

# Project Performance Management System

## Results-focused Project Design and Management

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ADB

# Session Objective

- **Introduction to MfDR at Project Level**
- **Appreciation for the participatory design process**
- **Overview of the Design and Monitoring Framework**

# MfDR

(1) Planning  
(Defining desired results)

Inputs



Activities



Outputs



Outcomes



Impacts

(2) Measure performance  
(Monitoring and  
evaluation)

(3) Use performance  
information  
(Feedback-loop)

# Managing for Development Results

GLOBAL

COUNTRY

ACTIVITY

International Agreements and Commitments (MDGs etc.)

National Poverty Reduction Strategy

Results-based Country Partnership Strategy (CPS)

Sector Road Maps

Programs, Projects, TAs

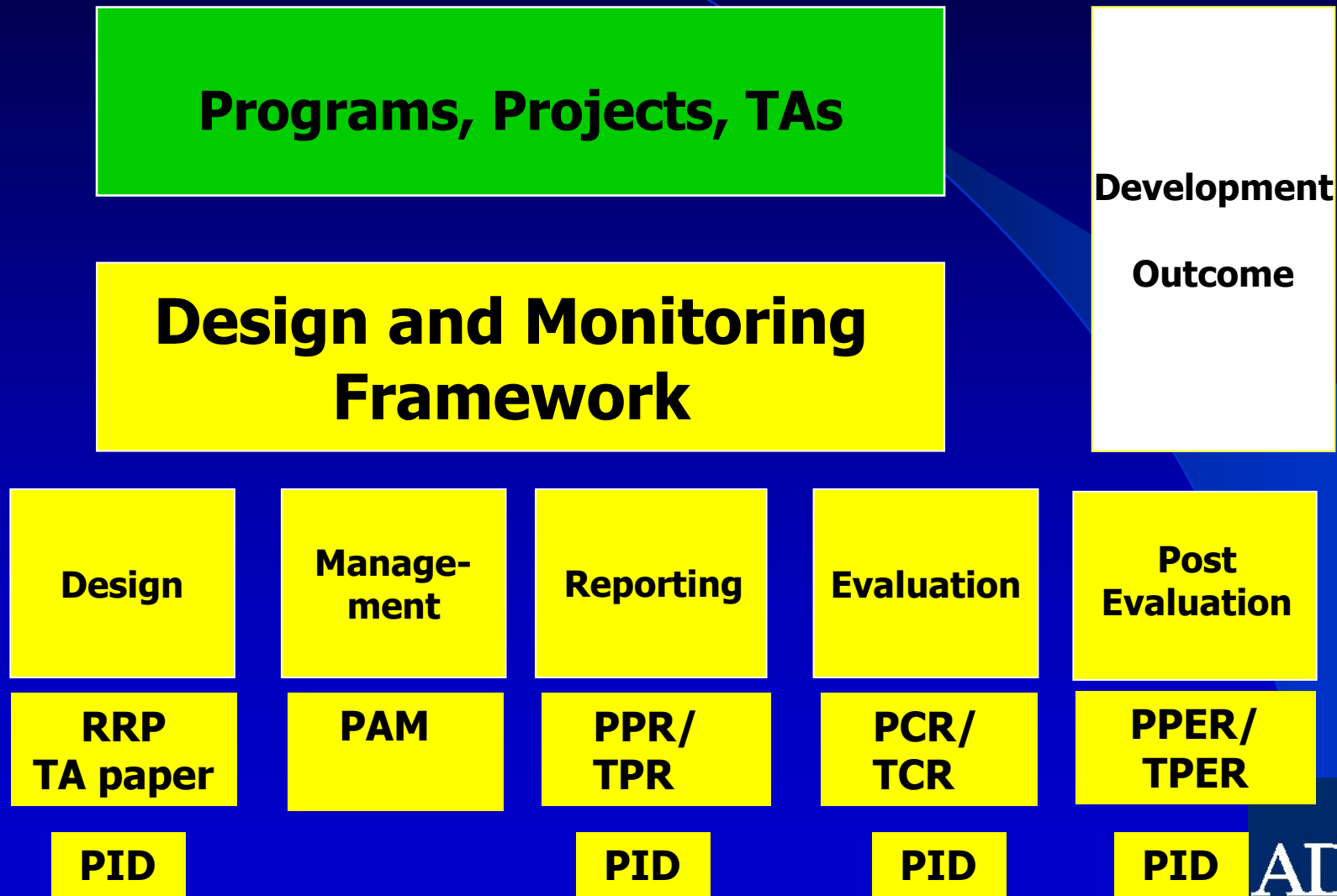
Overall Development Effectiveness

Development Impact

Development Outcome/Outputs

**ADB's  
Results  
Frame-  
work**

# Elements of PPMS



- **Design and Monitoring Frameworks are a tool only!**
- **Using the appropriate Process improves prospects for achieving results during implementation.**

