

**PRISM: Program Information System  
for Strategic Management**

**An Operational Framework for Performance Reporting**

**USAID/Lesotho**

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## **I. INTRODUCTION**

### **A. Program Evaluation Assistance to USAID/Lesotho**

USAID/Lesotho was assisted during 15 to 27 September 1991 in Maseru by a Washington-based team in developing its system of program information for strategic management. The team consisted of Nancy McKay, AFR/SWA and Mark Renzi from Management Systems International.

### **B. Products of the Assistance**

The team worked with Mission staff to develop an operational framework for the USAID's program monitoring and evaluation system. A series of Mission-wide and sub-group meetings were held to reach consensus on the program strategy and objectives. Indicators were then selected to track success in achieving agreed-upon objectives and preliminary identification was made of the sources of the data and offices within the USAID responsible for ensuring data is integrated into the Mission's management information system (MIS.) This information is presented in Tables I, II, III, and V. The system is intended to enable the Mission to report at the program level on the Mission's major program thrusts. The strategy is presented graphically as the Mission Objective Tree in Figure 1, below.

### **C. USAID/Lesotho in the Context of PRISM**

The Africa Bureau is now referring to such systems as "Program Information Systems for Strategic Management", or "PRISMs". Generally speaking, assistance to Missions in establishing PRISMs is to support a "results-oriented" development assistance program Bureau-wide. This implies that PRISM can be used to inform decision-making based on improved understanding of program effectiveness. Developing a PRISM can help Missions narrow their program foci to major areas of national development where a USAID can ultimately have a significant impact, where results can be associated with specific assistance, and where it is within the manageable interest of the Mission to undertake a program.

## **II. PRISM IN THE CONTEXT OF THE DEVELOPMENT FUND FOR AFRICA**

The assistance provided by this team arose from the requirement to report annually on Mission program performance stipulated under the Development Fund for Africa (DFA). While the DFA provided budgetary protection and increased programming flexibility by eliminating functional accounts from A.I.D.'s Sub-Saharan African assistance program, it also increased Congressional reporting requirements. The Africa Bureau was required to more carefully outline needs, define objectives, clarify indicators, describe successes and make appropriate linkages between sectors.

The team assisted the Mission to identify systems to monitor and report on program-level impacts. This was accomplished by examining existing information, monitoring and evaluations

systems; assessing the level to which they can respond to impact reporting; and identifying how the Mission can compensate for missing elements and links.

### **III. MISSION PROGRAM EVALUATION, MANAGEMENT AND INFORMATION SYSTEMS**

The Africa Bureau has standardized terminology used in articulating program strategy. Definitions of key terms used in this report are presented in Annex A. Organizing principles identified to guide program and project managers in organizing performance information for program reporting purposes are presented in Annex B.

Responding to the Congressional reporting requirements on results under the DFA, the Africa Bureau has established the Assessment of Program Impact which reports on program impact based on the program logical framework developed and approved through the Country Program Strategic Plan process. The Assessment of Program Impact is intended to report progress, impact, and results at the sub-target (where appropriate), target, strategic objective, sub-goal, and goal levels. To do this requires Missions to examine their monitoring, evaluation and information systems for their appropriateness and ability to respond to both project and program impact reporting requirements.

### **IV. OVERVIEW OF MISSION STRATEGY**

#### **A. Strategy**

Development of a program logical framework requires considerable discussion and analysis of a Mission's strategy. The Mission concluded that high growth in the period of the CPSP (5-7 years) is not within USAID/Lesotho's manageable interest, given the balance of constraints and opportunities. The Mission's goal in the longer term, however, (see Figure 1) is to achieve broad-based sustainable growth in Lesotho.

The first strategic objective (see Figure 2) toward this goal is to enhance economic opportunities through sustained or improved output and productivity in selected subsectors, predominately agriculture-related. The second strategic objective (see Figure 3) is to enhance the potential of the people of Lesotho to better utilize those opportunities by improving the quality and efficiency of primary education.

The goal and sub-goal statements, together with associated indicators and their sources, are presented below in Table I.

