



USAID | **ETHIOPIA**
FROM THE AMERICAN PEOPLE

Lesson 1: Overview on Performance Monitoring and Evaluation



Learning Objectives:

- 1) Understand the role of M&E in development
- 2) Provide an overview of USAID's program cycle and clarify how M&E fits into that cycle



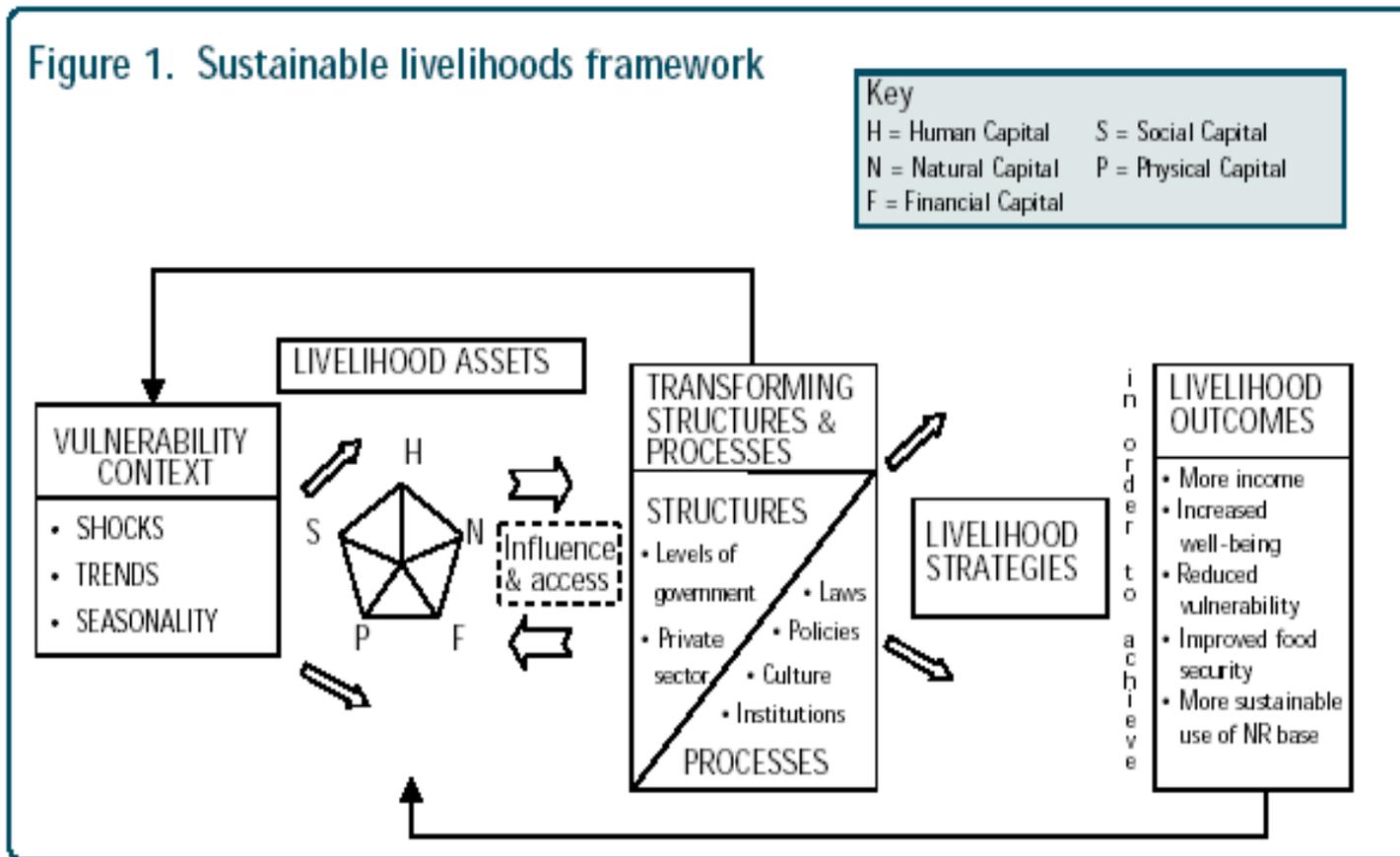
What is Development ?