# The Process

## Situation Assessment

- Stakeholder Analysis
- Problem Analysis



## Solution Development

- Objectives Analysis
- Results Chain Analysis
- Project Strategy



# Stakeholder Analysis

**A diagnostic tool to**

- identify key stakeholders
- clarify their interests
- comprehend their perception of the problem
- specify their resources (supportive and destructive)
- outline their mandate

*Stakeholder analysis is a continuous process*

# Stakeholder Table

Groups	Interests	Problem Perception	Resources	Mandate
1.				
2.				
3.				
4.				

# The Design Process

**Situation Analysis**



**Solution Development**



**Design and Monitoring Framework**

I've been bitten by  
a mosquito and  
exposed to malaria  
so I need  
chloroquine  
urgently

# "Doctor, doctor!"



Limited  
information

Diagnosis  
without  
participation

Jumping to  
conclusions

Instant  
prescriptions  
and solutions

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# Problem Tree

A **diagnostic tool** to

- analyse the existing situation surrounding a given problem context
- identify major problems associated with the stated negative condition
- visualize **cause-effect** relationships and interrelationships





# Samoan Education

Another example

Young people are not employed in formal and informal (village) sectors

**Starter Problem**

Students dropping out

Graduates' skills are not adequate for informal sector

Other causes

?