FIGURE 1

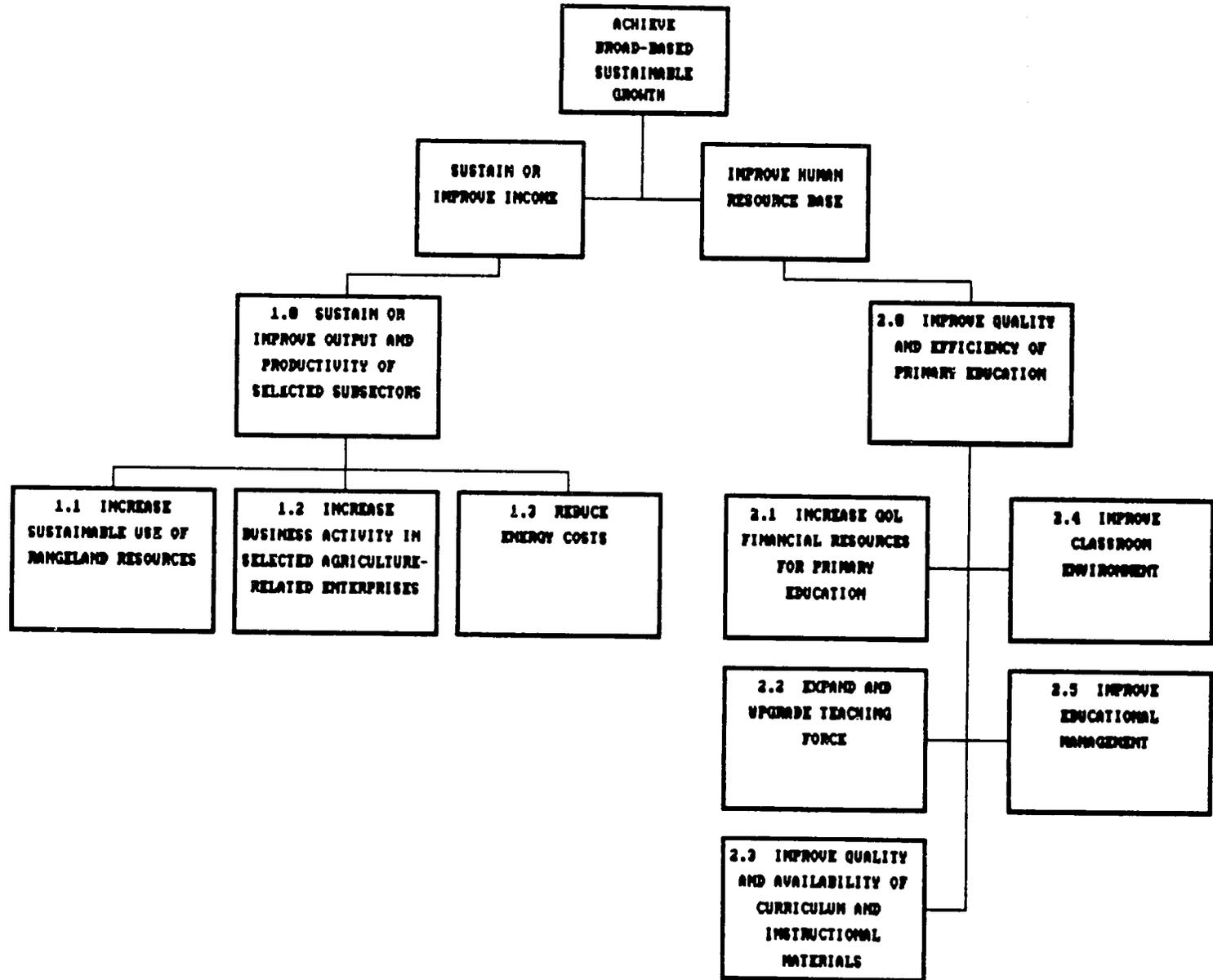
# USAID/LESOTHO MISSION OBJECTIVE TREE - 1991

COUNTRY  
PROGRAM  
GOAL

COUNTRY  
PROGRAM  
SUB-GOAL

STRATEGIC  
OBJECTIVES

TARGETS



3

**Table I: Goal and sub-goal indicator matrix**

Statement	Indicator	Source	Responsibility
<b>GOAL</b>			
Achieve Broad-Based Sustainable Economic Growth	A. Per Capita GNP	IMF data	PRM/ECON
	B. Per Capita GDP	IMF Data	PRM/ECON
	B. UNDP Human Development Index	UNDP HDI report	PRM/ECON
<b>SUB-GOALS</b>			
Improve Human Resource Base	A. % of population, by gender, over age 10 or 12 (depending on data availability) who have: Completed primary school Completed secondary school Completed university	Bureau of Statistics: household budget survey	GDO
Sustain or Improve Income	Increase in income, measured at the enterprise level	Inferred from Agriculture enterprise survey and other sources	ADO/ECON

A number of factors inhibit the Mission from adopting growth as within their manageable interest. The strategic objectives and the targets reflect this. Specific factors leading to this conclusion follow:

- i. Remittances from workers in South African mines have been a major source of family income and GOL revenues for years. Recent declines in gold prices have led to significant layoffs of Basotho miners. This situation may be exacerbated as apartheid crumbles in South Africa. The Government of South Africa may make special efforts to replace Basotho miners with black South Africans. Remittances may be further reduced with no alternative sources of revenues identified. Not only would a major source of revenue for Lesotho be eliminated, but returning unemployed miners could become an additional drain on the already fragile economy of Lesotho.
- ii. The rangelands of Lesotho have deteriorated to the point that sustainable growth in livestock production in the rangelands is not possible in the short term. At the nationwide level, all that is likely to be possible during the planning period is to slow downward trends. (However, specific improvements are expected to occur within the project areas).
- iii. Finally, the opportunity for economic growth is constrained by the GOL's inefficient management and reduced per-student expenditure in primary education

in recent years. Past poor management and disinvestment in education will retard the rate of improvement in the quality of the human resource base for many years to come.

