CDIE/PME and HR/LS
Summer Seminar Workshop

Managing for Results

Strategic Planning, Performance Measurement, Program Evaluation, & Using Performance Information

July 16-17, 1998

Jointly sponsored by the Division of Performance Measurement and Evaluation in USAID's Center for Development Information and Evaluation and the Learning Support Division in USAID's Management Bureau, Office of Human Resources Development The workshop was prepared and presented by Management Systems International of Washington, D C

Agenda

THURSDAY, JULY 16, 1998

8 45	Workshop Introduction	John Haecker, CDIE/PME Cathy Smith, HR/LS
	Introductions, Agenda, Workshop Materials, and Logistics	Larry Beyna, MSI
9 15	**STRATEGIC PLANNING**--the "RF Game," overview of USAID's approach to strategic planning and developing Results Frameworks	Larry Beyna
10 45	BREAK	
11 00	Critiquing and revising a Results Framework--small group exercise	Larry Beyna
12 00	LUNCH	
1 00	From Planning to Achieving--from Results Frameworks to Results Packages	Larry Beyna
1 55	Assessment of the Strategic Planning module	
2 00	**PERFORMANCE MEASUREMENT**--warm-up exercise, overview of USAID's approach, and the development of performance indicators and performance measurement / monitoring plans	Jim Fremming, MSI Larry Beyna
3 00	BREAK	
3 15	Performance Measurement (continued)	Jim Fremming
4 30	Reviewing a performance measurement plan--small group exercise	Larry Beyna
5 00	Adjourn for the day	

FRIDAY, JULY 17, 1998

9 00	Small group exercise continued	
10 10	Assessment of the Performance Measurement Module	
10 15	BREAK	
10 30	**PROGRAM EVALUATION**-- overview of USAID's approach	Joe Lieberson, CDIE Annette Binnendijk, CDIE
11 00	Program evaluation as a tool for managing for results, deciding when to conduct a program evaluation and the questions to be researched	Molly Hageboeck, MSI
11 45	From program monitoring data to evaluation-- small group exercise	Larry Beyna
12 30	LUNCH	
1 30	Data collection methods (including rapid appraisal methods), participatory evaluation, and developing an evaluation plan and scope of work	Molly Hageboeck
2 15	Preparing an evaluation scope of work-- small group exercise	Larry Beyna
2 55	Assessment of the module	
3 00	BREAK	
3 15	**USE OF PERFORMANCE INFORMATION**-- overview of four key uses of information and ways to encourage more use	Larry Beyna
4 00	Developing an information use plan-- small group exercise	Larry Beyna
4 55	Assessment of the Performance Information Use module	
5 00	ADJOURN	

STRATEGIC PLAN

- Customer Service Plan
- Strategic Objectives
- Results Framework
- Management Contract
- Performance Monitoring Plan

STRATEGIC OBJECTIVE TEAM

- Core Team (Mission Staff)
- Expanded S O Team (customers, partners etal)
- Identify activities necessary to achieve results
- Determine who is responsible for what in implementation

RESULTS PACKAGES

- Identification of results from Results Framework and associated activities
- Managed by S O Teamor another delegated team
- Define activities in Results Framework

  Final decision re SOWs, grants, etc made by Core S O Team
- What types of activities should be done?

  Decision made by expanded S O Team

MONITORING

- Track performance
- Involve customers and partners
- May result in making changes to individual activities

PERFORMANCE EVALUATION

- When necessary -- not predetermined
- In-depth look at particular issues
- Assess development hypothesis and causal relationships

RESULTS REVIEW AND RESOURCE REQUEST (R4)

- Process within the operating unit to annually review performance and determine future resource needs
- Report to AID/W to demonstrate results and formally request future resources
- Can also be used in AID/W for bureau budget submission input, congressional presentation and various results reporting requirements

ANNUAL CYCLE / CORE VALUES	PLANNING • Customer Service Plan • Multi-year Strategy • Annual Work Planning • Activities Plans • Results Framework • Results Packages	ACHIEVING • Implementation • Acquisitions - A&A • Financial Management AWACS • Activity Workplans	MONITORING AND EVALUATION • Performance Monitoring Plan
Customer Focus	♦ Needs Assessment and Perceptions ♦ Collaborative Planning ♦ Lessons of Experience	♦ Quality and Quantity of Services Provided -Survey Customer Satisfaction ♦ Feedback for Mid-course Adjustment	♦ Set Performance Standards & Measures ♦ Joint Assessment of Results ♦ Feedback to Revise Plans ♦ Results Review Feed-in
Managing for Results	♦ Strategic Objective - Objective Tree - SO Teams ♦ Resource Requirements - Funding - Staff	♦ Results Package Team	♦ Results Review and Resource Request R4
Teamwork With: Customers Partners Stakeholders	♦ SO Teams - Interdependence	♦ Results Package Teams	♦ Results Package Teams
Empowerment and Accountability	Eliminate Layers → Delegate Authorities → Trusting People → Self Direction & Management → Interdependence →	Interpersonal Skills → Leadership Skills → Diversity Common Goals Decision Making at Lowest Possible Level	Mid-course Adjustment Based on M & E Delegated Authority for Budget Reallocation

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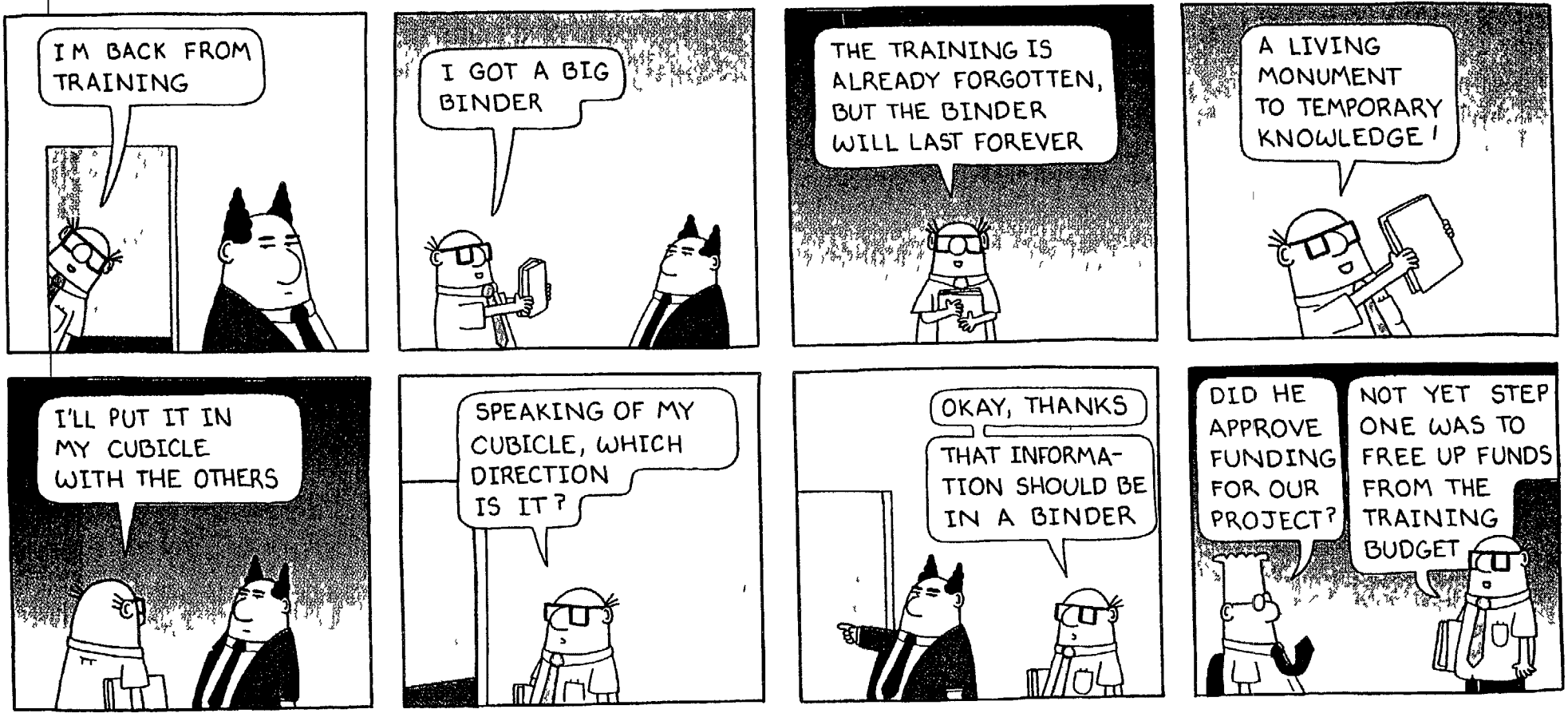
DILBERT

By Scott Adams



Introduction: Strategic Planning

The following section presents a brief walk-through of USAID's reengineered approach to strategic planning Designed as both a reference tool and a companion piece to today's workshop, this section and the others in your notebook contain reproduced copies of the overheads you will see during the presentation and additional information on the relevant topic where appropriate Because most of the points made in these overhead reproductions are distilled from the Agency's Automated Directives System (Section 201), they serve as an outline of the key concepts in USAID's reengineered operations systems

Beginning with the Agency's approach to strategic planning and ending with a strategic-planning checklist, this chapter also includes information on the following

- focusing on the core values of "results"
- what is different in strategic planning as a result of reengineering
- contents of a strategic plan
- setting strategic objectives
- developing a results framework and
- moving from the results framework to results package planning

You will note that most of the emphasis is on the results framework This is because experience has shown that developing these frameworks is perhaps the trickiest part of the entire strategic- planning process To help you facilitate this part of the process with your own planning team, this section of the notebook also includes several "good" and "poor" examples with respect to the criteria used when putting together a useful and sound results framework Among these criteria are the following

- characteristics of results statements
- causal relationships
- direct & plausible relationships and
- critical assumptions

You and many of your colleagues have attended other courses and workshops like this one, in which practice sessions have allowed you to try out a new skill or tool And because nothing builds skill and confidence better than practice, we suggest you use this notebook not only as a guide during your team's next strategic-planning session, but also as a practice tool for sharpening those skills in an informal critique of your own existing strategy or the strategies of other operating units

Feedback on the Strategic Planning Module, July 17

Please complete this questionnaire and return it to one of the workshop team members before you leave today

A Which aspects of the workshop were most helpful to you? Please be specific and explain, if necessary

_____

_____

_____

B Which aspects of the workshop could be done differently in the future? Please explain

_____

_____

_____

C Do you think the materials you were given will be useful in your work?

_____

_____

_____

D What types of additional guidance or materials would be helpful to you?

_____

_____

E Overall, how did this workshop meet your expectations (place mark on scale)

|_____|_____|_____|_____|

not useful somewhat useful very useful

F Are there any issues/concerns that you want us to take back to the training, performance measurement and evaluation, or other offices in AID/W?

_____

_____

G Please write any other comments you would like to offer on the back of this sheet

Thank you!

Please feel free to send other comments or questions to Cathy Smith (M/HR/LS), Harriett Destler (PPC/CDIE/PME) or Larry Beyna (MSI) csmith@USAID gov, Harriett Destler @CDIE PME@AIDW or hdestler@usaid gov, lbeyna@msi-mfr com

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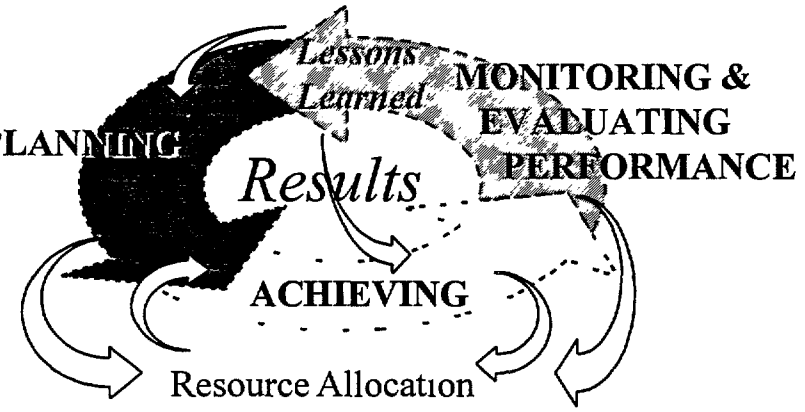
Key Functions of the System



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Managing for Results

- Know the customers and their needs
- Know the results we want to achieve
- Understand the process for achieving results
- Use information to tell us how our strategy is working
- Have and use authority to take corrective action

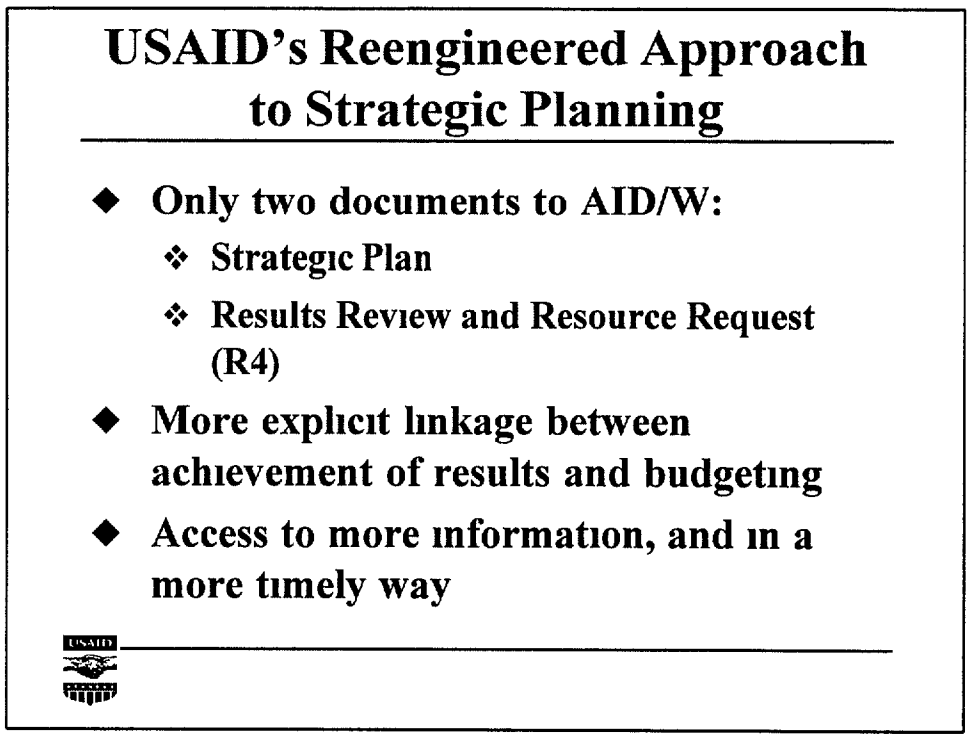
USAID's Reengineered Approach to Strategic Planning

- **Programs and resources strategically focused on Results**
- **Attention to, and involvement of, USAID's customers at every level**
- **More direct integration of partners' contributions in USAID planning**
- **Joint field-AID/W planning and programming**

The reengineered planning system is built on the best practices from Agency experience, particularly the longer experience with planning in the AFR and LAC Bureaus So, in a very real sense, it isn't all that "new " What is new is a commitment at Agency level to make the best practices of some parts of the organization over time the standard for practice throughout the Agency

USAID has always striven to achieve significant development results, and there are many examples of spectacular success over the years In some cases, however, USAID programs had a tendency to focus too exclusively on program "inputs" (i e , on the efficient and timely provision of human, physical and financial resources) and the production of "outputs" (such as numbers of people trained or kilometers of roads constructed) The reengineered planning process reinforces the emphasis on achieving results and strategically directing inputs and outputs toward those results This is not to say that strategic objective teams and operating units should ignore inputs and outputs It does say that the overriding focus of all USAID activity should be on achieving development impacts

USAID has always paid attention to the needs of the people it serves, i e , the people who were referred to in pre-reengineering parlance as the "beneficiaries " Under reengineering, the focus is less on people receiving



benefits (which has a connotation of passive acceptance) and more on people being consulted and treated as "customers " As in the commercial sense of the term, USAID's customers–e g , farmers, micro-entrepreneurs, villagers in natural resource areas, and parents wanting to limit the size of their families)–are expected to have a great deal to say about what they need, how their needs can best and most successfully be met, and whether or not USAID's programs are working effectively

The term "customer" also implies an active choice with respect to the services and products USAID provides As in the commercial sense of the term "customer," it is the successful development program that can win its customers' support and participation

Under reengineering, USAID is also placing increased attention on the role of its partners in strategic planning and other program operations The Agency has

What does this mean for USAID's partners?

Partners may be invited into the planning process as full members of Strategic Objective Teams Besides bringing technical and sectoral expertise to the process, partners may serve to represent the interests of USAID's ultimate customers

always promoted donor coordination, but now strategic objective teams and operating units are expected to consider carefully the contributions of other donors, the host country government, NGOs, and other partners when developing their strategies and, where appropriate, to show how their partners' results are expected to contribute to the achievement of their strategic objectives

Joint planning and programming means a greater emphasis on collaboration between AID/W and the field in designing and implementing development programs Strategic objective teams are strongly encouraged to use "virtual teaming," in which key technical and administrative staff in AID/W and in the regional offices are included as integral members of the teams, at the early planning stage and throughout the life of their programs Given the constraints of physical separation, this is not easy to do, but, when done well, it should lead to more effective achievement of results and fewer surprises when strategic plans come into AID/W from the field

Field operating units are required to send to AID/W only two documents, the once-in-several years Strategic Plan and the annual Results Review and Resource Request For example, missions do not have to send activity-specific documents (such as the old project paper) to AID/W for review

With the new approach to budgeting (by strategic objective, that is), there will be an increased emphasis on past achievement of results and the likelihood of future achievement of results when resources are being allocated

Once the New Management Systems are operational, everyone involved in the planning process will have easier and more timely access to information–information regarding the strategies and results of other operating units that might be relevant to the strategy we are considering, the resources available for the kinds of activities we might want to pursue, and so on

Excerpt from the Agency Directives

201 5 7 PARTICIPATION

a) STRATEGIC PLANNING

All strategic plans shall be developed, updated, and monitored in active consultation with relevant development customers, partners, and stakeholders This consultation is subject to Agency guidance on conflict of interest (See Guidance on Consultation and Avoidance of Unfair Competitive Advantage)

b) THE CUSTOMER SERVICE PLAN

Each operating unit (including operating units in the G bureau, BHR, and regional bureaus) shall develop a customer service plan which informs its planning and operations The customer service plan shall

- Present the operating unit's vision for including customers and partners to achieve development objectives
- Explain how customer feedback will be incorporated to determine customer needs and perceptions of the services provided and how this feedback will be regularly incorporated into the operating unit's processes
- Identify the unit's key customer service principles and standards to which the operating unit will commit

The customer service plan will act as a management tool for the individual operating unit and must be developed in the context of existing Agency parameters The customer service plan does not require USAID/W approval

201 5 8 JOINT PLANNING

The strategic plan is required to reflect joint planning principles, therefore, operating units are responsible for consulting with relevant and affected USAID/W offices and field missions throughout the strategic planning process as appropriate

Why Customer Focus?

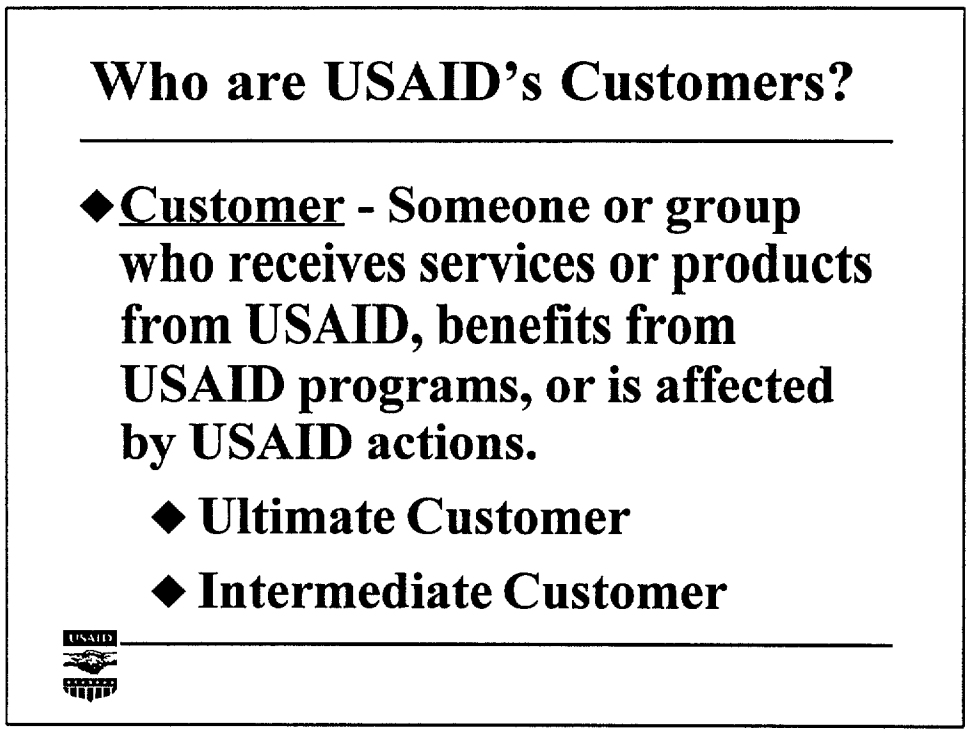
- Quality is defined by the customer
- Customer needs change over time
- Understanding customer needs requires continual communication
- Customer input leads to better, more sustainable results
- Customer satisfaction is essential to survival

Quality is defined by the customer For a product or service to satisfy customers, management must understand what customers need and develop the capability to meet those needs Sustainability of the use of a product or service is strengthened when the product or service meets the needs of the customer

Customer needs change with time Customer needs are moving targets, not static landmarks Often customers' needs and expectations increase as our ability to meet them increases In government, for example, taxpayers now compare government with the kinds of services they receive from the private sector - for example, easily resolving a discrepancy with my credit card company, getting a helpful response about my new computer in the first call The American public is increasingly expecting similar service and response from their government

Understanding customer needs requires continual communication In order to meet needs, we need to develop operational definitions so that products and services have the necessary features to meet needs

Customer satisfaction is essential to survival Without a customer, there is no need to exist



Customer - A customer is an individual or organization who receives services or products from USAID, benefits from USAID programs, or who otherwise is affected by USAID actions The following are definitions of specific customer groups

- Ultimate Customer - USAID's ultimate customer is defined as those who are end-users or beneficiaries of USAID programs

- Intermediate Customer - An intermediate customer is any person or organization, internal or external to USAID, who uses USAID services, products, resources to serve the needs of other intermediate or ultimate customers

Understanding Customers and Stakeholders

- **Stakeholders**
  - Not Our Customers
  - Give Us Resources and Direction
  - Want a "Return on their Investment" (i.e., Results)
- **Customers**
  - They Want a Quality Product or Service

Excerpts from the Agency Directives

202 5 3 Including the Views of Customers and Stakeholders

Operating units and their core teams, in seeking to include the views of customers or stakeholders in the deliberations of strategic objective teams, shall meet such requirement through one or more of the following means

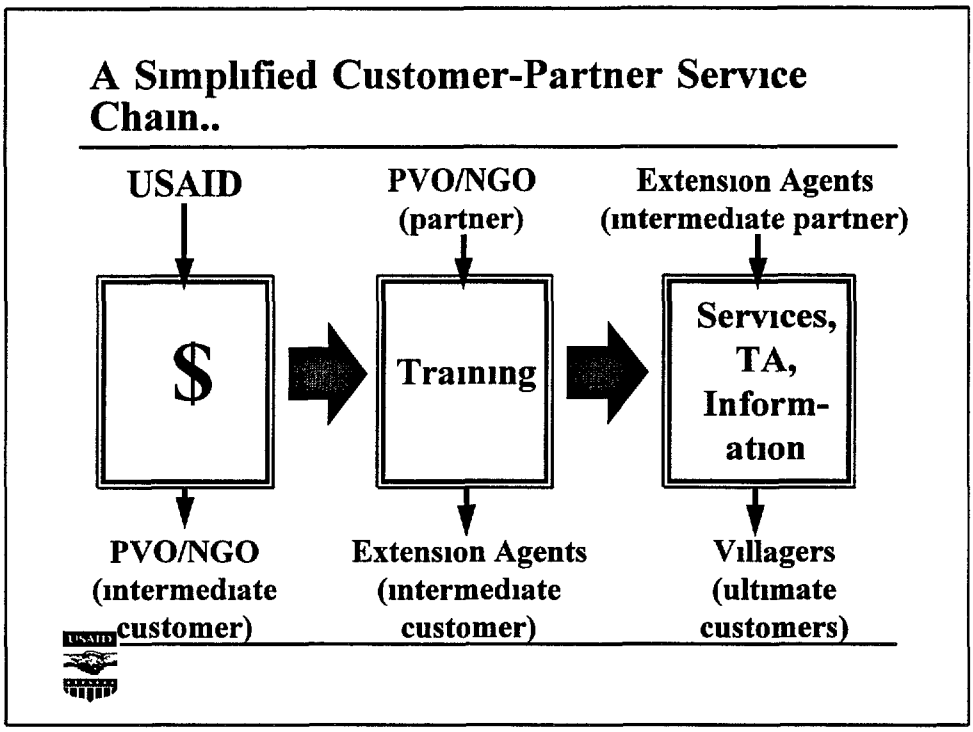
- direct representatives of customers sitting on the team, or

- representatives from associations, non-governmental organizations, informal groups or collections of individuals, who the strategic objective team deems competent to serve on the team, or

- members of the strategic objective core team or USAID development partners eliciting input through normally accepted means from customers or their representatives, including key informants, that provide sufficient information to inform the strategic objective team with respect to the needs, desires, and wants of the customer Normally accepted means shall include but not be limited to

What does this mean for USAID's partners?
Partners have a lot to bring to the table in terms of customer focus Partner organizations are often uniquely qualified to bridge the logistical, linguistic, and cultural gaps that often separate USAID from its ultimate customers Partners can play the role of 'customer representative' in the planning process and can ensure that customer needs are being effectively addressed by designing appropriate activities and monitoring customer feedback.

focus groups, town meetings, formal and informal consultations, systematic formalized customer surveys or research, rapid appraisal methods that involve customers, or other means that the Agency may from time to time include as acceptable means of acquiring customer input



The above diagram portrays one particular chain of services from the donor (USAID) to the ultimate customer (villagers) Note that all of the actors listed above are also stakeholders as are other actors not listed (host country government ministries, the US Congress, and possibly others)

USAID's first intermediate customer here is the PVO/NGO, which is given funds to engage in the delivery of services for the benefit of the ultimate customers - the villagers As USAID's partner, the PVO/NGO engages with its intermediate customer - the extension agents - to provide actual services to the ultimate customer The extension agents can be considered "intermediate" customers of USAID as well Their ability to provide appropriate services to the ultimate customer is dependent, in part, by the PVO/NGO's capacity to meet their needs The extension agents, in so much as they bring other resources (human, material) to bear in meeting the villagers' needs, are also USAID's "intermediate partners "

The respective roles of these players (PVO/NGO, Extension Agents) would be different if the particular services, products or ultimate customers were changed

THE STRATEGIC PLAN

The framework which an operating unit uses to articulate the organization's priorities, to manage for desired results, and to tie the organization's results to the customer

The strategic plan replaces (actually, builds upon) the bureau- specific planning documents used heretofore The strategic plan is comprehensive -- it includes strategic objectives (SOs) and a description of how the operating unit plans to use resources to accomplish them

Excerpts from the Agency Directives

201 5 5 APPLICABILITY OF STRATEGIC PLANNING REQUIRE-MENTS FOR OPERATING UNITS

Every operating unit which manages program resources shall have an approved strategic plan in place to govern the use of the program resources under its authority as well as the related staff and operating expenses required to manage those funds, except as provided under exceptions and special cases (see 201 5 5d, Exceptions and Special Cases)

201 5 5a PLANNING FOR COUNTRY PROGRAMS MANAGED IN THE FIELD

Planning for country programs will encompass all USAID program resources proposed for allocation to the country, including those proposed in support of centrally-managed global programs, regional programs, food aid, housing guarantees, and research activities

Activities which take place within a country to support global objectives and do not contribute to the bilateral strategy must be listed in the field mission's strategic plan together with any management responsibilities which have been assigned to the field mission (see 201 5 10d, Listing of G Bureau Activities Supported by Bilateral Programs) For example, global research activities often fall into this category

201 5 5b PLANNING FOR REGIONAL AND GLOBAL PROGRAMS

Planning for regional and global programs shall capture those program funded activities which are regional or global in nature (i e objectives which cannot be achieved or measured on the basis of a single country)

201 5 5c PLANNING FOR CENTRALLY MANAGED BILATERAL PROGRAMS

In some cases, USAID/W offices have direct management responsibility for bilateral programs (e g programs which are directed at achieving country level impact) due to management efficiencies In such cases, the USAID/W office shall consult with PPC to determine the appropriate strategic planning requirements

201 5 5d EXCEPTIONS AND SPECIAL CASES

Exceptions and special cases related to the strategic plan shall include

1) Start-up Programs Start-up or new programs shall manage for results However, such programs will be exempted from any or all of the strategic planning requirements stated herein for the first year of operation

2) Close-Out Programs Programs which are planned for close-out shall manage for results However, the operating bureau will consult with M and PPC to determine appropriate strategic planning and/or impact reporting requirements

3) Emergency Programs in the Field The strategic planning document for an emergency program in the field may be brief, will address a planning period which is appropriate to the emergency program, and may follow an abbreviated review process as agreed to by the AA in consultation with PPC, BHR and M The strategic plan for an emergency program shall address both natural disasters as well as man made disasters as is appropriate The strategy will identify strategic objectives, estimated resource requirements, time period covered, and other key management, strategic, or political concerns

4) Small Country Programs Small country programs will be allowed to prepare abbreviated strategic plans which focus primarily on the results to be achieved in the sector(s) in which they are working or planning to work (see E201 5 10, Contents of Strategic Plans, Part II, c) The regional Bureau, in consultation with PPC and M, will provide such a country program with planning parameters and outline strategy requirements as appropriate Criteria for small country programs will be defined by PPC in consultation with the regional bureaus (See 201 5 11 and 201 5 12 for Review and Approval Policies)

5) Special Foreign Policy Programs Special foreign policy programs shall manage for results However, programs which are instituted in response to special foreign policy issues and concerns may be exempted from specific strategic planning policies and essential procedures, or may follow different procedures as required by legislation or dictated by the type of funds being used For example, programs conducted by the Bureau for Europe and the New Independent States (ENI) and those conducted using Economic Support Funds (ESF) may necessitate some different procedures as required by specific legislation or regulations In these and similar instances, while the intent and principles of the Agency directive on planning will be followed, specific policies and/or essential procedures may be revised or developed to incorporate the specific legislative and operating requirements of the programs Exemptions from Agency planning policies and procedures, and/or the development of alternative policies and procedures, for these programs must be approved by the cognizant bureau AA in consultation with the AA/PPC and the AA/M, and this approval must be documented in a formal action memorandum Programs which involve the programming of funds prior to the preparation of a strategic plan require a review of the respective program and a formal exemption, as noted above, from the requirements of the planning directive if a strategic plan is not prepared within a year of the program's initiation

The Country Strategic Plan

- Summary analysis of the development assistance environment and the rationale for program focus
- Proposed Strategic Plan includes
  - Linkages to Agency's Strategic Framework
  - Country goals & subgoal
  - Explanation of each SO
  - Resource requirements by SO