Poor quality of Education

Overcrowding in key schools

Curriculum lacks practical skills trng

Inadequate teacher skills

Inefficiently managed schools

Inadequate facilities at alternative schools

Curriculum not linked to employment sectors' needs

Insufficient in-service training

Ineffective school committees

Outdated curriculum

Trained teachers leaving the system

Vague Standards

Inadequate planning

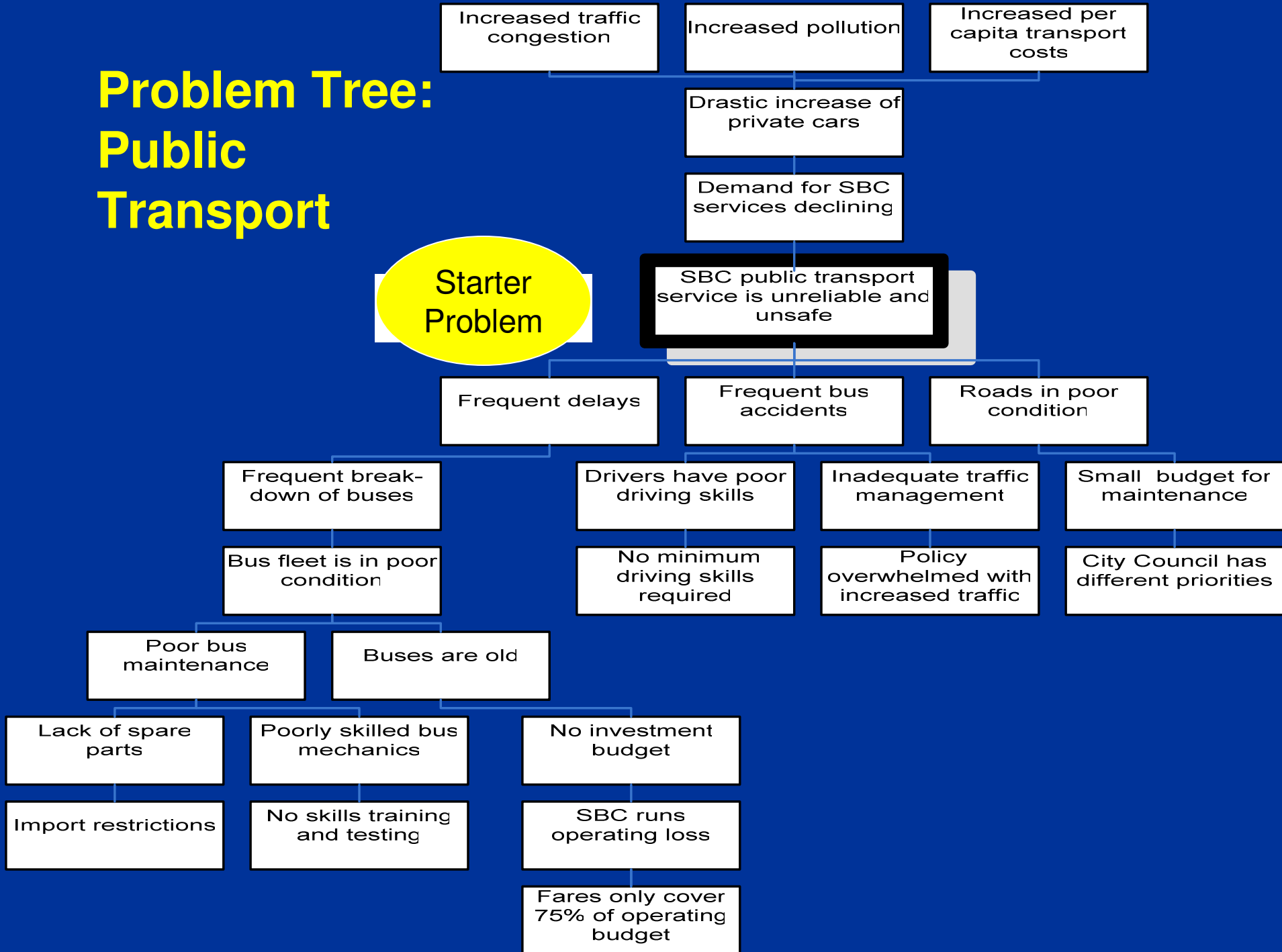
Unclear roles

SC cannot raise funds

Education Dep't lacks mgmt capability to address policy etc

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# Problem Tree: Public Transport

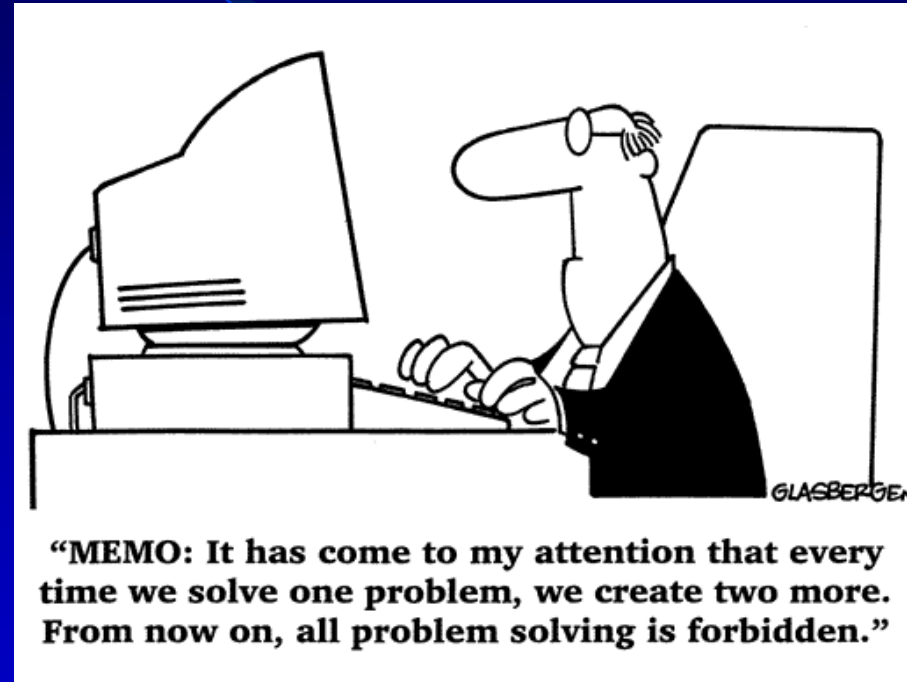


# Case Study

## Tasks

### Starter Problem

- **Public Transport in Arusha is unreliable and unsafe**
- Construct a problem tree – **ask WHY?** To establish the causes.
- Use the cards and pin boards
- Present back to the Group