There was considerable debate about whether the target of reducing energy costs should be integrated into the Mission strategy or whether it should be a "target of opportunity," especially since it is not certain whether impact can be seen in the next seven years. The Mission concluded that reduced energy costs logically contribute to sustaining or improving output and productivity so it was included as a Mission target. However, most impacts will not be measured during the planning period since the project is not scheduled to come "on stream" until 1996.

## **B. Donor Coordination**

Continued close coordination with donors is needed to assure that A.I.D. activities do not conflict with those of other donors. The Mission will focus its policy efforts on areas in which the program is active and one person will be responsible to monitor progress in each substantive area of activity. The U.S. and Britain are the largest bilateral donors in Lesotho and A.I.D. is the largest donor in agriculture. The USAID is working closely with the World Bank and the GOL to revamp the education sector. The USAID is also considering investments associated with the Lesotho Highlands Water Project which is receiving considerable support from the World Bank and the Government of South Africa.

## **C. Assumptions**

During the development of the program logframe and indicators, it appeared that the following conditions must hold relatively constant in order for the strategy to succeed.

- i. General economic conditions will remain relatively stable;
- ii. There will be no unmanageable major catastrophes, such as continuing drought or civil strife;
- iii. In-migration will remain manageable;
- iv. GOL will continue to support structural adjustment and USAID program efforts.

## **V. STRATEGIC OBJECTIVE 1: OUTPUT AND PRODUCTIVITY**

The Mission chose as its first strategic objective to "Sustain or improve output and productivity for selected subsectors." Mission analysis revealed extremely limited natural resources in general, and pronounced degradation of rangelands from overgrazing in particular,

