

# FINAL REPORT

## Program Performance Information Systems -- Lessons Learned from Round II of the Process

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## **PROGRAM PERFORMANCE INFORMATION SYSTEMS -- LESSONS LEARNED FROM ROUND II OF THE PROCESS**

### **Introduction**

A.I.D. has been involved actively for approximately three years in a variety of efforts to improve its program planning and information systems. The Africa Bureau, the Bureau for Latin America and the Caribbean, and the erstwhile ANE Bureau have each undertaken separate but related initiatives in this regard, including attempts to articulate Bureau-wide objectives and provision of technical assistance to improve Missions' strategic planning and information systems. Approximately 30 Missions to date have received some form of on-site technical assistance of this type over this three-year period. CDIE has exercised something of a leadership role in the this process having designated nine of these Missions as "pilots" and made a commitment to provide those Missions with the technical assistance necessary to plan and implement effective program performance information systems (PPISs).

Management Systems International (MSI) has been involved from the outset of the PPIS initiative in assisting CDIE and the Regional Bureaus to design the necessary systems and guidelines and in providing technical assistance to the Missions evidencing an interest in receiving such assistance. In the case of the CDIE pilots, this technical assistance has been provided in conjunction with CDIE personnel and, more recently, has also incorporated specialists from PPC/WID as part of the technical assistance teams provided to Missions.

The first round of CDIE pilots included six Missions--Kenya, Ghana, Tunisia, Bolivia, RDO/C, and Honduras. The results of that experience and related experience in Missions financed by sources other than CDIE were summarized in a report submitted to CDIE in April of 1990. A second round of CDIE-funded technical assistance was conducted in late 1990 and early 1991 and included return visits to Bolivia and Kenya and initial TDYs to Nicaragua, Guatemala, and Ecuador. Individual reports were prepared on each of these 11 TDYs.

As part of the current round of technical assistance, a two-day workshop was held for representatives from CDIE and all of the Regional Bureaus to provide input to CDIE regarding the feasibility and design of a centrally-administered program performance monitoring system for the Agency. Various working papers, a memorandum to CDIE, and a summary report were prepared by MSI in conjunction with that workshop.

This report is intended to supplement rather than duplicate the information contained in the documents noted above. More specifically, this document is intended to itemize several lessons learned from the current round of CDIE-funded technical assistance and not mentioned in the documents previously written on the subject.

## Lessons Learned

1. Model for the Intervention: Phase I of the intervention should typically be two to three weeks in duration preceded by a one-day team planning process in Washington and followed by two-three person-days of report finalization after the team's return from the field. Appropriate preparation by the Mission includes gathering and forwarding relevant program and project documents, ensuring that most or all of the professional staff of the Mission will be in-country and available for the exercise, preparing for a Mission retreat (if appropriate), and encouraging Mission personnel to begin thinking in terms of the larger objectives to which their activities contribute.

It may be useful for Mission staff to receive and review the MSI Phase I Synthesis Report, a PPIS report from another Mission, relevant Bureau objectives and the Mission's own Action Plan prior to the arrival of the TDY team. It is usually counter-productive, however, for Mission staff to be asked to prepare draft objective trees, program logframes, or proposed strategic objectives prior to the arrival of the TDY team.

The TDY team for Phase I of the PPIS intervention should include from two to five members, depending on the size and complexity of the Mission's portfolio and the importance placed on devoting a specific individual to address gender considerations in the portfolio. Smaller and simpler portfolios should normally result in reduction in the size of the TDY team rather than reduction of its time in country inasmuch as several of the tasks involved require several iterations in order to achieve clarity, participation and consensus.

Week One of the TDY should concentrate on establishing and reaching interim agreement with Mission management and the relevant technical offices on a tentative set of strategic objectives, targets of opportunity and cross-cutting issues for the Mission; and identifying the outlines of the program strategies associated with each of the tentatively selected strategic objectives. The relationship of these tentative objectives to stated Bureau and Agency objectives should also be clarified during this first week. This week normally involves extensive consultations with Mission management and with the Program Office; review of a substantial number of documents; one meeting of approximately one and a half hours with senior staff and/or the Mission at large; and at least two extended discussions with small groups concerned with each tentative program area.

Week Two of the typical Phase I TDY has five principal objects -- (1) strengthening the level of Mission-wide commitment to the overall array of strategic objectives identified during the first week of the TDY; (2) refining and writing up proposed program strategies, including the major program outputs associated with each such objective; (3) establishing suggested indicators for the proposed strategic objectives, program outputs, and cross-cutting issues; (4) identifying the evaluative studies most likely to be of use for the Mission for managing or assessing performance at the

program level; and (5) exploring the management implications of the proposed objectives, strategies and monitoring procedures. The process employed during this week includes a great deal of informal consultation with Mission management, heads of technical offices, and selected other professionals in the Mission. One Mission-wide activity should usually be included as part of this week and often takes the form of a retreat of one and one-half to two days devoted to strategic planning and program performance assessment.

