

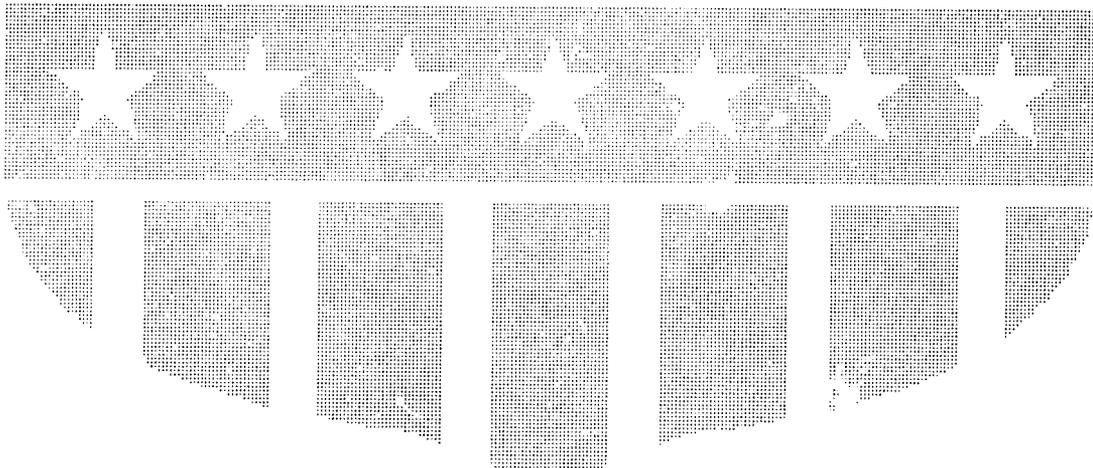
9/1/94

**USAID**

**MISSION TO PAKISTAN AND AFGHANISTAN**

**PURPOSE LEVEL MONITORING SYSTEM**

**FINAL REPORT**



*Submitted by Judith Schumacher, Evaluation/MIS Officer  
August 1994*

---

---

## ACKNOWLEDGMENTS

It would be virtually impossible, and eat up a lot of paper, if I were to list all the people who over the last five years have given support to both the monitoring system and to me personally. However, not to specifically name a few individuals would be a disservice, for without their input and support the development of this monitoring system would have died long ago. In the order that I met them, I would like to thank and acknowledge the contribution of:

Laurier Mailloux, in 1989 the Deputy Chief of the Office of Project Development and Monitoring, who first of all hired me and gave me the chance to transfer my skills developed and honed in the private sector to the public sector. I will ever be grateful for Laurie's help in my baptism in the language of bureaucratese and for wading through the seemingly imponderable issues that arose daily when we first began this exercise.

Gordon West, from 1989-1991 the Chief of PDM, whose knowledge of the portfolio I constantly called upon, whose guidance and ideas I relied upon, and whose trust was invaluable. Most of all I thank Gordon for knowing when to let me vent, when to make me laugh, and when to push me harder.

James Norris, Pakistan Mission Director from 1988-1992, whose commitment to and belief in the value of good information made anything we did possible, and was a sign of his commitment to effective development. His low key management style was backed up by a sense of responsibility that was clear to every person in this Mission.

Chris Hermann, whose work with the ANE Bureau and experience in monitoring and evaluation, brought him to Pakistan to help jump start the development of the PLM system itself. His ability to grasp issues quickly combined with his non-threatening yet determined style of dealing with people were invaluable assets.

Nancy Tumavick, Deputy Director from 1990-1993, whose insight and input into both the project review process and the Mission's overall information needs made the system stronger, more responsive and more transparent.

John Blackton, Mission Director since 1992, who when he assumed his Directorship did not try to "undo" our system, but took the time to learn what we had done, adapt to it, and hopefully came to appreciate it.

Jonathan Sperling and the staff of O/AID/Rep (after the merger to become known as the Afghanistan Field Operations) who once the merger took place had to conform to "Pakistan's system". The receptiveness and cooperation of the AFO staff are a credit to their professionalism.