A few of the many different views include:

- Development as GROWTH:
 - *Modernization, economic growth, productivity. Resources & technical expertise bring 'trickle down' benefits to the poor*
- Development as HUMAN DEVELOPMENT:
 - *Including health, education, gender, distribution of resources*
- Development as HUMAN RIGHTS & FREEDOM
 - *Rights based approach to development*
- Development as: the list goes on:
 - *Capacity Building, Human capability, Sustainable Development, Poverty Reduction etc.*



Development as Sustainable Livelihoods (DFID, CARE, FAO etc.)





How is Development defined in the USAID Context ?

USAID defines Sustainable Development as continued economic and social progress that rests on four key principles:

- 1. Improved quality of life** for both current and future generations;
 - 2. Responsible stewardship of the natural resource base;**
 - 3. Broad-based participation in political and economic life;**
 - 4. Effective institutions** which are transparent, accountable, responsive and capable of managing change without relying on continued external support.
- ✓ **Measure of success is:** to reach a point where improvements in the quality of life and environment are such that **external assistance is no longer necessary** and can be replaced with new forms of diplomacy, cooperation and commerce. (**Chapter ADS 101**)



What do you think about development and your organization?

- Which models of 'development' fit with your own understanding and experience, and why?
- What is the link between development and performance monitoring?



Why do we monitor and evaluate our projects and programs?

To provide managers with evidence to better inform all tasks related to planning/design, management and reporting. That is:

- To identify and address issues during the life of a project, thereby improving project performance and maximizing the impact of U.S. foreign assistance programs.
- To build knowledge and learning that leads to improved planning and more effective project designs.
- To address stakeholder accountability requirements, highlight the value of foreign assistance, and allow USAID (and IPs) to defend and pursue budget.



Context of Performance Management at USAID

In the Past: Insufficiently Developed Program Strategies, i.e., the “Missing Middle”

- No clear “theory of change” linking activities in an “if...then” fashion through mid-level results to high program goals
- As a result public sector agencies were unable to:
 - Ensure that activities contributed directly to initial results that, in turn, supported higher level goals.
 - Make informed decisions about need for mid-course program corrections (e.g., which activities to continue, amend or drop and whether to adjust the overall strategy).
 - Over the medium to long term, identify the most effective types of activities and strategic approaches for programs.
 - Effectively communicate with (and report to) internal and external stakeholders.



Context Continued

Lack of Outcome Data Collected and Used for Decision-Making

- Data collected primarily focused on outputs as opposed to outcomes, e.g., number of people trained vs. the level of skills/knowledge acquired by individuals or changed behavior resulting from increased knowledge/skills.
- As a result:
 - Management decisions—for planning or midstream adjustments—were based on information related to activities and work plans (on what was being done) rather than on whether and to what extent results were being achieved.
 - Public sector agencies were less able to argue effectively for new funds or to defend budgets. (Number of people trained is less compelling than changed behavior/practices.)



Performance Management at USAID Today

For more than 20 years, USAID has aimed to address these issues by developing and installing performance management as its core management approach....

- ✓ Results Frameworks
- ✓ Performance Indicators
- ✓ Performance Monitoring Plans
- ✓ Program Level Performance Reviews
- ✓ Annual Performance Reports
- ✓ Management Driven Evaluation
- ✓ Etc., Etc.



What does Performance Management mean?

- ✓ Emphasize results, i.e. we care not just about what we do (activities), but also about what we achieve (results)
- ✓ Planning process focuses on cause and effect (strategic) linkages
- ✓ Monitoring (performance monitoring) tracks progress towards results
- ✓ “Results data” informs project planning, management and reporting



Performance Monitoring plus Evaluation Equals Performance **Management**

Performance Monitoring

Whether results are being achieved

- On-going, routine process that involves:
 - Identifying indicators, baselines and targets
 - Collecting results data
 - Comparing actual performance against targets