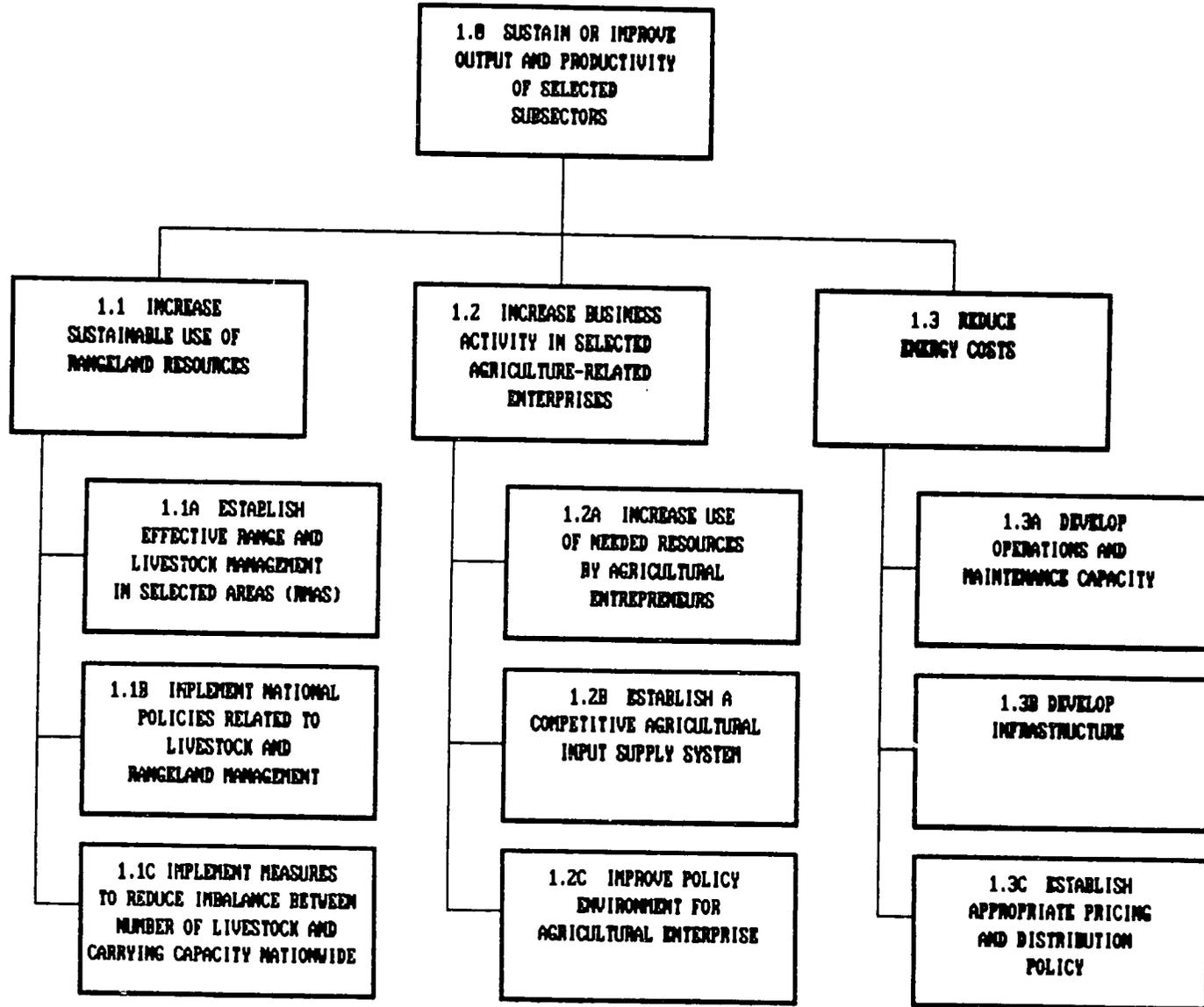
FIGURE 2

USAID/LESOTHO  
OUTPUT AND PRODUCTIVITY OBJECTIVE TREE - 1991

STRATEGIC  
OBJECTIVE

TARGETS

SUB-TARGETS



as major constraints to development. Agriculture-related enterprise emerged as an opportunity for growth.

The program has three programmatic thrusts intended to sustain output and productivity: to improve management of rangeland resources (1.1 in Figure 2), to increase agriculture-related enterprise activity (1.2), and to reduce the cost of energy (1.3.) The first will retard the rate of natural resource degradation in the highlands (reversing negative trends in project-affected areas) and help herdsmen achieve sustainable output from the ecosystem. The second will use policy reform and technical assistance to increase opportunities for agriculture and agribusiness sector investment and improve linkages within the private sector between business people and needed resources. The third target will reduce energy costs through the construction of a major hydro-electric facility which will eventually be able to produce electricity more cheaply than projected import costs.

The sustainable rangeland target (1.1) is supported by a policy reform project with two years remaining (LAPSP) and by a new project (Community Natural Resources Management.) The project purposes of these projects are at the sub-target level displayed in Figure 2. The MIS will record both changed land use patterns and biophysical changes in the areas of intervention to measure impact at the target level. At the sub-target level a number of indicators were developed to measure the effectiveness of various outputs of the program. Some of these indicators are additional to those articulated in the Project Papers for the two projects but seemed to the group to be essential for both project- and program-level management. Where appropriate, data will be gathered for both the geographic area of intervention and control areas to more accurately attribute program impact.

The second target, to increase agriculture-related business (1.2 in Figure 2), will be chiefly supported by a project which is still in the early design stages and partially by LAPSP. For this reason the sub-targets and their indicators are more tentative than for target 1.1. A relatively extensive survey will be necessary to measure both project- and program-level impact. The group was unable to develop a less expensive way to measure impact and eventually concluded that the cost associated with data collection was merited.

The third target, to reduce energy cost (1.3 in Figure 2), would be achieved though USAID's contribution to a large multi-donor effort to build a large hydro-electric facility. Since the project is still in a very early stage of consideration by the Mission and has yet to be approved by Washington, the sub-targets are tentative. It seemed premature to develop final indicators for the objectives under this target, but a preliminary indicator has been developed for the target: the relative cost of electricity in South Africa and Lesotho.

As indicated in Section 4 of this report, the Mission felt it was unrealistic to predict measurable increases in output or productivity nationwide in the period of the CPSP, given the current depletion of the natural resource base and the limited scale of the Mission's interventions in the agri-business area. Implementation of the energy project would enhance impact, but not until later than the CPSP period.

The full range of program-level indicators for this strategic objective are included in Table II, below.

**Table II: Output and productivity strategic objective indicator matrix**

Statement	Indicator	Source	Responsibility
<b>Strategic Objective</b>			
1.0 Sustain or improve output and productivity of selected sub-sectors	<p>A. Average fleece weight in RMAs increased from ____ in 1991 to ____ in 1997</p> <p>B. Ratio of average fleece weight within RMAs to average fleece weight outside RMAs increased from ____ in 1991 to ____ in 1997</p> <p>C. Average cattle weight within RMA increased from ____ in 1991 to ____ in 1997</p> <p>D. Ratio of cattle animal weight within RMAs to average animal weight outside RMAs increased from ____ in 1991 to ____ in 1997</p> <p>E. Capital productivity: total sales volume divided by capital expenditure in selected subsectors</p> <p>F. Labor productivity: value added volume divided by number of employees in selected subsectors</p>	<p>data from RMD wool sheds or LPMS</p> <p>"</p> <p>RMA advisors</p> <p>"</p> <p>Ag. enterprise survey</p> <p>"</p>	<p>ADO/CNRM</p> <p>ADO/CNRM</p> <p>ADO/CNRM</p> <p>ADO/CNRM</p> <p>TBD</p> <p>TBD</p>
<b>Target 1.1</b>			
1.1 Increase sustainable use of rangeland resources	<p>A. % of rangeland under improved management increased from 0% in 1983 to ____ in 1997</p> <p>B. Ratio of range condition index (RCI) within RMAs to the RCI outside RMAs increased from ____ in 1991 to ____ in 1997</p>	<p>RMD/MOA</p> <p>RMD/MOA</p>	<p>ADO/CNRM</p> <p>ADO/CNRM</p>