And last, but most assuredly not least, my colleagues in the PDM Office, most specifically, Shauket Javed, Mohammed Saleem and Sheikh Majid. Their hard work and enthusiasm were invaluable, their professionalism is unequaled, and their friendship not to be forgotten.

---

---

## I. INTRODUCTION

### A. PURPOSE OF THIS REPORT

The Purpose Level Monitoring (PLM) System is USAID/Pakistan's major instrument for identifying and tracking the performance of all projects and programs within its portfolio. The system is composed of trackable indicators and empirical data that add to the Mission's information base about progress at and beyond the output level, focussing on project outcomes and progress toward meeting the stated purpose. It is designed to enable managers, both in USAID and in our counterpart organizations, to make informed decisions and to knowledgeably guide the projects/programs.

The purpose of this report is to document the development of this monitoring system. It is hoped that by documenting USAID/Pakistan's experience, others will become acquainted with both the advantages and pitfalls to performance based monitoring. It should be stated at the outset that the author of this report is a firm believer in the importance of relevant, timely, and verifiable data and its applicability to sound management decision making. Thus, if this report is biased in any way, it is toward convincing others that the hard work required to develop and maintain a quality information system is well worth the investment. Much of what is said here can be found in the volumes of literature on management information systems, performance based management, etc. Whether for the public or the private sector, some principles of sound information formulation are universal -- even if they are at times ignored. However, the basis of this report is not theory; it is result of five years of actually defining, developing, and utilizing a performance-based monitoring system for a large, if ever changing, USAID Mission.

### B. BACKGROUND OF PLM DEVELOPMENT

In 1988, at the request of the Mission Director, James Norris, a three-person team visited the Mission, reviewed its current monitoring and reporting systems, and submitted their recommendations for the establishment of a comprehensive, performance-based monitoring system. (Ponasik, D., Hermann, C., and Cooley, L.; "Improving the Collection and Use of Program Performance Data", December, 1988).

Pursuant to that report, trial monitoring systems were developed for the Primary Education Development Program and the Energy Sector projects. These two efforts were done independently by two separate consultants. The end products of this trial and their applicability varied greatly. However, as a whole, the results were deemed useful for management, and thus full-scale development of a PLM system for all projects began. A PSC was hired to oversee the development of the system. Due to the size of the Pakistan portfolio, it was decided to jump start this effort with the help of consultants. Services were enlisted of a TDY from the ANE bureau to work on the Energy and Engineering portfolio and a three week consultancy of a health specialist to work on the Health and Population projects. This was followed by a three-person consulting team that helped develop indicators for the Agriculture and Rural Development

portfolio. This initial stage ran from November 1989 to approximately August 1990 and resulted in the first agreed upon drafts of the indicators and collection of the initial data. These preliminary reports were first used by Mission management as a resource in the Project Implementation Reviews (PIR) in October 1990.

Since that time the Office of Project Development and Monitoring (PDM) has worked with all the projects to enhance their PLM systems and has focused on bringing uniformity, consistency and reliability to the system as a whole. Furthermore, in order to ensure that efforts to date are both sustainable and viable, a key area of PLM development has been the integration and institutionalization of each PLM reporting system within the framework of the projects' operations and within the Mission's portfolio review process.

This is not to say that we accomplished all that we set out to, and it is certainly not to infer that we have a flawless model. Since 1991 the Mission has been "Presslerized" as well as "right-sized"; we have merged with and subsequently closed down the Afghan cross-border program; and most recently we have been a major contributor of rescission dollars. Through it all, many hard working and dedicated professionals have focussed on ensuring that USAID's development efforts to date are maximized. Perhaps we were not able to develop monitoring to its fullest potential, but we continually used it for our ever-changing needs. And that is, after all, the point.

At this point I would also like to note that throughout this report I refer to "USAID/Pakistan". This is in no way to reflect that I do not recognize and value the fact the since early 1993, the USAID Mission to Pakistan and the Office of the AID Representative to Afghanistan merged into one unit, and at this time the two monitoring systems were also merged. I use "USAID/Pakistan" partly because that what is was called for over three out of the five years I worked here, but mainly because it is shorter.