Excerpt from the Agency Directives

E210 5 10 Contents of Strategic Plans

Operating unit strategic plans shall include the information necessary to secure endorsement by Agency management on the proposed strategic objectives and targeted magnitude of impact, associated resource requirements, and, requested delegations of authority Operating units must ensure that any special legislative requirements, as applied to strategic planning, are included Operating units are not required to follow the outline below in its exact form, however; strategies shall include the following three sections and shall provide a clear and concise discussion of the below referenced issues in a form which is appropriate to their program

PART I Summary Analysis of Assistance Environment and Rationale for Focusing Assistance in Particular Areas

A US Foreign Policy Relationship of the program to US foreign policy interests

continued

B Overview Country strategies will provide an overview of the country condition to include a summary of overall macro-economic and socio-political trends, a discussion of development constraints and opportunities, how the strategy relates to host country or regional priorities, and the role of other donors Regional and Global strategies will provide a discussion of relevant transnational trends, how the strategy relates to regional or global priorities and the role of other donors

C Customers A brief discussion of how customers influenced the strategic plan both directly and indirectly using the customer service plan as a basis

D Transitional Issues Transition or phase out issues, for those country programs which are transitional in nature, the strategy will provide a discussion of key transitional issues which are appropriate to the country (whether it is a country nearing graduation or transitioning from relief to development) Regional and global programs may discuss transitional or phase out issues where relevant

PART II Proposed Strategic Plan (Country, Regional, or Global)

A A discussion of the linkage of the strategy to Agency goals and objectives

B A discussion of country goals and subgoals (where applicable)

C Each Strategic Objective or Strategic Support Objective must include the following

1 A statement of strategic objective

2 A problem analysis, to include an analysis of the specific problem to be addressed and an identification of affected customers

3 A discussion of critical assumptions and causal relationships which are represented in the Results Framework.

4 The commitment and capacity of other development partners in achieving the objective This may include a trend analysis which demonstrates why the current climate and support by other partners (including the host country government) or customers indicates that the objective can be achieved

5 Illustrative approaches

6 How sustainability will be achieved

7 How the achievement of the strategic objective will be judged including,

a Proposed performance indicators and targets for achievement of each strategic objective as well as monitoring interim progress (see Series 200, Chapter 203)

b Performance targets which convey an understanding of the anticipated magnitude of change visa vis USAID's investment and/or that of USAID's partners These performance targets will represent anticipated results over the entire strategy period to the extent possible (i e where past experience and technical knowledge indicate that targets which are projected to the end date of the strategy are useful and meaningful) There are some cases, most often in new areas, where select targets may be shorter than the planning period, and therefore will need to be updated via the R4 process Also, interim performance targets may be used as par of performance monitoring during the life of the objective

D If the operating unit has identified a special objective, the discussion must include the following for each special objective,

1 The time-frame for the Objective

2 Relationship to Agency goals and objectives and/or the country strategy

3 Expected Results

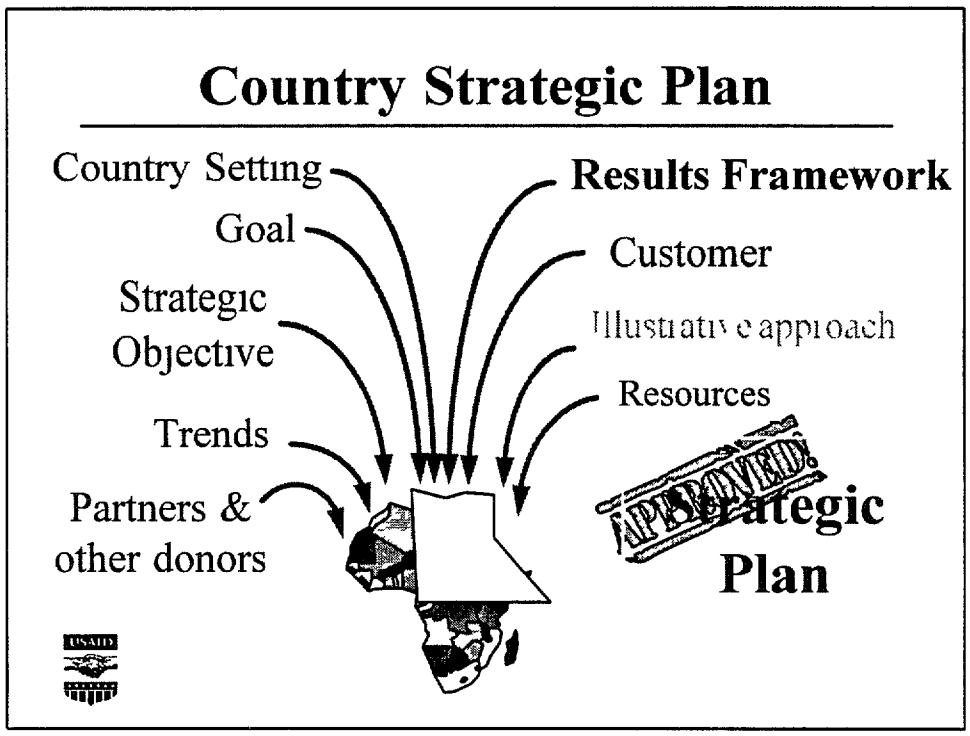
4 A proposal for monitoring achievement of any special objectives as is appropriate to the nature of the objective

E For Field Mission operating units, the strategy shall identify any activities which support global objectives and are outside of the field mission's bilateral strategy The field mission should also identify any management responsibilities for which it is held responsible

PART III Resource Requirements

A Estimated resource requirements over the planning period to achieve the strategic objectives, including program dollars as well as supportive OE and personnel Program funding shall include the amount for field support provided through G Bureau mechanisms The operating unit shall also identify any USAID/W technical or other support which are necessary to accomplish the strategic objectives

B Discussion of programming options This should be brief and concise and may take the form of a simple matrix which serves to articulate and distill the priorities of the operating unit and is based on high, medium, and low funding levels Such a matrix should take into account Congressional and Administration mandates and may indicate country conditions that would warrant increases or decreases in assistance



Strategic Planning for a *country* program will include all USAID program funding proposed for allocation to the country, including funding in support of centrally managed global programs, food aid, and research activities

Planning for regional and global programs must include program funded activities that are

(a) regional or global in nature,

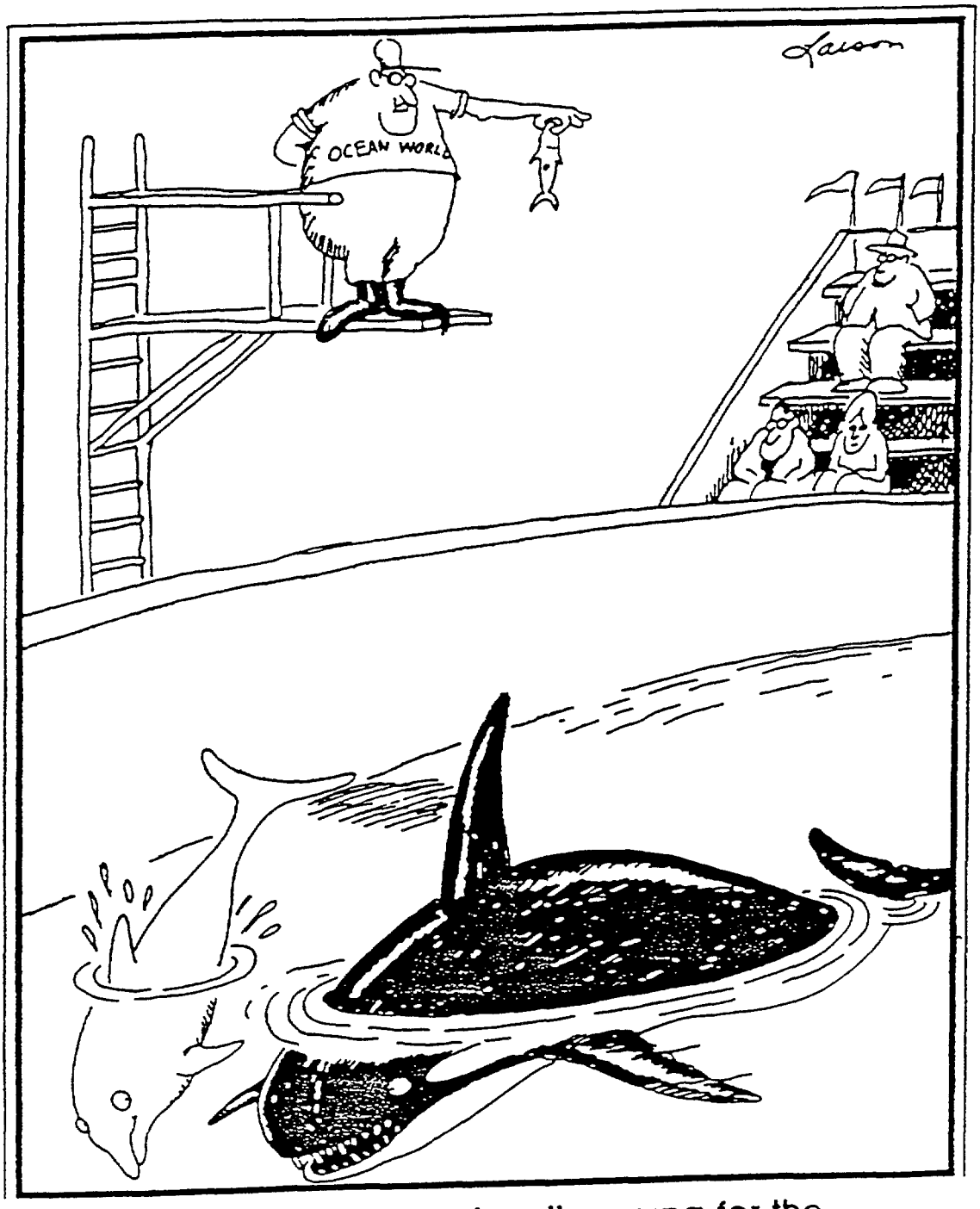
(b) bilateral programs for which the central operating unit has direct responsibility, and/or

(c) activities that have bilateral impact and are managed by a central operating unit due to management efficiencies

Exceptions to the strategic planning process are start-up programs and emergency programs See the Directives for details

7.7

Good Strategic Planning Involves Setting Ambitious, Yet Achievable Objectives...

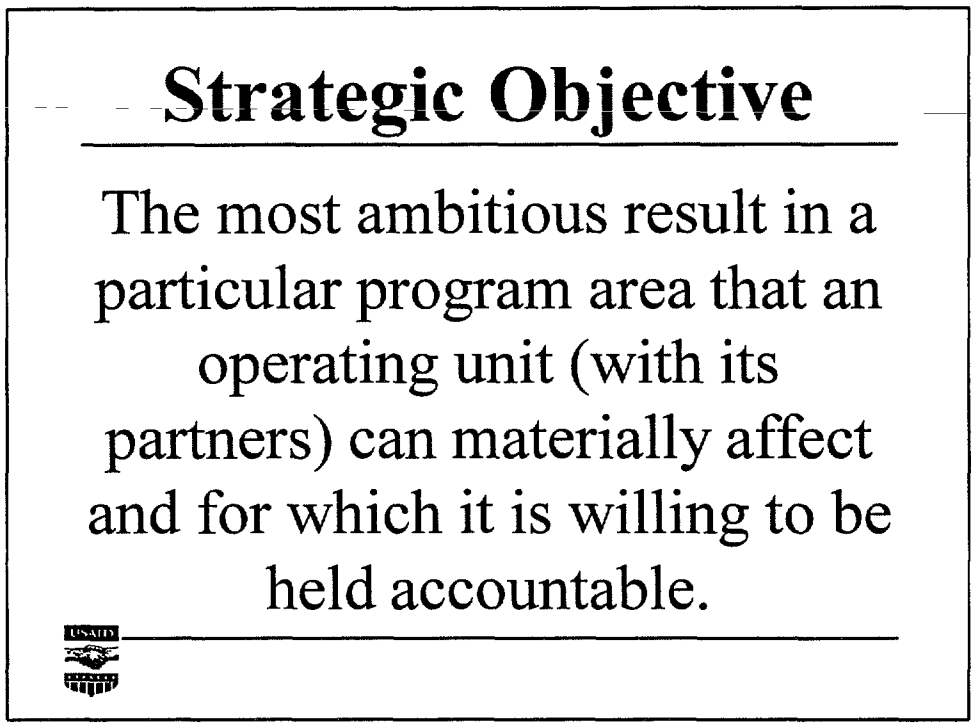


"The herring's nothin' I'm going for the whole shmeer!"

Based on the Strategic Plan, USAID/Washington and the operating unit establish a...

Management Contract

- Agreement on objectives
- Confirmation of estimated resources over the strategy period
- Provision of appropriate delegations of authority
- Special management concerns requiring action



Types of SOs-

Bi-lateral and Regional/Global Strategic Objectives are like strategic objectives under the old system--each of them is unique to and managed by a single operating unit

Strategic Support Objectives (SSOs) are Regional or Global Bureau development objectives that rely partly on the results of activities performed by the bureau and partly on the results of activities performed by other operating units, such as missions These objectives allow Global and other bureaus to relate their support activities to the high-level development results toward which they are aimed

E g , the Global Bureau may be developing a new vaccine in order to ultimately reduce the incidence of a particular disease (which is a significant development result) Global develops the vaccine, but it relies on missions to distribute the vaccine and ensure its proper use through their health programs It's really a joint objective the missions will most likely be including reduced incidence of the disease in their SOs, and Global will be adopting reduced incidence as its SSO Global will also probably rely on mission data for measuring performance against the SSO

SSOs represent an attempt to allow Global and other central or regional bureaus that are providing critical support to missions' development efforts to relate that support to development results The less attractive alternative would be to reduce Global to low-level strategic objectives, which are separated from the higher level development results toward which they are aimed The aim here is to relate all assistance activities -- including Global's -- to significant development results In effect, those development results are shared by Global and the missions

A **Special Objective** is one that has limited development impact, and therefore does not qualify as a full-fledged SO Special Objectives can include objectives that respond to earmarks, involve phasing out a major development effort, try something exploratory or experimental, or involve research that contributes to an Agency objective

Strategic Objective

- a significant development result
  - clear, precise & objectively measurable
- the highest level result for which the operating unit is willing to be held accountable
- unidimensional
- linked to Agency objectives & goal
- achievable within 5 - 8 years

The directives identify situations in which a strategic objective may have more than one dimension – when two very interrelated results are being sought, or when the program to achieve two very related results is a very integrated program

What does this mean for USAID's partners?
In some countries USAID's identification of strategic objectives and a planning process has spurred local partners to engage in their own strategic planning process In some cases the participatory planning process initiated by USAID has encouraged partners (NGOs, government and donors) to come together to plan more collaboratively and strategically for the whole sector This was the case in donor support for private sector development in Uganda and in the environment in Madagascar

201 5 9 SELECTION OF PROGRAMMATIC FOCUS

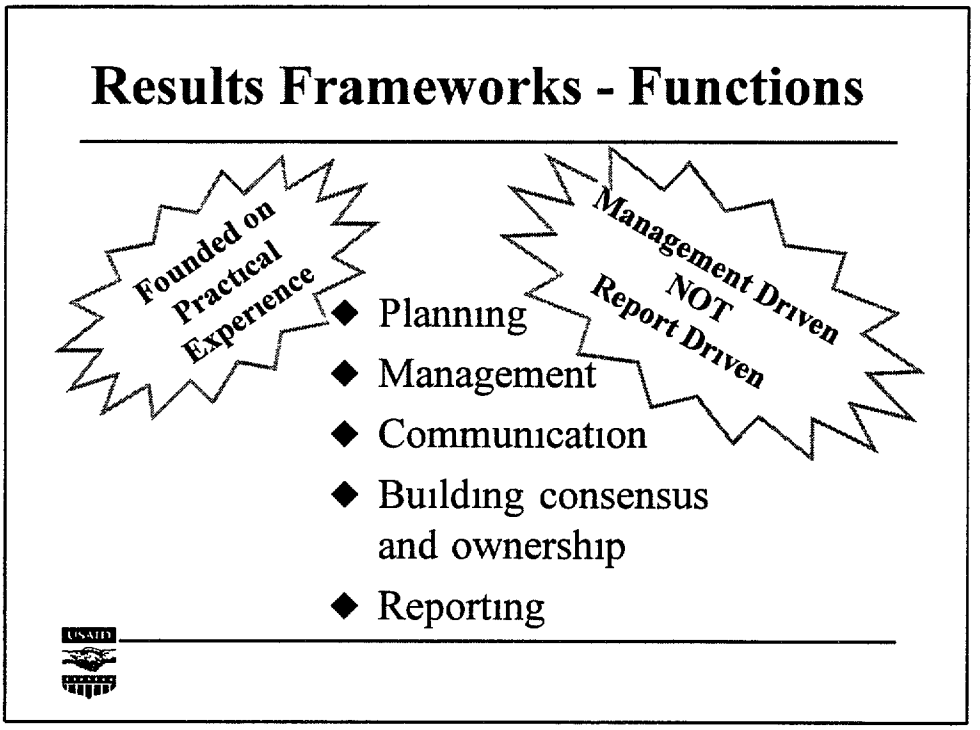
Each strategic plan shall identify a limited number of strategic objectives and, where appropriate, special objectives which encompass all program resources to be managed by the operating unit

The selection of programmatic focus shall be influenced by the following factors

- The contribution toward the Agency's mission of sustainable development and associated Agency goals and objectives as described in the Agency strategic plan
- The needs and interests of the host country, region, or sector as identified by current and potential customers of USAID programs
- The possibility of achieving sustained and significant impact with the resources likely to be made available by USAID, the host country, and other development partners, and the ability to demonstrate that impact over the planning period
- Analysis of the problems to be addressed and potential approaches
- The findings of Agency assessments of performance and impact in order to continually improve the Agency's ability to deliver effective assistance

201 5 10a

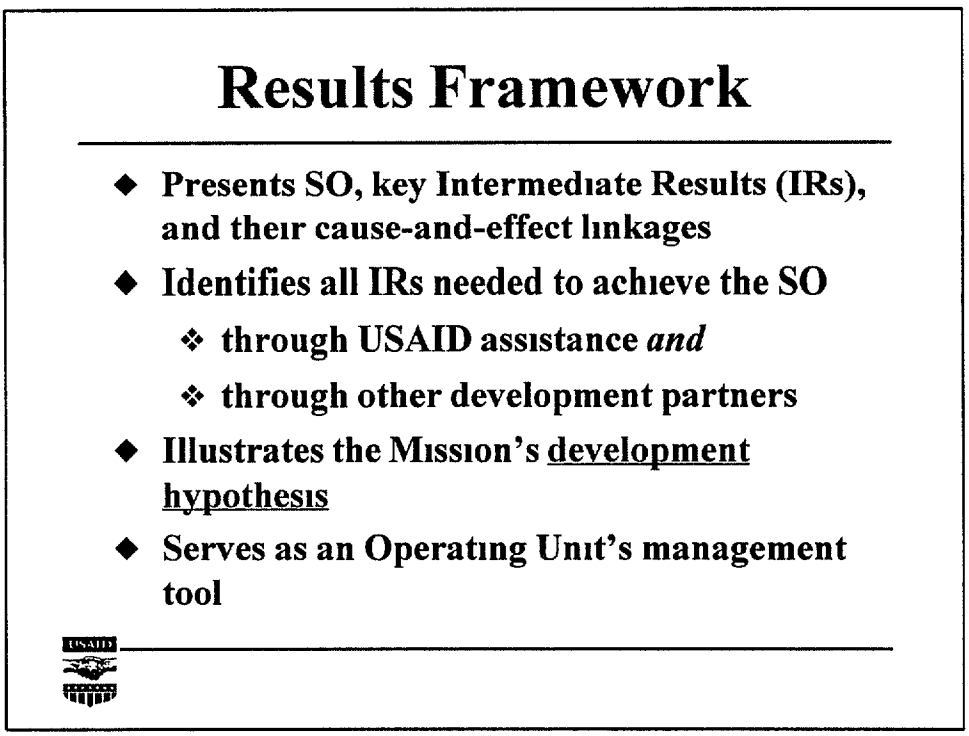
An operating unit shall focus resources on the achievement of a limited number of strategic objectives that have significant potential for sustainable development impact An operating unit shall consider the factors described under Selection of Programmatic Focus when setting strategic objectives within their respective program area There is no fixed limit on the total number of strategic objectives that the operating unit may identify for its portfolio However, the number will depend most importantly on the likelihood of effectively achieving significant impact as based on expected program funding and staff resource levels over the planning period Other factors will include the absorptive capacity of program sectors and the need to meet current and on-going program commitments



The Results Framework is the basic tool used to describe and illustrate the operating unit's development hypothesis It also serves as a framework within which units can develop plans with customers and partners thereby building ownership and shared support for implementation The framework should serve development professionals as a management tool as much as an instrument for planning or reporting

What does this mean for USAID's partners?

The RF must be much more than a reporting document for which USAID is accountable The ability to effectively achieve the SO doesn't depend merely on the quantity of technical and financial inputs, but on the 'ownership' and commitment of the development partners and agents in achieving the set of results Therefore partners' engagement in developing and monitoring the RF is critical to USAID's success



Some differences between the Results Framework and its precursor, the PRISM Objective Tree

- The Results Framework represents an attempt to be more explicit in its emphasis on **causal linkages**, and less bound to prescribed levels in a hierarchy Under PRISM, we have observed the tendency of some operating units to try to make everything at one level of the objective tree – e g , the Program Outcome level – relatively equal in importance

- In the Results Framework, the emphasis is on how things relate causally, regardless of relative importance or chronology The Results Framework tries to avoid forcing things into a linear sequence, when in real life things are sometimes circular in their impact

Excerpt from the Directives -

201 5 10e RESULTS FRAMEWORK

In the context of defining a strategic objective or strategic support objective, it is necessary to identify the intermediate results which are necessary to accomplish that objective This analysis will produce a Results Framework for each objective The

results framework must provide enough information so that it adequately illustrates the development hypothesis (or cause and effect linkages) represented in the strategy and therefore assists in communicating the basic premises of the strategy The results framework shall include any key results that are produced by other development partners (e g , partners such as nongovernmental organizations, the host country government, other donors, and customers)

The Results Framework must also be useful as a management tool and therefore focuses on intermediate results which must be monitored to indicate progress The framework is intended to be a management tool first and foremost for operating unit managers so that it can be used to gauge progress toward achievement of intermediate results and their contribution to the achievement of the strategic objective

201 5 10f IDENTIFYING ILLUSTRATIVE APPROACHES AND ESTIMATED RESOURCE REQUIREMENTS

The operating unit will identify illustrative approaches that would likely be used in achieving the results outlined in the results framework While this will not be the focus of the strategy review, illustrative approaches will be required to demonstrate the feasibility of achieving selected strategic objectives and will serve as the basis for determining resource needs and establishing performance targets (or magnitude of impact) for each SO An operating unit will have the flexibility to adjust approaches without further USAID/W review to achieve the strategic objective, except as otherwise indicated in a management contract

Results Framework

- **Identifies organizational responsibility and timeframe for each result**
- **Shows integration of results from other SOs where appropriate**

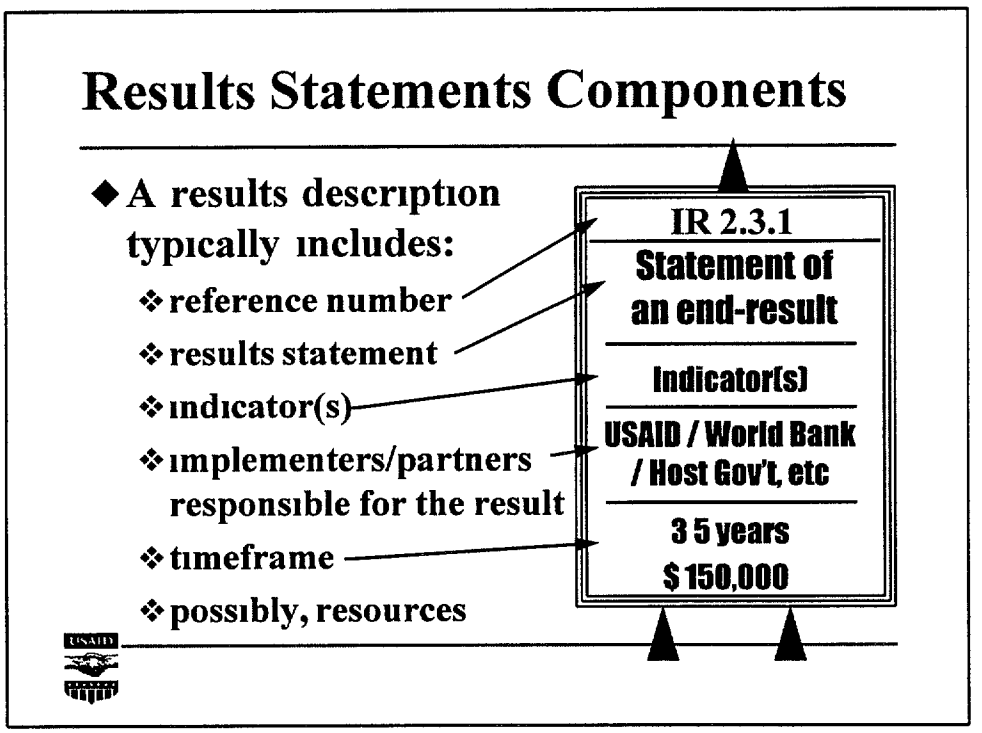
  (the RF is not necessarily linear in its logic nor in its presentation)
- **Serves as a reporting and learning tool**

  (validating & reassessing the development hypothesis as activities progress and the environment evolves)
- **Defines performance indicators and targets**

The Results Framework includes **more detail about specific contributing results** to elaborate a more complete "development hypothesis" than did the PRISM objective tree How much detail?

Enough to elaborate many causal relationships within the development hypotheses This will include details about assumptions, resources and partners' involvement

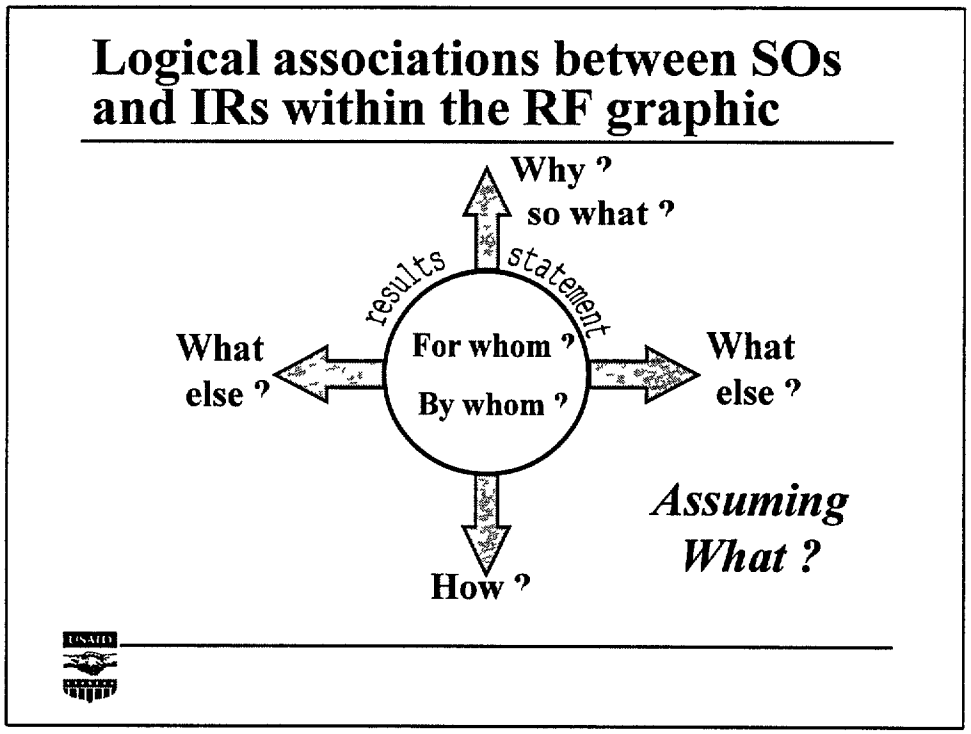
What does this mean for USAID's partners?
The RF is by no means a secret or static document Partners are intended to be intimately involved in the formulation of USAID's framework and should be continually implicated in the 'ground-truthing' of the development hypothesis it represents As the operating unit learns from its experience the framework may be changed Much of this acquired knowledge lies in the experience of partners, agents and other program implementers The framework provides a basis for this substantive dialog



Remember that the Results Framework is essentially the text that describes the operating unit's development hypothesis, normally illustrated with a graphic representation of IRs in relationship to each other For each IR result the information listed above will need to be presented, either in the text or in the graphic, or in both One way to keep the graphic illustration uncluttered is to annotate the RF in the strategic plan with a section that describes the RF result by result This outline for each IR would include

- the IR further defined (if necessary),
- a description of the causal linkages between the IR and the other results that contribute to its achievement,
- an explanation of the performance indicator, and
- an overview of the types of engagement in support of the IR to be undertaken by USAID's agents and partners

In the RF graphic, it is especially useful to note, in the IRs for which USAID is NOT taking material responsibility, the name of partners who are achieving that particular result



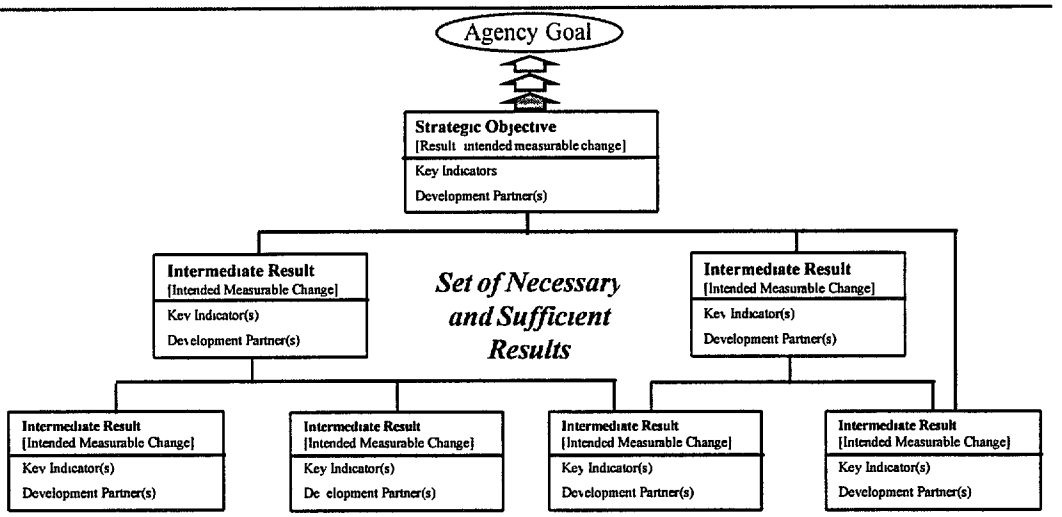
As you read up the series of intermediate results the logic of the statements answer the question "why are we doing this? " or "why does this matter?" In other words, "for what greater result?"

As you move down the framework the intermediate results statements answer the question "how do we do cause this effect?" In other words, what other results will be required to achieve this particular result? "How" should NOT be to construed to mean "what activities will be conducted" to attain this result, as only results, not activities are included in your RF

"What else" refers to all the other intermediate results that must occur in concert with the IR to cause the desired effect above, i e, the next level of result In order to attain the result above have you identified all results that are necessary and sufficient to lead to the next level?