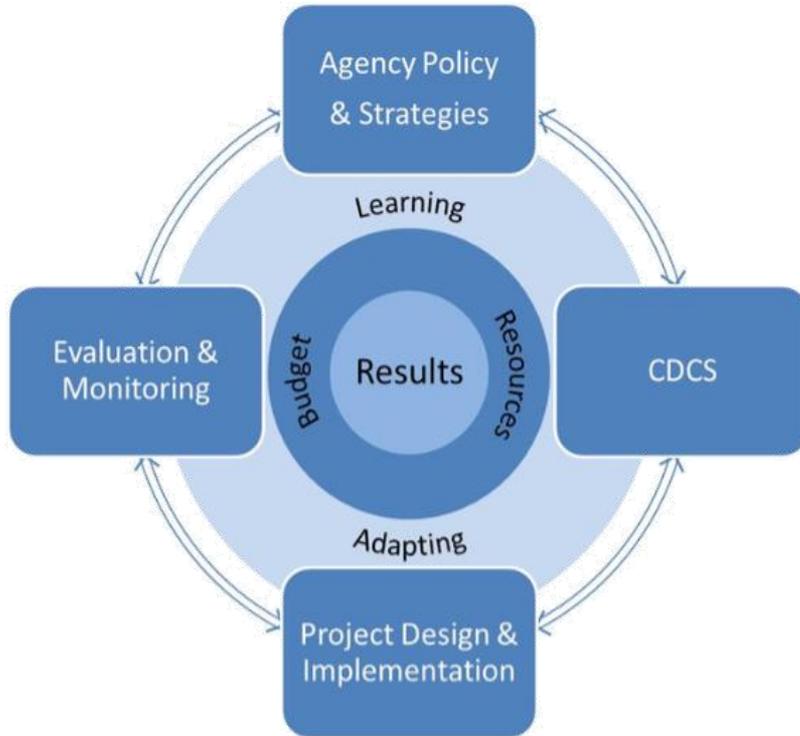
Evaluation

Why/how results are being achieved

- Scheduled at specific times to answer management questions about:
 - Validity of hypothesis
 - Unexpected progress
 - Stakeholder needs
 - Sustainability
 - Impacts
 - Lessons learned



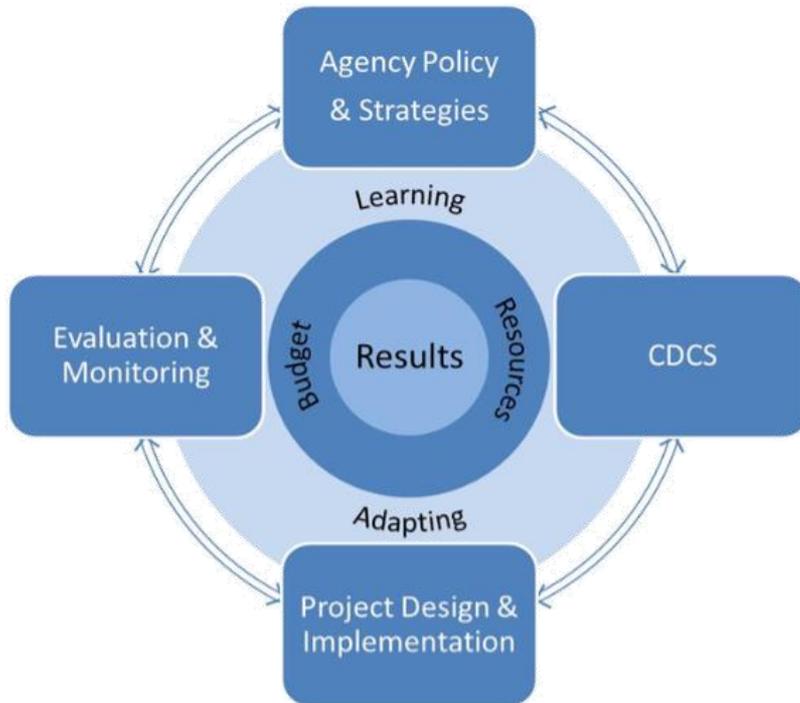
USAID Program Cycle – Key to Performance Management



The USAID Program Cycle reflects USAID's focus on and commitment to Performance management – **“using performance information and evaluations to influence decision-making and resource allocation; and communicating results to advance organizational learning and communicate results to stakeholders.” (ADS and Evaluation Policy)**