Statement	Indicator	Source	Responsibility
<b>Sub-Targets for 1.1</b>			
1.1A Establish effective range and livestock management in selected areas (RMAs)	<p>A. # of grazing plans implemented and enforced increased from 0 in 1983 to ___ in 1997</p> <p>B. # of households participating in RMA livestock programs increased from ___ in 1983 to ___ in 1997</p> <p>C. # of RMA animals culled increased from ___ in 1983 to ___ in 1997</p> <p>D. # of RMA animals sold through marketing programs increased from ___ in 1983 to ___ in 1997</p> <p>E. # of improved breeding programs in operation in RMAs increased from ___ in 1983 to ___ in 1997</p>	<p>RMD/MOA</p> <p>"</p> <p>"</p> <p>"</p> <p>"</p>	<p>ADO/CNRM</p> <p>"</p> <p>"</p> <p>"</p> <p>"</p>
1.1B Implement national policies related to livestock and rangeland management	<p>A. Amount of grazing fees collected each year increased from 0 in 1991 to \$___ in 1997</p> <p>B. # of households paying fees each year increased from 0 in 1991 to ___ in 1997</p> <p>C. Subsidy to national Abattoir reduced</p>	<p>RMD/MOA</p> <p>RMD/MOA</p> <p>NAFC records/ MOA</p>	<p>ADO/LAPSP</p> <p>ADO/LAPSP</p> <p>ADO/LAPSP</p>

Statement	Indicator	Source	Responsibility
1.1C Implement measures to reduce imbalance between livestock and carrying capacity nationwide	A. # of hectares adjudicated <u>or</u> # of stock owners issued permits through adjudication program per year and cumulatively [increased from ___ in 1991 to ___ in 1997]	RMD/MOA	ADO/LAPSP
	B. # of animals culled per year through NCEP increased from ___ in 1991 to ___ in 1997	Animal Production Division/MOA	ADO
	C. # of animals exchanged per year through NCEP increased from ___ to ___	"	ADO
	D.# of livestock market information radio programs and # of bulletins disseminated per year increased from ___ in 1991 to ___ in 1997, recorded separately	Marketing Division/LPMS	ADO
<b>Target 1.2</b>			
1.2 Increase business activity in selected agriculture-related areas	For selected subsectors:		
	A. Change in annual sales volume (annual reporting)	Ag. enterprise survey	ADO
	B. Change in annual person-years of employment, by gender (3-year reporting)	"	ADO
	C. # of new enterprises, by gender of owner and gender of operator (3-year reporting)	"	ADO
D. Total # of enterprises, by gender of owner and gender of operator (3-year reporting)	"	ADO	
<b>Sub-Targets for 1.2</b>			
1.2A Increased use of needed resources by agricultural entrepreneurs	A. # and volume of loans made to agriculture-related enterprises	Ag. enterprise survey	ADO
	B. Management, technical, and marketing services utilized (precise indicators TBD as project is designed)	"	ADO
1.2B Establish a competitive agricultural input supply system	A. Number of agricultural supply firms operating	LAPSP survey	ADO/LAPSP

Statement	Indicator	Source	Responsibility
1.2C Improve policy environment for agricultural enterprise	TBD	TBD	ADO
<b>Target 1.3</b>			
1.3 Reduce energy costs	A. Relative consumer price of electricity in Republic of South Africa and Lesotho.	TBD	GDO
<b>Sub-Targets for 1.3</b>			
1.3A Develop operations and maintenance capacity	TBD	TBD	GDO
1.3B Develop infrastructure	TBD	TBD	GDO
1.3C Establish appropriate pricing and distribution policy	TBD	TBD	TBD

## VI. STRATEGIC OBJECTIVE 2: PRIMARY EDUCATION

The Mission chose as its second strategic objective to "Improve quality and efficiency of primary education." Mission analysis revealed that human resource development is a major constraint to economic development and that the quality of primary education -- particularly in standards 1-3 -- has deteriorated in the past several years. Poor GOL management and reduced MOE expenditure per student (in the face of increasing enrollment) have produced a "lost generation" within Lesotho's school system.

Thus, while Mission interventions and the GOL/Donor-supported education sector development plan are expected to address all significant constraints to improved primary education and to have a positive effect relatively quickly, measurable increases in the numbers of educated students and rapid improvements in test scores are unlikely in the near-term. Rather, the immediate accomplishment of the program will be to arrest a trend in education indicators which would be expected to decline without USAID assistance. Few pupils are equipped to take advantage of systemic improvements in the near-term. Improvements in educational accomplishment indicators will be measurable only as new students move through the system together with new teachers and improved management -- that is, after roughly 6 years. However, increased efficiency will become apparent more quickly as cycle costs per completer cohort will become lower as quality increases and fewer years are needed per completer.