---

---

## II. OVERVIEW OF THE PLM SYSTEM

### A. OBJECTIVES

The major objective in the development of purpose level monitoring is to provide a tool that will improve project and program management and maximize effectiveness. It allows the various concerned parties a means of determining whether the activities of a given project are proceeding according to plan and whether they are having the desired effect. Among other things a performance based monitoring system will:

- clarify and focus project objectives;
- serve as both an early warning system and a forecasting tool;
- aid decision making pertaining to project scope and direction; and,
- promote on-going discussions concerning continuing and future organizational objectives.

To meet these objectives the end product must be a **management information system**. That is, there must be systematized procedures in place to provide needed and reliable information to project and Mission management in a timely and efficient manner. Thus, the monitoring effort must be both systematic and functional. There must be a well-defined methodology in place that will result in the development and maintenance of a comprehensive set of indicators that clearly reflect project activities. In addition, in order to be meaningful the system must function in a manner that will ensure continuity and viability of the process. The PLM system by definition becomes more valuable when the data is reported over time, the developing trends giving further dimension to the indicators. Therefore, further objectives are that the system provides timely, reliable and stable data using a uniform and consistent methodology.

The underlying assumption in the above statements is that this system will be used - that is, it will not lie idle, it will not be misused, and it will not be window dressing. This can prove to be a very dangerous assumption. Effective use of information cannot be assumed, but itself must be considered a basic, and continually evaluated, objective.

### B. THE PROCESS: THE PIVOTAL INGREDIENT

Key to the value of any management information system is the process. In the case of PLM this includes both the development process that defines the system and the review process that drives it. Establishing a sound performance based monitoring system for any given project is not an easy, straightforward task. It requires time, effort, the willingness to look at one's project objectively and participate in open dialogue. It is this "process" that helps identify key managerial questions, discloses areas of disagreement or misunderstanding, and in general is the tool for consensus building (and rebuilding).

During both development and review it may seem at times that one is trying to measure

the unmeasurable, asking for the moon, and/or just making unreasonable demands. The process of establishing performance based monitoring will (and should) test the limits -- but only test them to see how far one can reasonably expect to go. **Performance based monitoring does not extend beyond defining and collecting the basic information that is needed for sound management.**

The process must allow leeway for both project individuality and evolution. Project monitoring, by definition, is a dynamic process. Therefore, part of the process is a review (at least annually) of each project's individual monitoring system to ensure that the indicators and related data are still relevant, reliable and providing the information needed to make sound and timely decisions. This is a "nuts and bolts" review and is not to be confused with the semi-annual portfolio reviews with senior management where actual project performance is reviewed.

### C. ELEMENTS OF A "GOOD" PLM SYSTEM

Even though projects may have distinctive indicator sets, the approach and procedures used to develop and maintain a healthy monitoring system is the same for all projects. Outlined below are seven elements of a workable and dynamic system.

1. Purpose Statement: The basic ingredient of the monitoring system is quite simply a clear statement of project purpose. The purpose statement must be clearly and concisely written. It must be as unambiguous as possible, reflecting the development results that the project is trying to influence or achieve. For large projects or programs with multiple components, a statement of purpose is needed for each major component.

Project purposes that would rate high on a public relations scale often prove to be overstatements of expectations and achievements, and are most likely composed of statements that are well beyond the influence of the project and/or cannot be realistically measured. These types of statements must be rewritten. On the other hand, some project purposes are not stated in terms of development results and/or are understatements of achievement. The production of outputs is not an acceptable purpose statement.

2. Set of Objectives: Given a well-written project purpose, a project should also have a comprehensive set of objectives. These objectives break down the purpose into do-able (and measurable) steps and reflect the strategy or process the project has chosen to try to achieve its purpose. It is not uncommon to find that while the project staff may agree on the purpose of the project, various project members may have different concepts on how that purpose is to be achieved or where the priority and emphasis should be. Due to the myriad of changes that occur over time, on-going projects are even more susceptible to this kind of misunderstanding than new projects.

Also, at this point there should be agreement on who the beneficiaries of the project are - just who are we doing this for and why and what changes do we want to see in, or benefits accrue to, the beneficiary population? This element is too often overlooked.