# The Design Process

**Situation Analysis**



**Solution Development**



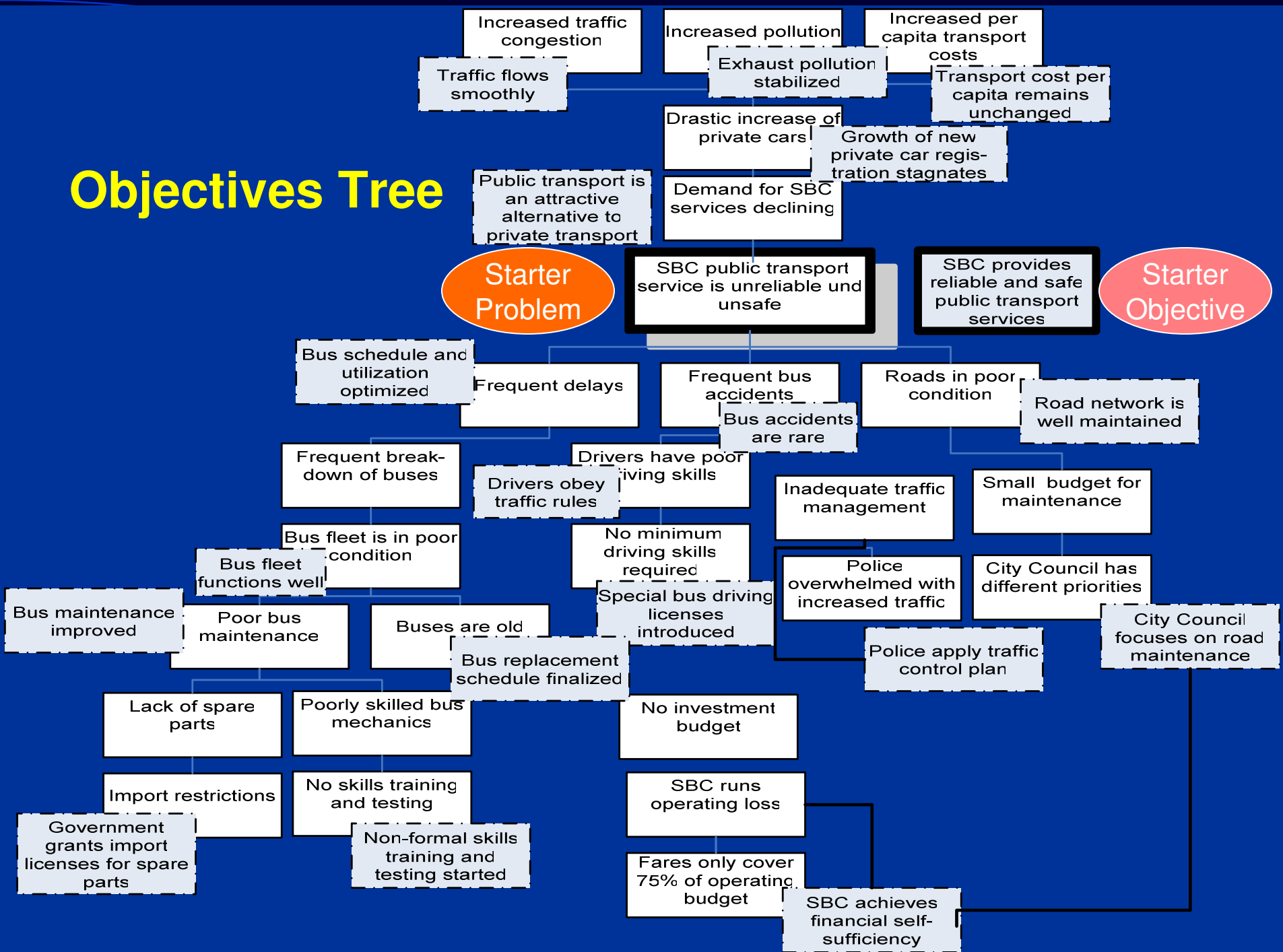
**Design and Monitoring Framework**

# Objectives Tree – How?

Process involves converting problem into a 'positive condition' then checking –

- Does the objective statement make sense as an "improved condition?" [realistic? possible?]
- Have we left out anything in our problem analysis that will need to be addressed to achieve this desired "improved condition?"
- What do stakeholders think or how might they react?
- What might be possible risks and assumptions?