Week Three of the exercise is concerned principally with the refinement of indicators and the initial specification of any necessary changes to the Mission's information systems and procedures. When time permits, attention is also given during this period to collecting baseline information for selected indicators and holding discussions with Mission, contractor and host government officials likely to be charged with ongoing collection of such information. A second optional activity during this week is the development of draft monitoring and evaluation plans for selected project or non-project activities.

A report for the Mission summarizing the results of the TDY is normally prepared in draft in the field and finalized in Washington in the week following the TDY.

In virtually all cases undertaken to date, the Phase I process described in the preceding paragraphs has been sufficient to initiate, but not sufficient to complete, the installation of program management and performance monitoring systems at the Mission level. As a result, it is now widely accepted that the intervention requires, at minimum, a Phase II TDY focused on fine-tuning strategic objectives and indicators, operationalizing new information systems, and initiating other relevant changes in management procedures (such as a new Mission Order on monitoring and evaluation or an impact-oriented semi-annual portfolio review process). To date, Phase II interventions have been carried out in only two of the nine Missions designated as CDIE pilots.

2. TDY Team Composition: As discussed above, the size of the optimum Phase I team differs significantly based on the size and complexity of the Mission's portfolio, on the extent of preparatory work done by Mission personnel and on the interest the Mission and Bureau have in incorporating a gender specialist as an additional member of the team.

While one-person teams have been fielded on certain occasions, there is a widely held view among team members that two individuals should normally be considered the minimum size for a Phase I TDY team. Teams should include at least one individual experienced in the process of strategic planning and knowledgeable about the issues most likely to be of interest to A.I.D. Mission management. Typically, this individual is also competent to deal with the management and organizational implications of portfolio consolidation and moving from a project to a program perspective.

It is helpful, but not essential, for someone on the team to be knowledgeable about current Agency and Bureau initiatives with implications for the exercise. In the best case, this individual is a direct hire professional with a specific brief to communicate Washington's issues as part of what is otherwise a predominantly bottom-up process.

The individual taking responsibility for the strategic planning aspects of the exercise should normally serve as team leader.

At least one member of the team should have specialized expertise in indicator selection and performance monitoring. In the case of larger and more complex portfolios, this function is usefully divided among several individuals with specific subject matter expertise in the various program areas of interest to the Mission. This individual or individuals also take principal responsibility for stimulating discussion and writing up findings with regard to the cross-cutting issues of greatest relevance to the Mission. It is essential that the individual or individuals performing the function of indicator or information systems specialists have strong process as well as content skills since they will bear significant responsibility for helping small groups within the Mission to clarify their strategies for achieving specific program objectives.

Including a gender specialist on the Phase I TDY team is an excellent opportunity to integrate gender considerations into the Mission's basic program level planning. In the absence of such an individual, it is important that one team member assume principal responsibility for this function. When teams do include a gender specialist, it is highly desirable that this individual be incorporated as a full team member and assigned responsibility, in addition to the gender issue, for specific program areas and cross-cutting issues based on his or her professional expertise.

The optimum size and composition for Phase II teams is entirely a product of the recipient Mission's technical needs and level of preparation in particular technical areas. The individuals fielded for such activities should be able to assist the Mission in operationalizing key elements of their data collection and analysis systems. The skills involved in performing this task often include knowledge of data collection and analysis techniques of particular types and/or expertise in automating systems for monitoring program performance. Once again, however, it is essential that consultants fielded on Phase II TDYs have strong process skills in addition to whatever technical expertise they might possess.

3. Timing of the Intervention: The design of a given TDY, particularly a Phase I TDY, is significantly affected by the timing of the activity in relationship to the Mission's stage in its current strategic and annual planning cycles. Such timing considerations affect not only the urgency with which Mission staff approach the exercise, but also the nature and extent of their degrees of freedom in modifying program activities.

The most pressured, but arguably the most productive, times to conduct the TDY are shortly before the Mission's preparation of its annual Action Plan or late in the

process of preparing a new CDSS. Placement of the exercise early in a CDSS planning process has certain virtues but often suffers from the inability to make conclusive decisions about strategic objectives prior to conducting a range of analytical studies; and, if conducted after the completion of a CDSS and Action Plan, participants frequently feel compelled to conform their objectives to their existing statement of objectives and portfolio of activities.

Even in mid-cycle, experience suggests that most Missions have substantially greater degrees of freedom than they initially believe themselves to have. It is thus an important element of any Phase I TDY to establish with Mission management, early in the exercise, the exact nature of the Mission's latitude regarding its future programming.

4. Portfolio Consolidation: There is a widespread tendency among Mission personnel to resist portfolio consolidation. This reluctance would appear to reflect three separate but reinforcing factors. First, development professionals are often uncomfortable about "sins of omission" that exclude from their program a response to any development problem of obvious and pressing need. The realization that this view typically condemns their programs to give consistently inadequate attention to each problem they address, while intellectually persuasive, seems insufficient to motivate a reduction in portfolio breadth.