3. Comprehensive set of indicators: The indicators form the backbone of the monitoring system. Their selection should present a logical picture in miniature of the project's interventions and objectives. In choosing the indicators there will invariably be disagreement and much of it will center on: a) "outcome" versus "output"; b) direct project-influenced indicators versus indicators outside the direct control of the project; and c) indicators backed up by "hard" or "soft" data. Hardly ever is there a clear cut answer. A comprehensive monitoring report will be composed of various types of indicators, each chosen for different reasons but all contributing to the same end.

a. Both output and purpose level indicators are necessary. What is needed are indicators that can show process (or lack of it) and that answer managers key questions. Indicators that include terms like relevant, reliable, efficient, effective, self-sustaining are not measurable. One has to go to the next step and ask, "How am I going to know if it's reliable...?"

b. Some types of activities do not easily lend themselves to quantitative data. For projects that support policy reform and/or institutional development, agendas or indices should be formulated to track progress based on a set of qualitative benchmarks. Limp excuses for not tracking the "hard-to-define" must be avoided. Because progress in some areas is more difficult to define, is all the more reason that some standards or benchmarks should be set. One has to keep asking, "What changes do I want to see? What intermediate procedures/processes/stages should be occurring?"

c. Indicators that test the major assumptions (e.g., as defined in the logframe) or major uncertainties that arise should also be included. These assumptions are often basic to the success of a project or the rate at which implementation can proceed.

d. There will most likely be substantial discussion and disagreement concerning the merits of tracking indicators that may be beyond the ability of the project to directly control or affect. These more global or macro-type indicators reflect outcomes beyond USAID influence (either because AID is a small player in the game or because some indicators will be subject to the vagaries of local politics, market conditions, a year of poor rainfall, or the like). While caution must be taken in interpreting these types of indicators, they still play an important part of the overall project effort as they will reflect the "environment" in which the project operates. These macro indicators keep in mind the broader context in which the project operates in order to determine if there are exogenous factors that are preventing activities from being as effective as planned.

4. Targets: Targets should be set for all indicators where possible. All indicators should have end of project targets. If the PACD is four or more years away, an interim target should also be established. It is debatable whether or not these targets should ever be changed. One line of thinking is that they should stand as representing what project designers expected to achieve with the funding levels obligated and the strategy chosen.

The other line of thinking is that if they're no longer valid (for whatever reason), why keep them around. What is certain is that any changes should be done infrequently and prudently.

Annual targets can be set for any output indicators included in the system. If the schools are not being built, or the roads rehabilitated, or the contraceptives distributed according to plan, this in itself will reveal implementation issues and why the corresponding purpose level indicators are not moving. It may, however, prove useful to revise these annual targets occasionally. If a project gets off to a slow start or suffers a major setback in implementation, the annual targets previously set may no longer serve as realistic measures of expected performance.

Special note should be taken that the setting of some targets, especially at the purpose level, may at times be a "professional guesstimate". We may not know much more, especially at the outset of a project, than we want to see an indicator increasing, or increasing at steady or rising increments. Setting annual targets for purpose level indicators may be a waste of time or, worse, misleading.

5. Time-Series Data: Data included in the report must be collected in a systematized manner. The source and extent of the data collection effort must be well defined. When surveys or spot sampling techniques are used, the methodology must be clearly defined and consistent over time. Ideally projects will be able to define meaningful indicators for which data are reliable and inexpensively and easily accessed. However, that is often not the case. Where reliable data are not easily available, either data collection systems must be put in place (after consideration of the costs involved) or proxy indicators must be defined for which data can be reported.

The consistency of the data collection effort must be emphasized. Since one of the major objectives of this system is to show change over time, data for any given indicator(s) must be comparable.

6. Analysis of Trends: The importance of an accompanying analysis of the data cannot be overemphasized. Stand-alone data is prey to misinterpretation and misuse. Each indicator set must be accompanied by a clear and concise interpretation. The analyses should concentrate on an interpretation of the trend the indicator is taking (its direction and speed), point out any significant issues, expected changes in trend, and in general put the project activities in context with one another. The analysis should also highlight any underlying activities whose progress or lack of it have contributed to the indicator as reported, as well as what can be expected during the upcoming reporting period.