Also key to presenting the logic of your hypothesis are the **critical assumptions** that underlie your framework. These assumptions should be referenced either on the RF graphic or in the RF text presented in the strategic plan

Results Framework graphic



What are the changes/results necessary and sufficient to get to the next higher' level ?
How do you achieve the higher level of results ?

Causal relationships between results need not always be strictly hierarchical i e an intermediate result on one level ' can contribute to the achievement of intermediate result on two or more ' levels

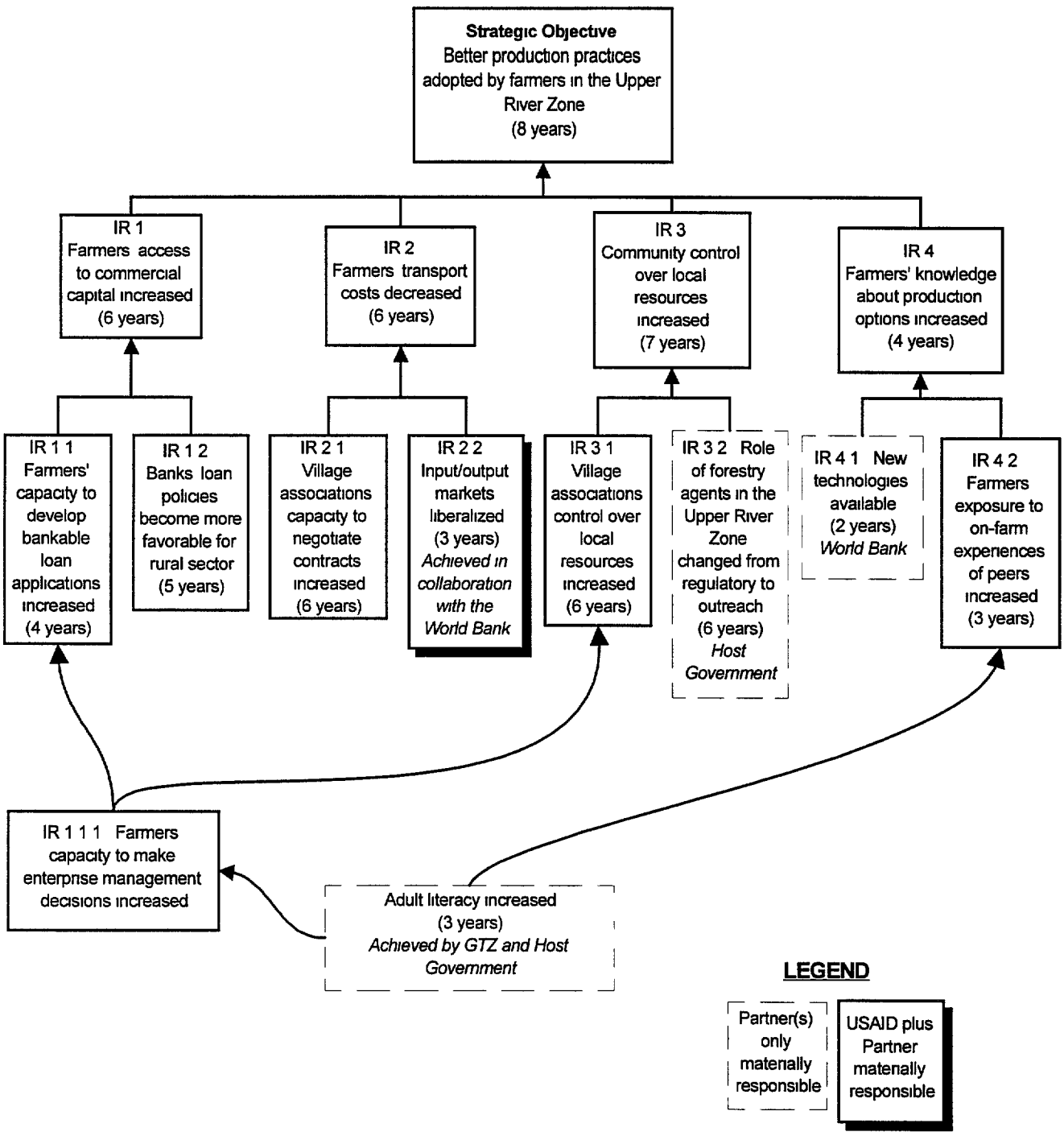
USAID

What does this mean for USAID's partners?

Remember that USAID's development hypotheses will often include the results of their partners, therefore partners' intermediate results will be shown in their Results Framework graphics, regardless of whether USAID is funding activities leading to achievement of those results or not

An example -

Upper River Zone
RESULTS FRAMEWORK GRAPHIC



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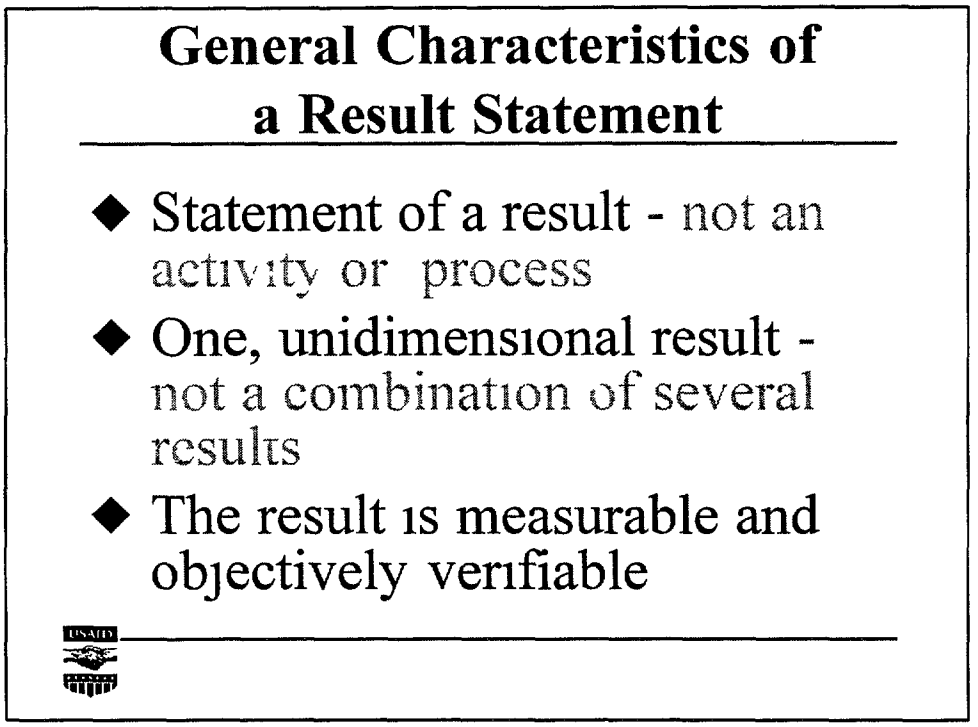

The result should be stated as an completed end-result as opposed to an on-going process or activity

Unidimensional results are those with one final effect, e g , "increased broad-based private sector investment" (the final effect may require more than one descriptor) as opposed to multi-dimensional results which are actually the combination of more than one result, e g , "healthy, better educated families" The use of multi-dimensional results will cause difficulties in developing the logic of the framework as well as the measurement of the result

An "objectively verifiable result" is one that, given the supporting data, a skeptic and a proponent would both agree is a bonafide result The actual measurement of this result might rely on qualitative or quantitative data, depending on what is most realistic and appropriate

See examples of these points on the next page.

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EXAMPLES:

Criterion: Results Statements

Poor Example	Good Example
Support macro-economic policy reforms	Reduced gap between official and parallel exchange rates
Environmentally viable alternatives to deforestation promoted	Increased use of sustainable forest management practices

Criterion: Unidimensional Results

Poor Example	Good Example
Improved quality of health care and education services	R1 Improved quality of health care and R2 Improved education services
Increased agricultural productivity and farm incomes	R1 Increased agricultural productivity and R2 Increased farm incomes

Criterion: Objectively Verifiable

Poor Example	Good Example
Liberalized markets	Reduced legal and policy constraints to marketing selected agricultural products
Improved ability of entrepreneurs to respond to improved policy, legal and regulatory environment	Increased revenues of formal sector small- and medium-sized enterprises

Good Results Frameworks Must Show Logical Consistency

- Linkages between Intermediate Results (IRs) and the Strategic Objective (SO) are causal in nature
- Logical relationships between IRs and SO are direct and clear
- IRs include key results funded by partners as well as those funded by USAID

The relationships among the results within the framework is causal in nature, and therefore describes a "cause and effect" or "if then" logic *(as was the case in the relationships within the Objective Tree)*

The direct effect of all these "causes" within the results framework should be the desired change in the development environment *(as expressed by the strategic objective)* This logical argument constitutes your development hypothesis

See examples of these points on the next two pages

EXAMPLES:

Criterion: Linkages between IRs and SOs are causal in nature

Poor Example		Good Example	
SO	More effective management of the natural resource base	SO	More effective management of the natural resource base
IR 1	More effective management of forest resources	IR 1	Increased institutional capacity of the Ministry of the Environment
IR2	More effective management of coastal resources	IR2	National Environmental Action Plan implemented
IR3	More effective management of agricultural resources	IR3	Selected laws governing private sector practices with respect to natural resources adopted and enforced

EXAMPLES

Criterion: Logical relationship between IRs and SOs is direct and clear

Poor Example	
SO	Increased household incomes
IR	Increased access to non-traditional agricultural markets

Criterion: IRs are lower-level results which contribute to SOs

Poor Example		Good Example	
SO	Improved natural resource management in critical watersheds	SO	Biodiversity of critical ecosytems conserved
IR	Biodiversity of critical ecosytems conserved	IR	Improved natural resource management in critical watersheds
SO	Improved quality of basic education	SO	Increased number of children who are literate and numerate
IR	Increased number of children who are literate and numerate	IR	Improved quality of basic education

Good Results Frameworks Reflect A Realistic Level of Responsibility

- The SO is the highest result which the Operating Unit can expect to materially affect and for which it is willing to be held accountable
- The causal connections between IRs and SO are reasonable

EXAMPLES:

Criterion: SO is a result that the Mission can materially affect

Poor Example	Good Example
Broad-based sustainable economic growth	Increased employment in the formal, off-farm private sector
Reduced population growth	Reduced fertility

EXAMPLES:

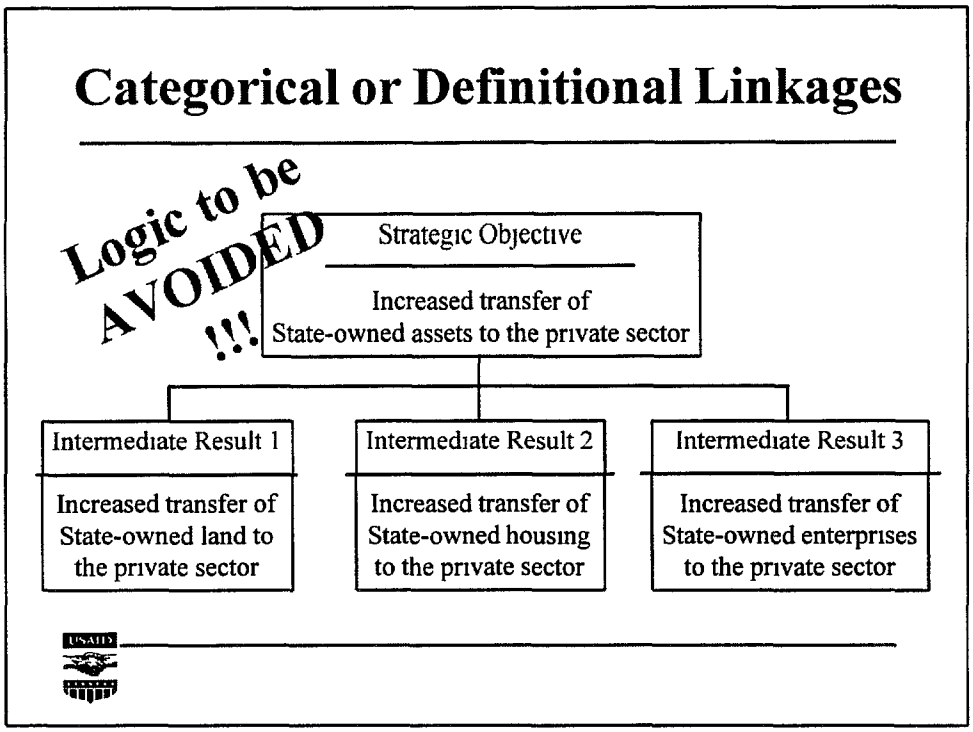
Criterion: The causal connections between IRs and SO are reasonable

Poor Example		Good Example	
SO	Increased use of modern contraception	SO	Increased use of modern contraception
IR	Improved training of health care providers	IR	Increased availability of contraceptive services and commodities
SO	Increased off-farm employment	SO	Increased off-farm employment
IR	Increased citizen's skills for private sector development	IR	Increased number of formal private sector enterprises

Difficulties in Formulating RFs

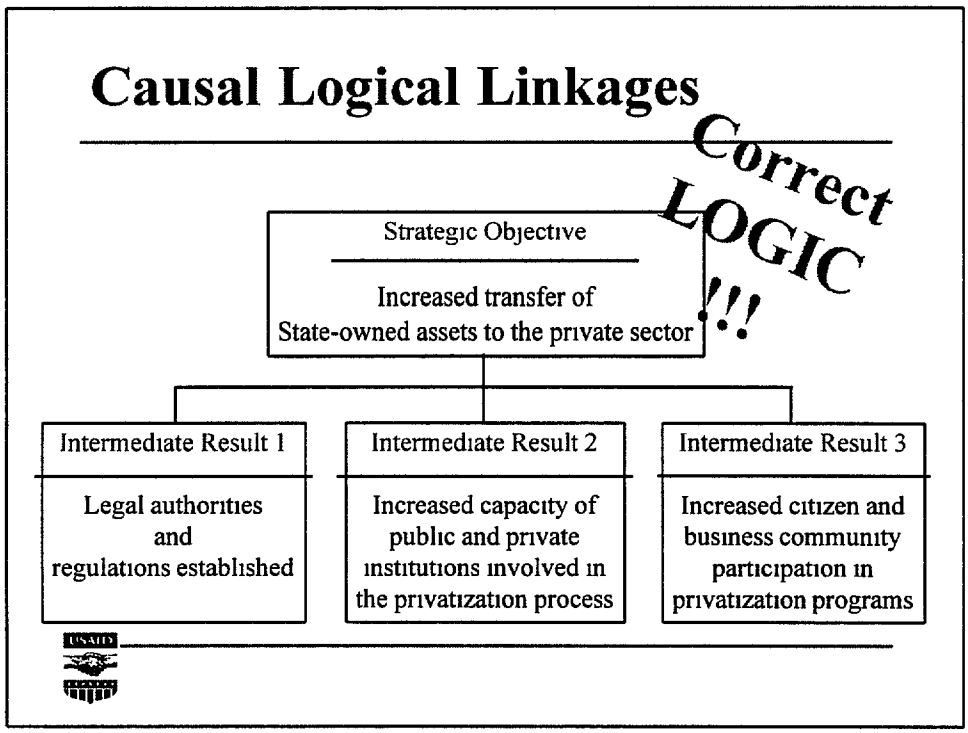
- Determining logical causality
- Assuring sufficiency and allowing flexibility in the development strategy
- Identifying RESULTS versus "activities," "processes" & "means"
- Being careful about critical assumptions
- Using linear graphics to depict inter-related causes & effects

See further explanation of these five points on the next eight pages.



Adding up the categories within an intervention does not usually describe the "cause and effect" relationships at the heart of the desired change In other words, the sum of the parts of the desired change is not the same as the cause of the change

Reliance on categorical or definitional linkages within your framework will create problems later in your program when you attempt to measure achievement of the results You'll note that you'll end up measuring the exact same change (although in different degrees) on more than one level of the framework and this clearly implies logical inconsistency between "cause and effect"



The basic "if then" logic seeks to identify all the necessary root causes of the desired developmental change

Sufficiency and Flexibility

- **Ensure that, at each level of the RF, you identify all the results which, if achieved, will be sufficient to cause the result on the next level**
- **You may also identify results that reflect alternative strategies or innovative and supplementary approaches**
- **Over time, as you work under your hypothesis, you may need to change strategies and therefore alter your IRs The RF should allow for flexibility**

The logic of your development hypothesis, and its depiction in the results framework, requires that you have identified ALL the contributing results sufficient to support your hypothesis This will definitely require mapping out other partner's results (for which you are not responsible) Furthermore, the more thorough and specific you can be in determining all the contributing intermediate results, the stronger the logic of your hypothesis and the greater your chances of being able to manage your activities for the achievement of the strategic objective

We recognize that due to the complex situations in which we work, planning and managing development activities is not an exact science For this reason you may need to include in your program alternative or complementary strategies - sets of IRs - designed to secure or maximize your desired results This implies including with your hypothesis sets of results that may constitute more than what might be considered "necessary" to achieve to next level of results

In the past, including these "more than necessary" strategies within your strategic plan would have been considered insufficient "focus and concentration" within your program This is no longer the case

An important aspect of "managing for results" is the need to constantly monitor or "test" the correctness and sufficiency of our development hypothesis to ensure the achievement of the strategic objective The outcome of our monitoring may require making changes in our strategy Therefore the RF should be conceived of as a management tool that is logical and flexible over time Flexibility in implementing the development hypothesis might require

- Having to take on some responsibility for partners' IRs if you discover that they won't be able to deliver the results as expected (this a another reason why it is important to include other people's IRs in the RF and track them)
- Changing or modifying parts of the strategy - sets of results - based on lessons-learned in implementing the program
- Modifying the strategy due to significant changes in the status of the critical assumptions (see the next page)
- Changing the strategy in response to changes in the development environment

Identify Critical Assumptions

Critical Assumptions are external conditions that are necessary for success but over which you have little or no control

Critical Assumptions define the risks inherent in the hypotheses that link results in the strategy

Due to past practices some planners have confused intermediate results (which other people - USAID's partners - are taking responsibility for) with critical assumptions Section 201 4 "Definitions" of the ADS states

> "14 Critical Assumptions In the context of developing a results framework, critical assumptions refer to general conditions under which a development hypothesis will hold true or conditions which are outside of the control or influence of USAID, and which are likely to affect the achievement of results in the results framework. Examples might be the ability to avert a crisis caused by drought, the outcome of a national election, or birth rates continuing to decline as it relates to an education program A critical assumption differs from an intermediate result in the results framework in the sense that the intermediate results represents a focused and discrete outcome which specifically contributes to the achievement of the SO "

Are we assuming too much?

- How likely is it that our critical assumptions will hold true?
- Can we safeguard our strategy by converting dangerous assumptions into results over which we do have control?
- Or should we reconsider our strategic objective?

Below is an example of where the magnitude of critical assumptions renders the development hypothesis implausible

Critical assumptions	If the rains are better than average, *and* If the government changes in the upcoming elections, *and* If tourism rebounds, *then* The achievement of our Intermediate Results will lead to achievement of the Strategic Objective

"Activities," "Processes" & "Means" versus RESULTS

Beware of confusing interventions with their desired end-result, e.g

Policy reform dialogue	⇨	improved business climate
Training	⇨	increased skills
Dissemination of information	⇨	better informed target group

Beware of logical leaps between IRs...

You may be overlooking several other significant intermediate results, for which USAID will need to take responsibility or for which partners are responsible.

The logical relationship between linked IRs should be clear and direct The combined "cause and effect" linkages should effectively tell the story of how you intend to achieve the SO An excellent test of your RF would be to give it to a reasonably educated person, who does not work in your sector, to see if that person could understand your hypothesis well enough to explain it to you in terms of the cause and effect linkages leading to achievement of the SO Where there are "leaps" in the logic the cause and effect relationships will not be clear and direct Sometimes these leaps are not so evident to technical experts who share the same set of assumptions, yet for management purposes it is important that all the contributing IRs be clear and explicit

Inter-related Causes & Effects

Hierarchical frameworks best present linear relationships yet, in reality, many changes coincide and are inter-related While the RF should help you make decisions about priorities ("why are we doing this?") you should not be constricted into over-simplification of your hypothesis

Be as creative as necessary !

There is no required format for presentation of your RF, you simply need to find a format that is easily understandable to all the users of your plan

Be aware that some software packages being used to produce RFs were designed for creating organizational charts and these programs often impose limitations in presenting your graphic because they are linear and hierarchical

Planning Checklist

- ◆ Are SOs/IRs stated as results? ☐
- ◆ Are results unidimensional? ☐
- ◆ Are they objectively verifiable? ☐
- ◆ Are the relationships between results causal, not definitional/categorical? ☐
- ◆ Are the how/why, if/then relationships direct, plausible and clear? ☐
- ◆ Are the SOs results which USAID programs and activities can materially affect? ☐
- ◆ Are the assumptions reasonable? ☐
- ◆ Do the IRs include partner as well as USAID-funded results? ☐

Questions People May Ask about Your Strategic Plan

1 About your strategy·

- Is your strategy consistent with the agency's priorities as presented in the agency sustainable development strategies, implementation guidelines and strategic frameworks?
  - What choices did you make?
  - Why did you choose your areas of concentration (programmatic focus)?
  - Did your development partners and customers participate in the development of the plan? How?
- How does what you propose relate to
  - national needs and priorities
  - activities of other development partners
  - prior USAID experience – in the country
  - and elsewhere in similar settings
  - USAID's comparative advantage?

- Would you have a greater impact if you did fewer things, e g , had fewer SOs?
- Do you have the resources to manage a program of this magnitude, including human and financial? What would be the impact of funding at the lower level? How would the results be different?

2 About your strategic objectives

The SO is the most ambitious result that USAID, with its development partners, can materially affect in five years and for which it is willing to be held accountable It forms the standard by which USAID is willing to be held responsible and should be linked to one Agency goal or objective It is always expressed in terms of an end result or final impact

- Are the expected results at the SO level
  - **clear**
  - **objectively measurable** What are the performance indicators and data? (Are or when will baseline data be available, with what frequency will results data be available?)
  - **precise** What is the magnitude of the expected change, in what conditions, at what points in time, among what populations/institutions/or conditions?
  - **significant** Are these national, regional or other level changes?
  - **equitable (and people level)** How do they impact on the condition of men and women? How do they affect disadvantaged populations?
  - **feasible** Given experience and current development theory?
- What are your assumptions for the achievement of these SOs? How will you monitor these assumptions?
- What are the roles of your development partners?

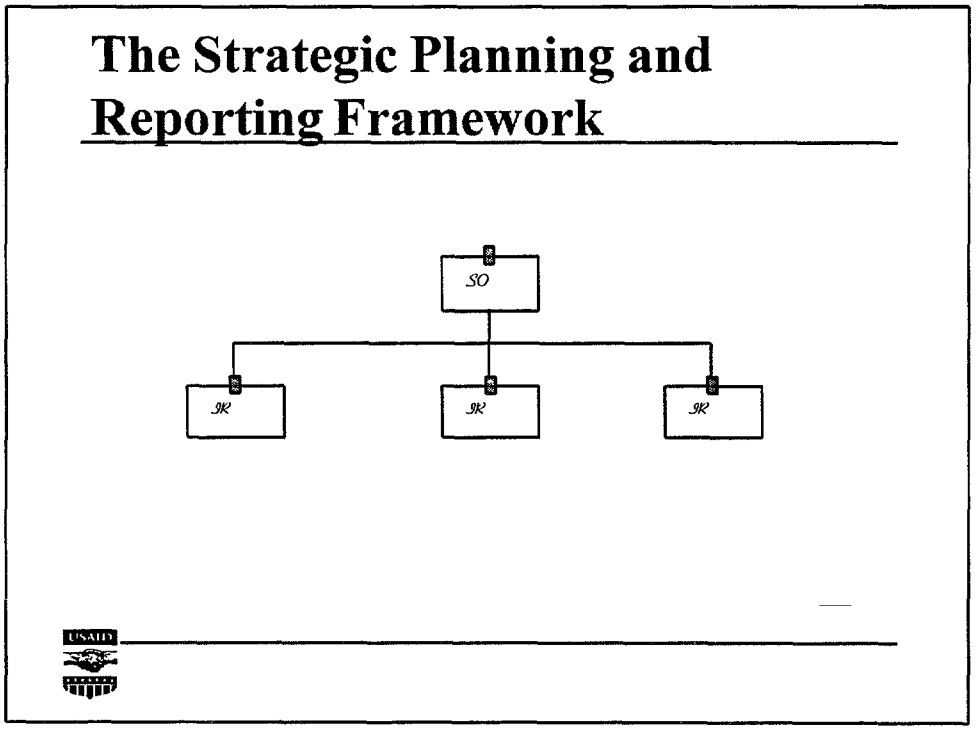
3 About your results frameworks (for each SO)

- What intermediate results (including those key results produced by other development partners) are necessary to achieve the strategic objective?
- How will these be monitored (performance indicators and targets)? What are the underlying development hypotheses (cause and effect linkages)?
- What are some (illustrative) approaches that USAID will use to achieve these results?
- Are the approaches and activities proposed consistent with current development theory in that sector, experience in the country and/or elsewhere?
- What are the estimated resources required to achieve these results?

Harriett Destler, 9/27/95

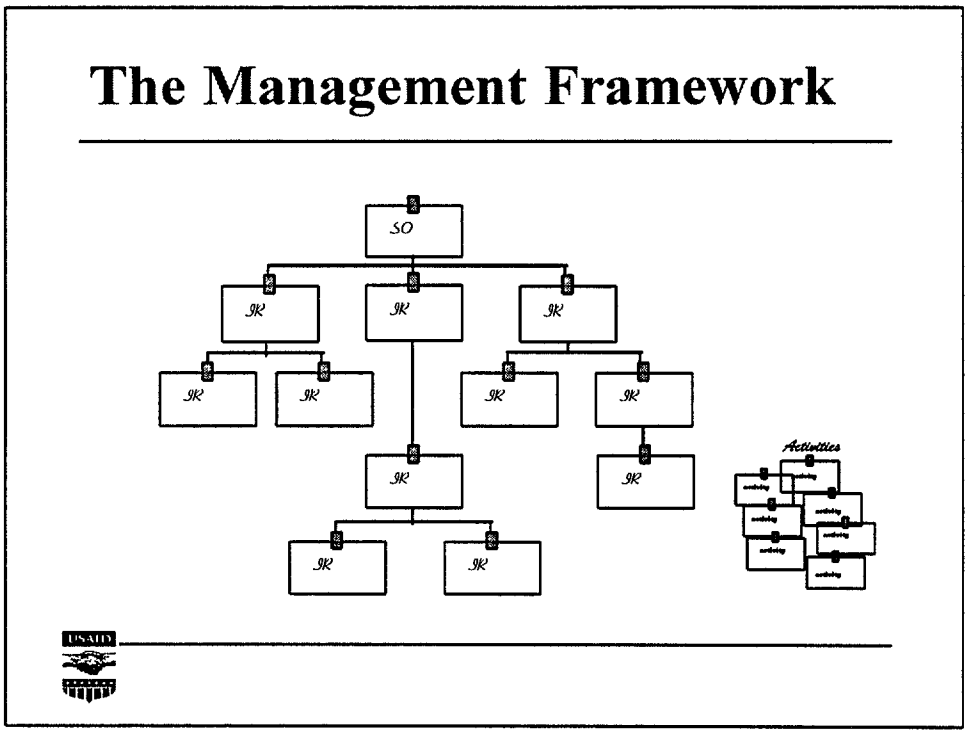
Key Functions of the System

WE ARE HERE



Results Packages (RPs) don't exist out of context of a strategic objective's results framework, for it is the framework which provides the overall strategic vision, the road map upon which the success of RPs will be judged

An early "lesson learned" in reengineering has been that many results frameworks are operationally too generalized In other words, only the "highest" order of intermediate results are shown in the results framework (RF) While clean summary descriptions and a simple graphic are important for formal RF review and cross-country comparisons, they do not communicate (and more disastrously may not comprehend) all of the results that the strategic objective team must achieve to meet its strategic objective If "lower" results are being masked or hidden, or in the worst case not being considered at all, the task of managing for results will be difficult, if not impossible This doesn't mean you need to take it down to the minutiae, but in some instances RF's are being defined which simply don't account for all of the results necessary and sufficient for the strategic objective team to effectively and successfully manage the achievement of their strategic objective



By asking a few simple questions, and thinking hard about the answers, strategic objective teams are able to identify additional results that considerably enrich their understanding of how to manage toward the achievement of the strategic objective

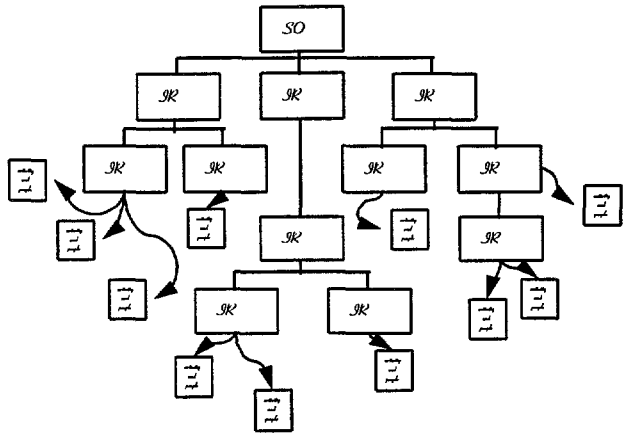
The questions to ask are

- how can we achieve these results, and,
- what else is necessary to achieve these results?

When the answers to these "how?" and "what else?" questions are accomplishments themselves (and not activities), they are framed as intermediate, lower order results causally linked to the higher order result, as shown above

A strategic objective team's purpose is not simply to fill up the page with interconnected boxes, but rather to significantly increase their level of understanding of what must be done to achieve their strategic objective, and their confidence in managing for these results

RF with Affiliated Activities



An activity is an action undertaken either to help achieve a program result or set of results, or to support the functioning of the Agency or one of its operating units In a program context, i e , in the context of results frameworks and strategic objectives, an activity may include *any* action used to advance the achievement of a given result or objective, whether financial resources are used or not E g , an activity could be defined around the work of a USAID staff member directly negotiating policy change with a host country government, or it could involve the use of one or more grants or contracts to provide technical assistance and commodities in a particular area In an operating expense context, an activity may include any action undertaken to meet the operating requirements of any organizational unit of the Agency

A results package is comprised, at a minimum, of results and the work we do to achieve those results called activities

When a strategic objective team is confident that its results framework is indicative of the necessary and sufficient results to materially affect the strategic objective, it is time for them to turn their attention to identifying the activities necessary and sufficient to accomplish the results

Perhaps no where else in USAID's planning, achieving, and monitoring and evaluating performance is success so dependent on your expertise and experience

Results Package

The basic managerial concept through which USAID may organize and execute work to achieve results within a specified time and budget

A Results Package is...