USAID Program Cycle – What Does it Mean for Implementing Partners



USAID Implementing Partners interact with the program cycle most substantially at three stages:

- CDCS
- Project Design and **Implementation**
- Evaluation and **monitoring**

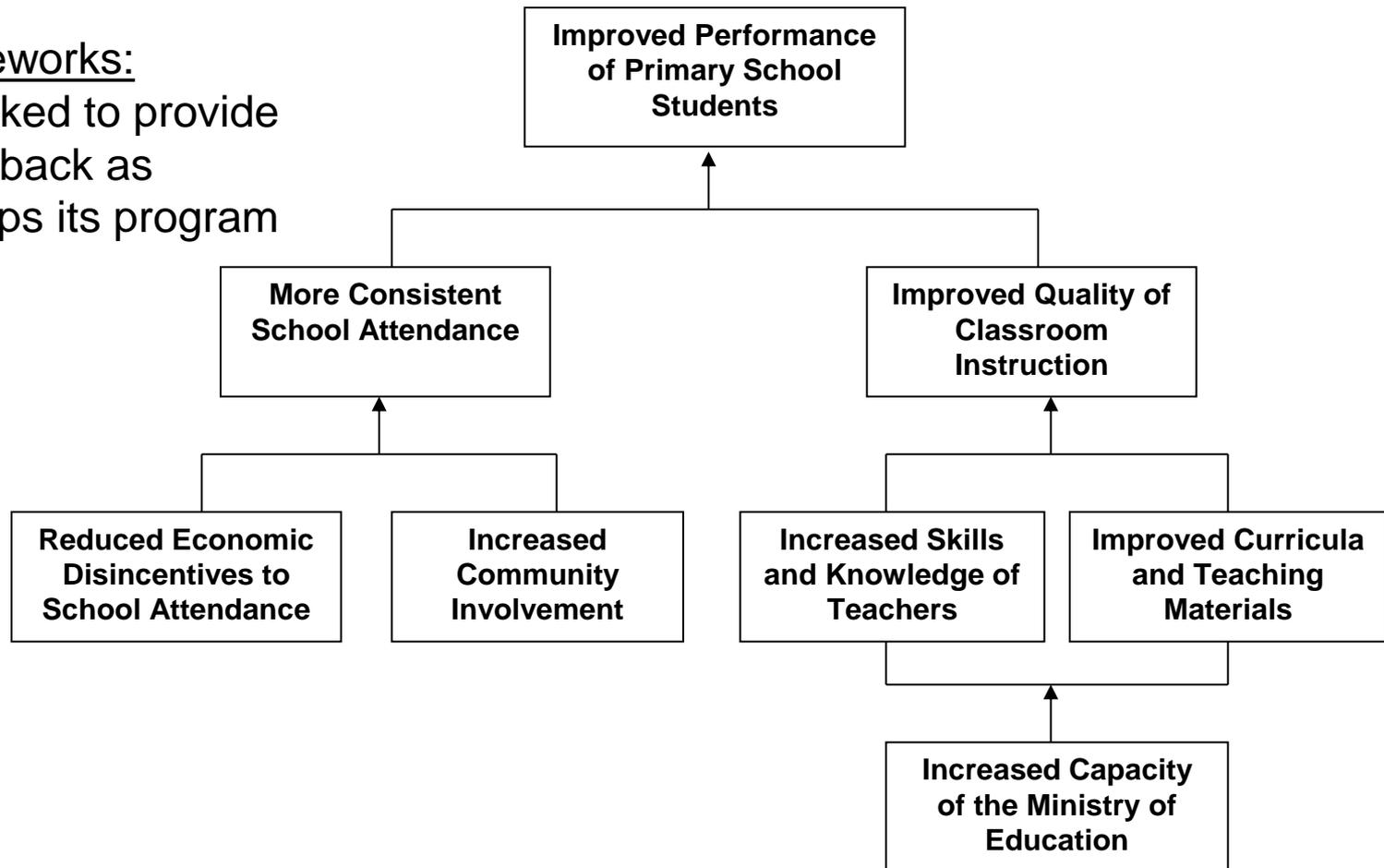
Let's take a closer look....