7. Definitions of Indicators: A section should be included in the PLM report itself which contains definitions of the indicators. The definition should include a statement as to the significance of the indicator, why it was chosen, and how it shows progress of project efforts. This section contains the definitions of any calculations used to derive the accompanying data and cites the source of the data.

## D. THE METHODOLOGY

The processes and procedures that make up the PLM at both the project and Mission level will answer the "who, what, how and when" questions. Who is responsible? What are they responsible for? How will the activity be completed? When does the activity take place? A sound methodology is needed to ensure reliability, effectiveness, and efficiency of the system over time -- all leading to the institutionalization of monitoring within the project/organization. Among other things, a sound methodology will set standards and guidelines, clarify objectives, expand use of the system, prevent ad hoc monitoring and reporting, and lessen the effect of transition and personnel changes. The exact methodology may vary with Missions and management styles. However, at minimum, the support office overseeing the monitoring system should at least:

- Ensure general agreement on indicators and their definitions by all project personnel, including government counterparts where advisable.
- Identify the parties responsible for maintaining the system and ensure there is consensus of this responsibility by project staff.
- Verify the reliability of the data used, including the methodology used to collect and calculate the data. This should include field visits to project offices and sites.
- Analyze the mechanism each project has in place for PLM, ensuring that this mechanism includes a systematized data collection and verification process. If no such mechanism exists, help develop one.
- Review all PLM reporting systems at least annually. These reviews should be conducted by the support office in charge and be attended by all relevant project staff. The objective of these reviews is to discuss any change in project focus or direction that may necessitate an adjustment in the indicators. Any issues concerning data collection, reliability and/or interpretation should also surface at these meetings.
- Incorporate the project monitoring system into the Mission's PIRs and AID/W reporting, e.g., PRISM.
- Build performance-based monitoring into all new designs; identify and strengthen areas in existing projects where data collection and monitoring is inadequate.
- Integrate the monitoring and evaluation efforts.

### III. MAXIMIZING RESULTS

#### A. ESTABLISHING OWNERSHIP

In order for the PLM system to be useful it is imperative that there is an acceptance of the system, its approach and methodology, by project staff. It is a much tested and confirmed premise that the further removed an entity is from assuming ownership or having a vested interest in the end product, the less useful and used the end product will be. In the case of PLM, the further the project staff is from taking ownership of their project's monitoring system, the less likely it is that the indicators will present a thorough and reliable look at project achievement at the purpose level.

The responsibility for the content of the PLM system - the indicators chosen, the data reported and the analyses presented - must ultimately lie with the Project Offices, and more precisely within each project's mandate. Even though the PLM reports are used by mission management, that does not mean they should not be useful to the project staff. If in fact the indicators and data are not useful at the project level, something is wrong.

#### B. ROLES AND RESPONSIBILITIES

Just as the design and implementation are team efforts, so too is the monitoring. There are many key players involved, each with their own role and perspective. These parties must be brought together to work in a cohesive partnership -- a partnership where there is trust and respect for other members, where ideas and dialogue are valued, and where finger-pointing and back-biting are roundly discouraged. Thus, it is essential that the roles and responsibilities for the monitoring system are clearly defined, sanctioned and valued.

For USAID/Pakistan all the elements of monitoring and evaluation are managed by the Office of Project Development and Monitoring. This responsibility includes facilitating and overseeing the development, maintenance and reporting -- all the elements of methodology referred to earlier. This oversight function is needed to ensure reliability, timeliness, conformity, and consistency. Furthermore, it should be the responsibility of this office to continually assess and advise senior management on improvements to, and expanded use of, the information systems. Other key roles and responsibilities include:

1. Senior Management): Senior management, most especially the Mission Director, must be a strong supporter of project monitoring. If not, the system will not be reviewed and used to make managerial decisions, and will be useless in a short time.
2. Project Offices: Actual ownership of a project's monitoring system rests with the project office itself, since they are the ones charged with day to day management and oversight. Data provided by the contractors should be submitted to the USAID Project Officer who has the ultimate responsibility to see that complete reports are

submitted on time. Either the project officer or the TA contractor should have the responsibility of writing the analyses. More often than not the analyses ends up being written by the person who has the best writing skills. Clearance on the final report should be made by the Project Officer and Office Chief.