- Powerful, dynamic, flexible
- Free of organizational barriers and lines
- Focused around a result, not mechanisms to accomplish the result

In short, a results package (RP) includes whatever it will take to achieve a specific result or set of results This will include activities supported by the authorities and resources necessary to conduct everyday management tasks in a timely manner

The ADS section 202 6 7 describes the characteristics of results packages

"Strategic objective teams create, modify and terminate results packages as required to meet changing circumstances pursuant to the achievement of the strategic objective Thus, typically a results package will be of shorter duration than its associated strategic objective Some of the characteristics of results packages include specification of

One or more results from the results framework which personnel assigned to the results package are tasked with producing,

- The set of activities and their respective agreements with USAID development partners and customers designed to achieve one or more results from the results framework,
- How activities will achieve the intended results including linkages between USAID, intermediaries and ultimate customers,
- Personnel, including appropriate USAID staff and representative of partners and customer, with the knowledge and capacity needed to deliver the specified result(s),
- Responsibilities and authorities clearly defined with respect to the personnel assigned to the results package,
- Funding from USAID and partner organizations sufficient to carry out the activities required to deliver the specified results, and
- Information on the elements identified above as well as how performance will be monitored and measured, current plans and status of activities and results achievement, agreements signed, implementation letters and other relevant correspondence, any analysis performed preceding, during or after completion of activities, and other documents related to key decisions the assigned personnel make in carrying out their responsibilities"

The creation of several RPs within an RF is not required under the ADS guidance An SO team (SOT) could elect to have only one RP, which would essentially be synonymous with its RF This might be the case where an SOT's program was quite limited in terms of the magnitude of results to be achieved, therefore implying a very moderate management burden In such a case, the full SOT would responsible to strategic management as well as activity implementation and would therefore meet frequently to make all levels of management decisions necessary to advance the program

In contrast to having one RP, an SOT could choose to create an RP for each and every IR in their RF, each RP consisting of one result The clear disadvantage of this approach is that it would do little to render the RF more manageable

In most cases however, SOTs elect to form two or more RPs, each made up of a small set of IRs Usually these SOTs form smaller management teams that are held responsible for planning, managing and achieving their specific set of IRs within the RP This sub-team of the SOT is normally referred to as an RP team (RPT)

In principle each RPT shares accountability with the larger SOT for achieving their part of the RF In the best case scenario, the SOT retains authority over strategic-level decisions while it delegates authority to the RPT for making the everyday management decisions necessary to achieve the RP Some missions have generated Mission Orders relative to this level of delegation of authority, others have had SOTs and RPTs develop detailed team charters, and others have opted for this to happen informally within SOTs

At a minimum a Results Package includes an association of...

- **Results, and**
- **related Activities**

which make good sense for managing for results

RFs versus RPs

Note that an RF and an RP are very different sorts of tools While an RF is by definition about the causality of a program's set of results an RP is a management unit intended help SOTs manage their resources effectively in order to achieve results What binds a set of results together in an RF is their causal relationships, while what associates a set of IRs together into an RP is common sense in management The right association of IRs into well thought-out RPs can offer the SOT considerable value-added in terms of efficiencies or synergies toward the effective management of the program

The key elements to consider when determining the best formulation of RPs are

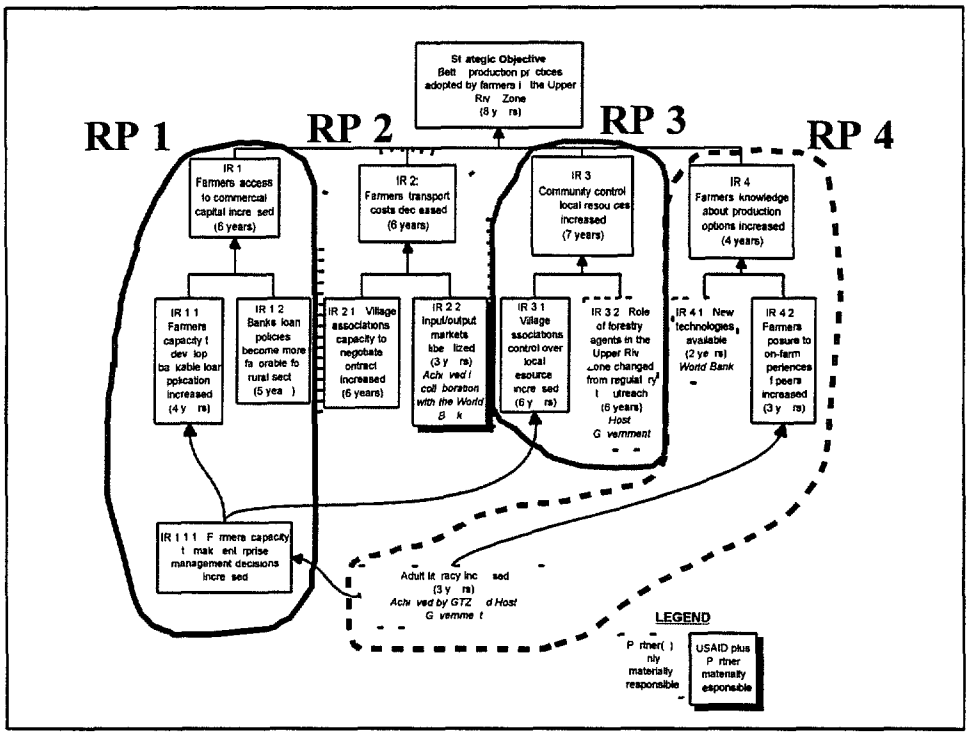
- the size and ambitiousness of the program (the degree of management burden required to achieve the IRs and SO),
- the number and respective expertise of available team members (including both USAID employees and non-USAID team members),
- the "maturity" of the program and that of the SO team (meaning, is the program already well underway or is it in start-up phase? Similarly, is the team very new or have responsibilities already been well-established and balanced among the membership?)
- The consideration of these "common sense" factors will lead the SOT to made preliminary decisions about the general parameters of how many RPs are necessary to achieve the SO and whether are the over-riding management issues which need to be addressed in the process
- These decisions made, the SOT can then choose among rationales in associating grouping of IRs into RPs

To summarize the two most prevalent rationales, an SOT could decide to divide up their RF into management units (RPs) based

1 on the fundamental causality portrayed in the RF, or
2 on necessities or opportunities for better management efficiency and synergy

Descriptions of each approach follows

Forming RPs based on causal connections within the RF...

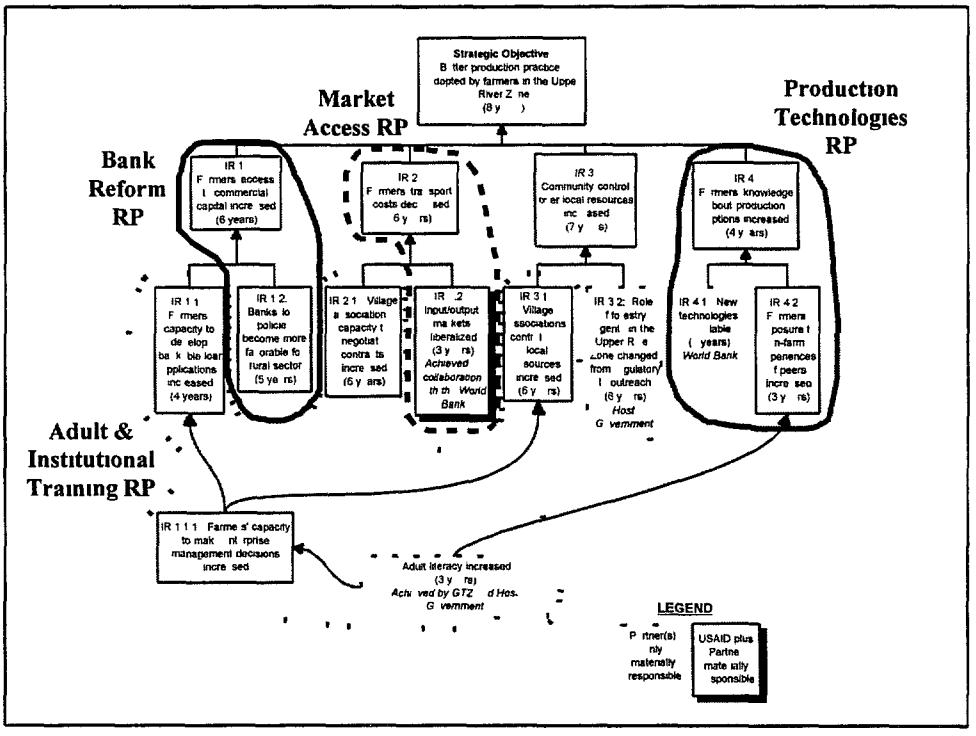


The causal approach would mean that logical "branches" or sections of the IRs within the RF would be split into RPs The advantages of this approach is that it is very simple to describe in terms of the RF graphic, that it may allow for an RP team to take responsibility for a entire program component, and that it will often coincide with the hierarchical divisions within existing technical office

Possible disadvantages to this approach are that

- this "component" approach may end up being divisive to the effective coordination of results and overall teamwork within the program,
- it may may also be contrary to the desire to balance the management burden of the program across RPs in that the causal sections or "branches" of an RF seldom represent equivalent amounts of work.

Forming RPs based on opportunities for synergies or efficiencies...



The second rationale for forming RPs looks for management efficiencies or synergies by associating IRs into RPs based on commonalties or common needs within results themselves For instance in the example above all the IRs that require training have been grouped into an RP thereby assuring efficiency use of training resources and synergy across the program in terms of training inputs The various commonalities that an SOT could look at to form RPs are presented on the next three pages

Possible disadvantages to this approach are that

- it requires that the SOT takes a vigorous and proactive role in assuring that the RP teams are effectively coordinating with each other;
- it may necessitate changes in project structures that pre-date the strategic planning process and which require contract amendments to re-orient them toward better managing for the results as portrayed in the RF

Looking for management efficiencies or programmatic synergies

The association of IRs into Results Packages might be based on commonalities of...

- Personnel or technical competence, be it
  - **USAID SO team members or activity managers**
  - **Partners and Intermediaries**
  - **Intermediate customers**
  - **Other implementers**

or

RPs might be associated by commonalities of...

- Need to include specific, special authorities within the RP team, e.g. Embassy involvement
- Policy reform interests
- Management issues, e.g institutional development

or

Other commonalities for RP formulation might also include...

- Funding mechanisms.
  - grants, contracts
  - special short-term or other donor sources
- Specific performance data needs or sources

or .

RPs might be associated by commonalities of...

- Need to include specific, special authorities within the RP team, e.g. Embassy involvement
- Policy reform interests
- Management issues, e g institutional development

or

What does this mean for USAID's partners?

As USAID's partners are often the key implementers of its program they will need to be integrally involved in the development of Results Packages This may include deciding how the RPs are formed based on the approved RF Partners input will also be essential to identification of what activities will be required to achieve the set of IRs identified with the RP In some cases, partners could be delegated the achievement of a whole RP although usually the RPT will include USAID staff in addition to implementing partners and agents

Is "RESULTS PACKAGE" just another way of saying "PROJECT"?

Choose one

(a) yes
(b) maybe
(c) NO!!

A results package is NOT, repeat NOT, a project

A key distinction between the two is that in a results package the focus is on the end, i e , the result, while in a project, too often the focus is on the means, i e , the mechanisms being implemented

What an RP is NOT

- A grouping of activities or existing projects without very explicit and causal linkages to specific IRs
- Synonymous with a large multi-component institutional contract It is conceivable however that the separate components, in so much as they are sets of associated results, could form the basis of RPs One implication of "managing for results" is that the oversight of large institutional projects may need to be divided up according to RPTs
- The set of all the new activities that fall under an SO where there is no clear association either in terms of results causality or associated tactics A recent example of this was a draft RP document which contained descriptions for the ensemble for over 20 activities that a particular SOT wanted to obligate The rationale for the RP was "all our new activities" Many of the activities bore no specific relation to each other
- The exact same thing as the old Project Paper (PP) Firstly, an RP is explicitly related to the SOT's strategic plan and comprises elements from their development hypothesis and RF Therefore RPs include program-level linkages, not just project-level activities Secondly, the development of RPs is an essential management function internal to SOT, not the product of an external analysis as was often the case with PPs Thirdly, RPs are to be formed and approved internally within the SOT, unlike PP which required Washington or senior management approval
- **An RP is a cohesive management concept, not simply an obligating document.**

A preliminary step Before attempting to form Results Packages the SOT will need to ensure that their approved RF is really operational Very often the approved RF may be one that serves adequately for strategic planning or performance reporting purposes without being sufficiently detailed to serve as a functional management tool Fortunately the RF is not intended to be a static document, so occasional modification will be necessary and desirable To render the RF more readily operational the team may need to dissaggregate the IRs into a larger set of specific contributing results that would be the effect of one or two specific activities, activities that would be contained within a RP

While forming RPs the SOT may want to ask the following questions

RP Formation Checklist

- Are specific results designated for each RP? ☐
- It there a clear relationship betweent the IRs within this RP and its ultimate and intermediate customers? ☐
- Are there sufficient numbers of team members to enable the formation of RPTs? ☐
- Does this configuration of RPs facilitate the clear delegation of authority and empowerment? ☐
- Is the set of IRs assigned to an RP something that is readily achieveable by one RPT? ☐
- Do the RPT members have clear roles and responsibilities and are these understood by their hierarchical supervisor? ☐

Introduction: Performance Measurement

The following section presents a brief walk-through of USAID's reengineered approach to performance measurement Like the previous chapter, this section is designed as both a reference tool and a companion piece to today's workshop, and contains reproduced copies of the overheads you will see during the presentation Additional information on performance measurement is also included where appropriate Because most of the points made in these overhead reproductions are distilled from the Agency's Automated Directives System (Sections 201 and 203), they serve as an outline of the key concepts in USAID's reengineered operations systems

Beginning with the Agency's approach to monitoring program performance and ending with a look at USAID's reporting process, this chapter also includes information on the following

- establishing performance baselines and setting performance targets
- identifying useful performance indicators
- disaggregating performance data
- gathering performance data
- developing performance monitoring plans and
- ensuring that high-quality data will be collected

You will note that most of the emphasis is on performance indicators This is because experience has shown that identifying useful performance indicators is not only the foundation of sound performance measurement, but also one of the more difficult aspects of the process To help you facilitate this activity with your own performance measurement team, this section of the notebook also includes several "good" and "poor" examples with respect to the criteria used when identifying useful performance indicators Among these criteria are the following

- indicator directness
- indicator precision
- indicator adequacy
- data disaggregation and
- practicality of data collection

You and many of your colleagues have attended other courses and workshops like this one, in which practice sessions have allowed you to try out a new skill or tool And because nothing builds skill and confidence better than practice, we suggest you use this notebook not only as a guide for the next time your team needs to identify useful performance indicators but also as a practice tool for sharpening those skills in an informal critique of your own existing performance measurement plan or the performance measurement plans of other operating units

Feedback on the Performance Msmt. Module, July 17

Please complete this questionnaire and return it to one of the workshop team members before you leave today

A Which aspects of the workshop were most helpful to you? Please be specific and explain, if necessary

_____

_____

_____

B Which aspects of the workshop could be done differently in the future? Please explain

_____

_____

_____

C Do you think the materials you were given will be useful in your work?

_____

_____

_____

D What types of additional guidance or materials would be helpful to you?

_____

_____

E Overall, how did this workshop meet your expectations (place mark on scale)

|_____|_____|_____|_____|

not useful somewhat useful very useful

F Are there any issues/concerns that you want us to take back to the training, performance measurement and evaluation, or other offices in AID/W?

_____

_____

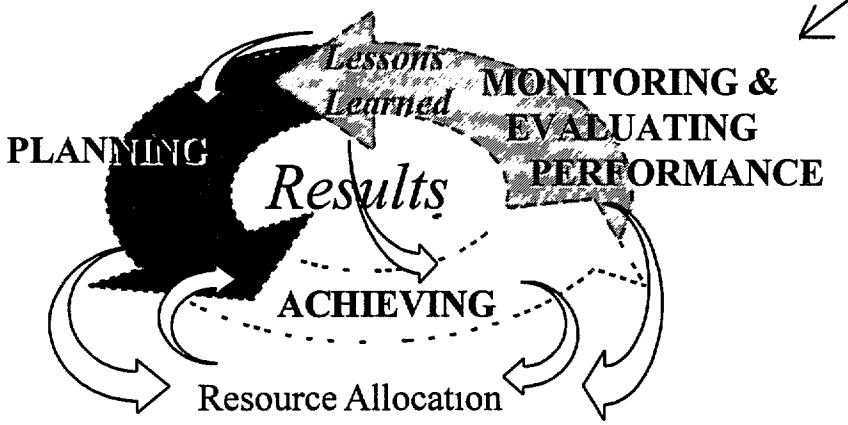
G Please write any other comments you would like to offer on the back of this sheet

Thank you!

Please feel free to send other comments or questions to Cathy Smith (M/HR/LS), Harriett Destler (PPC/CDIE/PME) or Larry Beyna (MSI) csmith@USAID gov, Harriett Destler @CDIE PME@AIDW or hdestler@usaid gov, lbeyna@msi-mfr com

WE ARE HERE

Key Functions of the System

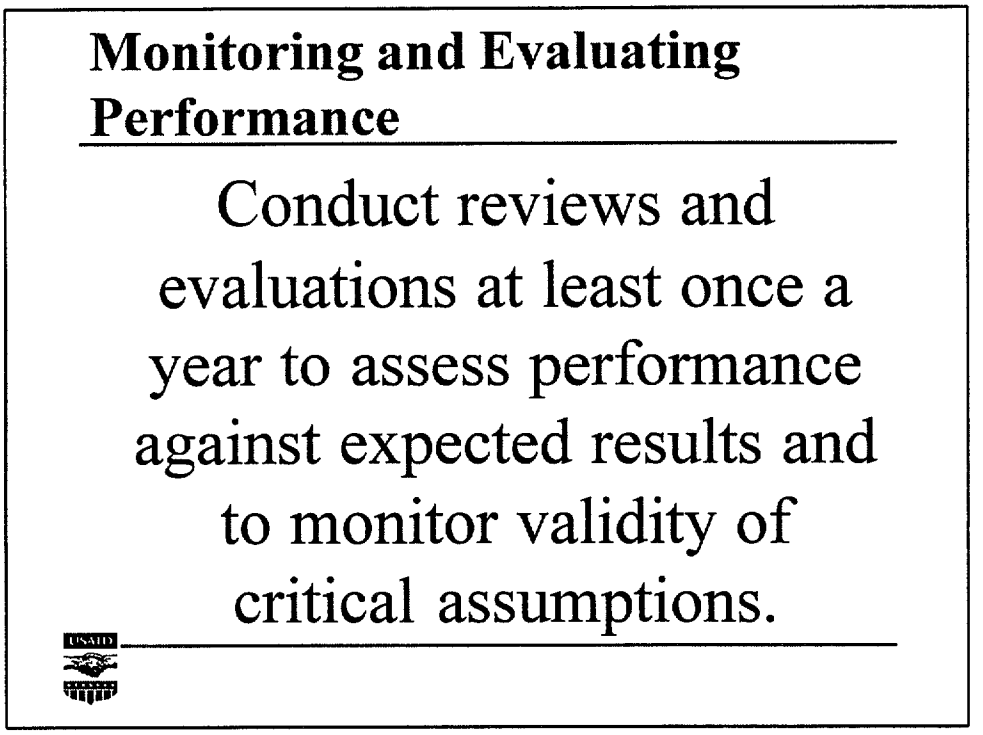


Monitoring and Evaluating Performance

To effectively manage for results, operating units must regularly collect, review and use information on their performance Performance information plays a critical role in planning and management decisions.

Program Performance Measurement Systems are designed to provide limited performance information - using a few key performance **indicators** - for each Intermediate Result as well as the Strategic Objective The reported progress, as indicated by these few measures, allows the managers to **monitor** what is being achieved over time in order to judge whether the development hypothesis and its accompanying activities are actually delivering the desired results Therefore reliable performance measurement data are crucial to making important strategic decisions and managing for results

Unfortunately basic performance measurement data do not tell the managers why certain results are being achieved or not To get this information, which is often crucial for decision-making, teams may have to conduct **evaluations** that test their assumptions, the cause-and-effect linkages in their program and the emergence of new constraints within the development environment



While performance reviews are to be conducted at least once a year, it is important to note that these reviews are not primarily for use or review by AID/W The principal reason for the reviews is to provide operating units with performance information needed to better manage for results

It also is important to understand that the need for (at least) annual performance reviews is based on best practices developed by the Agency and its operating units These best practices clearly indicate that using performance data to inform management decisions is an essential part of the planning-achieving-monitoring/ evaluation cycle

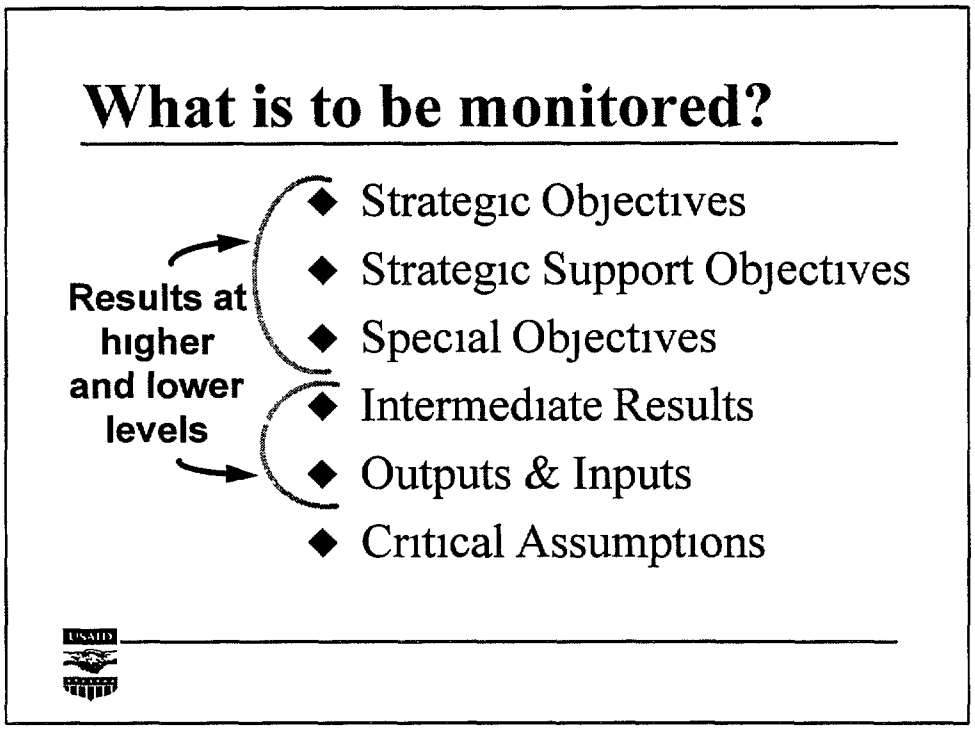
Participation in Performance Measurement

When deemed appropriate by the operating unit, customers and partners should be included in

- Planning performance measurement
- Collecting and interpreting performance information
- Conducting program performance reviews

The strength of a performance measurement system is not in its ability to report on results but its ability to provide performance information which is used to manage for results The "users" of this information include USAID, its partners and agents who implement its programs Therefore an effective performance measurement system requires developing an understanding and agreement among the operating unit, its partners and agents as to what's to be achieved, specifically what "achievement" will look like, and how will important performance management decisions will be made

Toward this end, teams are encouraged to actively include their partners and agents in the formulation of performance indicators and subsequent performance reviews conducted by the strategic objective team In addition to benefiting USAID program performance, USAID's partners and implementers might benefit from this involvement by deciding to adopt a performance measurement approach for their own organizations



While performance reviews are required for all the areas mentioned above, operating units are only required to report to their bureaus on strategic objectives, special objectives and strategic support objectives Despite the fact that operating units only report to Washington on their SOs and key IRs, they will want to carefully monitor the validity of their development hypothesis for which they will need performance information on the lower levels Some of this internal monitoring and evaluation will be conducted by the Strategic Objective Team and other monitoring and evaluation (activity-level) will be the concern of the Results Package Team

Internal monitoring and evaluation of intermediate results and activities may well lead the RPT and SOT to modify their tactics or even their broader development hypothesis These data will also be useful should a change in any of the strategic-level objectives be planned by an operating unit, as it is possible that the bureau may ask for other relevant performance information before a change in the management contract is agreed to

Performance Indicators serve as barometers of program performance...

.. and the quality of the indicators you use matters !

Identifying and selecting quality performance indicators

SO's and IR's will...

- have at least one indicator through which to track performance
- each indicator will have a baseline and a target

The operating unit only reports to USAID/Washington on the performance indicators for the SO and highest level of IRs However operating units will want to establish and monitor performance measures for lower-level results in order to manage for results This lower-level monitoring might be delegated to Results Package Teams who will report occasionally to the Strategic Objective Team

Performance Target and Baseline

◆ Performance Target

- ❖ The specific level of intended results to be achieved within explicit timeframes, against which actual results will be assessed

◆ Performance Baseline

- ❖ Value of an indicator at the beginning of (and/or prior trends to) a performance period, the baseline is used for comparison to measure progress toward a result

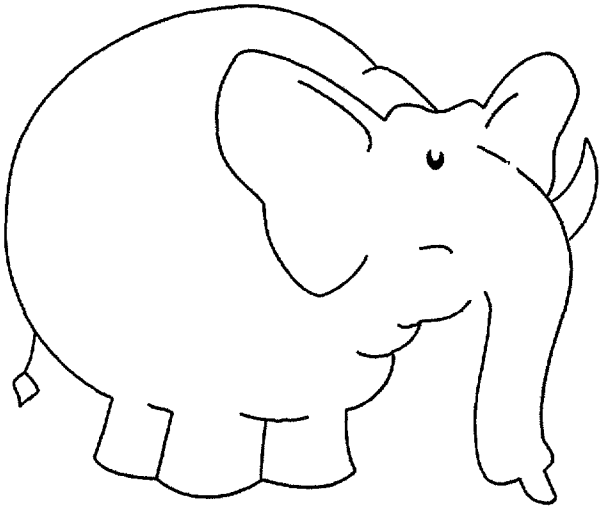
The **baseline measure** establishes the reference point for the start of the program period In some cases, planners may want to go back several years to correctly portray the context in which progress will be made

Specific **targets** are identified for each year (or measurement interval) of the program and it is against these targets that performance is judged

Strong Performance Indicators

- Direct (or a Reasonable Proxy) ☐
- Objective ☐
  - Precise ☐
  - Unidimensional ☐
- Adequate ☐
- Quantitative (Where Possible) ☐
- Disaggregated (Where Appropriate) ☐
- Practical ☐
- Reliable ☐

From a reward notice posted in Uganda's Kibale National Park



We are conducting an experiment to measure how far elephants carry seeds before dropping them out in their dung To do this we have been marking some fruits in a number of different areas all over the Park with small, yellow plastic numbered markers

We are offering a reward to people who find the eaten markers in the elephant dung and who can take one of us to the exact location of the elephant dung each marker was found in We would appreciate your efforts in helping us to retrieve these markers by taking the time to quickly look through each elephant dung pile that you encounter in your ordinary work or even during
your off time

The performance indicators for a result should be . . .

DIRECT

The measures should be straightforward and at the same levels of the results for which they have been developed They should be grounded in theory and practice and represent acceptable measures to both proponents and skeptics

Proxy indicators can be used when it is not practical to gather data for a direct indicator on a regular and timely basis When proxies are used, they should be as directly related to the relevant results as possible

OBJECTIVE

Indicators should be objective, i e , they should be framed in precise operational terms, and they should be unidimensional, each measuring only only one phenomenon so it can be clearly understood and useful for decision-makers

ADEQUATE

As a group, they measure the strategic objective or intermediate results effectively and efficiently

QUANTITATIVE

if possible, but

QUALITATIVE

where necessary

DISAGGREGATED

where appropriate, by gender, age, urban-rural, poor-non-poor, etc

PRACTICAL

The indicator should permit cost-effective collection of data on a timely basis, i e , at a frequency that is consistent with management needs Practical data are amenable to the collection of high quality data that are

READILY AVAILABLE,

TIMELY (i e , current and regular), and

COST-EFFECTIVE TO COLLECT

RELIABLE

The indicator should be amenable to the collection of data that the program managers (e g , SO team) can confidently use in decision making

Direct Indicators

- Indicators are direct measures of the SO or IR
- If direct indicators are not feasible, use credible proxy measures

EXAMPLES:

Criterion: Indicators are direct measures of the SO or IR

Good Examples	
SO	Increased non-traditional exports
Indicator	total dollar value of non-traditional exports
SO	Increased use of modern contraception
Indicator	modern contraceptive prevalence rate

Why Use Proxy Indicators ?

- **Only use indirect measures (proxies) when data for direct indicators are not available or feasible to collect at regular intervals**
- Examples
  - number of new tin roofs as a proxy measure of increased household income
  - public confidence in the judiciary as a proxy measure of a more responsive democratic institution
  - carpet wear and tear as a proxy measure of the popularity of a museum exhibit

See examples on the next page

EXAMPLES:

Criterion: If direct indicators are not feasible, strong proxy measures are used

Good Example	
IR	Increased transfer of environmentally sustainable farming practices
Direct Indicator	number/percentage of farmers using x number of specific environmentally sustainable practices
Proxy Indicator	number/percentage of farmers trained to use x number of specific environmentally sustainable practices, *or* amount of sales of equipment/materials required for use of specific environmentally sustainable practices

Poor Examples	
SO	Increased conservation of natural habitats
Indicator	number of park visitors
Indicator	percent of park costs met from private sources
IR	Increased use of environmentally sound agricultural practices
Indicator	rate of soil erosion
IR	Increased girls' access to education
Indicator	primary school enrollment rates total

Objective Indicators

- Indicators are framed in precise operational terms
- Indicators are unidimensional

EXAMPLES:

Criterion: Indicators are Framed in Precise Operational Terms

Poor Example	Good Example
# of successful export firms	# or % of export firms experiencing an annual increase in revenues of at least 5%

See more examples on the next page -

EXAMPLES:

Criterion: Indicators are unidimensional

Poor Examples	Good Examples
- value of investment and revenues of export firms	- value of investment of export firms - value of revenues of export firms
- literacy and primary school enrollment rates	- primary school enrollment rate - literacy rate

Adequate Indicators

- Taken as a group, the indicators adequately measure the SO or IR (better, not necessarily more, indicators)

EXAMPLES:

Criterion: Taken as a group, the indicators adequately measure the SO or IR

Poor Example	Good Example
Resource use policies and regulations passed and implemented - forestry laws passed and implemented	Resource use policies and regulations passed and implemented - forestry laws passed and implemented - legislation to increase number and size of protected areas passed and implemented - coastal management regulations implemented
Increased use of child survival services - vaccination rate	Increased use of child survival services - vaccination rate - Oral Rehydration Therapy use rate - Acute Respiratory Infection case management

Quantitative and Qualitative Indicators

Quantitative Indicators: number, amount, ratio, percentage, proportion, average score, rating, weighted or non-weighted index, etc.

Qualitative Indicators: description of the status of an intended result, analysis of documents, documented observations, representative case descriptions, etc.

95

Quantitative vs. Qualitative Indicators

- Can we get meaningful information by using quantitative indicators?
- Can we get objective, convincing information by using qualitative indicators?
- Can we quantify our qualitative indicators without losing important information?
- Do we need a mix of the two?

96

Indicators Are Disaggregated Where Appropriate

Disaggregate indicators (and data) by

- Sex
- Age
- Ethnicity
- Location (urban, rural, regional, etc)

whenever these distinctions could point to meaningful differences in measuring the results and assessing the strategy

EXAMPLE:

Criterion: Indicators are Disaggregated Where Appropriate

Poor Examples	Good Examples
SO Increase foreign exchange revenues IR Increased tourism receipts ⇒ # of male tourists ⇒ # of female tourists	SO Increased agricultural production IR Increased adoption of improved production technologies ⇒ #/% of male-headed farm households adopting improved technology ⇒ #/% of female-headed farm household adopting improved technologies

Indicators Are Practical

Ask whether

- Quality data are currently available
- The data can be obtained on a regular and timely basis
- Primary data collection, when necessary, is feasible and cost-effective

BEWARE..