USAID Program Cycle – CDCS (Program Level Strategic Planning)

Results Frameworks:

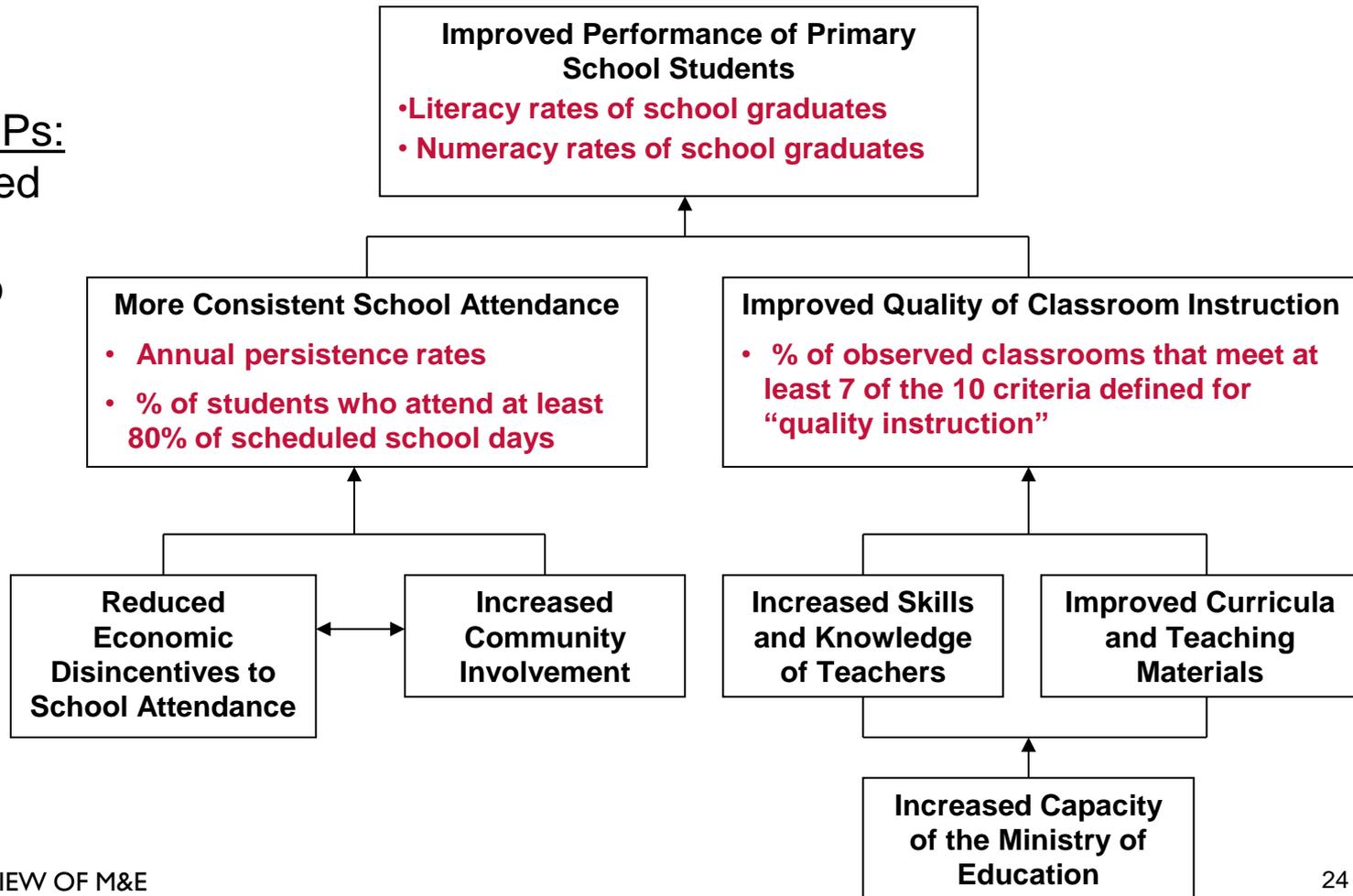
IPs may be asked to provide input and feedback as USAID develops its program level RFs