3. **Technical Assistance Contractors:** If there is a TA team, the contractor should be given responsibility for the data collection. The contract team is the group most directly involved with the project activities and is usually closer to the data source. Depending on the project, this responsibility may lie with more than one person. It is up to the Chief of Party to ensure that the roles are defined, to coordinate the overall monitoring at the field level, and to ensure that the monitoring is institutionalized into the project's operations.
4. **Government Counterparts:** It is suggested that government counterparts be brought into the process only after the mission and contractor staff have gone through the first iteration and have "bought into the process". Even then the degree to which counterparts participate in the monitoring should be carefully considered and done on a case by case basis. On the one hand, counterparts should know that USAID is serious about accountability and sound management. Monitoring can also be an important "institution strengthening" tool. On the other hand, one may choose not to complicate an already complex or less than cooperative relationship.

### C. INSTITUTIONALIZATION OF THE SYSTEM

There are no hard and fast rules for effective use of project monitoring. Effective use evolves over time and will in part be determined by aspects as diverse as the project activities themselves, management style, and undetermined future requirements and events. What is needed, therefore, is a system that is flexible enough to allow for new directions and needs, and a management and project staff responsive enough to identify those directions and needs.

Of prime concern with any information system is the validity, integrity, and stability of the data that supports it. In order to ensure that the PLM system is both accurate and viable, the PLM process - the collecting, monitoring, calculating, storing, analyzing and reporting - must be systematized with each project. This system is the sum of the items listed above, well identified and defined, and formally incorporated into the projects' operations and management.

For institutionalization to take place, Mission management must ensure that all staff clearly understand their roles and are held accountable, and that their input to sound project management is recognized and rewarded. Where staff are lacking in the use of data collection, analysis and utilization, some training may be needed. Furthermore, both project funds and OE budgets must allow for the staff and other resources needed to develop and maintain the monitoring and evaluation systems. To the often asked question, "How much is all this going to cost?", I only have another question. How much is it good management worth?

## IV. LEARNING FROM THE EXPERIENCE

### A. CONSTRAINTS

1. Attitude: Initially a major constraint in the development of performance-based monitoring is the intractable, uncooperative and generally negative attitude on the part of some people. Whether it is because they don't like change, don't want more work, are afraid of its use, or are simply non-believers, this opposition can be time-consuming, counter-productive, and downright demoralizing. Over the past five years I have heard every reason/excuse/rationalization from many quarters. Among them:

**The Pipeline Plea:** "All AID is interested in is spending money"

**The Ostrich Objection:** "We'll get the same OYB next year no matter what we do"

**The I-Know-My-Rights Indictment:** "It's not my job/in my contract/part of my scope of work"

**The Get-Mikey-To-Do-It Gag:** "I don't have time"

**The Scholarly Stonewall:** "It's dangerous to measure social science"

**The VIP Volley:** "My project is much too big/too complex/too unique"

**The Pollyanna Ploy:** "My project is going great, I don't need to know more"

Fortunately there are adequate responses to these statements, but even more fortunately, these nay-sayers are in the minority. However, their attitude cannot be ignored, and must be dealt with diplomatically but firmly, lest it spread. Furthermore, it should not be overlooked that there may be some basis to their hesitation, they simply didn't word it "correctly". Do they in fact mean, "I am not/have not been rewarded for good management especially if it means admitting problems" or "I am punished for admitting to problems because it is equated with mismanagement"?

2. Data: - Data collection will present numerous obstacles. We would like the data to be reliable, meaningful, verifiable, continuous, and easy and inexpensive to collect. Unfortunately the real world is rarely that generous. What is easily available may be too limiting or unreliable. What is cost-effective may not be cheap, and visa versa. Effort will have to be extended, compromises made, and money spent. There is no universal formula to define the balance or mix.

With a vast majority of the on-going projects and indicators in the Pakistan portfolio, there was a regrettable lack of baseline data. Once a project is underway there's not much that can be done to rewrite history. However, the lack of baseline data should not preclude the use of indicators felt to be meaningful and relevant. Data collection must begin at that point. It is imperative that a preliminary set of indicators with corresponding baseline data be included in the design of all new projects.