Printed data, like rumors, have the unfortunate property of gaining the appearance of reliability and respectability as they are successively quoted and go from hand to hand

The following six pages offer suggestions for low cost methods of collecting primary data and ways to assess the usefulness of secondary data

DATA GATHERING TECHNIQUES FOR CONDUCTING RAPID, LOW-COST STUDIES

The most common data gathering techniques used in conducting rapid, low-cost studies are discussions with key informants, group interviews, guided interviews, observation, informal surveys, and rapid, non-random sample surveys These techniques are described in greater detail below[1]

1 **Key informants** In the key informant method, the researcher seeks the desired information from a few people in a community or organization who, by virtue of their position and role, are knowledgeable about the phenomenon under study Key informants are usually those who are better off, better educated, and more powerful (e g , the village headman, local school teachers, or the head of the local women's organization) Although there are dangers of bias (which can be offset by also talking to the disadvantaged and less powerful members of the community) , these individuals can provide valuable insights This technique can be very useful, for example, in obtaining information concerning the following

- Anticipated and unanticipated effects of program activities
- Community-level constraints to effective implementation

2 **Group interviews** This social science technique brings together a small group of people for an extended discussion cued by a series of questions or discussion topics put forward by the investigator This technique is also referred to as **"focus group"** interviews The discussions usually last 30 minutes to 1 hour A degree of rigor is imposed by conducting group inter views with both project participants and nonparticipants One advantage of group interviews is that there is a tendency for mutual checking That is, if one group member misrepresents certain topics, the rest of the group usually speaks up to correct any false impressions A disadvantage is that sometimes a few individuals or special interests may dominate the discussion The group interview technique can be useful in obtaining information concerning the following

- Participants' perceptions of program benefits and equity
- The degree to which certain program components are working out as planned
- Community participation in and understanding of the program activities

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1 This section draws, in part, on two sources Robert Chambers, "Shortcut Methods for Information Gathering for Rural Development Projects," Paper for World Bank Agriculture Sector Symposium, January 1980, and Daniel Santo Pietro (ed) , Evaluation Sourcebook for Private and Voluntary Organizations, American Council of Voluntary Agencies for Foreign Service, Inc , 1983

3 **Guided interviews** In conducting guided interviews, the interviewer uses a checklist of questions as a flexible guide rather than a formal questionnaire Not all points are raised in all interviews, but a composite picture usually emerges after several interviews The checklist has been found to be an effective tool for quickly diagnosing farming problems and opportunities It is a valuable technique for investigators with professional training but without extensive field experience A drawback of this technique is the difficulty in organizing the data generated from these discussions The guided interview can be useful in obtaining information such as the following

- Farmers' perceptions, problems, and use of new technological packages
- Families' use and acceptance of family planning methods
- Families' use of health services
- Village/household acceptance and use of potable water installations

4 **Direct Observation** Observation is fundamental to the investigation of almost any phenomenon Observation techniques involve viewing activities Observations of program results or activities can be obtrusive (everyone knows why the evaluator is there) or unobtrusive (people are not told the real purpose of the visit) For evaluative purposes, observation must systematically try to answer specific questions Evaluators need to agree on time (how much is adequate at each site?) and focus (what will be observed?)

Observation is useful for gaining insight into behavior To obtain information on the sanitation practices of villagers, it may be more useful to observe (unobtrusively) whether soap is available in washing areas than to ask directly A variation of this approach is called **"participant observation "** Observers participate in program activities and prepare regular reports on their perceptions The advantages of observation are that it is easy to do, requires minimal preparation, and is useful in identifying unintended, as well as intended, activity-level results A disadvantage is that the analysis depends heavily on the perceptiveness of observers and will be influenced by their biases These deficiencies may be partly compensated for by carefully selecting a balanced team of observers

Observation can be useful in obtaining information concerning the following

- The nature and effectiveness of the implementation process
- Villager participation in program activities
- Farmer contributions to operation and maintenance

5 **Informal surveys**[2] Both quantitative and qualitative data can be gathered through informal surveys incorporating innovative features There are two principal types of informal surveys

The first type is based on the use of **proxy indicators** For example, to assess quality of life, a researcher may gather information on household roof and floor materials and quality rather than attempt to gather precise household income data By using innovative indicators, the investigator tries to get a general idea of the situation without undertaking comprehensive surveys that directly measure standard indicators

Another promising approach[3], which has already proven useful in farming systems research, can be termed "**informal, multi-disciplinary surveys** " In such surveys, a multi-disciplinary team (e g , agronomists, economists, anthropologists) spends one to two weeks in the project area interviewing farmers and community leaders Team members compare notes, exchange ideas, and write up their report This mutual checking by all disciplines encourages accuracy and contributes to a broad-based, yet integrated perspective In farming systems research programs, for example, this type of survey has been used to orient the research program, but it can also be used to identify on-farm changes that have taken place

6 **Rapid, non-random sample surveys** Rapid, non-random sample surveys are distinguished from random sample surveys in two ways First, the number of variables is kept to a minimum Only a few questions are asked, and an interview can usually be completed within five to ten minutes Second, the norm of random sampling is abandoned in favor of a purposive sample which is deliberately kept small Because the number of variables is limited and the sample size is small, the data can be quickly tabulated manually, thus facilitating rapid analysis

One distinctive advantage of these surveys is that they can generate quantitative data which can be statistically manipulated Only sampling error cannot be estimated for them Moreover, because of their smaller size, non-sampling errors remain low, which enhances the validity of findings Non-random sample surveys are otherwise conducted like other surveys

Rapid, non-random sample surveys can be useful in providing information concerning the following

- Agricultural production levels and adoption of new technologies
- Use of and access to health services
- Irrigation Systems operation and maintenance

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2 The discussion of informal surveys and rapid, non random sample surveys is taken from Krishna Kumar, "Rapid, Low-Cost Data Collection Methods for Project Design, Monitoring and Evaluation Outline of a Proposal, USAID , Center for Development Information and Evaluation, July 1985

3 D r Peter Hildebrand has developed and used this approach at the Institute de Ciencia Technologia Agricola (ICTA) in Guatemala (See "Summary of the Sondeo Methodology Used by ICTA," prepared for the Workshop on Rapid Rural Appraisal, 26-27 October, Institute of Development Studies, University of Sussex, 1979)

Common Problems/Issues with Using Secondary Data

Data validity and reliability	The data do not reflect reality on the ground
Data configuration and precision	The data are not in a form which is useful to the manager/evaluator
Timeliness	The data are not available at intervals appropriate to the manager's/evaluator's needs
Access short and long term	The manager/evaluator is not able to get and use the data throughout the duration of the program

---

20 Questions to Ask When Assessing the Usefulness Secondary Data

General Questions which raise red flags and provide context

1) If similar data are available from other sources, are they consistent with the data under review, i e , external consistency?

2) Are the data internally consistent, i e , when summed, do subtotals equal totals, or, are there any large unexplained variations in the data from one period to the next? (Numerical errors raise questions of overall validity)

3) For what purpose and to answer what questions were the data originally collected?

Data Collection and Analysis

4) What method was used to originally collect the data (e g , formal survey, observation, remote sensing, informal survey, interviews, self-reporting, etc)?

   NOTE If data were collected by some method other than a formal survey, it is still important and appropriate to consider the representativeness of the data

For Formal Surveys When Probability Sampling is Used

5) Did every unit (individual, household, firm) in the target population have an equal chance of being selected?

   Related to question #5

6) Is the sampling frame (i e , the list of units in the target population) up to date?

7) Is the sampling frame comprehensive (and for area frames, are the geographic segments mutually exclusive)?

8) Is the procedure for drawing the sample truly random, including replacement (e g , simple random, cluster, sequential - with non-ordered sampling frame, etc)?

For Formal Surveys When Probability Sampling is Not Used

9) For data collected through self-reporting instruments (e g , mail-in surveys) what proportion of the targeted units actually provided information?

For Any Survey

10) Were the enumerators well trained? How were they trained? Was there any candidate deselection or other quality control? Were the enumerators insiders or outsiders?

11) Was care taken to minimize the effect of the potential for personal bias the enumerators may bring to the exercise? (Were any of the survey questions "cooked" or leading to a certain type of response?)

12) Did incentives exists for respondents to provide incomplete or untruthful information, whether it be for economic/financial reason (taxes), social/cultural reasons, mistrust of the enumerator or because the respondent was trying to please the enumerator?

13) Were the questions in the survey/questionnaire clear, direct and easy to understand? (If you don't get to see the questionnaire to verify the questions you can't be sure of the quality of the responses)

14) For self-reporting instrument, were adequate instructions provided to the respondents? (This is a source of considerable survey error)

15) Were all units in the intended sample contacted and asked for information? If not, was there a systematic or non-random exclusion of units? (Without some reliable system the data will not be representative)

16) Were the raw data transferred, transcribed, organized and analyzed in a careful and appropriate manner? (Each time data are handled the chance for error increases)

17) Are the data currently in a form/format which will meet the needs of the manager or evaluator? If not, is it possible to reconfigure the data or get access to the raw data? (With access to the raw data, the analyst can possibly cross-reference data categories in order to test for validity and deepen the analysis)

Timeliness and Access

18) Does USAID have, or can it get, access to the data? Is it reasonable to expect continued access for the duration of the program?

19) How often are the data collected? Does this meet the needs of the manager or evaluator? (Is data collection consistent – data collected differently can't be compared easily)

20) Is there any reason to believe the data will not continue to be collected in accordance with the planned schedule, e g , the track record of anticipated institutional or budgetary changes?

Indicators Are Reliable

- Reliable indicators are those that will yield data of sufficiently reliable quality for confident decision-making
- The level of reliability a program manager needs is not necessarily the level a social scientist would require

Data Quality

" operating units shall, at regular intervals, critically assess the data they are using to monitor performance to ensure that they are of reasonable quality and accurately reflect the process or phenomenon they are being used to measure " (ADS, 203 5 5e)

Data Validity

The degree to which the data collected actually measure the result they were intended to measure Threats to data validity

- a bad indicator
- measurement errors
- incomplete data
- transcription errors

Data Reliability

The degree of stability or consistency of data collection among the data collection agents and over time Threats to data reliability

- inconsistent sampling method
- non-comparable data collection instruments
- non-comparable data collection procedures

Document Indicators and Data Collection!!!

- Considerations, assumptions, and specifications for performance indicators
- specifications for data collection (source, methods, frequency, timing)
- assessments of indicator and data quality
- agreements between AID/W and the operating unit

Excerpt from the Agency Directives --

E203 5 5e

Data quality will be assessed as part of the process of establishing performance indicators and choosing data collection sources and methods Data quality will be reassessed as is necessary, but at intervals of no greater than three years

Monitoring plans should include:

- Definition of each indicator and unit of measurement
- Description of indicator data source
- Method of data collection or calculation
- Frequency and schedule of data collection
- Team or individuals responsible for ensuring data availability at the operating unit

The following seven pages provide a description and examples of a program performance monitoring plan.

Although the examples used here are limited to the strategic objective and the first level of intermediate results, the same plan also can used to monitor results at all levels This plan is based on actual operating units' "best practices" and has proved useful in managing for results

Such plans are for operating unit's management purposes and are not intended to be used for reporting nor as a substitute for the results-review portion of the R4 Performance measurement plans such as these would be indispensable to managers in helping their organize their data collection and monitoring efforts

Graphic Tools for Planning and Managing Performance Measurement Systems

The four tables contained in this section present examples of tools which can be used for planning, documenting and managing the performance measurement process Included are tables depicting the performance measurement plan and data tracking at the levels of the strategic objective and key intermediate result These tables are intended as models that operating units (Missions, Bureaus, et al) can use in developing plans within their SO and RP team as well as with their partners and implementing agents

Two sets of tables are provided here The first set of examples (Tables A & B) illustrates a performance measurement plan

- Table A Performance Measurement Plan for Strategic Objective 1 *(see page 70)*
- Table B Performance Measurement Plan for Intermediate Result 1 1 *(see page 72 For <u>each</u> key intermediate result the SOT or responsible RPT will want to generate a table like this one)*

The second set of tables (Tables C & D) illustrates the tracking of performance data for Tables A & B These summarize key pieces of information about indicators, data sources, data collection methods, schedules and parties responsible for performance measurement tasks These tables also provide as management tools for monitoring the performance measurement process

- Table C Data for Strategic Objective 1 Baseline, Expected Results, and Actual Results *(see page 71)*
- Table D Data for Intermediate Result 1 1 Baseline, Expected Results, and Actual Results *(see page 73 Similarly, additional tables can be generated for tracking data on each key Intermediate Result)*

Definitions

The following definitions describe the contents of the columns in the performance measurement and data tracking tables

Tables A & B Performance Measurement Plans

<u>Performance Indicator.</u> A performance indicator is a quantitative or qualitative dimension or scale to measure program results against a strategic objective or a program outcome A performance indicator should be a precise, direct measure of the relevant objective, it should be practical (i e , data are available or can be generated), and disaggregated (by gender, rural/urban, etc) where possible and appropriate If the objective being measured is focused and appropriately limited, only a few (or even only one) performance indicators are needed per strategic objective or program outcome

Indicator Definition and Unit of Measurement. These two items are combined into one column, but both aspects are important State exactly what it is that's going to be measured Picture yourself as an evaluation officer who comes in a few years later and needs to know exactly how to replicate the data collection What, precisely, is the indicator, and what is the exact unit of measurement? What are the numerator and denominator for this indicator? For example, suppose the objective is to increase the practice of contraception The rough indicator might be the "number of women who practice one or more forms of contraception on a regular basis " How do we define a "woman" here (age range, only women in union or all women, only women who live in certain geographical areas or in the entire country, etc) How do we define "forms of contraception?" What do we mean by "on a regular basis?" Are we looking only at the absolute number of women, or the number as a percentage of some whole (and if the latter, what is the whole?) We could use a completely different unit of measurement, e g , instead of counting women who meet our criteria, we could count person-months of contraceptive use Another example If the indicator is something like "annual percentage increase in grain production," we need to define precisely what we mean by "grain production" (which grains, where, etc) and we need to identify the precise unit of measurement, e g , metric tons

Data Source. Exactly where will the mission get the data? From whom and through what mechanism (a report, a survey, etc)? Will the data simply be extracted from an item on the monthly reports of extension agents to a coordinating office? Will the data come from a specific question on an annual survey of households, or from a quarterly report from the Ministry of Finance? Again, be as specific as possible For instance, if the report has a number, give it, if a specific table in a report is the data source, provide this information also Note that a box for "special" or "linkage" studies is not included If a data source will be a special study, then the data that study will produce should be described here

Method/Approach of Data Collection. Think replication when filling out this column How would a newcomer a few years from now know how to collect similar data? Are there any details that should be noted? If so, do so This is useful not only for those collecting the data, but also for those interpreting them While "Data Source" (the previous column) might provide the specifics of the source (e g , Table 10 4 of the Ministry of Planning and Development's quadrennial report of its Rural Household Budget Survey), "Method/ Approach" might provide details on the structure, interpretation, etc of the data (e g , the Rural Household Budget Survey is a national survey of a random sample of heads of households in all rural communities with less than 500 population) This column seems particularly relevant in those cases in which a special study is cited in the "Data Source" column If you need more space for description, use a footnote and write in the Comments/Notes box at the bottom

Data Acquisition by Mission. Acquisition here refers to the actual arrival of the data in the Mission Depending on the data source, this can mean one of two things Mission staff themselves are responsible for collecting data at their source, or the Mission is receiving data collected by someone outside the Mission (government partners, NGOs, contractors, etc) In either case, this column indicates who at the Mission is responsible for ensuring that data are actually available at the Mission, and how often and when those data are to come into the possession of Mission staff

Data regularly available at Mission? Stated as a question, this column lets performance measurement managers know if the data referred to in the previous column are actually available for use at and by the Mission Whether the data are to be collected directly by Mission staff or by people outside the Mission, the critical question here is, "Are the data available?" A simple "yes" in this column indicates that the Mission has begun to acquire data and can proceed to analysis and reporting "No" provides a reminder for performance measurement managers to continue tracking this important activity to make sure data will be available on schedule

Analysis and Reporting. The last step before actually using performance measurement information is data analysis and reporting The final column on this table simply indicates who is responsible for these tasks and when the various Mission reports are due As is the case in the two previous columns, the analysis and reporting information allows managers to monitor progress in implementing the performance measurement plan

Comments/Notes. Use as you wish This may be the place to document key assumptions being made in the choice of specific indicators and means of data collection, so that the next person will be able to understand

Tables C & D Data Tracking Forms

Baseline Data. This column is rather self-evident, except for how one defines baseline data One definition is as follows data that reflect conditions immediately prior to the beginning of the strategic objective program (not necessarily the present) By "beginning," we mean when a majority of the elements of the program were in place (or, if it's a brand new program, will be in place) If that was three years ago, then the baseline data should be those data closest in time to three years ago If the program is well underway and there are no baseline data, the baseline will have to be those data collected as soon as possible in the near future If this is the case, it should be clearly noted

Expected and Actual Results. This column reflects progress in achieving results over time by comparing

TABLE A PERFORMANCE MEASUREMENT PLAN FOR STRATEGIC OBJECTIVE NO 1 (an illustration)

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	DATA SOURCE	METHOD/ APPROACH OF DATA COLLECTION	DATA ACQUISITION BY MISSION		DATA REGULARLY AVAILABLE AT MISSION?	ANALYSIS & REPORTING	
				SCHEDULE/ FREQUENCY	RESPONSIBLE OFFICE		SCHEDULE BY REPORT	RESPONSIBLE OFFICE
STRATEGIC OBJECTIVE 1 Increased private sector non-traditional exports								
1 $ value of non traditional exports	Definition All exports except gold, cocoa, electricity and round logs Unit $ in millions	Government Export Promotion Council (GLPC), Trade & Investment Monitoring Unit (TIMU)	GEPC collects the data monthly from Customs Department and aggregates the data annually for TIMU	Annual/ March	SO 1 team data analysts	Yes	R 4	SO 1 team
2 Non traditional exports as a % of total exports	Definition Value of total non traditional exports divided by the value of all exports Unit %	GEPC/ TIMU	GLPC collects the data monthly from Customs Department and aggregates the data annually for TIMU	Annual/ March	SO 1 team data analysts	Yes	R 4	SO 1 team
COMMENTS/ NOTES								

TABLE B. PERFORMANCE MEASUREMENT PLAN FOR INTERMEDIATE RESULT 1 1 (an illustration)

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	DATA SOURCE	METHOD/ APPROACH OF DATA COLLECTION	DATA ACQUISITION BY MISSION		DATA REGULARLY AVAILABLE AT MISSION?	ANALYSIS & REPORTING	
				SCHEDULE/ FREQUENCY	RESPONSIBLE OFFICE		SCHEDULE BY REPORT	RESPONSIBLE OFFICE
INTERMEDIATE RESULT 1 1 Improved infrastructure needed for export expansion								
1 Kilometers of feeder roads rehabilitated	Definition Feeder roads rehabilitated in selected export producing areas Unit Cumulative number of kilometers	Monthly Progress Report from Department of Feeder Roads, Road Maintenance Management System		Annual/ June	Infra structure Results Package Team (RPT) data analyst	Yes	R 4, SO 1 team semi annual internal review	Infra structure Results Package Team (RPT)
2 Kilometers of feeder roads maintained	Definition Cumulative kilometers of feeder roads that are maintained Unit Numbers of kilometers	Monthly Preogress Report form Department of Feeder Roads, Road Maintenance Management System		Annual/ June	Infra structure RPT data analyst	Yes	R 4, SO 1 team semi annual internal review	Infra structure RPT
3 Domestic resource costs (DRC) at wholesale level for yams, peppers, pineapple, cassava and plantain	Definition Cost of inputs to produce X product locally divided by average cost of inputs to produce X product on the international market Unit Index	Special study	Coefficients will be determined by averaging the DRC estimates, at the wholesale level, on specific road corridors in four regions	Annual/ July	SO 1 team data analysts	Yes		Infra structure RPT, SO 1 team
COMMENTS/ NOTES The number of contractors trained was dropped as an indicator because it was determined to be an input to road maintenance and rehabilitation Also, Indicator 3 is a measurement of the affect of the achievment of Intermediate Result 1 1								

TABLE C DATA FOR STRATEGIC OBJECTIVE 1· BASELINE, EXPECTED RESULTS, AND ACTUAL RESULTS (an illustration)

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		EXPECTED AND ACTUAL RESULTS									
				1991	1992	1993		1994		1995		1996	
		YEAR	VALUE	ACTUAL	ACTUAL	EXPECTED	ACTUAL	EXPECTED	ACTUAL	EXPECTED	ACTUAL	EXPECTED	ACTUAL
STRATEGIC OBJECTIVE 1 Increased private sector non traditional exports													
1 $ value of non traditional exports	Definition All exports except gold, cocoa, electricity and round logs Unit $ in millions	1990	62 3	62 6	68 4	75	NA	95		130		180	
2 Non traditional exports as % of total exports	Definition Value of total non traditional exports divided by the value of all exports Unit %	1990	6 9	6 3	6 9	7 4	NA	8 0		10 1		12 9	
Comments/Notes													

BLE D DATA FOR IR 1 1. BASELINE, EXPECT RESULTS, AND ACTUAL RESULTS (an illustratio

PERFORMANCE INDICATOR	INDICATOR DEFINITION AND UNIT OF MEASUREMENT	BASELINE DATA		EXPECTED AND ACTUAL RESULTS									
				1991	1992	1993		1994		1995		1996	
		YEAR	VALUE	ACTUAL	ACTUAL	EXPTD	ACTUAL	EXPED	ACTUAL	EXPED	ACTUAL	EXPLD	ACTUAL
INTERMEDIATE RESULT 1 1 Improved infrastructure needed for export expansion													
1 Kilometers of feeder roads rehabilitated	Definition Feeder roads rehabilitated in selected export producing areas Unit Cumulative number of kilometers	1989	301	876	1034	1514	NA	1999		2484			
2 Kilometers of feeder roads maintained	Definition Cumulative kilometers of feeder roads that are maintained Unit Numbers of kilometers	1989	1070	1400	2000	4900	NA	6100		7300		8500	
3 Domestic resource costs at wholesale level for	Definition Cost of inputs to produce X product locally divided by average cost of inputs to	1992											
yams	produce X product on		59	NA	59	56	58	50		50		50	
peppers	the international		76	NA	76	75	76	72		72		72	
pineapple	market		90	NA	90	84	68	69		69		69	
cassava			1 78	NA	1 78	1 70	1 48	1 46		1 46		1 46	
plantain	Unit Index		85	NA	85	84	80	80		80		80	
Comments/Notes													

Reporting

- **When to report?** - Once a year
- **To whom?** - USAID/ Washington regional bureaus
- **On What?** - Progress in achieving strategic objectives
- **How?** - Through the R4*

Operating units within USAID Washington shall report to their respective central bureau (these include the Bureau for Policy and Program Coordination (USAID/PPC), the Bureau for Management (USAID/M), the Global Bureau (USAID/G), and the Bureau for Humanitarian Response (USAID/BHR)

Operating units within regional bureaus report to their respective regional bureau

While the R4 is to be submitted once a year, some bureaus might ask that operating units submit the results-review portion of the R4 before submitting the resource-request portion of the R4 Such a decision should be made in consultation with an operating unit's respective bureau

* R4 = Results Review & Resource Request

for more on this see the next page

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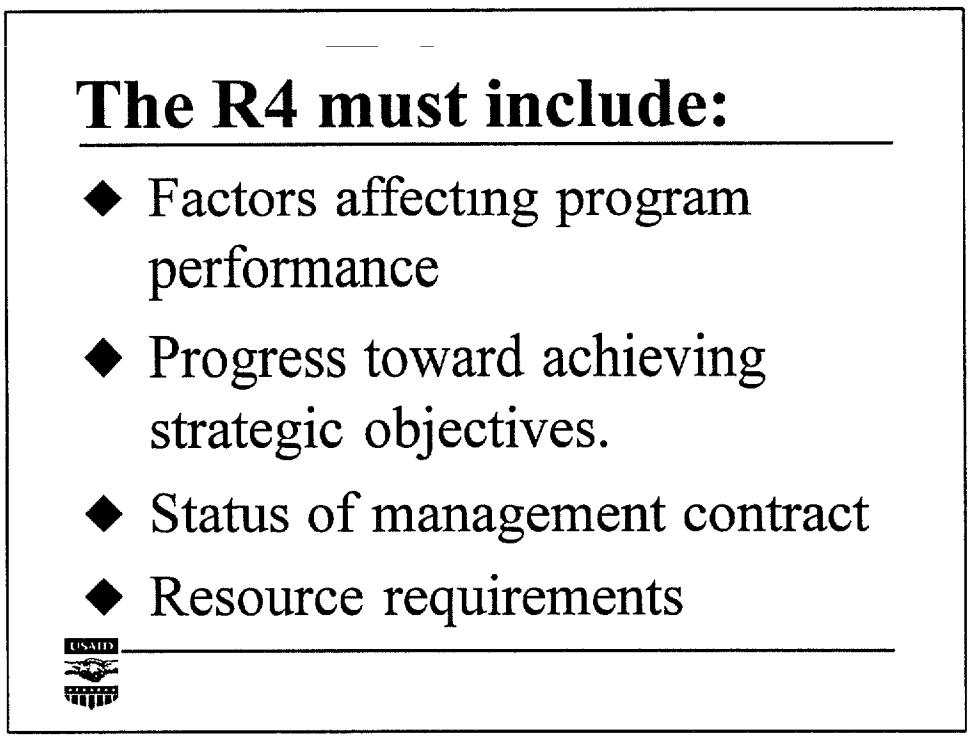
Requirements

It is intended that the R4 be the only formal requirement for performance reporting by operating units to USAID/Washington

- Future allocation of funds will be tied to results
- Missions need to think carefully about spending money on activities that are not achieving results
- In order to maximize results, missions will have the authority to shift funds within each Strategic Objective

Results Review & Resource Request (R4)

- Annual review of progress
- Request for resources - 2 years
- Comparison of results versus targets
- Lays out next year's milestones



Factors affecting program performance

- progress in the overall program, i e goals, subgoals or other broad programmatic issues

Progress toward strategic (and other) objectives

- summary of data on progress toward achieving SOs, including data on intermediate results where appropriate
- analysis of these data
- evidence that USAID activities are making a significant contribution to achievement of the SO
- expected progress for the next year

Status of the management contract.

- proposals for change/refinements at the SO level, if necessary
- special concerns or issues, including discussions of how the customer influenced the operating unit's assessment of progress and possible changes in the strategic plan
- updated list of G and/or BHR activities in country

Resource requirements

- program funding request by SO, and OE (operating expenses), staffing, technical support from AID/W, and program development and support (PD&S) funding

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COMMENTS/ NOTES								

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		YEAR	VALUE	ACTUAL	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL
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Comments/Notes													

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		YEAR	VALUE	ACTUAL	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL	EXP ED	ACTUAL
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- pineapple	market		90	NA	90	84	68	69		69		69	
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plantain	Unit Index		85	NA	85	84	80	80		80		80	
Comments/Notes													

INFORMATION

USAID/General Notice
AA/PPC
03/26/98

SUBJECT Performance Measurement

Over the past year, the Agency's ability to report results has increased significantly because of the serious attention USAID staff in the field and in Washington have given to collecting and analyzing data on performance This work has greatly contributed to our understanding of what the Agency is accomplishing, our management tools and our reporting to USAID's various constituencies One of my most important priorities for PPC is to ensure that the Agency's collection and use of information on results is reasonable, cost-effective, useful and contributes to effective program management at all levels of the Agency

The attached message shares USAID's current thinking on performance measurement It includes a preliminary analysis of last year's R4 results reporting, a summary of field unit comments on the proposed "common", or frequently-used, indicators, and an update on Agency work to identify better performance indicators It also explains current Agency policy and some of the circumstances which affect both what performance data should be collected and when and how such data can be used for management decisions

As an Agency, we remain committed to managing for results through the use of objective and appropriate performance measures for program decisions at all levels The first and most important use is at the field or operational level If the performance information you are collecting is not also being used by you to make your own program decisions, then you should re-consider your need for it, the reason(s) it is being collected, and its value to your results reporting This is true for the performance information you are collecting for each level of your results framework

Secondly, we use information on performance to inform bureau and Agency decisions Directives, earmarks, and special foreign policy concerns also influence agency decisions on resource allocations Thus it may be more appropriate to describe our systems as "performance-informed" rather than "performance-based budgeting "

And finally, we use performance information for USAID's corporate reporting on results We need and use performance data from the R4's to supplement and complement the information that we collect in

Washington to report on the Agency's performance in compliance with the Government Performance and Results Act (GPRA) and to let the Congress and the American people know why foreign assistance matters

What we do and where we work makes performance monitoring challenging for us as an Agency We need to work together to assure that performance measurement supports, not detracts from, program implementation We must be prudent about how much as well as what information we collect and use for decisions In this, I am reminded of the statement attributed to Albert Einstein that not everything important can be measured and that not everything that can be measured is important At the same time, if we don't know where we are going and what we are trying to achieve, it is difficult to manage

Results, as well as the quality of data available to track these results, differ among countries even for similar programs There are considerable differences among sectors in our ability to identify, collect and use appropriate performance indicator data This relates both to the state of the art of performance measurement and the nature and complexity of results in some sectors and some countries

We also see differences among countries in the nature and predictability of results This is particularly true in transition countries Where we are unable to identify sound performance indicators, we must use other objective information to track or assess performance Bad data, the wrong data or unsupported data are not better than no data Professional judgement is required to establish what results are possible, and what measures and evaluations provide the best evidence of how well we are achieving results Specific corporate requirements may also affect what information to collect, use or report These requirements, however, should reflect technical and country realities, good use of scarce staff and other resources, and above all common sense

For all of these reasons, we need to work together to identify better ways of measuring performance and to improve the indicators that are useful at the operational level We need and value your comments and suggestions and hope that you will continue to share your ideas, critiques, and priorities for agency assistance and work on performance measurement

Thomas H Fox
AA/PPC

Point of Contact Any questions concerning this Notice may be

directed to Harriett Destler, PPC/CDIE/PME, (202) 712-4511

Notice 0343

SUBJECT Performance Measurement

REFS

A) R4 Guidance Cable, State 010280, 1/20/98
B) Directives Access these three Chapters on the Directives Resource Compact Disc (DRCD) No 9
Chapter 201 Managing for Results Strategic Planning
Chapter 202 Managing for Results Achieving
Chapter 203 Managing for Results Monitoring and Evaluating Performance

For USAID/W users you can access the DRCD via CD server icon on the Lan Missions were sent DRCD No 9, March 3, 1998

This is an information message for AA's, Mission Directors, USAID Representatives and other Directors of Operating Units from AA/PPC, Thomas H Fox

SUMMARY

Over the past year, the Agency's ability to report results has increased significantly because of the serious attention USAID staff in the field and in Washington have given to collecting and analyzing data on performance This work has greatly contributed to our understanding of what the Agency is accomplishing, our management tools and our reporting to USAID's various constituencies One of my most important priorities for PPC is to ensure that the Agency's collection and use of information on results is reasonable, cost-effective, useful and contributes to effective program management at all levels of the Agency

This message shares USAID's current thinking on performance measurement It includes a preliminary analysis of last year's R4 reporting with performance indicators, a summary of field unit comments on the proposed "common", or frequently-used, indicators, and an update on Agency work to identify better performance indicators

Because of your many questions about the collection and use of performance data, this message also explains in some detail current Agency policy and the circumstances which affect what data should be collected and our ability to use this information for decisions on resource allocations