FIGURE 3

USAID/LESOTHO  
EDUCATION OBJECTIVE TREE - 1991

STRATEGIC  
OBJECTIVE

2.8 IMPROVE QUALITY  
AND EFFICIENCY OF  
PRIMARY EDUCATION

TARGETS

2.1 INCREASE GOV  
FINANCIAL RESOURCES  
FOR PRIMARY  
EDUCATION

2.2 EXPAND AND  
UPGRADE TEACHING  
FORCE

2.3 IMPROVE QUALITY  
AND AVAILABILITY OF  
CURRICULUM AND  
INSTRUCTIONAL MATERIALS

2.4 IMPROVE  
CLASSROOM ENVIRONMENT

2.5 IMPROVE  
EDUCATIONAL MANAGEMENT

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Program activities in this area are contained entirely under a single non-project assistance activity (NPA). It is designed to produce NPA outputs equivalent to the program targets displayed in Figure 3. The NPA purpose is consistent with the strategic objective in Figure 3. This design represents an unusually strong activity/program mesh and should greatly facilitate program data collection since virtually all program-level indicators will already be collected for project monitoring purposes.

Indicators to measure program progress are included in Table III, below. Baseline data is included where available as is projected improvement through 1996. Please note that, generally speaking, dramatic improvements in indicators are not anticipated until after the period of the CPSP, for reasons described above. The Mission felt very strongly that to predict more optimistic movement in the indicators would be unrealistic given the current deterioration of primary education in Lesotho.

**Table III: Education strategic objective indicator matrix**

Statement	Indicator	Source	Responsibility
<b>Strategic Objective</b>			
2.9 Improve quality and efficiency of primary education	A. % of completers for standards 1-7, by gender. Overall (sexes combined) increase from 46.3% in 1991 to 46.8% by 1997	EMIS	GDO/PEP
	B. Maintained or increased standard 3 achievement test scores, by gender	MOE/PEP	GDO/PEP
	C. Equivalent years per completer, by gender. Overall, decreases from 14.1 years in 1991 to 13.0 years in 1997	EMIS	GDO/PEP
	D. Cycle cost for completers decreased from \$56.8M in 1991 to \$49.2M in 1997 (in 1991 prices)	EMIS/ ECON	ECON

Statement	Indicator	Source	Responsibility
<b>Targets</b>			
2.1 Increase GOL financial resources for primary education	A. MOE recurrent budget increased by 80%, in real terms, from 1991 to 1997.	MOE	GDO/PEP
	B. 70% of the annual MOE recurrent budget increase is allocated to primary education.	MOE	GDO/PEP
2.2 Expand and upgrade teaching force	A. 1,300 additional teaching posts established in primary education system (900 of them assigned to standards 1-3) by 1996	MOE	GDO/PEP
	B. 450 teachers complete in-service qualification training from 1991 to 1996	LIET	GDO/PEP
2.3 Improve quality and availability of curriculum and instructional materials	A. Revised curriculum implemented by 1995 for standards 1-3 core subjects	MOE/PEP	GDO/PEP
	B. Standards 1-3 text per pupil ratio increased from 3.8 in 1991 to ___ in 1996	EMIS	GDO/PEP
2.4 Improve classroom environment	A. % of pupils without chairs or desks decreased from 63% to 30% in standard 1; from 56% to 28% in standard 2; and from 30% to 22% in standard 3 from 1991 to 1996.	EMIS	GDO/PEP
	B. Standards 1-7 student/teacher ratio reduced from 56 in 1991 to 54 in 1996; standards 1-3 ratios TBD	EMIS	GDO/PEP
2.5 Improve educational management	A. MOE restructuring plan fully implemented by 1996	MOE/PEP	GDO/PEP
	B. MOE financial management plan fully implemented by 1996	MOE/PEP	GDO/PEP
	C. MOE MIS plan fully implemented by 1996	MOE/PEP	GDO/PEP

## VII. CROSS-CUTTING ISSUES

A cross-cutting issue is a central concern that permeates most programmatic activity but which does not constitute a program focus. It can be a way to describe a mode of intervention,

or it can represent a priority that is present in all objectives. Below are listed the cross-cutting issues developed by the Mission, together with a description of the degree to which they will be monitored.

**Table IV. Cross-Cutting Issues**

Cross-Cutting Issue	Monitoring Procedures
A. Gender Impact of Program	Integrated into MIS
B. Training Impact of Program	Integrated into MIS
C. Institutional Strengthening	TBD
D. AIDS	Activity level M & E
E. Democracy/Governance	Articulate only
F. Policy Dialogue Agenda	Articulate only

**A. Gender.** Women in Development has been a concern of A.I.D. for a number of years and the Mission is required to submit WID reports to Washington. In Lesotho, gender concerns are especially relevant since many men leave Lesotho to work in South African mines, thus artificially increasing the ratio of women to men within Lesotho's borders. In addition, many more girls than boys receive primary education since boys are often required to herd livestock at the expense of attending school.

