutionalized
- The task of evaluation is not valued enough.

ACBF has come a long way to influence these decisions. It is contributing in building local capacity and is institutionalizing the knowledge base of the evaluation. Obviously it still has to a long way to influence the budget allocation for evaluation.

Methodology: At the implementation level

At the implementation level there are many questions that needs to be explored such as:

- Who does it? How it is done? Is it a participative process or not? Who participates?
- Is it responsive to the local sentiments
- Are the measures sustainable?

(d) Choosing indicators for ACBF

Understanding the context in which ACBF operates the criteria for selection of indicators may be suggested as under:

Independence: The task has to be carried out by an independent team not involved in the process of capacity building. This team could comprise of members both from donor

and recipient agencies. A fresh person could give much more objective insights to the task carried out. The evaluation process should be impartial and independent from the process concerned with policy-making

Credibility: The agency involved in carrying out the task has to have established credentials so that their suggestions are taken seriously. The credibility would also depend on the skill and experience of the evaluators

Affordability: It has to be affordable both in terms of financial resources and also time to be contributed by the participants. A very elaborate system of evaluation that would require a lot of time of the participants would not be a feasible solution for ACBF.

Relevance: It has to be relevant specifically to the activities of ACBF that is in the context of capacity building of the evaluators.

Institutional Development Impact: This would measure client's ability to make more efficient, equitable and sustainable use of its human, financial, and natural resources.

Sustainability: *Sustainability* would take into account the factors of technical, financial and economic resilience; social support, environmental resilience; ownership by governments and other key stakeholders of the assignment

XV. Annex: The Millennium Development Goals

Goals	Targets
<p>Goal 1 Eradicate extreme poverty and hunger</p>	<p>Target 1. Halve, between 1990 and 2015, the proportion of people whose income is less than \$1/day. Target 2. Halve, between 1990 and 2015, the proportion of people who suffer from hunger.</p>
<p>Goal 2 Achieve universal primary education</p>	<p>Target 3. Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling.</p>
<p>Goal 3 Promote gender equality and empower women</p>	<p>Target 4. Eliminate gender disparity in primary and secondary education, preferably by 2005, and to all levels of education no later than 2015.</p>
<p>Goal 4 Reduce child mortality</p>	<p>Target 5. Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate.</p>
<p>Goal 5 Improve maternal health</p>	<p>Target 6. Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio.</p>
<p>Goal 6 Combat HIV/AIDS malaria, and other diseases</p>	<p>Target 7. Have halted by 2015 and begun to reverse the spread of HIV/AIDS. Target 8. Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases.</p>
<p>Goal 7 Ensure environmental sustainability</p>	<p>Target 9. Integrate the principles of sustainable development into country policies and programs and reverse the losses of environmental resources. Target 10. Halve by 2015 the proportion of people without sustainable access to safe drinking water. Target 11. By 2020 to have achieved a significant improvement in the lives of at least 100 million slum dwellers.</p>
<p>Goal 8 Develop a Global Partnership for Development</p>	<p>Target 12. Develop further an open, rule-based, predictable, non-discriminatory trading and financial system. Target 13. Address the special needs of the least-developed countries. Target 14. Address the special needs of landlocked countries and small island developing states. Target 15. Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term. Target 16. In cooperation with developing countries, develop and implement strategies for decent and productive work for youth. Target 17. In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries. Target 18. In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.</p>

Source: World Bank (2002)

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