As an Agency, we remain committed to managing for results through the

use of objective and appropriate performance measures for program decisions at all levels The first and most important use is at the field or operational level If the performance information you are collecting is not also being used by you to make your own program decisions, then you should re-consider your need for it, the reason(s) it is being collected, and its value to your results reporting This is true for the performance information you are collecting for each level of your results framework

Secondly, we do use information on performance to inform bureau and Agency decisions As stated in Ref A, however, directives, earmarks, and special foreign policy concerns are also important and performance is only one factor in resource allocations These budget realities may it make it more appropriate to refer to "performance-informed" rather than "performance-based budgeting "

The third use of performance information is for USAID's corporate reporting on results We need and use performance data from the R4's to supplement and complement the information that we collect in Washington to report on the Agency's performance in compliance with the Government Performance and Results Act (GPRA) and to let the Congress and the American people know why foreign assistance matters

Performance measurement should support, not detract from, program implementation We must be prudent about how much and what information we collect and use for decisions Recall, for instance, the statement attributed to Albert Einstein that not everything important can be measured and that not everything that can be measured is important At the same time, if we don't know where we are going and what we are trying to achieve, it is difficult to manage

Results, as well as the quality of data available to track these results, differ among countries even for similar programs There are also considerable differences among sectors in our ability to identify, collect and use appropriate performance indicator data This relates both to the state of the art of performance measurement and the nature and complexity of results in some sectors and some countries

We also see differences among countries in the nature and predictability of results This is particularly true in transition countries Where we are unable to identify sound performance indicators, we must use other objective information to track or assess performance Bad data, the wrong data or unsupported data are not better than no data Professional judgement is required to establish

what results are possible, and what measures and evaluations provide the best evidence of how well we are achieving results Specific corporate requirements may also impact on what information to collect, use or report These requirements, however, should reflect technical and country realities, good use of scarce staff and other resources, and above all common sense END OF SUMMARY

A CURRENT USAID POLICY AND GUIDANCE ON PERFORMANCE MEASUREMENT

Our basic policy remains that common sense and reasonableness must prevail in collecting, reporting and using information on performance At each level, management must determine how much and what quality of information is needed for what program decisions, including the level of investment Those collecting, reviewing or otherwise using performance data are encouraged to review Agency policy and requirements as articulated in the Agency Directives, Series 200, Managing for Results (REF C) You and your staff may also find useful the practical supplemental guidance on designing performance monitoring systems, selecting performance indicators, setting performance targets and designing, and using evaluations in the PPC/CDIE TIPS series

We are concerned that some of you told us that performance measurement may be crowding out program implementation or that more information is being collected than is required or being used More is not always better Our goal remains development, not the measurement of development change Good performance indicators, like good strategic objectives, must first and foremost be relevant and useful for the management of our development programs, whether by field managers or headquarters

Our goal is to base agency reporting requirements such as the R4, as much as possible, on the information used to assess progress at the level of the strategic objective The vast majority of this data should be information that operational unit managers and strategic objective teams already are collecting, analyzing and using on a routine basis Performance information below the level of the strategic objective can also be useful in assessing and reporting on progress, particularly when there is limited information available at the strategic objective level - But again, since intermediate results are intended to be flexible and more closely related to program implementation, information collected at this or a lower level should be demonstrably useful to the responsible operating unit or strategic objective team If not, one should question why it is being collected

Our performance reviews this year reminded us of the critical importance of delineating clear and realistic strategic objectives that reflect sound development theory Equally critical for subsequent reviews of performance is a common understanding between headquarters management and the operational unit on the nature and magnitude of the expected results for each strategic objective Only when we have agreed upon the expected results, can we begin to select performance indicators At the same time, we must also always remember that performance indicators are supposed to measure, not define, the results we seek

This year's experience also underscores the variation in results even in parallel programs among similar countries, the need to examine annual results within the context of longer term change, and the important differences among goal areas in our ability to identify sound, reliable and affordable performance indicator data In some important areas, we don't yet have useful performance indicators, and some doubt the feasibility of identifying such indicators In these cases, it is particularly important that managers share the evaluations and other program findings that help them understand what is happening

Ultimately, there is no substitute for professional judgement and sound analysis of what results are possible and which performance measures, program findings or evaluation results represent the best evidence of development change On occasion, it may be important for corporate analytic or reporting needs to request specific and additional information However, decisions on what information to collect, use or report must reflect technical and country realities, good use of scarce staff and other program resources, and common sense

We will continue to work with our development partners to identify more widely applicable and, as appropriate, recommended indicators for operational programs Good information on results or the lack of expected results helps us all manage better We need good performance information for three important reasons

The first and most important reason is to monitor progress toward achieving our objectives and to use subsequent information on performance to manage for development results Information on results that you are collecting and reporting in your R4 should be useful to your management of your program If it is not, you may need to reconsider what and how much information you are collecting and adjust your performance monitoring accordingly to capture the right

information

The second reason is to improve Agency understanding of results This has two important dimensions learning from experience and improving decision making We are committed as an agency to learning from and sharing our experience This means analyzing, discussing and reporting, as in this year's Agency Performance Report, on both development gains and on those cases where expected results were not achieved

Performance is an important factor in agency decisions on policy, priorities and resource allocations Budget constraints, earmarks, directives and special foreign policy concerns, however, are also key factors in resource allocations Consequently, it is not always possible or preferable to reward high performing programs with increased budgets and staff Our role as a foreign affairs agency means we can not allocate resources solely on the basis of performance This is one reason why USAID is beginning to refer to "performance-informed" rather than "performance-based" budgeting"

At the same time, as the FY 2000 R4 guidance makes clear, we want to emphasize performance as much as we can in allocating the resources made available for assistance programs Encouragingly, PPC AND M analysis of last year's data indicate that those objectives assessed as better performing received a greater percentage of the resources requested than those which were rated lower In the final analysis, we need to be clear with ourselves and our partners that good performance and good results are an end in themselves, not just a means toward getting larger budgets

The third reason we need good performance information is to strengthen our reporting on the results we achieve with our partners and to meet Government Performance and Reporting Act (GPRA) requirements This is not only "the law of the land" but also essential for our reporting on our use of public resources and explaining to the Congress and the American public what we have achieved with these resources USAID's future is dependent on our ability to demonstrate that foreign assistance matters, achieves significant results, is well-managed, and represents a good use of taxpayer dollars

B PRELIMINARY ANALYSIS OF PERFORMANCE MONITORING SYSTEMS

Headquarters' focus remains on the reporting of results at the level of the strategic objective, not below Our preliminary analysis of last year's R4's suggests gains in establishing performance monitoring

systems and meeting performance targets About 80 percent of our operating units have a performance monitoring "system" in place with baseline data established for at least one indicator at the strategic objective (SO) level On average each operating unit had 4 6 SO's, a slight increase in the number of strategic objectives over the previous year

Last year we had 429 strategic objectives at the operational level The average number of performance indicators per SO was 2 4, a slight decline in indicators from previous years About 40 percent, or 170 of the SO's, had baseline, target and actual performance indicator data at the SO level

We are looking at where and why there were data gaps and the extent to which there was other useful information on SO performance, either from Intermediate Results (IR) performance indicators or in the SO narrative We are also looking at the patterns of reporting and the extent to which success in collecting and reporting performance indicator data at the SO level is widely distributed or concentrated in particular regions or sectors While not all bureaus focused on the question of whether operating units explicitly met or exceeded the targets they set, the information available from bureau reviews and the R4's suggests that most units met or exceeded their performance targets About 20 percent of strategic objectives exceeded expectations, about 65 percent met expectations, and 15 percent were below expectations

C EARLIER AGENCY WORK TO IMPROVE THE PERFORMANCE INDICATORS

Since the beginning of the decade, USAID has been working to improve its ability to plan, measure and manage for results A systematic Agency attempt to develop better operational or "common" indicators across sectors started in February 1995, when PPC distributed "Draft Agency Strategic Frameworks" including a core set of indicators at the agency goal and objective level More than 200 USAID staff as well as many of our partners participated in workshops to identify useful performance measures for field use

Subsequently, building on the workshops and a review of all mission and office plans, PPC identified currently-used indicators and linked these to the Agency goals, objectives, and approaches Those that were most frequently used at the approach or operational level provided a preliminary list of "common" or "common theme" indicators Inter-bureau indicator working groups lead by agency technical leaders reviewed the preliminary lists of "common" indicators to select those

that seemed most relevant or suitable for more general use These formed the basis for preliminary lists of common performance indicators which PPC circulated agency-wide for review, comment and further development in February 1997 (REF C)

D AGENCY COMMENTS ON PRELIMINARY LISTS OF COMMON INDICATORS

Many missions and Washington offices provided us with very good and detailed feedback on specific indicators and the concept of common indicators While there was general support for better indicators for use at the field level, missions and other operational units had three major issues which cut across goal areas and regions These were flexibility, comparability, and cost

Flexibility While missions and Washington offices welcomed help in selecting good indicators, they were concerned that standardized "common indicators" might be imposed, that indicator determined results might be used inappropriately and that proper attention might not be paid to differences in the quality and availability of data among countries and programs Bad data are not better than no data

Comparability In addition to some of the issues already discussed with finding broadly applicable indicators, many believe the search for such indicators is not practical or sensible because many programs are "unique " Use of standardized common indicators to compare and aggregate results across countries or among programs is often seen as conflicting with "management for results" at the operational level Some are concerned that an over emphasis on indicators will "drive" programs by encouraging staff to focus on changes which are not important in their country or program

Cost Some are concerned about the costs of changing or adding new indicators Many said that they now use indicators which they developed through intensive collaboration with local partners, and can measure reasonably well at reasonable cost The "imposition" of standardized common indicators by those outside the program could entail excessive political, organizational and financial costs and detract from other more important program activities

We have heard and value these comments and concerns We recognize our obligation to inform you about the Agency's evolving perspectives concerning performance measurement and "common" indicators

First, USAID does not intend to impose inappropriate indicators on operating units We will continue to collect and share information

about performance measurement generally and about those performance indicators that are producing reliable and useful information for managing programs We will also share what we learn about the nature and levels of change that we observe in different settings to help managers set appropriate strategic objectives, performance goals and targets

Our on-going review of indicators and the data associated with them may mean that we will suggest, as we did with HIV/AIDS prevalence rates, that in some cases managers should not use a particular indicator as a performance measure, even though it may be important to collect that information for other programmatic reasons Ultimately, staff must decide not only on what indicators are useful for monitoring programs but also which indicators, along with other evaluation and program findings, provide reliable, useful information about performance in their program

Second, USAID does require certain information to report corporately to Congress and the U S public on how our resources in particular goals areas, sectors and regions contribute to improvements in development, the quality of life for citizens of developing or transition countries, and to U S foreign policy objectives In identifying these corporate needs, we recognize that the type and magnitude of results may differ from country to country, even in programs pursuing common objectives and approaches These differences reflect disparate starting points, in-country and partner resources, USAID resources and other factors often beyond the control of the USAID mission Notwithstanding these realities, where possible and to the extent that it is meaningful, we must report on common results across countries, such as gains in child survival, protection of endangered species or changes in income or educational opportunities

Third, we are aware of the costs associated with changes in performance measures for on-going programs In general, we expect that performance measures at the level of the strategic objective will remain constant over the life of a strategic plan so that progress can be tracked consistently There will be instances where expected data are not available, are not of acceptable quality or are not sufficient for making judgments about whether the expected progress is achieved for strategic objectives In those cases as well as when missions and offices are developing new strategic plans or finalizing their performance monitoring plans, we would expect missions to consider relevant performance measures and the indicators recommended by Agency indicator working groups and as necessary alternative approaches to tracking performance

E AGENCY COMPLIANCE WITH GPRA AND COORDINATION WITH OTHER DONORS

As an Agency, we continue to take steps to increase our capacity to comply with GPRA With the development this year of the Agency Strategic Plan and Agency Performance Plan, we moved closer to meeting GPRA requirements for reporting in 2000 on how the Agency did in meeting its performance targets and linking resources with achievement For the first time this year, a chapter in the Agency's Annual Performance Report used extracts from recent evaluations to show how USAID assistance links to development gains

We share with other donors a common interest in improving development planning, performance measurement and use of information on results for management Wherever feasible and sensible, we are interested in adopting common approaches to performance measurement and developing common sets of development indicators CDIE, and PPC more generally, have worked closely with the DAC, the World Bank and others in identifying widely applicable development indicators, particularly to track country trends for USAID's Agency goal and objective indicators The selection of Agency goal and objective indicators is broadly consistent with this effort and with the indicators encompassed by the DAC Strategy for the Twenty First Century At the approach/activity level PPC, G, BHR and Regional Bureaus have also collaborated with a wide range of donors in identifying quality indicators relevant to the management of assistance programs on the ground in the field

F CURRENT AGENCY WORK ON INDICATORS

Mission and USAID/W concerns about common indicators were incorporated in subsequent reviews of indicators by the Agency Working Groups In particular, field reactions, Washington comments and the deliberations of our indicator working groups make us focus on a) the primary importance of quality indicators and b) variability in the extent to which widely applicable common indicators are appropriate in different goal and objective areas Our goal, at this point, is to identify those quality indicators that are most likely to be widely applicable The Agency Indicator Working Groups were at different starting positions last February They are moving at different rates in their review, development and refinement of performance indicator lists While some groups have reached consensus and have transmitted a "core set" of recommended indicators to field missions and other operating units, other groups are engaged in vigorous field testing programs for their indicators

Economic Growth and Agricultural Development Indicators No changes have been made in the list of economic growth indicators transmitted with the 2/7/97 message

Human Capacity Indicators Basic Education and Higher Education working groups have been developing and refining indicators at the agency objective and approach in accordance with the new agency goal in this area They are developing lists of indicators which will serve as menus for mission selection of relevant, useful measures The lists are meant to be menus from which missions or other operating units can choose indicators for their relevant SO's and/or IR's if they find it helpful to do so A revised draft of the Basic Education indicators was sent to USAID Missions and offices

Democracy and Governance Indicators With help from a contractor, G/DG has been developing a "menu" of approach level indicators for field consideration and use They have identified a preliminary set of indicators for each approach included in democracy strategic framework These preliminary indicators have already been tested in Ukraine, the Philippines and Uganda In January, a team worked to complete the last field test in Guatemala An Agency working group will review the data from the field tests Subsequently, G/DG intends to produce a manual with a menu of widely applicable indicators to assist democracy officers in monitoring and tracking the performance of democracy and governance activities around the world The Center also intends to convene user workshops to discuss the manual and the process of selecting from the menu of indicators The target date for completion is April 1998

Environment Indicators The Environment Indicator Working Group has produced a more thorough, comprehensive version of the primer on environment performance indicators that was originally distributed in February 1997 by the Global Environment Center This is intended to represent a more systematic review of the indicators being used by the Agency's environmental programs, and provide examples of the best indicators currently in use for each Agency Approach The final version of primer will be distributed shortly

Population, Health and Nutrition Indicators Because we have worked longer and made greater investments in measuring performance in the PHN sector, the PHN working group was ahead of other groups when they began assessing performance indicators The PHN working groups have completed lists of quality indicators for Population, Child Survival, Maternal Health and HIV/AIDS The completed lists which include information on each indicator are available and will be sent

out shortly

USAID Humanitarian Assistance Indicators Last year BHR offices finalized their strategic plans and submitted their first R4 reports This process identified a number of data gaps Each BHR office is working with its partners in the field to validate results frameworks and performance indicators BHR/FFP's emergency division and BHR/OFDA are working together to develop common definitions and performance indicators This is being done in concert with BHR/PPE, BHR/OTI, PPC/CDIE, State/Population, Refugees and Migration Bureau, and other implementing partners The FFP emergency division field tested these at a performance monitoring workshop in Angola in early September In December 1997, OFDA and FFP jointly field validated performance indicators in a Nairobi-based workshop with PVOs working on emergency food and non-food programs in Sudan

One of the things that has made the process more difficult is that these exercises involve worldwide programs covering multiple sectors, and that outside agencies, both PVOs and international organizations, are involved in these programs While time consuming, this joint planning process should result in indicators that are more acceptable and applicable

G CONCLUSION

We will continue to work with our colleagues to identify better ways of measuring performance and to improve the indicators that are useful at the operational level We need and value your comments and suggestions and hope that you will continue to share your ideas, critiques, and priorities for agency assistance and work on performance measurement

Point of Contact Any questions concerning this Notice may be directed to Harriett Destler, PPC/CDIE/PME, (202) 712-4511

Introduction:
Program Evaluation

The following section presents a brief walk-through of USAID's reengineered approach to program evaluation Like the previous chapter, this section is designed as both a reference tool and a companion piece to today's workshop, and contains reproduced copies of the overheads you will see during the presentation Additional information on program evaluation is also included where appropriate Because most of the points made in these overhead reproductions are distilled from the Agency's Automated Directives System (Section 203), they serve as an outline of the key concepts in USAID's reengineered operations systems

Beginning with the Agency's approach to program evaluation and ending with a look at evaluation scopes of work, this chapter also includes information on the following

- the distinction between performance measurement/monitoring and program evaluation
- "decision-driven" evaluation
- "triggers" for evaluation
- forming the right questions for evaluation
- data needs and data collection methods
- participatory evaluation and
- key steps and questions for evaluation planning

You and many of your colleagues have attended other courses and workshops like this one, in which practice sessions have allowed you to try out a new skill or tool And because nothing builds skill and confidence better than practice, we suggest you use this notebook not only as a guide for the next time your team needs to conduct a program evaluation

Feedback on the Program Evaluation Module, July 18

Please complete this questionnaire and return it to one of the workshop team members before you leave today

A Which aspects of the workshop were most helpful to you? Please be specific and explain, if necessary

_____

_____

_____

B Which aspects of the workshop could be done differently in the future? Please explain

_____

_____

_____

C Do you think the materials you were given will be useful in your work?

_____

_____

_____

D What types of additional guidance or materials would be helpful to you?

_____

_____

E Overall, how did this workshop meet your expectations (place mark on scale)

|_____|_____|_____|_____|

not useful somewhat useful very useful

F Are there any issues/concerns that you want us to take back to the training, performance measurement and evaluation, or other offices in AID/W?

_____

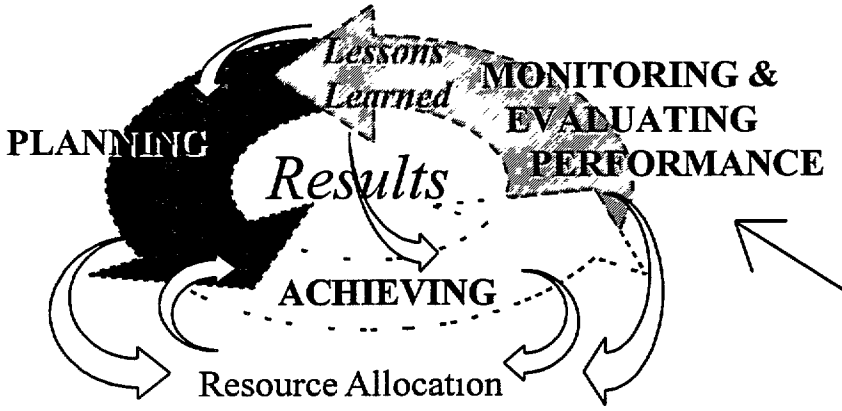
_____

G Please write any other comments you would like to offer on the back of this sheet

Thank you!

Please feel free to send other comments or questions to Cathy Smith (M/HR/LS), Harriett Destler (PPC/CDIE/PME) or Larry Beyna (MSI) csmith@USAID gov, Harriett Destler @CDIE PME@AIDW or hdestler@usaid gov, lbeyna@msi-mfr com

Key Functions of the System



MODULE THEMES & OBJECTIVES

THEME	OBJECTIVE
Program Management	To increase your ability to use evaluation as a tool for assessing and improving program performance, i e , for managing for results
Evaluation Know-How	To enhance your understanding of why and how to undertake evaluations
Change	To improve your ability to act as change agents for promoting improved evaluation approaches in your programs

LEARNING POINTS

- Begin with management questions
- With a focused approach, it's often possible to get useful information quickly and efficiently
- There are usually many options for obtaining evaluation information, and each has its own +'s and -'s, depending on the situation

LEARNING POINTS (cont.)

- It's essential to know the intended uses of the evaluation data and the mode of collection prior to starting out
- Since customers and partners may be affected by an evaluation (and subsequent program changes), it's always best to obtain their input

Evaluation

"Evaluation is a relatively structured, analytical effort undertaken selectively to answer specific management questions regarding USAID-funded assistance programs or activities."

(ADS, 202 4)

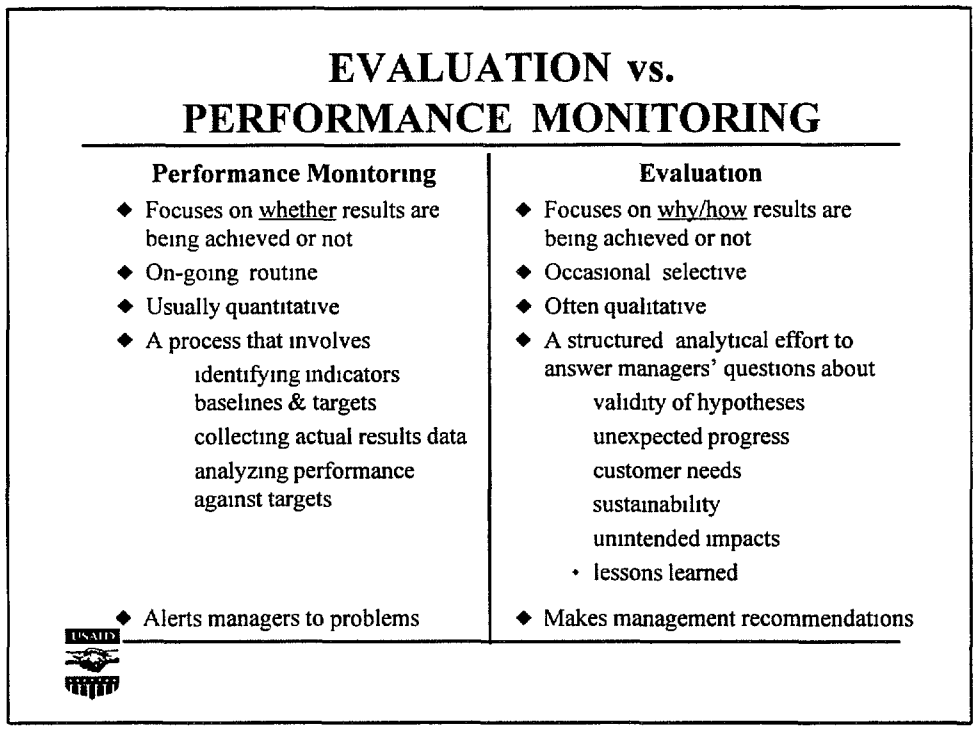
Evaluation is a management tool that plays a vital role in Agency decision-making, accountability reporting, and learning It is an important source of information about the performance of USAID activities, programs and strategies As seen on the next page, program evaluation is different from, but complementary to, performance monitoring, another key tool in the program manager's managing-for-results toolkit All the tools for collecting performance information help an SO team or operating unit

- o improve the performance and effectiveness of development activities
- o revise program strategies
- o plan new strategic objectives, results packages and activities
- o decide whether to abandon failing programs, strategies or objectives
- o document and report findings on the impacts of assistance

203 5 7 OTHER SOURCES OF INFORMATION FOR MANAGING FOR RESULTS

In addition to information from performance monitoring and evaluative activities, the Agency, SO teams and activity managers shall, to the extent possible, use the following other sources of information for managing for results

- Agency research and other state-of-the-art findings in the Agency's technical areas,
- documented experiences of other donors and development agencies,
- development experience, including Agency "lessons learned" (See Glossary),
- development information (See Glossary),
- knowledge gained from assessing customer needs,
- analyses and assessments of relevant countries and sectors, and,
- informal feedback from counterparts, partners, customers, or other informed observers, or from field visits or other direct contact



Performance monitoring/measurement systems track and alert management as to whether actual results are being achieved They are build around a hierarchy of objectives (e g , a strategic objective's results framework), which logically links USAID activities and resources to intermediate results, and those results to a strategic objective through cause-and-effect relationships (i e , development hypotheses) Performance monitoring is an ongoing, routine effort, requiring data gathering, analysis, and reporting of results at periodic intervals (e g , through the R4)

Evaluations are systematic analytical efforts that are planned and conducted in response to specific management questions about the performance of USAID programs Unlike performance monitoring, evaluations are generally one-shot occasional research efforts, conducted when needed SO teams and operating units use evaluations to figure out why results are or are not being achieved, to assess their strategies and development hypotheses, to adjust program activities, or to learn lessons for future planning and future strategies

WHAT'S NEW IN EVALUATION SINCE REENGINEERING?

EVALUATIONS USED TO	NOW, EVALUATIONS
◆ Be the only tool for assessing program performance	◆ Complement performance monitoring systems
◆ Focus primarily on activities	◆ Also examine results frameworks
◆ Be considered a formal requirement	◆ Are to be conducted only if there is a management need
◆ Be reviewed by AID/W	◆ Are integrated into R4's
◆ Be conducted by outsiders	◆ Emphasize participation
◆ Rely on formal quantitative methods	◆ Stress qualitative, rapid, & low-cost methods

Evaluation

- **Shall be used to ascertain why unexpected progress (or lack of it, or negative impact) is occurring with respect to a planned result**
- **Agency-wide Evaluations shall extract cross-cutting lessons from operating unit experiences**
- **Operating Unit Evaluations shall be used to determine the reasons that expected results are or are not being achieved, and to explore issues**

Excerpt from Agency Directives

203 5 6 EVALUATION

As an ongoing part of planning and managing development assistance, the Agency, its operating units, and the teams managing development assistance shall use evaluative activities as needed Evaluation activities shall be utilized, when information from other sources is insufficient to provide the needed insight, to

- assess why unexpected progress, either positive or negative, towards planned results is occurring,
- determine whether conditions for sustainability related to USAID assistance exist,
- re-examine or test, when necessary, the validity of hypotheses and assumptions embedded in strategic objectives and results frameworks,
- determine whether the needs of intended customers are being served,
- identify, probe, and understand positive and negative unintended consequences or impacts of assistance programs,

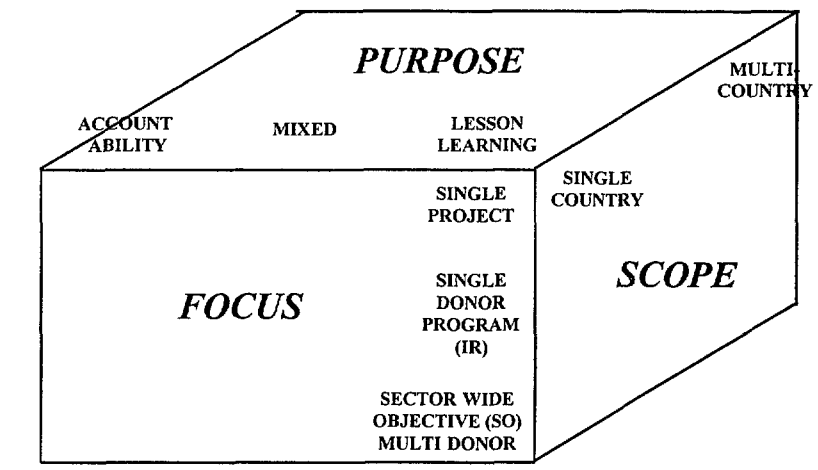
- distill "lessons learned" which may be useful elsewhere in the Agency; and,
- assess the effectiveness of Agency strategies across countries and within sectors (See also, 203 5 1b)

E203 5 6a(2) Planning and Conducting Evaluations at the Overall Agency Level

Central evaluations shall be conducted to meet Agency management and planning needs PPC/CDIE shall conduct and coordinate participation in these evaluations, working in cooperation with other appropriate bureaus Agency senior management, as well as relevant stakeholders and partner development organizations, as appropriate, shall be consulted to determine central evaluation needs and areas of focus The following concerns, among others, shall be considered in determining the focus of central evaluations and the areas to be assessed

- issues related to the effectiveness of Agency program strategies in contributing to overall Agency goals and objectives,
- issues related to the effectiveness of strategies commonly or experimentally used by operating units to achieve strategic objectives within particular sectors,
- other important issues related to the delivery of development assistance (i e unexpected, positive or negative, consequences or impacts from various programs or activities), and,
- major issues which may be of concern to the Administrator or Agency stakeholders

Types of Evaluations



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ANOTHER WAY OF LOOKING AT THE DISTINCTION BETWEEN PERFORMANCE MEASUREMENT AND EVALUATION

PERFORMANCE MEASUREMENT		PROGRAM EVALUATION
High ⇦ ⇦	PROGRAM RANGE	⇨ ⇨ *Low*
Low ⇦ ⇦	PROGRAM DEPTH	⇨ ⇨ *High*
Low ⇦ ⇦	ANALYTICAL/ EXPLANATORY POWER	⇨ ⇨ *High*

Why Evaluate?

The decision to evaluate should be driven by management need.

Evaluation information is critical for management decisions, and for this reason evaluations are not required and should be conducted only when they will serve management needs

Evaluations are...

- driven by management needs
- integrated with performance monitoring systems

Excerpt from Agency Directives

203 5 6a PLANNING AND CONDUCTING EVALUATIONS

A decision to carry out an evaluative activity shall be driven primarily by management need Evaluations are not required as a matter of formality If they will serve no management need and will not be used, evaluations shall not be conducted

E203 5 6a(1) The Decision to Evaluate at the Operating Unit

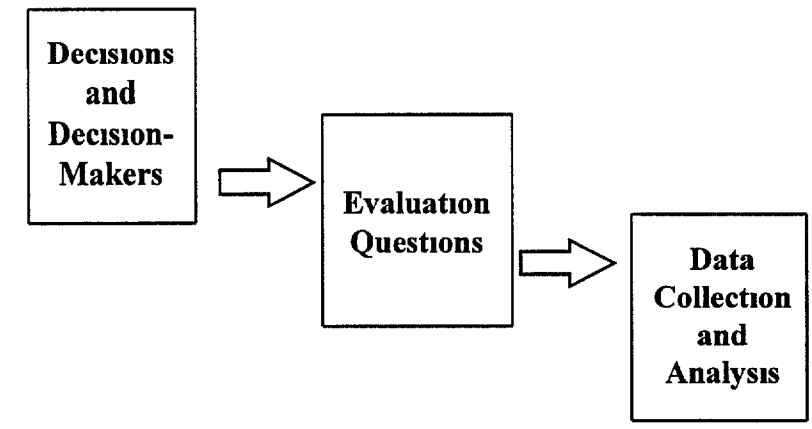
Strategic Objective Teams shall decide whether/when an evaluative activity is needed, in consultation with other partners and customers, as well as senior management of the operating unit The following events or situations, among others, shall trigger a consideration of whether an evaluation is needed

- performance monitoring indicates an unexpected (positive or negative) result on a critical measure,
- a key management decision must be made about directions in an activity, intermediate result or SO, but there is inadequate information for making the decision,
- annual (or periodic) reviews in the operating unit or with the host country identify key questions to be resolved or questions on which consensus must be developed,
- formal or informal feedback from participants, partners, customers, or other informed observers suggests that implementation is not going well or is not meeting the needs of intended customers,
- there is a breakdown in a critical assumption or intermediate result supported by another donor, thus challenging the validity of the strategy to achieve the SO; or,
- an operating unit believes extracting key "lessons learned" or documenting experience is important for the benefit of other operating units or for future programming in the same country

USAID OVERALL EVALUATION APPROACHES

- "Knowledge Driven"
  - "Lessons Learned"
  - Hypotheses and Assumptions
  - Planned vs Actual Impact
  - Evaluation Research
- "Decision Driven"
  - Program Management
  - Hypothesis testing (e g , of linkages)
  - Explain Performance Results
  - Application to Program Change

Decision Driven Evaluation



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Who decides when to evaluate?