**B. Training.** The Mission is now developing a separate training project. It has decided to focus its training for maximum impact on articulated strategic objectives to the extent possible rather than towards more broadly-based constraints beyond the strategic objectives. At the same time, the Mission is interested in monitoring its training activities separately and will use a separate MIS (the PTMS) for this purpose (indicators are listed in Table V, below.)

**C. Institutional strengthening.** The Mission is involved in institutional strengthening in virtually all of its interventions. However, the impact of institutional strengthening occurs "below" the sub-target and, therefore, is not included in standard reporting formats. However, it remains an important objective of the Mission and the Mission is currently deciding whether to measure the impact of institutional strengthening efforts separately.

**D. AIDS.** The Mission is heavily involved in improving the human resource base, as illustrated in the three cross-cutting issues described above. Mission management is concerned that the impact of such investment is threatened by the danger of an AIDS epidemic in Lesotho. Accordingly, the Mission will initiate a modest-cost intervention to address this issue. It is considered cross-cutting since it is intended to assure the impact of other human resource interventions. Indicators to measure intervention success are included in Table V, below.

**E. Democracy/Governance.** The Mission is concerned with reporting to AID/W on progress in Democracy/Governance issues and with understanding the impact of its interventions in this area. However, no separate information collection will be required at the program level.

**H. Policy Dialogue Agenda.** The Mission will coordinate policy dialogue efforts across projects and the program to the extent possible and will identify, track, and influence policy issues that could affect its program. At the current time, no separate data collection scheme seems warranted.

**Table IV: Program-Wide targets**

Statement	Indicator	Source	Responsibility
<b>Program-wide Targets</b>			
A. Increase use of condoms	A. # of condoms sold/year increased	Distributor data	GDO
	B. STD prevalence decreased	MOH data	GDO
B. Improve management and technical skills	A. # of persons trained by long-term vs short-term, gender, academic vs. technical area, and public vs. private sector	PTMS	GDO
	B. Training institution-strengthening indicators (TBD through new project design analysis)	TBD	GDO

## VIII. DATA COLLECTION ISSUES

### A. Special Program Data Requirements

Due to the unusually tight mesh between project outputs and purposes on the one hand, and the strategic objectives and targets of the program on the other, implementation of a Mission program information system should involve relatively little data collection beyond what would normally be collected at the project level. As would be expected, additional data collection and manipulation will be required at the goal and sub-goal levels. This effort should be minimal as data is based on routinely gathered national statistics or on a data base developed at the project level. The monitoring and evaluation components of the new projects under the targets for increased business activity (1.2) and reduced energy costs (1.3) will require additional project data collection systems. Data requirements for the former will be particularly challenging as an original set of surveys must be installed. In developing those systems, project designers should be sure to incorporate the program-level concerns articulated in this document.

## **B. Limitations in Indicator Development**

The group expressed concern over the difficulty of identifying meaningful indicators that were not overly burdensome to collect. Many of the issues can be generalized as follows:

- i. It was often difficult to identify people-level indicators that would show progress during the strategy period which were also reliable measures of program impact.
- ii. The environment interventions require a long time to have an impact and, therefore, measurement is problematic in a five-year time frame.
- iii. Data in certain areas are very difficult to access. This is particularly true for private enterprise activity.
- iv. The additional cost and staff resources of project and program monitoring were identified as being burdensome.

## **C. Management Implications of Program Monitoring**

The Mission noted that full implementation of the revised project and program PRISM had significant management implications. They are summarized below:

- i. Program data collection will be decentralized to the extent that the ADO will be responsible for collecting and processing data for strategic objective 1, except target 1.3 (hydropower) and the GDO for strategic objective 2 and hydropower.
- ii. Program data collection will be centralized in that PRM will be responsible for compiling strategic objective data from the offices and for collecting and processing data above the strategic objective level.
- iii. These tasks will be included in the EERs of the ADO, GDO, and PRM.
- iv. At least one additional staff member will be added to PRM to work on these tasks. The slot will be targeted to an individual who will remain in-country for several years -- preferably an FSN.
- v. Program data collection will be managed as a separate activity, probably under PRM. For example, a separate implementation plan will be constructed to ensure timely completion of required tasks.

## **IX. NEXT STEPS**

The Mission has invested a great deal of effort in developing its PRISM and is to be commended for the progress it has made. There remain, however, a number of steps which still need to be made to make the system operational. Below are listed the most important near-term activities anticipated by the authors of this report.

- A. Refine indicators for which consensus was not reached;
- B. Assign data collection responsibility beyond the manager level (that is, to individuals);
- C. Collect baseline data and complete dry runs for collecting monitoring data to ensure feasibility;
- D. Incorporate indicators into Assessment of Program Impact;
- E. Complete Country Program Strategic Plan as outlined in the Objective Tree;
- F. Decide how to store data -- that is, whether a computer data set is warranted and within which office(s) the data should be maintained;
- G. Structure project design efforts to assure:
  - 1) The activity will truly produce outputs supportive of a target or strategic objective; and
  - 2) Monitoring and evaluation systems measure not only project impact, but also A.I.D. country program impact; and
- H. Develop a wider Mission analytical agenda.