USAID Program Cycle – CDCS (Program Level Strategic Planning)

Performance Indicators & PMPs:
IPs may be asked to provide input and feedback to assist USAID in identifying and developing performance indicators



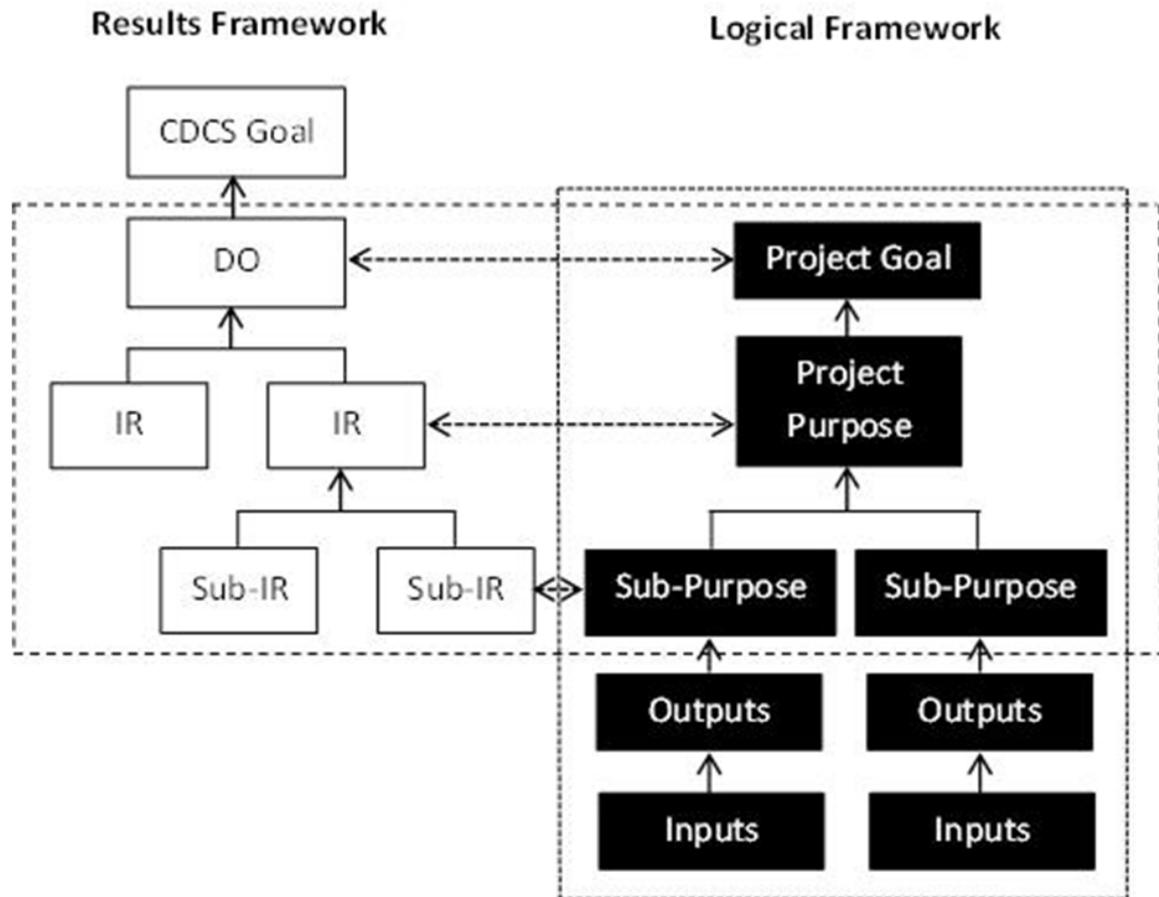


USAID Program Cycle – Project Design and Implementation

Logical Frameworks:

IPs will be asked to provide input to confirm/adjust LFs (including indicators) after award, throughout the life of a project.