SO teams and RP teams, in consultation with:

- Partners
- Customers
- Operating unit senior management

While partners and customers are to be included in deciding when to conduct an evaluation, it is up to SO teams to determine which customers and partners to bring into the decision-making process, and how and to what extent to include them

"Triggers" for Evaluation

- Troubling results data
- Need to inform a management decision
- Questions from annual reviews
- Troubling customer/partner feedback
- Problems with a critical assumption or a result covered by another donor
- Key lessons could be learned and shared

Illustrative evaluation "triggers" could be

- Monitoring indicates an unexpected (positive or negative) result
- A key management decision must be made about the direction of an activity/result, but there is inadequate information to guide the decision
- Annual (or periodic) reviews within the operating unit or the host country identify key questions to be resolved or questions on which consensus must be developed
- Formal or informal feedback from partners or other informed observers suggests that implementation is not going well or is not meeting the needs of intended customers
- There is a breakdown in a critical assumption or intermediate result supported by another donor
- An operating unit believes extracting key lessons learned or documenting experience is important for the benefit of other operating units or for future programming in the same country

Key Questions

- Who needs the information?
- Why?
- When?
- How accurate is accurate enough?

Major Evaluation Methodology Issues

- Research Objectives
- Data Requirements
- Methods of Data Collection

Research Objectives

- To Describe. What?
- To Explain. Why? How caused?
- To Generalize or Extrapolate. Across similar people or conditions?

Data Requirements

- What is the nature of the audience(s) and intended users?
- How focused is the issue or problem?
- Do we have existing data or do we need new data?
- Do we need quantitative or qualitative data?
- What degree of precision do we need?

Data Collection Methods

USAID's guidance encourages the use of rapid, low-cost methods for collecting information on the performance of development assistance activities

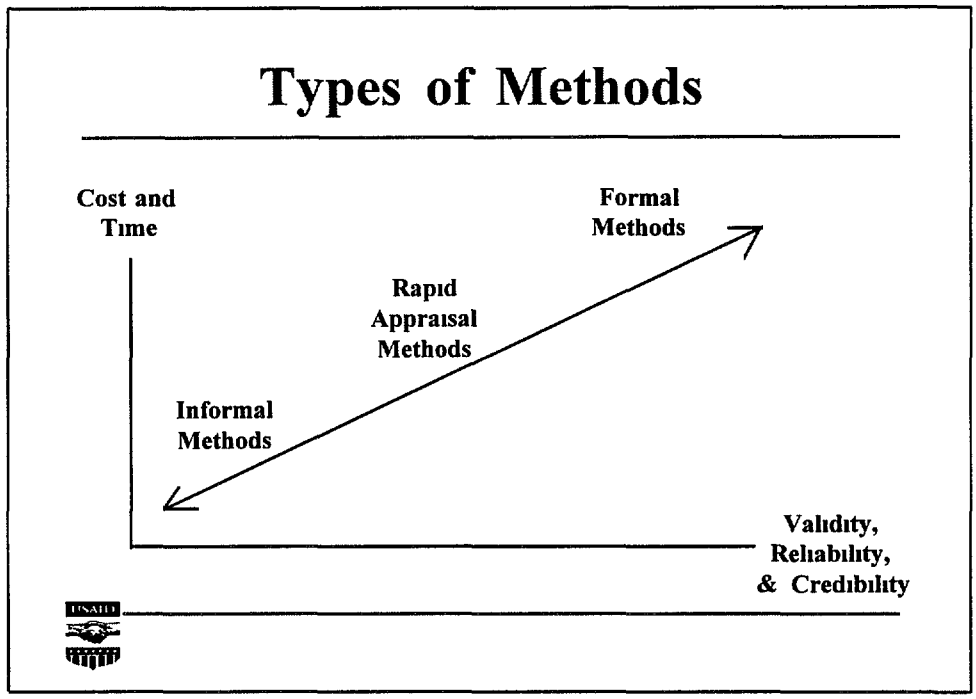
What are these methods? What are their strengths and weaknesses? When are they appropriate?

Choosing Among Methods

- Purpose of the study
- Nature of information needed
- Level of confidence in data needed
- Timeframe in which data are needed
- Resource constraints
- Need for a participatory approach

Excerpt from Agency Directives

203 5 6a When planning an evaluation at any level, the cost of evaluation must be justified by the management value of the information it will generate If the information an evaluation is intended to produce is not critical, an expensive evaluation is not justified Alternatives shall be considered, such as low-cost methods, narrowing the scope, or reassessing the need for the evaluation



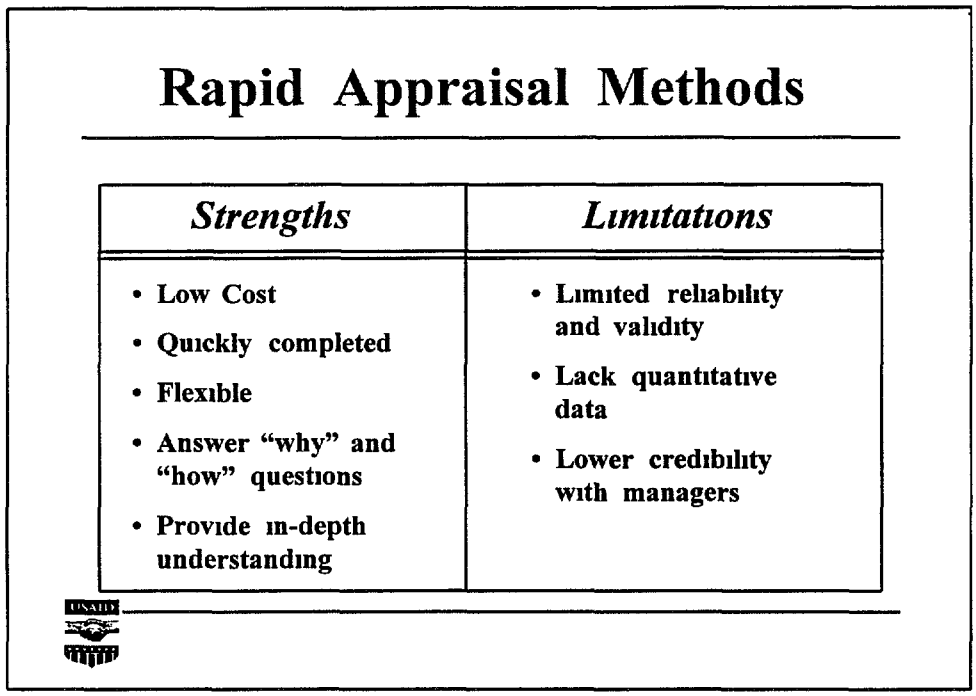
Informal methods include such approaches as in-person and telephone conversations with knowledgeable or concerned persons, reviews of official records, and field visits They are inexpensive and "quick and dirty," but they are susceptible to bias They follow no established procedures, but rely on common sense and experience They do not generate systematic, verifiable information, and therefore may not be credible with decision-makers (unless, sometimes, it's the decision-makers doing the research!)

Formal methods include cross-sectional surveys, longitudinal sample surveys, and field experiments They are highly structured, following precise, established research procedures, which limit error and biases They usually generate quantitative data that are relatively accurate, therefore enabling conclusions to be made with confidence Because they have high reliability and validity, they generally have high credibility with decision-makers Their disadvantages are that they generally are costly, require a high level of technical expertise, and are time-intensive

Rapid Appraisal methods fall in the middle of the informal-formal continuum They are relatively quick, low-cost ways of systematically gathering data in support of managers' information needs, especially questions about performance They require some technical expertise, but not as much as the formal methods They generally yield data that are more credible than do informal methods, but less so than formal methods

Core Rapid Appraisal Methods

- Key Informant Interviews
- Focus Group Interviews
- Community Interviews
- Direct Observation
- Mini-Surveys
- Mapping



Rapid Appraisal methods are quick, low-cost ways of systematically gathering data in support of managers' information needs, especially questions about performance They fall on a continuum between very informal methods, such as casual conversations or short site visits, and highly formal methods, such as censuses, detailed and extensive surveys, and controlled experiments

Rapid Appraisal Methods are especially appropriate when

- qualitative, descriptive information is sufficient
- we have "why" and "how" questions
- quantitative data (in hand) must be interpreted
- the purpose is to generate recommendations for action

Informal methods are inexpensive and "quick and dirty," but they are susceptible to bias They follow no established procedures, but rely on common sense and experience They do not generate systematic, verifiable information, and therefore may not be credible with decision-makers

Conversely, formal methods are highly structured, following precise, established research procedures, which limit error and biases They usually generate quantitative data that are relatively accurate, therefore enabling conclusions to be made with confidence Because they have high reliability and validity, they generally have high credibility with decision-makers

What is Participatory Evaluation?

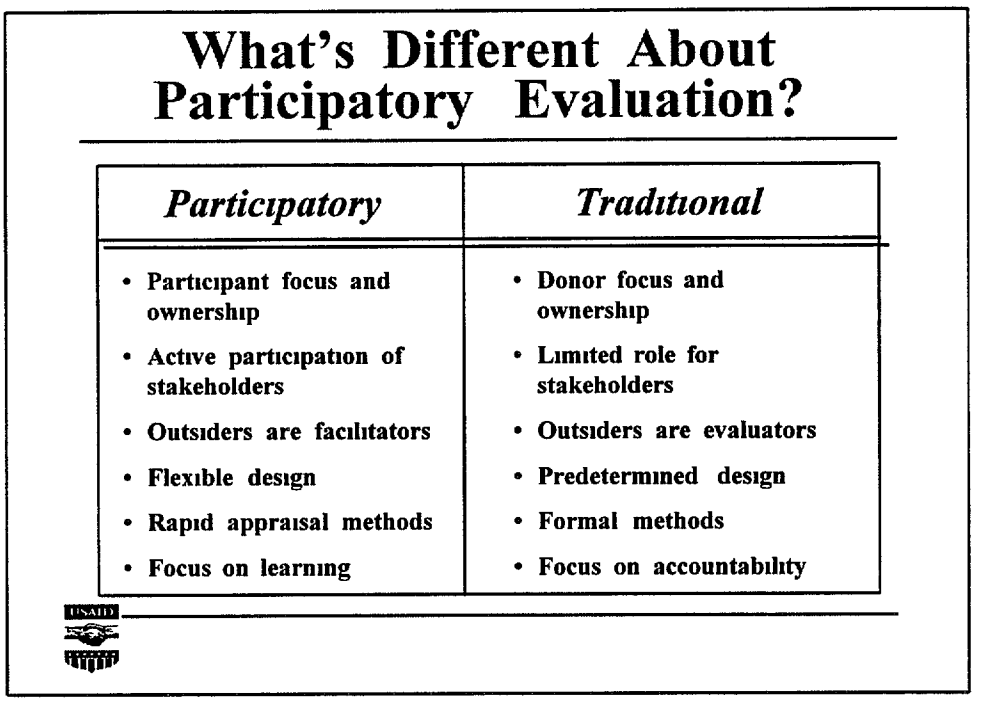
There is active involvement of program customers, stakeholders, partners, and implementers in various phases of the evaluation process -- planning, data collection and analysis, identifying findings and recommendations, and preparing an action plan for improvement

Excerpt from Agency Directives

203 5 6a

SO Teams shall include customers and partners in planning and conducting evaluative activities Consideration shall be given to utilizing evaluation methodologies and data collection methods which allow for maximum participation (See also 203 5 3, Participation in Performance Monitoring and Evaluation)

The Agency shall include direct-hire employees in evaluations, where feasible and where operating expense resources are available, to maximize the Agency's learning from its own experience Care must be taken in selecting either Agency direct-hire employees or contractors as evaluation team members to avoid any conflict of interest related to the purpose of the evaluation



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Key Steps in Evaluation

1. Decide if and when to evaluate
2. Plan the evaluation
3. Hold a team planning workshop
4. Conduct data collection and analysis
5. Communicate evaluation results
6. Review and use evaluation results
7. Submit evaluation reports

Some thoughts and Agency guidance about the seven steps

1. Don't forget that evaluations should be *"management driven"* and done *when needed*, not as a matter of course
2. When planning an evaluation
   - Clarify the evaluation purpose and audience
   - Identify the evaluation questions
   - Select appropriate methods
   - Prepare a data collection and analysis plan
   - Decide on team composition and participation
   - Plan procedures schedule, logistics, reporting requirements and budget

Excerpt from Agency Directives

E203 5 6a(3) The Focus and Purpose of Evaluations

For any evaluative activity, a clear purpose must be articulated, along with a small number of key questions on which the evaluation will focus A clear Scope of Work (SOW) is crucial to conducting a useful evaluation and shall be prepared

The following factors, among others, shall be considered when planning the type of evaluative activity to be undertaken

- the nature of the information/analysis/feedback needed,
- cost-effectiveness,
- time-frame of the management need for information,
- the time and resources available, and
- the level of accuracy required

❸ A team planning workshop helps create an effective team, whose members share a common understanding of the evaluation purpose and plans It also prepares the team as much as possible for the fieldwork ahead

❹ The following must be dealt with to do effective data collection and analysis data collection methods, data collection instruments, units of analysis, sampling techniques, timing of data collection, and data analysis methods

❺ If we want evaluation results to be used, they must be communicated effectively Evaluation findings might be communicated through a formal report, formal and informal briefings, brochures, newsletter articles, and so on

❻ *Excerpt from Agency Directives*

203 5 6b "EVALUATION FOLLOW-UP AND DOCUMENTATION

At all levels, the findings, conclusions, and recommendations of evaluative activities shall be openly shared and discussed with relevant customers and partners, as well as other donors or stakeholders, unless there are unusual and compelling reasons not to do so

The SO team has initial and primary responsibility for responding to and using an evaluation, once completed, of a strategic objective, a results package, or a related activity They must

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- Systematically review the key findings, conclusions, and recommendations,
- Identify which findings, conclusions, or recommendations the team(s) accept/support and which they disagree with,
- Identify the management/program actions proposed to be taken as an outcome of the evaluation and assign clear responsibility for undertaking them, and
- Determine whether any revision is necessary in strategy, the results framework, or the activity, given all information then available to the team (If significant revision is necessary, refer to Strategic Planning, E201 5 14 and E201 5 16)

The primary oversight and review of an SO level evaluation shall be by the head of the operating unit (The responsibility for oversight and review of evaluations is generally at the next level in the direct program management line In general, an evaluation of a strategic objective or results package is not formally reviewed and responded to above the operating unit level)

E203 5 6b Evaluation Follow-up and Documentation

At the conclusion of any evaluative activity, documentation shall be prepared to, at a minimum, highlight important findings, conclusions and recommendations The nature of the documentation will vary considerably, depending on the type, formality, importance, breadth/scope and resources committed to the evaluative activity The review of such documentation by regional or central bureaus is not required

❼ Agency Directives E203 5 6b(1) "Evaluation Reports

Evaluation reports shall be prepared for more formal and critical evaluative activities These reports must be written to be useful and readily understood Key findings, conclusions, and recommendations must be succinct, clearly distinguished from each other, and clearly identified in the report

For contracted evaluations and assessments, the report format shall be specified in the evaluation scope of work and must adhere to the Agency's required format

An executive summary shall be prepared for each evaluation report The executive summary shall present a concise and accurate summary of the most critical elements of the larger report and should adhere to Agency guidelines for preparing executive summaries

E203 5 6b(2) "Electronic Submissions of Evaluation Documentation

The following shall be submitted, in electronic form, to PPC/CDIE for entry into the Agency's automated development information system

- full evaluation reports
- executive summaries of evaluation reports
- other documentation prepared at the conclusion of an evaluative activity
- response of the SO teams (and/or Operating Unit or Counterpart Agency) to evaluation reports, when appropriate
- action decisions arising from evaluative activities

E203 5 6b(3) "Translating an Evaluation Report

If an evaluation report (or other documentation prepared at the conclusion of an evaluative activity) is written in English and key project counterparts or participants do not speak English, the SO team shall arrange for translation of at least the executive summary into the local written language(s)

Key Questions for Evaluation Planning

- Who is likely to need information about the program, and what do they need to know?
- Why do they need to know (i e , how would they use the information if they had it?
- When do they need it?
- How accurate must it be?
- When and how should the data be collected and analyzed?
- Who's responsible for what?

An Evaluation Scope of Work

An evaluation scope of work (SOW) is a plan for conducting an evaluation. It conveys clear directions to the evaluation team.

USAID's directives require the preparation of a scope of work as a crucial element in planning a useful evaluation activity

A Good SOW Usually...

- identifies the activity, results package or strategy to be evaluated
- provides a brief background on implementation
- identifies existing performance information sources
- states the purpose, audience and use of the evaluation
- identifies the evaluation method to answer the questions
- clarifies the evaluation questions

And a Good SOW Usually...

- identifies the evaluation method to answer the questions
- discusses evaluation team composition and participation of customers, partners and stakeholders
- covers procedures such as schedule and logistics
- clarifies requirements for reporting and dissemination
- includes a budget

EXCERPTS FROM A PROJECT/PROGRAM EVALUATION CONDUCTED BY AN OPERATING UNIT

Note This evaluation was conducted in 1995 by an external evaluation team contracted by USAID/Dominican Republic, and it focused on a specific project As such, it is more like the evaluations conducted prior to reengineering than after, but it does evaluate the Economic Policy and Practices Project in the context of the mission's economic growth strategic objective Of particular interest is the scope of work for the evaluation, which is included in these excerpts

ECONOMIC POLICY AND PRACTICES PROJECT

MID-TERM EVALUATION

PROJECT No 517-0262

SUBMITTED TO
USAID/DOMINICAN REPUBLIC

MANAGEMENT SYSTEMS INTERNATIONAL
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TELEPHONE (202) 484-7170
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JANUARY 1996

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EVALUATION ABSTRACT

The Economic Policy and Practices (EPP) project (#517-0262) was initiated in June 1992 with the goal of encouraging the adoption of, and adherence to, sound economic policies that promote investments, productive employment, and export-led economic diversification and sustained economic growth This is an innovative project which attempts to promote policy change by strengthening, deepening, enhancing, and making more dynamic the participation of non-governmental organizations in economic policy design and sustained implementation The EPP project was authorized for a period of 5 years with a total of $6 000,000 of planned funding The project is implemented through a Cooperative Agreement with SRI International The evaluation found that the project may not achieve its goals, and thus, the effort to affect economic policy indirectly through NGOs would not be successful This is due to the project's limited time horizon and to the fact that the Dominican Republic is undergoing a fundamental political transition that has diminished its ability to focus on economic reform Four options are presented for redirecting project activities in order to increase chances of success Selection from among these options will require clarification of USAID's objectives and resource levels

EXECUTIVE SUMMARY

The Economic Policy and Practices (EPP) project was initiated in June 1992 with the goal of encouraging the adoption of, and adherence to, sound economic policies that promote investments, productive employment, and export-led economic diversification and sustained economic growth This is a highly innovative project which attempts to promote policy change by strengthening, deepening, enhancing, and making more dynamic the participation of non-governmental organizations in economic policy design and sustained implementation The EPP project was authorized for a period of 5 years with a total of $6,000,000 of planned funding

The project is implemented through a Cooperative Agreement with SRI International, and was to have been supported by a Consultative Council comprised of outstanding Dominican economists, selected by SRI and USAID However, the role of the Consultative Council (CC), and of a subsidiary Activity Selection Committee, was reduced early in the project, and project implementation has been left to SRI and USAID Subgrants are provided under the Cooperative Agreement to local Dominican NGOs to carry out policy research, action plan development, consensus-building, public awareness-raising, and networking A participation manual, prepared by SRI, guides the preparation of subgrant proposals and identifies the procedures for selection and award of the subgrants

Management Systems International was contracted by the USAID Mission to the Dominican Republic to conduct this evaluation for the period up to June 30, 1995, and field work was initiated in October 1995 (3 years and 4 months after the project began) As of June 30, 1995, $3,097,926 had been obligated under the cooperative agreement, and actual and accrued expenditures as of that date totaled $1,822,491 Of the $1,274,798 available for future expenditures $337,674 are committed to complete funding of approved subgrants, and an additional grant of $75,000 was initiated after June 30 It is estimated that as of December 31, 1995, $614,000 will remain unexpended within the current level of obligation, and $2,885,027 remain to be obligated

SRI contracted well qualified staff for its Santo Domingo office, and established effective financial control and project monitoring procedures Subgrant application, review, and approval procedures are complex, however, and the average subgrant has taken 13 months to be executed (as the participating NGOs often have only part-time staff, they have been slow in preparing and revising program documents) Also, it has been very difficult for the NGOs to meet a 50 percent counterpart requirement, and this has limited the number of applicants The policy against provision of implementation advances, and long delays in reimbursement processing (again often due to inexperienced and part-time NGO staff) have caused severe cash flow problems for the NGOs Measures have been designed, in conjunction with USAID re-engineering efforts, to remedy these constraints, but they have yet to be tested

As of June 30, 23 subgrants had been awarded to 20 different Dominican NGOs, exceeding the life of project (LOP) target of 16 All other LOP quantitative output targets were also exceeded total participants in training events were five times the number planned, newspaper articles were three times the number planned, and TV and radio spots were double the planned level

Despite the excellent progress in meeting output targets, there has been limited progress toward meeting the purpose and goal level indicators The subgrants provided to date under the project have a much higher proportion of small grants than was planned, and while these grants have helped broaden participation of NGOs in public education and policy dialogue, they have often been single event activities that have not demonstrated potential for lasting impact on policies The larger subgrants have been provided to more established NGOs for in-depth studies/analyses producing specific policy recommendations disseminated through conferences or mass media campaigns Actual policy changes achieved to date by the larger grants tend to be targeted, regulatory improvements which, while providing concrete assistance to affected businesses, have not significantly altered the protectionist trade policy environment Other large grants may have laid the groundwork for certain major policy reform measures, but little has been achieved as of the date of the evaluation (subsequent to the period covered by the evaluation, for example, a major Foreign Investment Law was approved, after direct intervention and support by several NGOs assisted under EPP)

The environment for reform has not been favorable for the project By the time SRI staff was contracted, subgrant procedures established, and initial subgrants approved, the Dominican Republic was in the midst of Presidential elections The results of these elections were questioned, leading to a political crisis, strained relations between the Dominican Republic and the international community, and agreement to schedule new elections in 1996 It is now unlikely that major reforms can be adopted before fall, 1996, leaving only 6 to 9 months before the EPP project assistance completion date

Within the microcosm of Dominican NGO economic policy analysts, the USAID objective of broadening the democratic discussion of and influence on economic policy formulation has been controversial Since initiation, there has been confusion and conflict over the priority to be given to broad NGO participation in dialogue about reform versus actually achieving "good" economic reforms It appears that within USAID, relative priority attached to these varying objectives changed over time, particularly with the frequent reassignment of project management The project's Consultative Council has proposed limiting activities under the project to the preparation, by a small group of experienced, well-credentialed NGOs, of a package of policy reforms for the next GODR, in effect jettisoning the broad participation objective

A fundamental weakness of the project is that there is no effective Dominican "ownership" or control of it There is a degree of ownership of specific subgrant activities by those Dominican NGOs that have provided at least 50 percent counterpart funding, but there is no effective counterpart institution responsible for success or failure of the project as a whole It is hard enough for USAID to attempt to promote policy reform without directly engaging the government in policy

discussions, but even harder to attempt to do so through NGOs without obtaining strong leadership from the Dominican NGO community In the project design, the Consultative Council was to have had a degree of control over program direction, but this was to be limited due to concern about potential conflict of interest between CC members and subgrant applicants In effect, the CC was isolated from program direction, and the current environment of controversy grew

Subsequent to design and start-up of the EPP project, the USAID Mission significantly modified the strategic objective for this sector, emphasizing "increased economic opportunities and benefits for the Dominican majority " Although this shift was not formally introduced into program documents, it led SRI and Mission staff to emphasize grants to grass-roots type organizations This resulted in criticism by the CC, which considers many of these organizations technically weak and led by individuals ideologically opposed to free market reforms

Although progress has been made in laying the groundwork for certain policy reform measures and in involving a broad group of NGOs in public dialogue about economic policy, more time would be required than is available under this project to consolidate this process It is unlikely that the project will reach any of its objectives prior to its PACD

This evaluation proposes four options for redirection of the project

- Accept the CC proposal to focus on preparation of a package of legislative measures to be presented to the next government,

- Continue the existing strategy while extending the project time frame and focusing on a limited policy reform agenda,

- Dedicate remaining resources under the cooperative agreement to consensus-building activities during the pre-election period, and,

- Reduce EPP activities to a minimum and conserve resources to assist the new GODR

Selection from among these options depends on clarification of the USAID project objectives and of the resources available for their implementation

Annex A

LIST OF CONTACTS

A USAID

1 Ms Marilyn Zak, Mission Director
2 Mr Michael Deal, Deputy Mission Director
3 Mr Brian Rudert, Strategic Objective Team Leader
4 Mr Efrain Laureano, Results Package Team Leader
5 Ms Colette Cowley, Program Officer
6 Mr Tom Miller, Economist
7 Mr Manuel M Ortega, Strategic Objective Team Leader
8 Mr Luis C Gonzalez, Program Development Specialist
9 Mr Jim Fox, CDIE, USAID/Washington

B U S Embassy

1 Mr Milton Drucker, Economics Counselor
2 Mr William R Meara, Economics Officer

C Stanford Research Institute/International

1 Mr John A Mathieson, Executive Director, Economics Practice, SRI/Washington
2 Mr Frederic Emam-Zade, Project Manager, EPP
3 Ms Zuleica Brea Finance Manager, EPP
4 Ms Yvette Herrera, Administrative Assistant, EPP

D Consultative Council Members

1 Mr Andres Dauhajre, hijo
2 Mr Jaime Aristy
3 Mr Rosendo Alvarez III
4 Mr Eduardo Garcia Michel
5 Ms Maritza Amalia Guerrero
6 Mr Mario Davalos
7 Mr Frank Moya Pons
8 Father Jose Luis Aleman
9 Mr Anibal de Castro
10 Ms Ellen Perez de Cuello
11 Mr Luis Manuel Piantini
12 Mr Hector Guiliani Cury

E Subgrant Recipients, Applicants, and Others

1 Mr Francisco Jose Castillo, CNHE
2 Mr Horacio Alvarez, ADOEXPO
3 Mr Carlos Despradel, COE
4 Mr Roberto Despradel, COE
5 Mr Alfonso Abreu Collado, DASA
6 Mr Luis Vargas, APROFED
7 Ms Milagros Uribe L , APROFED
8 Mr Isidoro Santana, Fundacion Siglo 21
9 Mr Hugo Guiliani Cury, BANACO
10 Mr Osmar C Benitez, JAD
11 Ms Margarita Gil, JAD
12 Mr Celso Marranzini Perez, AIRD
13 Mr Antonio Rodriguez Mansfield, AIRD
14 Mr Fernando Pellerano Morilla, CIEA
15 Mr Frank Guerrero Pratts, CIEA
16 Mr Bernardo Vega, Economist
17 Mr Danilo Medina, Ex-President, Camara de Diputados
18 Mr David Luther, IDDI
19 Mr Victor Medina, IDDI
20 Mr Miguel Ceara Hatton, CIECA
21 Mr Rafael D Toribio, INTEC
22 Mr Jefrey R Lizardo, INTEC
23 Mr Guillermo Caram, Former Governor, Central Bank

Annex B

STATEMENT OF WORK

Background

In May 1992, USAID signed a $6,000,000, 5-year Cooperative Agreement with SRI International The goal of the Cooperative Agreement is to encourage adoption of, and adherence to, sound economic policies promoting investments, productive employment and export-led-economic-diversification and sustained growth The purpose of the project is to strengthen, deepen, enhance, and make more dynamic the participation of NGOs in economic policy design and sustained implementation

The grant, administrated by SRI, co-finances economic policy initiatives emanating from Dominican NGOs, within the priority areas selected annually by the project's consultative council (CC) That are (1) policies to reduce poverty promoting economic growth and employment through trade and investment, (2) Resizing, restructuring and modernization of the State, and (3) economic education and dissemination To date 24 subgrants totaling $1 16 million have been awarded

USAID is seeking a forward looking evaluation to identify the Project's policy impacts to date The evaluation should recommend where and how the project should channel future resources Recently, several members of the project's CC are recommending significant re-design and/or termination of the project Some argue that, to date, the project's impact on sound national policy formulation and implementation is inadequate

Objectives of the Evaluation

The general objective of this contract is to conduct a mid-term evaluation of the USAID/DR Economic Policy and Practice Project (517-0262) The evaluation will take into consideration both the Mission Strategic Objective environment and the relevant project implementation experience to June 30, 1995 Specific objectives are listed below Objectives(a)to(c)provide a retrospective assessment of what has been accomplished by the project as stated in the Cooperative Agreement (50 percent of the evaluation effort), while objectives (d)to(f) provide a forward analysis on how to best assure project success (50 percent of evaluation effort) given the new Mission Strategic Objective #1 "Increased economic opportunities and benefits for the Dominican majority "

a Review Actual versus planned progress toward achieving the project's goal and purpose as well as its outputs, its milestones and their impact, and performance of the 24 subgrants and subgrantees

b Appropriateness of established subgranting procedures and activity selection criteria for awarding subgrants

c Performance of SRI International as Grantee/Administrator

d Validation of original project assumptions as well as the changes that have occurred in the project's setting

e Project impacts on promoting the establishment of sustainable economic policy channels capable of reaching decision making groups

f Lessons learned

Scope of Work

The evaluation team will prepare and deliver an Economic Policy and Practice Project Evaluation Report The team should include a Senior Economist--Team Leader-- with ample experience in economic policy formulation and analysis and good understanding of the Dominican economic environment, a Senior Public Policy Analyst/Economist, with broad knowledge of agenda setting, policy formulation and implementation, and an institutional Economic Consultant, who can be hired locally All team members should be fluent in Spanish and English

1 Review actual versus planned progress toward achieving the Project's goal and purpose as well as its outputs, its milestones and their impact, review the role and performance of the 24 subgrants and its subgrantees, vis-a-vis the project's goal and purpose, identifying problems and delays, making recommendations for their resolution and measuring impact with respect to

- macroeconomic impacts on selected priority areas,
- impacts on NGOs and their effectiveness in promoting sound economic policy changes,
- impacts on public opinion and general public understanding of both economic and policy impacts and whether these are achieved through consensus-building

Also answering the following questions

- Is the project reaching the target groups specified in the project agreement and its amendments?
- How is the project contributing toward poverty alleviation and benefitting women?
- How well is the Consultative Council (CC) functioning? Are focal-areas narrow enough to guarantee the project's impact?
- Are proposals being received from technically capable NGOs which are strong enough to exert national level impact? Are subgrants financed by the EPP project contributing to the opening of the economy? Are measures being proposed an improvement over actual policies?