# ANNEXES

## Annex A

### Definition of Monitoring and Reporting Terms

The Africa Bureau has standardized terminology used in articulating program strategy. Definitions of key terms used in this report follow:

**Program:** A program is the sum of the project, non-project, food aid and policy dialogue actions undertaken by an A.I.D. field Mission in pursuit of a given set of strategic objectives.

**Program Goal:** The highest level objective in the USAID program logical framework. It should be stated in terms of results which are as close as possible to positive changes in the lives of people. The results to be produced at this level may be very long term - i.e. ten to twenty or more years into the future.

**Sub-Goal:** An intervening level objective between the strategic objective and the goal in the USAID's Program Logical Framework. By definition, it is above the level of Mission manageable interest. Results at this level should be obtainable in less time than at the goal level.

**Strategic Objectives:** The highest level objectives in program logical framework which the Mission accepts as within its manageable interest. These objectives should be stated in terms of results which are as close as possible to positive changes in the lives of people -i.e. "people-level" impact. Progress at this level should be measurable in five to seven years.

**Performance Indicators:** Criteria for determining or calibrating progress in the attainment of strategic objectives.

**Targets and Sub-Targets:** The major accomplishments for which an A.I.D. field mission is willing to assume direct responsibility in its efforts to achieve strategic objectives. The results at this level should be obtainable in three to five years.

**Target Level Performance Indicators:** Measures which demonstrate progress (or lack of same) in achieving Mission country program objectives. They should be clearly associated with points in time so as to enable judgements of that program's performance.

**Target of Opportunity:** An objective or activity incidental to the A.I.D. field mission's basic program strategy but nevertheless included in its portfolio for historical, political, humanitarian, or public relations reasons.

**Manageable Interest:** Those elements of a USAID program logical framework for which management accepts responsibility for achievement, monitoring, evaluation, and reporting. USAID will probably not control all the necessary and sufficient elements which produce the results for which it is taking responsibility. For those elements which it does not control, USAID

must monitor whether progress is being made so it can know if its objectives can and will be achieved.

People-Level Impact: Positive effects on the lives of people.

Focus: Missions should address problems where the level of US resources and the comparative advantage of American expertise can feasibly be combined to lead to significant results. It is in defining how to address the problems selected that missions can focus their programs in ways that will increase the potential to have an impact on people's lives. How a Mission addresses a given problem may change over time.

Track: What has changed in people's lives as a result of USAID interventions. It is essential to learn what leads to impact in order to improve the targeting of Mission efforts and resources in the future.

PRISM: (Program Information System for Strategic Management) A program performance information system which focuses on a broad spectrum of results at the program level.

PRISM sub-system: The PRISM method applied to major program areas in the Mission -- in the case of Lesotho, perhaps related to education & training and agriculture & natural resources.

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## Annex B

### Organizing Principles for Defining Performance Data and Reporting Needs

A number of basic principles have been identified to guide program and project managers in organizing performance information for program reporting purposes. These include:

1. **Incorporate program performance information into existing reporting, review, and decision-making systems.** Ultimately the goal is to make program performance information as routinely available and easily used as financial data is now.
2. **Only collect performance information that is likely to be used and only collect it when the costs of collecting and analyzing it are exceeded by the expected benefits.** Information should only be collected if there is a reasonable prospect that it will affect Mission or government decisions and behavior, or if it is required for external reporting.
3. **Keep program performance information and evaluation as simple as possible.** Only rarely will more than three or four indicators be needed as a basis for analyzing any particular performance element. (Note: in some cases more indicators are provided so that Mission can later select the most appropriate, as the program evolves).
4. **Use existing information sources as much as possible.** Available secondary data often provide a sufficient basis for convincing program performance measures, particularly at goal, sub-goal, and strategic objective levels. Much information on performance at the target and sub-target levels can be obtained from routine project monitoring and evaluation.
5. **Use project mechanisms to collect and analyze most additional program performance information.** In general, project-funded data collection and analysis activities should be sufficient for routine reporting on program performance, at least at the target and sub-target levels.
6. **Place more emphasis on analyzing and interpreting information and less on data collection.** Unless attention is clearly focused on interpreting and using data, any effort to improve program performance information is likely to be greeted skeptically.
7. **Clearly delineate program management and evaluation roles and responsibilities.** Program performance information will never become routinely

available for reporting and decision-making unless roles and responsibilities for obtaining, analyzing, and using such information are delineated.

8. **Take advantage of appropriate opportunities to strengthen host country program performance evaluation capabilities and institutions.** Much of the program performance information that is useful to USAIDs will also be useful to host country organizations or institutions that are developing, implementing, or managing related development activities. Where appropriate a Mission may want to assist organizations or institutions to improve collection and use of performance monitoring in decision-making.

Following the above organizing principles in designing performance evaluation and information management systems should facilitate program manager's reporting on performance.