Caution should be followed in choosing indicators that rely on "esoteric" data. An example of this is income data. We would all like to be able to show that a given

intervention had a positive effect on the income of a targeted group. However, will an individual really give us this information? Do they have the same definition of income as we do? Will this definition hold up over time? And will they really believe you when you say you're not from the country's equivalent of the IRS? Caution should also be used when choosing indicators and data that may have a double meaning. If we are tracking the number of incidents of malaria, diarrhea, etc. at a given clinic, does a rise in the number mean an actual increase in the condition or does it mean that the clinic is doing a better job at diagnosis and/or reporting?

3. Resources: When USAID/Pakistan first began its PLM system there were no specific resources assigned to monitoring at the project level. This allowed some personnel to use some of the excuses for not monitoring outlined above. The responsibility for monitoring must be written into job descriptions and scopes of work for FSNs and contractors, and should be included in the EERs for USDH. Furthermore, the financial resources needed for staff and data collection and reporting at both the Mission and project level must be identified.

4. Experience: Without question the biggest constraint to effective monitoring is the large number of people who have little or no experience with using performance-based information as a tool for analysis of issues, decision-making, and/or planning. They don't know how to use it/don't want to admit it/don't care/don't want to learn -- or any combination thereof. It is much easier to count beans and hope for the best. This is not to infer that USAID staff -- direct hires, FSNs, contractors -- are not knowledgeable, hard-working and dedicated. Quite the contrary. However, the reality is that they may not been asked to do this before, there is a certain degree of risk involved, there is a learning curve, and there is not immediate gratification. All of this can make for a hard sell.

## B. CONCLUSIONS AND RECOMMENDATIONS

There are two key points to keep in mind when considering the development of an monitoring system: 1) Data is not information; and, 2) You will probably get what you ask for.

Data is not information. It only becomes information when it collected, analyzed and reported in a useable manner. And its use up through the hierarchy will be constantly assessed by those down through the organization. The recommendations outlined below focus of the development of a comprehensive performance based project management information system.

1. **Agree on the major purpose(s) that project monitoring is to play.** There needs to be a common and all-inclusive definition of project monitoring. The definition must answer the questions of what is needed and what is useful, by whom, why, and when. In addition, there must be reasonable expectations of how far project monitoring can go and how fast one can get there. Senior management must "sign off" on both the concept and working definition of what performance based project monitoring will be for the Mission as a whole, thus setting guidelines and direction.

2. **Establish responsibility, ensure that it is well-defined and widely-known.** Install overall responsibility for all levels of monitoring in one office, and generally follow the guidelines, or some version thereof, outlined in the Roles and Responsibilities section.
3. **Develop the monitoring system with the full participation by project staff.** While the support office should act as a facilitator in the process, it is not in the position to unilaterally define the indicators. By the same token, no one individual from the project staff can define the monitoring process for the project as a whole. (See Lesson Learned #3). The best system will be one that is developed through dialogue involving various members of the project, including technical assistance contractors.
4. **Keep all elements of project monitoring within the same system.** What is needed at the project level will be more detailed than what is needed by Senior Management, which in turn will look at projects at a more detailed level than USAID/W. Each level may be a subset of the previous. This recommendation is most appropriately illustrated by AID/W's PRISM. Even though a specific reporting format is required, the indicators and the accompanying data are results of specific project activities, and should be (re)viewed as such. The link between information contained in the PRISM report and project monitoring reports needs to be transparent. This can be accomplished by integrating these indicators into the project's regular monitoring system. The updated data can then be pulled from the project reports and formatted for use by AID/W.
5. At the Mission level, **develop a standardized format** that will allow for the tracking of significant indicators to be reported over time. Multiple report formats containing some of the same data are confusing, time consuming and leave the door open for inconsistency. Using one standardized format for all levels of monitoring has the following advantages:
  - It will decrease the burden on both project and support staff for maintaining and updating the system;
  - Users will become more familiar with a standard document, and the more "user friendly" an information system is, the more utilized and useful it will become;
  - It will allow all elements of the project and their relationship to be viewed as a whole.
6. **Open up the Mission's Portfolio reviews to personnel from other technical offices.** Projects often have more in common than they think. An agriculture project and a health project may both be developing management information systems; project across sectors have similar institution building activities; and, many projects have training and WID components, work with NGOs and the private sector. For these cross cutting issues, the lessons learned by one project can be applicable to others. Not every one has to invent the wheel.
7. **Make the "issues" in Portfolio Reviews take on more than one meaning.** Certainly PIRs are the time to discuss issues (defined as problems) and agree on the appropriate actions. However, PIRs are an opportune time to discuss development issues.