# Objectives Tree



# The Design Process

**Situation Analysis**



**Solution Development**



**Design and Monitoring Framework**

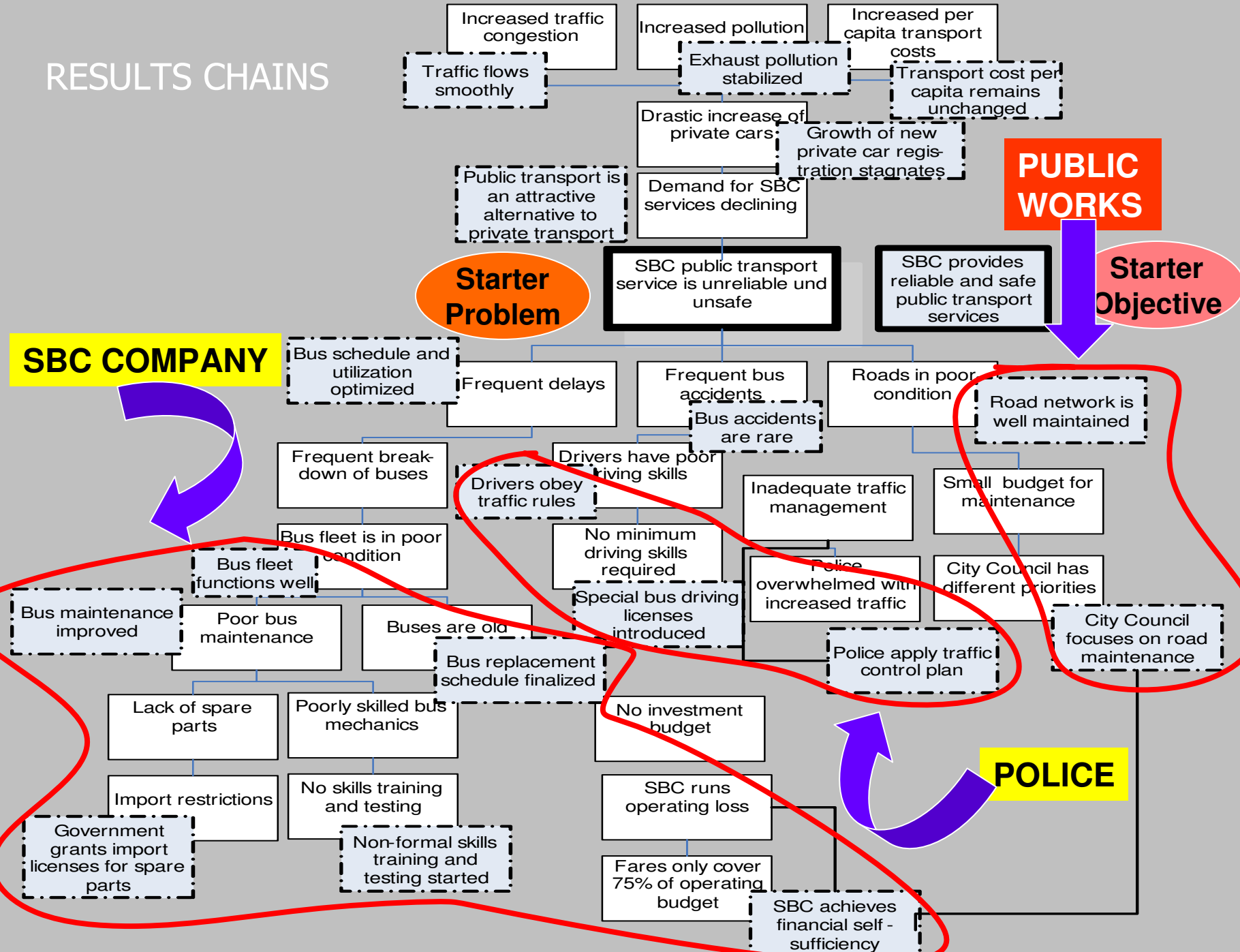
# How to do a Results Chain

Identify the owners of means-end chains in the Objectives Tree

Have each stakeholder-owner assess the feasibility of achieving their means-end chain before deciding whether this should be included in the project design

*External Consultants and Experts should share their experiences to encourage stakeholders to consider the change*

# RESULTS CHAINS



# From Objectives Tree to Design Summary

Each stakeholder group declares what change (results chains) they can work on.

By consolidating their different results chains, stakeholders agree on a common statement of **Project Outcome, Outputs, indicators and targets**

# Design Summary: Public Transport

IMPACT: The transport system of Arusha is functioning well.

OUTCOME: SBC provides safe and reliable public transport services.