IPs will also need to develop an LF, or some type of planning framework, for their activity (there will be cases in which a project LF will be synonymous with an IP's LF)



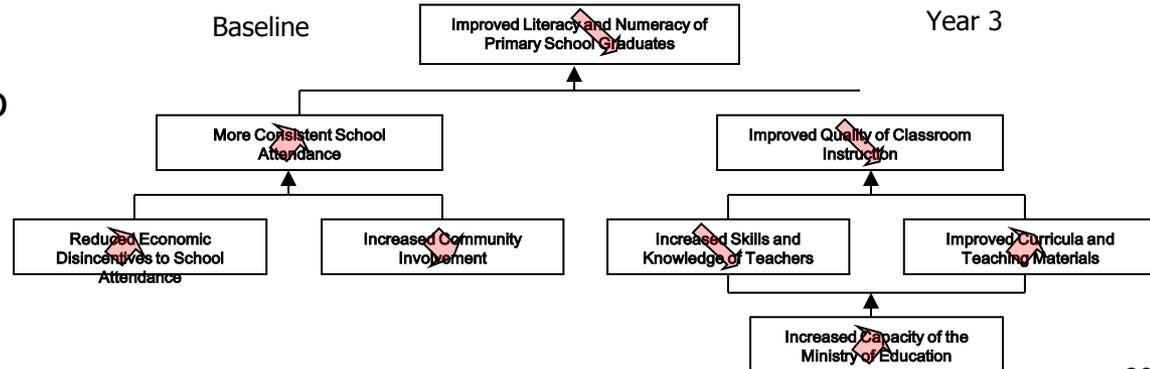
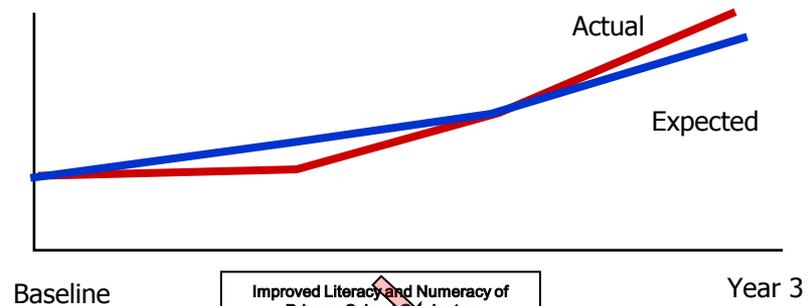


USAID Program Cycle – Evaluation and Monitoring

Monitoring:

IPs will develop activity M&E plans within 90 days of award. As captured by the M&E plan, IPs will collect data for relevant indicators at both the program (RF) and project (LF) levels...and will also track indicators that inform decisions specific to their activities, allowing for improved performance. Indicators will be tracked for results/outcomes, outputs and inputs. IPs will also be asked to provide input in the development/refinement of baselines and targets

Result/Indicator	Base-line	Year 1		Year 2		Year 3	
		T	A	T	A	T	A
Intermediate Result 1: More Consistent School Attendance							
Indicator: Annual persistence rates	40	45	40	50	50	60	65
Indicator: % of enrolled students who attend at least 80% of scheduled school days (in the given school year)	55	60	60	70	68	80	70





USAID Program Cycle – Evaluation and Monitoring

Impact Evaluations:

- IPs -- limited role in the design and conduct of IEs, but should be asked to comment on any relevant evaluation design before it is finalized.
(USAID evaluation policy, p.10)
- IPs -- required to coordinate closely with independent evaluation teams to ensure project implementation does not work against the methodological requirements of the IE.

Performance Evaluations:

- IPs-- have a limited role in “pre-planned” performance evaluations, but should be asked to comment on any relevant evaluation design before it is finalized.
(USAID evaluation policy, p.10)
- IPs ---coordinate with independent PE evaluation teams, but typically at a less intensive level than for IE.

“Management-driven” Evaluation:

- IPs -- play a significant role in framing (through SOWs) PEs that are driven by issues that emerge during project implementation (these include evaluations managed via contracts with the Mission or with the IPs directly).
(USAID evaluation policy p. 8)



Why do we monitor and evaluate our projects and programs?

To provide managers with evidence to better inform all tasks related to planning/design, management and reporting.....and in turn, to deliver more substantial and more sustainable development results.