A second source of resistance to portfolio consolidation apparently stems from the potential problems involved in walking away from past commitments. Sensitivities include possible jeopardizing of ongoing activities, undermining of relationships with key institutions, and demoralization of the relevant technical officers within the USAID Mission. These concerns are particularly pronounced when such changes result from a need to consolidate rather than from any deficiency in the performance of the activities to be discontinued.

Finally, resistance to portfolio consolidation frequently results from the structural rigidities inherent in A.I.D.'s current systems of functional accounts, de-ob/re-ob authority, and staff rotation.

Counterbalancing these factors, at least in part, are the recognition of declining personnel levels and the internal logic of the program level strategic planning exercise. Moreover, experience to date suggests that several other factors have a direct bearing on the willingness of Mission personnel to entertain serious consolidation of their portfolios. First and foremost, it is necessary to adjust expectations regarding consolidation to reflect the genuine degrees of freedom a Mission has (as discussed in point 3 above). To do otherwise simply encourages disingenuity and undermines the seriousness of the exercise.

Secondly, it is critical that Mission management make it clear that the exercise is not a referendum on the past performance of specific programs or activities but rather on the most appropriate priorities for the future.

Thirdly, it is important that any movement away from past activities be undertaken in such a way as to maximize the likelihood of benefits from successful efforts being institutionalized and/or otherwise sustained. In practice, this requires planning for USAID's departure from a program area with the same care with which one might prepare for entry into a new area. In certain cases this concern may result in regarding selected activities as "targets of opportunity" within a Mission's portfolio for some period of time after they cease to be central to the Mission's strategic objectives.

Finally, there appears to be a strong temptation to marginalize individuals and programs once the decision has been made to concentrate on other priorities. Where it can be done genuinely, it is likely to be helpful for Mission morale if positive recognition and commendation can be given to some of those individuals in the Mission who are prominently associated with areas of activity that were central to the Mission's past, but not its future priorities.

5. Level and Appropriateness of Strategic Objectives: While we continue to be struck by the commonalities among Missions in the choice of strategic objectives, a closer examination indicates that the plausibility of the linkage between A.I.D.'s efforts and those strategic objectives differs significantly from Mission to Mission. More specifically, Missions with relatively large and/or policy oriented programs operating in relatively small countries or dominant in particular sectors are qualitatively different from Missions whose programmatic impact on a given objective is more diffuse or marginal. If freed from the responsibility to demonstrate national consequence and/or "people level impact", many of the latter type of programs would more appropriately designate their objectives at lower levels than the levels appropriate to Missions with more substantial or policy-oriented programs. The nature of the exercise to date has had the inadvertent effect of encouraging such Missions to accept a lower level of attribution rather than a lower level of objective.

It may be the case that there is a threshold of USAID resources below which it is no longer reasonable to expect Missions to have strategic objectives at all. Any such threshold would presumably be relative to the size of the country involved and the feasibility of having any appreciable impact in the short to medium term on national problems, given the level of resources available. Several alternative approaches are conceivable in cases where strategic objectives are no longer a reasonable basis for planning and accountability.

6. Bureau and Agency Objectives: This issue has been discussed in some detail in previous documents, including CDIE's draft plan for the Administrator and MSI's report on the two-day workshop on program performance information it helped to organize for CDIE in February of this year. In marked contrast to the situation a year ago, most Bureaus have now formulated some array of Bureau objectives and some system for incorporating these objectives into their dialogue with Missions; and the Administrator has issued his 4+1 initiatives. Missions have struggled in a variety of ways to incorporate these objectives into what is otherwise a predominantly bottom-up

planning process. More work and guidelines are, however, needed on this matter and on the related question of promoting comparability in terminology and indicators.

7. Phase I Procedural Innovations: Several procedural innovations in the intervention process were introduced during this round of field activities. Noteworthy among the innovations tried on one or more cases are the following: introduction of a procedure for ascertaining the degrees of freedom a Mission has to undertake program changes; incorporation of assumptions into objective trees and program strategies; use of internal/external scan procedures as part of the strategic planning process; incorporation of Mission-wide retreats as part of the Phase I intervention; development of a more systematic process for analyzing the adequacy of program outputs to affect proposed strategic objectives; and provision of MIS summary sheets indicating the data collection and analysis implications of the exercise for specific Mission offices and officers. These innovations are among several that should be considered for incorporation as standard elements of the Phase I intervention process.

8. Phase II Interventions: The first bona fide Phase II intervention took place in Kenya (also the site of the first Phase I intervention) during this round of activity. The product and process associated with the latest Kenya fieldwork were very instructive and provide useful starting points for subsequent Phase II efforts in other countries. Readers should refer to the case report from that TDY for a more detailed description of the activities and outcomes of this Phase II intervention.