OUTPUTS:

1. Bus fleet is well maintained.
2. Drivers observe safety and traffic regulations.

*Note: Road Maintenance becomes a critical assumption!!!*

# Design and Monitoring Framework

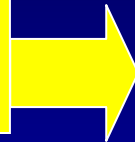
**Design**

**Results  
Chains**

**Objectives**

**Problem  
Analysis**

**Stakeholder  
Analysis**



<b>Design Summary</b>	<b>Performance Targets/ Indicators</b>	<b>Data Sources /Reporting Mechanism</b>	<b>Assumptions &amp; Risks</b>
<b>IMPACT</b>			<b>A &amp; R</b>
<b>OUTCOME</b>			<b>A &amp; R</b>
<b>OUTPUT</b>			<b>A &amp; R</b>
<b>ACTIVITIES &amp; MILESTONES</b>			<b>INPUTS</b>

# Validating the PPMS process

## Participatory Design

- Were the stakeholders clearly identified ?
- How was the problem analysis carried out ?
- Were alternative solutions identified ?
- Who determined the “outcome” of the project and the final design?

# **Design Summary**

**The results chain of the project**

Design  
Summary

IMPACT

OUTCOME

OUTPUTS

ACTIVITIES

# 1st Step - Outcome

Why do you want to do the project?

What is the problem or constraint you hope to resolve ?

What IMMEDIATE OUTCOME do you expect to achieve from using the completed outputs?

Style of Outcome Statement

**Safari Bus Company provides safe and reliable public transport services.**

[change statement, not an action statement, that will either involve beneficiaries using the project outputs to achieve an outcome, or performance changes of systems or institutions]

**Design  
Summary**

**IMPACT**

**OUTCOME**

**OUTPUTS**

**ACTIVITIES**

## 2nd Step - IMPACT

*What is the high level, long range 'VISION' to which this project will contribute? Should be the same as or support institutional and national goals*

**Style of Impact Statement**

**The transport system of Arusha is  
functioning well**

# 3rd Step - Outputs

Design  
Summary

IMPACT

OUTCOME

OUTPUTS

ACTIVITIES

What, specifically, will the project produce, provide or leave behind?

What are the “DELIVERABLES”?

e.g. Infrastructure, New Policies & Procedures, Strengthened Institutions, Skilled Personnel

Examples Output Statement

1. **Bus fleet is well maintained.**
2. **Drivers observe safety and traffic regulations..**

**Design  
Summary**

**IMPACT**

**OUTCOME**

**OUTPUTS**

**ACTIVITIES**

# 4th Step - Activities

**What, specifically, is the project GOING TO DO?**

**For example: 'Build...', 'Train...', 'Equip...',  
'Develop Policy....', 'Draft Legislation...',  
'Conduct Surveys...'**

## Sample Activities

**Output 1. Bus fleet is well maintained.**

- 1.1 Establish and follow the bus maintenance schedule.**
- 1.2 Establish and operate an inventory control system.**
- 1.3 Obtain preferential import license for spare parts.**
- 1.4 Procure spare parts.**
- 1.5 Upgrade mechanical workshop. Upgrade skills of bus mechanics.**

**Output 2. Drivers observe safety and traffic regulations.**

- 2.1 Introduce a national bus driver license and examination system.**
- 2.2 Establish bus safety and operating regulations.**
- 2.3 Train and test bus drivers.**
- 2.4 Introduce incentives for safe driving.**

Design  
Summary

IMPACT

OUTCOME

OUTPUTS

ACTIVITIES

# 5<sup>th</sup> Step - Inputs

What **RESOURCES** does the project need to do its work? e.g. Consultants, Equipment, Civil Works, Training, Funding, including counterparts

**INPUTS**

**ADB** – \$15 million

Consulting services 50 PM – \$1.25 million

Civil works – \$2 million

Equipment - \$8 million

Training– \$2.75 million

Contingencies – \$1 million

**Government** – \$5 million

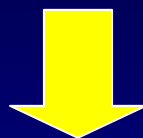
Personnel 150 PM – \$2 million

Transport and logistics – \$1.5 million

Operating expenses – \$1.5 million

**ADB**

# Design and Monitoring Framework



Design Summary	Performance Targets/ Indicators	Data Sources /Reporting Mechanism	Assumptions & Risks
<b>IMPACT</b>			<b>A &amp; R</b>
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# Indicators and Performance Targets

- Indicators outline what will be measured.
- Performance targets specify quantity and time – how much by when.