USAID/Pakistan has divided the PIR agendas into two parts, the first part a project presentation/discussion of a timely, relevant, important project development activity. Project counterparts, TA team members, etc. are often invited to discuss a specific activity in more detail. It's a chance to learn more, ask questions and share ideas.

8. **Don't get too fancy or have undue expectations.** Good monitoring and reporting doesn't need fancy state of the art databases with all the latest bells and whistles. Start simple and let it evolve to where it is resource efficient and programmatically sufficient.

### C. LESSONS LEARNED

#### 1. **The support and participation of Mission senior management is crucial.**

In general the project staff, especially in the beginning, will measure the importance and relevance of the monitoring system at a level equal to their perception of the importance placed on the system by senior management. Over time the system will evolve into one that reflects Mission priorities. If a high priority is placed on accountability, you will have a system that measures results and has mechanisms for change. If a high priority is placed on looking good, you will have a system that looks good -- but probably doesn't "read" well.

#### 2. **Monitoring must be viewed and used as a management tool, not a weapon.**

The main objective of project monitoring is to be able to look at project performance objectively thus facilitating sound and timely decision making. Thus it can be a powerful and effective management tool. However, if it is used as a weapon to "punish" non-performers, the system will begin to deteriorate, as project staff seek ways to "look good". If an indicator is not on target, the response should be "let's try to figure out why and what can(not)/should(not) be done" and not "off with their heads." (This lesson is equally applicable to the use of performance measurement by USAID/W.)

#### 3. **The system must be developed and maintained through a team effort that starts early in the development process.**

A team approach to monitoring is needed because it is a team and not one individual that implements and manages projects. The Pakistan experience proved that the "best" monitoring systems were developed through brainstorming and dialogue that included USAID project support and technical staff, as well as TA teams. Indicators that were developed in the "closet mode" (either by a single consultant or member of the project staff off alone with only his/her perception of the project for company), were generally of poor quality and had to be revised. Furthermore, this approach usually alienated other members of the project team, and alienation is not a productive ingredient.

**4. Project monitoring must be viewed as a process, not a report.**

Any report that is produced by the project monitoring system is only an end product of an active and iterative process -- a process that needs to be flexible enough to support and reflect changing project dynamics and yet be institutionalized enough to ensure consistency and conformity over time. There are bound to be problems with indicator selection and data availability that will only become apparent over time. Further refinements and enhancements can be added to the system as it matures and/or when necessitated by a significant change in project elements. Furthermore, the process of project monitoring (data collection, reporting, and reviewing) will itself bring about new questions and ideas. And herein lies one of the biggest benefits of performance based monitoring -- it gets people to continually review why they are doing what they are doing and for whom.

**5. If you can't measure it, ask yourself why you're doing it.**

It is naive to assume that more is better, or that development strategies are universally replicable or transferable. Therefore, if the expected result of any given activity is beyond the capacity of the project to measure, it's time for reassessment -- perhaps time to narrow the focus to what can be measured, and thus effectively managed.

**6. There are many players, but no enemies, in this process.**

Project offices, support offices. USAID, host government. US direct hires, FSNs, PSCs, institutional contractors. Mission, USAID/W. All of these entities are key players in the development process, and all have an important role to play. What is needed is a partnership; all too often, however, what we get is combat. A good understanding of both roles and rules is needed, as is more consensus management and less saber rattling.

**10. Diplomacy and a sense of humor are practical partners.**

Last, but definitely not least, developing a monitoring information system requires good people skills. One has to know when to push, when to back off, when to laugh, and when to go home and chill out.