# Indicators measure Aspects of the Result

- ✓ **Quality**  
Complete and in accordance with specification  
No faults, errors, omissions
- ✓ **Time/- liness**  
Service transactions that meet the schedule or standard time for the service  
Difference between actual time and the standard time
- ✓ **Access**  
= availability, convenience, practicality, affordability of a the service, restriction because of cultural, religion, gender
- ✓ **Unit cost/price**  
Financial cost to deliver one unit,  
Used to monitor efficiency
- ✓ **Customer satisfaction**  
Satisfied with expectations, do not complain, return for repeat services, referrals.

# Indicators and Performance Targets at Different Result Levels

- ✓ **Impact level** – specifies medium-long term impact at program, sub-sector, sector level or geographic location;  
We do NOT measure attribution
- ✓ **Outcome level** = end-of-project indicator;  
specifies immediate effect on beneficiaries ( or behavioral change) or performance change of organizations, institutions or systems;  
EA and ADB take full accountability;  
basis for judging the project's success/failure
- ✓ **Output level** - specifies key deliverables;  
defines project management's terms of accountability
- ✓ **Activities level** NO Indicators - only milestones

# Indicators and Performance Targets

## Critical Attributes

**SMART = specific – relates to the results to be achieved**

**measurable – stated in quantifiable terms**

**achievable – realistic in what is to be**

**relevant - useful for management information purposes**

**time-bound – stated with target dates**

# Indicators and Performance Targets

## Hints and Tips

- ✓ All indicators have to be expressible in numeric terms !
- ✓ We measure aspects of a result
  - quality, time/-liness; access; cost/price; customer satisfaction
- ✓ Measure only what is important
- ✓ Include a baseline AND target value
- ✓ Limit the number of indicators
- ✓ Ensure that means of measuring are cost effective

# Indicators and Performance Targets

## Hints and Tips

- ✓ **Indicators specify the respective results – they do not cause them !**
- ✓ **Optimism has to be tempered with realism.**
- ✓ **Output, outcome and impact are linked through a “means-end relationship”. Hence, their respective indicators cannot logically be the same.**
- ✓ **Performance targets at output and outcome level are linked to inputs – changing one side will effect the other.**

# Indicators and Performance Targets

## Types

- ✓ **Lagging**      **most commonly used;**  
**reports history – situation after implementation;**  
**hence, does not provide possibility for corrective**  
**action, i.e. decreased mortality by x%**
- ✓ **Leading**      **reflects progress being made towards the respective**  
**results; hence, provides opportunity for corrective**  
**action, i.e. no. of cholera cases reported**
- ✓ **Proxy**      **used when (i) the result cannot be easily verified, (ii)**  
**the cost of measuring is too high, (iii) the result is**  
**achieved after an extended time lag.**

# Design and Monitoring Framework

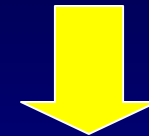


Design Summary	Performance Targets/ Indicators	Data Sources /Reporting Mechanism	Assumptions & Risks
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# Data Sources and Reporting Mechanisms

- ✓ **Where** can information on the status of each indicator be obtained (secondary data)
- ✓ **Who** provides the information?
- ✓ **How** is the information collected (primary data), i.e. sample or full surveys, project records, participatory or rapid rural appraisal methods, focus group discussions, field observations, balanced score cards.
  
- ✓ **Hints** Project reports are not data sources. If primary data will be used (i.e. through a survey), is this included as a key activity?

# Design and Monitoring Framework



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# Areas of risks and assumptions

Financial and economic risks

Environmental risks

Political risks

Operational risks

Technical risks

Security risks

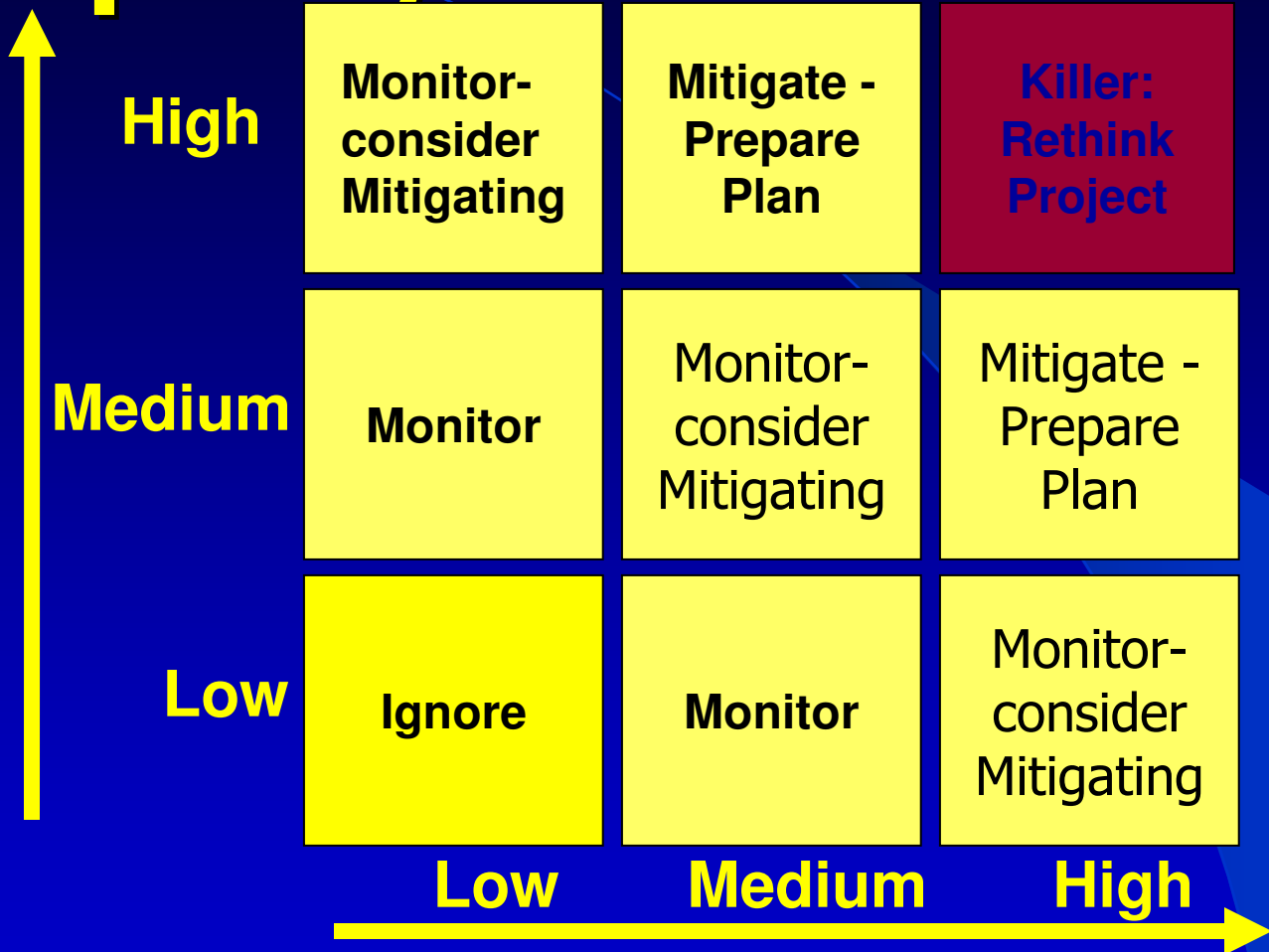
Social risks

Assumptions on  
market conditions/prices  
macroeconomic  
policies/conditions  
political and social conditions  
sector policies and conditions  
environmental conditions  
private sector capability  
government administrative  
capability  
community/NGO support  
counterpart funding.

# Assumption/Risk Matrix



**A: Criticality/Importance**  
**R: Likelihood**



**A: Probability of Failure**  
**R: Expected Impact**

# Risk Responses "AMA"

## Avoidance

- Eliminate the cause of the threat

## Mitigation

- Take preventive measures- to reduce likelihood of occurrence or impact if it does

## Acceptance

- Accept consequences and/or
- Develop a contingency plan



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# Assumptions and Risks

- ✓ A & R are outside the project's control
- ✓ Is the assumption important and critical for the project's success?
- ✓ Is the risk likely to happen? How strong will the impact on the project success be?
- ✓ Are mitigating measures reflected in the DMF? Is this elaborated in section V. of the RRP?
- ✓ Are special assurances, if outside the project, included as assumptions
- ✓ Are A & R specific and verifiable as they need to be monitored!

# Reminders

- Terminology – impact, outcome **NOT** goal, purpose, objective etc.
- Only 1 outcome statement
- No components – these are outputs
- Key activities with milestones for each output
- Horizontal logic – no empty boxes
- Distinction between assumptions and risks
- Does the narrative and the DMF correspond!

**Questions ?**

**ADB**