2 Review the overall process of subgrant awarding and analyze possible causes of delays Evaluate solutions implemented to overcome these constraints, if any, and recommend other

measures that could be taken to avoid them What further measures, if any, could be recommended in order to exert national impact on selected policy areas through the Economic Policy and Practice Project

- To what extent is the project participation manual applied consistently and objectively? What is the perception of the NGO community in this regard?
- What effect does the requirement of 50 percent in counterpart funds contribution have on NGOs (both, those which have received subgrants and those that have not) and on the quality of the proposals received?
- How useful has the pre-award evaluation process been for the subgrantees
- How has the Mission's Reengineering efforts expedited the subgrant process, focussing on value-added steps and making the project more responsive to its customer needs?
- Will the Project be able to accomplish its objectives under the current design?
- Would a proactive approach improve the quality of proposals and obtain better policy impact? How can USAID best assure project success, in this regard?
- Are the current criteria responsive to Mission Strategic Objective No 1? What needs to be adjusted or change?

3 Review the role and performance of SRI International as Grantee and Project Administrator to determine

- How well is SRI project management functioning and how objective are their decisions when analyzing subgrants and promoting the project?
- How effectively has the project monitoring procedure been in identifying early implementation problems and recommending appropriate solutions?
- Are data banks on macroeconomics and economic policies in the DR maintained and periodically updated?
- How effective has SRI "networked" to exchange other country experiences with the DR NGO community?
- To what extent is the SRI's monitoring system adequate for assessing performance and measuring impact?
- Have SRI pre-qualified a list of NGOs capable of promoting sound economic policies for the DR? If no, should they?
- To what extent subgrants selected by SRI project management contribute to sound policy solutions? Could they lead to sustained implementation of broad-based economic reforms in the DR?

4 Examine assumptions made during the project design, included in the project's theoretical model Graham Allison's Model III project's Log Frame and participation manual, to determine whether they are still valid, how they affect the project and how would they affect it in the future

In addition attention will be given to assumptions such as whether (1) at least 16 NGOs could be found in the country capable of designing, formulating and promoting economic policy changes which would benefit the Dominican majority, (2) these NGOs will promote a sound policy agenda for the country in spite of existing economic special-interests, and (3) that economic policy design, formulation and sustained implementation can be obtained through NGOs' action without direct participation of the government Also, the team will examine the changes in the project's setting and determine if the changes were appropriate or adequate

In addition the following questions should be answered

- Do project indicators reflect the project's real impact?
- Does the project have appropriate mechanisms to gather needed data to keep track of progress and impact?
- Can indicators accurately measure the project's impact on adoption of, and adherence to, sound economic policies in the Dominican Republic?

5 Evaluate steps being taken under the Cooperative Agreement to ensure that NGOs in the DR will be able to establish sustainable and effective economic policy channels capable of reaching both the decision making groups and the general public

- How capable are participating NGOs in terms of formulating and promoting sound economic policies, consensus building, public awareness-raising and education, information dissemination and networking?
- Do NGOs that already participated in the project, remain active in promoting policy changes, specially in areas where they received project financing?
- To what extent are financed subgrants fully emanating from participants NGOs?

6 Review lessons learned to determine the following

- Which are the lessons learned regarding the philosophy, strategy, project impact and success, and methodology used under the Economic Policy and Practice Project, that can be used in future USAID project in this area?
- Do NGOs in the country, specially project subgrantees, consider this project as a solid vehicle to promote the adoption of, and adherence to sound policy reforms in the country?
- Given Mission limited resources, can EPP project be considered a wise investment of USAID funds? If so, Does the project need a re-design? What re-design options would be recommended? If not, what are the recommendations for future Mission involvement in this area?
- Given the Mission's status as a Reengineering Lab, how can this project more directly support Mission's strategic objectives and emphasis on 'managing for results'?

The team should consult with SRI staff, the 24 subgrantees, the Consultative Council members, and a selected sample of decision makers, business, labor and grass-roots NGO representatives and the general public to assess project impacts They will review the Dominican economy in which the project operates and make appropriate recommendations as to how the project can be more cost-effective, and how it can make a greater contribution to promoting adoption of, and adherence to, sound economic policies in the country The team will also review the 24 subgrants already financed under the project They should examine the quality, impact and appropriateness of methods used to promote sound policy changes by all the sub-projects financed The team will also advise SRI and the CC about the experiences of similar projects in other countries They should also analyze whether or not the project has addressed Women in Development (WID) issues and how successful it has been in this regard

EXCERPTS FROM A PROGRAM EVALUATION CONDUCTED BY AN AID/W CENTRAL BUREAU

THE IMPACT OF CIVIC EDUCATION PROGRAMS ON POLITICAL PARTICIPATION AND DEMOCRATIC ATTITUDES

(Contract No AEP-5468-I-00-6012-00, Delivery Order No 5)

Prepared for U.S. Agency for International Development

February 2, 1998

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Contents

ANNEXES

EXECUTIVE SUMMARY

In 1994 the U S Agency for International Development (USAID) spent over $23 million on civic education programs as part of its efforts to support democracy If we were to include projects that can be considered civic education, but are not tracked by the Agency as such, voter education campaigns and information dissemination for example this number would be considerably greater Evaluations of the direct impact of civic education programs on target populations have been few however

This study therefore has two goals

A Provide empirically grounded recommendations and guidance on when and how civic education can best be used to meet strategic goals of democracy programs in terms of design implementation methods and target populations

B Produce and validate a practical assessment tool to measure the impact of civic education for USAID operating units and implementing partners

The study examines three basic questions Does civic education affect people's democratic orientations? If so in what ways? And under what conditions are civic education programs most effective? In order to better target design implement and measure the impact of civic education programs we need to answer these questions first This report attempts to do that by assessing civic education programs conducted over the past several years in two countries, the Dominican Republic and Poland

Democratic civic education typically seeks to provide citizens with the knowledge skills and values necessary to promote reform build a civic culture and increase participation Consequently, the study looked for impact in the following areas civic competence (knowledge skills, and a sense of political efficacy) democratic values (including tolerance support for political rights support for democratic liberty over social order system support and social capital and trust) and participation (in a range of political activities for adults, or a range of school and extracurricular activities for students) The study controlled for income, education age and sex It also controlled for rural/urban location, previous political interest, and media exposure—factors outside civic education that are associated with political socialization Given that one goal of the study was to compare programs for impact and to derive implementation and programming recommendations from these comparisons, the study examined differences between programs with regard to content, methodology intensity and time since treatment

The primary method used in the study was surveys with questionnaires reflecting the areas of impact and other factors listed above In both Poland and the Dominican Republic the survey questionnaire was given to a representative sample of individuals that had participated in the civic education programs under study (a treatment group) and a representative sample of individuals that had not participated (a control group) Large samples and a complex sampling design enabled a thorough analysis of the relationships between the dependent variables, civic education programs, and demographic and other factors In all the study examined eight separate adult, informal programs in the two countries, four in the Dominican Republic and four in Poland and four separate school-based student programs, two in the Dominican Republic and two in Poland

The results of our analysis of the civic education programs studied are varied and complex Several clear patterns emerge from the adult data however with regard to the impact of both civic education in general and the specific programs

- Generally the civic education programs studied demonstrated the greatest impact on the level of participation
- Increased levels of participation are strongly related to the presence of channels of and opportunities for participation

- Analysis of results revealed notable fade-out effects of civic education on participation over time

- Increased participation does not appear to be directly associated with increases in civic competence and/or democratic values

- The effects of civic education on civic competence were mixed

- The immediate impact of civic education on democratic values was inconsistent and generally small in magnitude

- In some domains civic education programs had different effects on men and women, with women usually gaining less overall

Generally these results indicate that civic education may not have as broad an impact on the democratic attributes of individuals as is often expected What then do these results mean in terms of the design and implementation of civic education programs? Based on its findings the report proposes the following recommendations

- If the goal of civic education is to increase democratic political participation the surest way to do so in the short term is to build acts of political participation such as meetings with local officials directly into the civic education program

- In implementing civic education, designers and programmers need to emphasize the creation or provision of channels of participation or working through existing networks to promote participation

- Civic education programs should focus on themes that are immediately relevant to people s daily lives

- Donors and civic education implementors need to be aware of the negative effect of time on participation and to consider how to address it

- If a program seeks specifically to mobilize women program designers need to look at the deeper and broader barriers to women's participation Generally programmers should have modest expectations for civic education compensating for disadvantages among target groups at least if all other environmental factors remain unchanged

- Civic education programs should include a heavy dose of participatory methods such as simulations and role-playing in their implementation

- Donors and civic education implementors need to be cautious about the extent to which they can affect democratic values in the short term

- Donors should require that civic education programs include an impact monitoring plan The use of quantitative methods is strongly recommended The final section of this report provides information on how the study can be replicated or adapted

Analysis of the student data indicated that the four programs studied had rather limited and varied impact

- In Poland modest positive effects were found in a number of areas including participation in school clubs and in discussions of politics at home general knowledge, and belief in the right of dissent

- The programs studied in Poland had a modest negative effect on trust in others

- In the Dominican Republic no significant differences between treatment and control students attributable to treatment were found in any area

- Data from the Dominican Republic does indicate that the two programs studied both of which aimed to establish student governments and to encourage student participation in these governments were reasonably successful in their aims

- The extent of program implementation in both countries varied highly differences between control schools and treatment schools in civics course content and teaching methods were not uniformly large

- Factors other than civic education were consistently better predictors of differences between students in civic competence values and behavior Family and school environment, in particular were more important

These findings regarding formal civics education point above all to

- Just reforming civics classes or curricula in a school may not be enough Donors need to look at working at the broader level of school environment beyond just civics reform

- Bring parents into civics activities or school activities, and stress the importance of the family environment in reinforcing or canceling out civic attitudes

- School activities, such as student government and more extra-curricular activities, can be effective means to increase student participation—even beyond civics courses

- Affecting changes in girls and in students from lower income families may require a special effort

- Follow implementation and ensure that the methods, curricula, and design proposed are fully carried out in the classroom

- Be aware of the difficulty of effectively implementing a broad-based curriculum reform program Consider carefully the possible trade-off between breadth of impact/numbers of teachers trained and depth of impact

- Build assessment into the program

Introduction:
Use of Performance Information

The following section presents a brief look at four main uses of performance information in USAID (1) assessing and adjusting a program's strategy and activities, (2) reporting program progress and results to program stakeholders, customers, and partners, (3) identifying and sharing successful practices and lessons learned, and (4) planning future assistance strategies and activities Like the previous chapter, this section is designed as both a reference tool and a companion piece to today's workshop, and contains reproduced copies of the overheads you will see during the presentation Additional information on the use of information, particularly on the R4 process, is also included where appropriate

You will notice that special emphasis in this section is placed on the first of the four uses of performance information, assessing and adjusting a program's strategy and activities, which is at the heart of managing for results There is no doubt that strategic objective teams and operating units do make program decisions on the basis of performance information, both formally and informally Because of the demands that reporting results places on them, however, especially through the annual R4 process, it is possible that some opportunities for making strategic use of the information get lost in the shuffle Similarly, SO teams and operating units are encouraged to find more ways of sharing the lessons that they learn through their programs--about development hypotheses, strategies, and implementation of activities--with their colleagues in other teams and operating units We hope this section sparks some useful ideas about these and other uses of information

You and many of your colleagues have attended other courses and workshops like this one, in which practice sessions have allowed you to try out a new skill or tool And because nothing builds skill and confidence better than practice, we suggest you use this notebook as a guide for making the most of the program performance information your team or operating unit collects

Feedback on the Information Use Module, July 17

Please complete this questionnaire and return it to one of the workshop team members before you leave today

A Which aspects of the workshop were most helpful to you? Please be specific and explain, if necessary

_____

_____

_____

B Which aspects of the workshop could be done differently in the future? Please explain

_____

_____

_____

C Do you think the materials you were given will be useful in your work?

_____

_____

_____

D What types of additional guidance or materials would be helpful to you?

_____

_____

E Overall, how did this workshop meet your expectations (place mark on scale)

|_____|_____|_____|_____|

not useful somewhat useful very useful

F Are there any issues/concerns that you want us to take back to the training, performance measurement and evaluation, or other offices in AID/W?

_____

_____

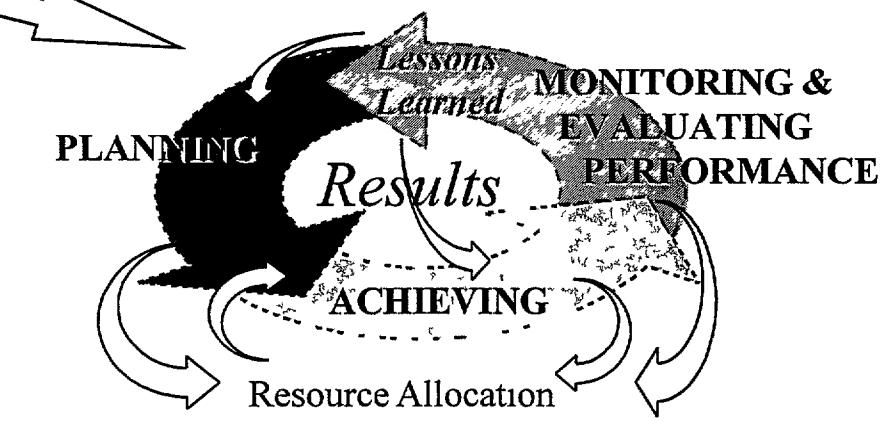
G Please write any other comments you would like to offer on the back of this sheet

Thank you!

Please feel free to send other comments or questions to Cathy Smith (M/HR/LS), Harriett Destler (PPC/CDIE/PME) or Larry Beyna (MSI) csmith@USAID gov, Harriett Destler @CDIE PME@AIDW or hdestler@usaid gov, lbeyna@msi-mfr com

*WE ARE HERE**

Key Functions of the System



***Actually we are everywhere!**

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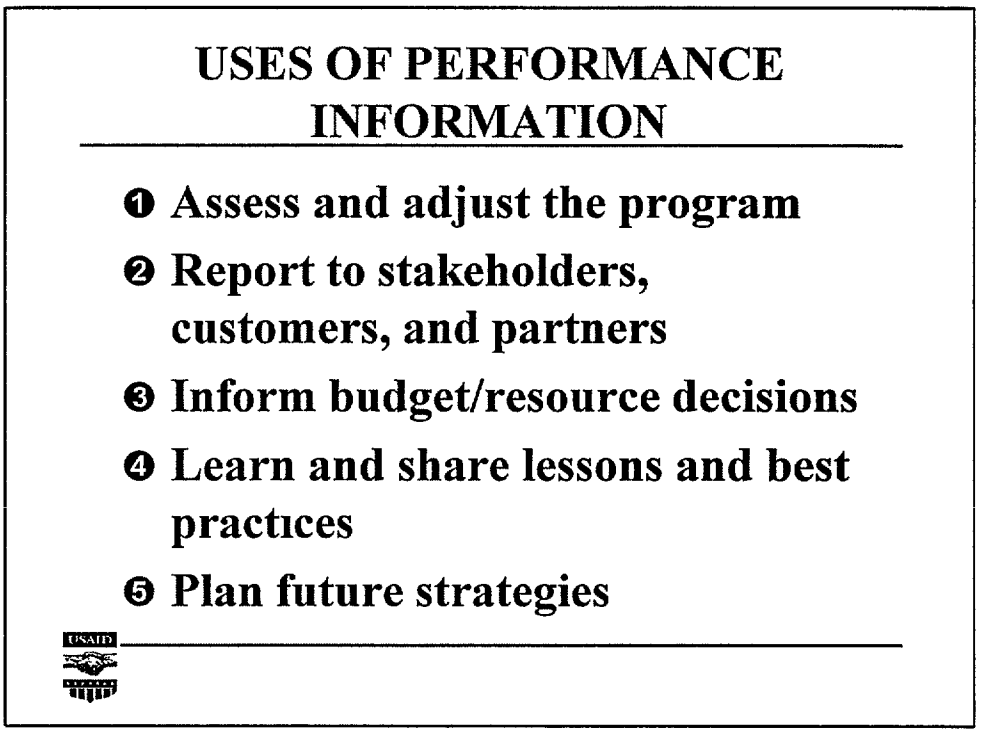
Performance Information

Information that can shed light on how well or how poorly--

and why--a development strategy or program is progressing with respect to the results it is expected to achieve.



Excerpt from the Agency Directives

203 5 2

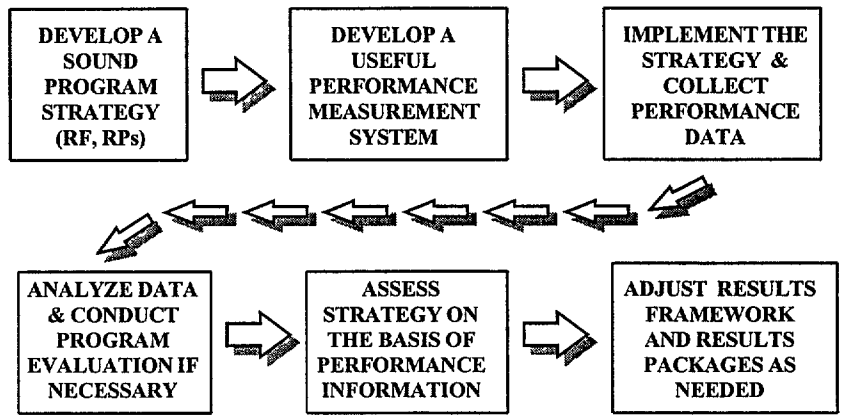
The Agency, operating units and SO teams must remain informed of all aspects of performance relating to USAID-funded assistance in order to effectively manage for results Performance monitoring information, evaluation findings and information from additional formal and informal sources shall be used regularly throughout planning and management processes to

- improve the performance, effectiveness, and design of existing development asisstance activities,
- revise Agency or operating unit strategies where necessary,
- plan new SOs, results packages and/or activities,
- inform decisions whether to abandon Agency program strategies, SOs, or results packages which are not achieving intended results, and
- document findings on the impact of development assistance

Additional Benefits of Performance Information

- Increased team-building around common information and decision-making
- Negotiation of realistic expectations with customers, stakeholders and partners
- Others?

❶ Assess and Adjust the Program



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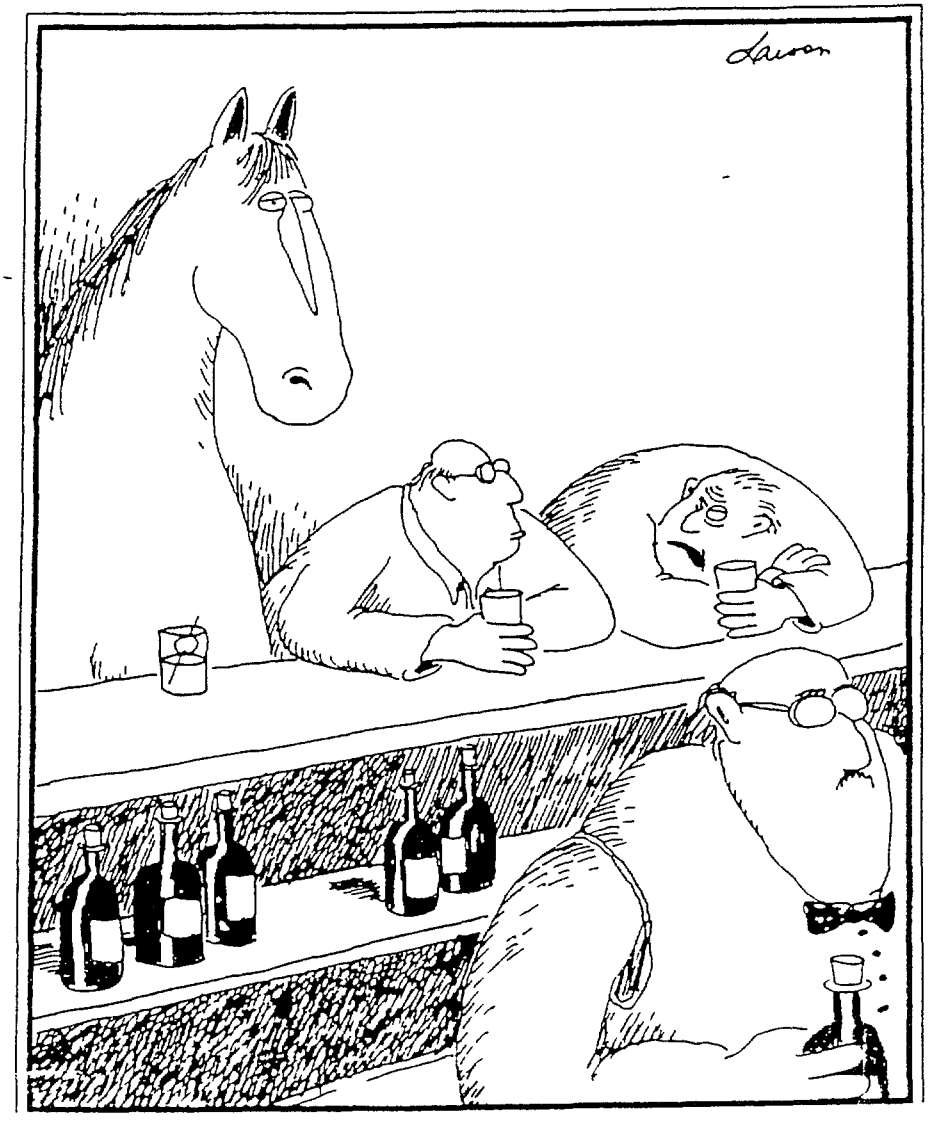
Ensure that Information Is Used to Make Decisions about Program Strategy and Management



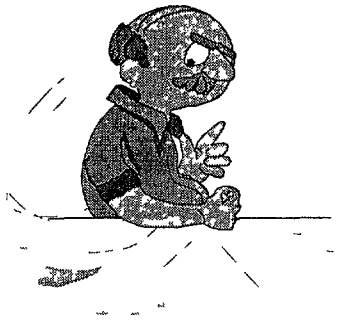
"Sure — but can you make him drink?"

How would we address these managers' complaints?

"I don't need more performance information because I know my program intimately "

"The information I get is of poor quality--unreliable, invalid, incomplete, too quantitative to represent the richness and complexity of our program, "

And these?



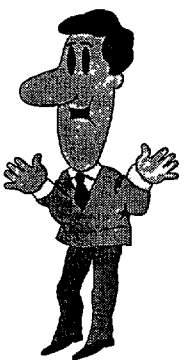
"Performance information restricts our flexibility in managing the program."

"Resource and strategy decisions are based on political considerations, so why bother measuring performance?"

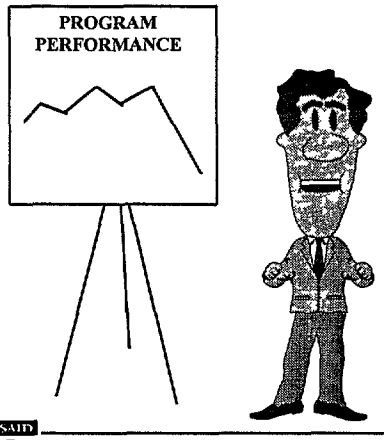
And these?

"Collecting, analyzing, and reviewing performance information takes too much time away from our 'real work' of implementing the program."

"I really don't have the analysis skills needed to make good use of performance information "

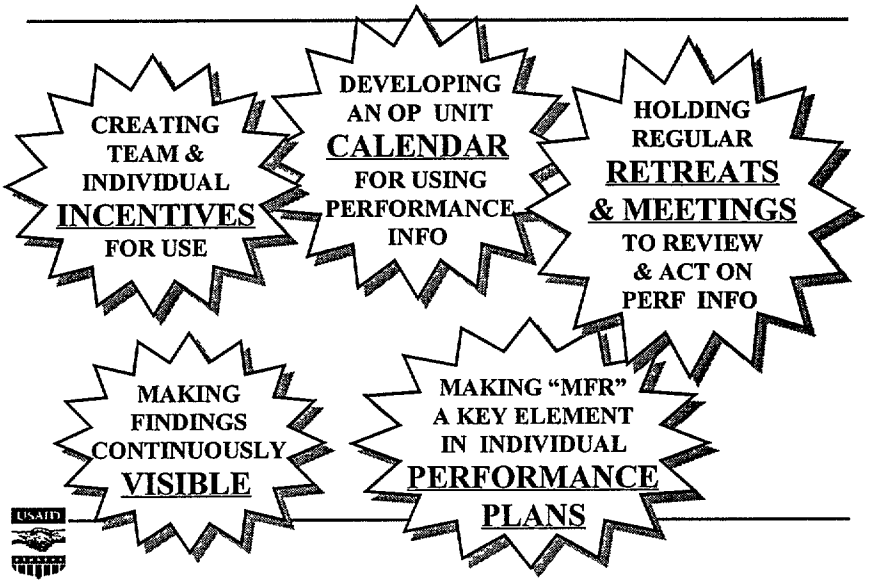


And this one?



"What if the performance information isn't positive? What happens to the program into which we've invested long hours and lots of resources? And what happens to my promotion?!

We can increase use through...



2/2

❷ Report to Customers, Stakeholders, and Partners

- R4: Results Review & Resource Request
- Briefings aimed at specific groups
- An Operating Unit's "Report to Its Stakeholders"
- Periodic newsletters (SO-specific or for the whole Operating Unit's program)
- Others?

A Good R4...

- is clear, logical, convincing, and concise
- effectively uses quantitative and qualitative data to tell the program story
- places the year's performance in the longer-term context, if possible
- reflects sound, objective analysis of the "what?" and "why?" of program performance

A Good R4...

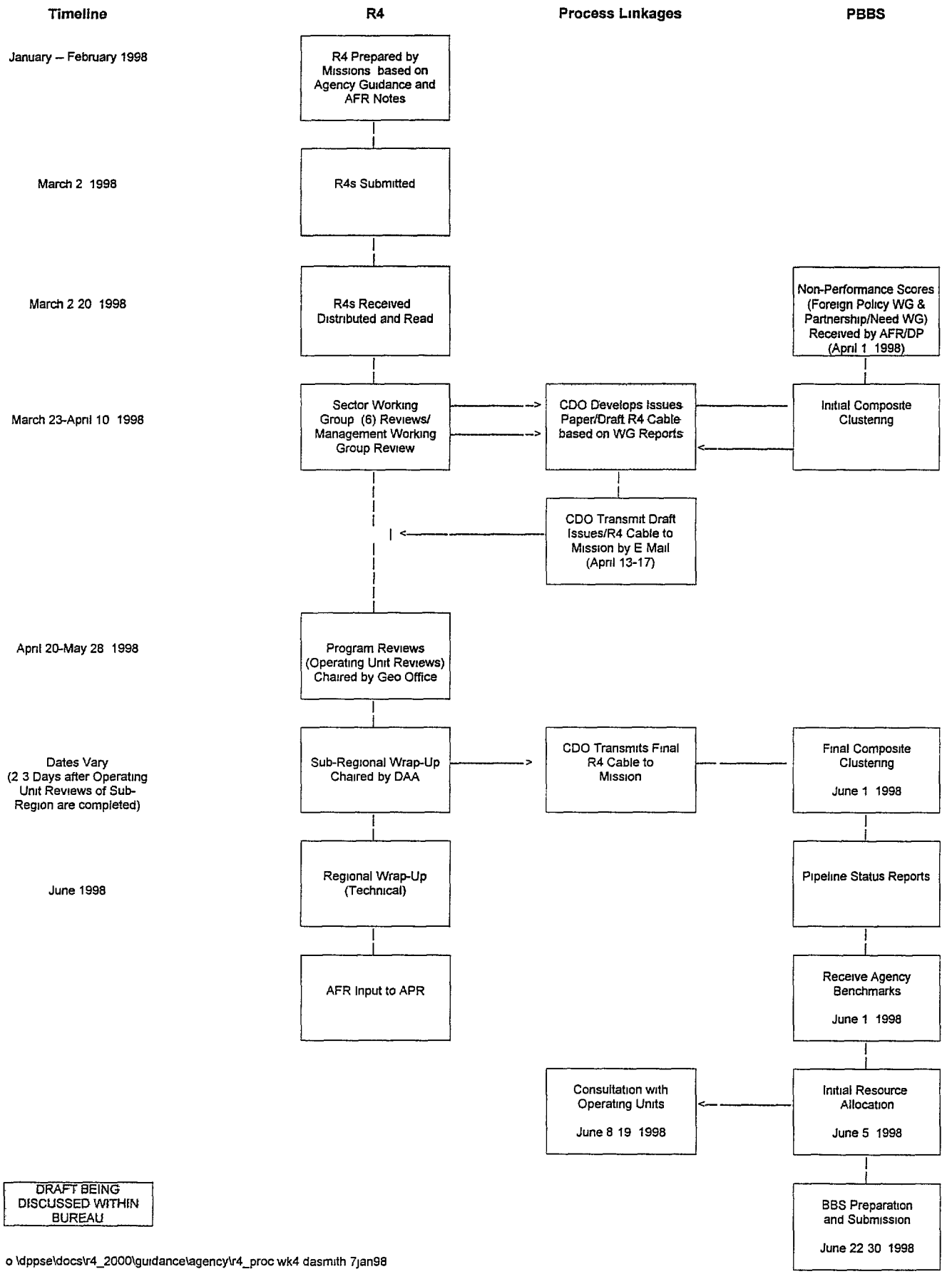
- demonstrates pride in program successes and honesty about program failures
- outlines corrective actions (to be) taken when targets have not been met
- describes successful (and unsuccessful)
  - synergies
  - partnerships
  - cross-cutting themes
  - linkages to the Mission Performance Plan

❸ Inform Budget/Resource Decisions

The Program Review and Budget Preparation process varies slightly across bureaus, but generally

- starts with the Operating Unit's R4
- moves through sector and program reviews with draft and final cables to the O U and
- ends with rankings and resource allocations

AFR R4/PBBS Process



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R4 HELPFUL HINTS #1

STRUCTURING SECTOR REVIEW SESSIONS

What is a sector review session? It's a two-hour meeting of specialists in a particular sector (such as PHN or ENV) with focus on a particular USAID operating unit's strategic objective(s) in that sector The Product of each session is a program performance summary which assesses overall SO-level performance in the sector during the last year

Who participates in a session? As a part of the R4 process, these sessions are critical to the joint planning aspect of the overall reviews We need to keep in mind, however, that resources (especially staff time) are limited for R4 reviews, so the sessions must be "task-oriented" and focused on its products Technical units in ANE, G, PPC and M, along with the CDO, will identify invitees to the session, based on individuals' working knowledge of, and experience with, the USAID country program.

How do we prepare for the sessions? When R4s are distributed, participants will receive the R4 document, last year's R4 agreements cable, and the current R4Action Agenda The ANE/SEA technical coordinator for the session will provide participants with a draft performance summary at least one day in advance of the session No issues paper will be prepared, either before or after the session Participants will be asked to review the documents provided, focusing attention on concrete changes (if any) that need to be made to the draft performance summary

Other issues or points of clarification are outside the scope of the sessions

What questions will guide the sector review? Questions will focus on two areas

(a) *Has performance this year been on track to meet the objective?*

To answer this, the review group needs to answer two sub-questions

(A1) Are the assumptions underlying the Mission's approach still valid? This refers to the validity of the Mission's method of assessing performance (through text and indicators) as well as its program approach

(A2) Are the results, as reported in the R4, attributable to USAID? While determining the precise level of USAID's contribution to country-level results is often difficult, factors exogenous to USAID activities need to be recognized in the overall assessment of program performance

There are four possible basic answers available to the review group for its response to question (a) The first is **"Yes, we're on track "** If this is the group's response, then it needs to briefly explain the elements of outstanding or adequate performance in the performance summary

The second possible answer is **"No, we're not on track "** Again the group should cite evidence to support this conclusion If the Mission has identified actions it plans to implement to correct the performance problem, the group should comment on the Mission's plan If the R4 document does not address the problem, the group should offer one or more suggestions for corrective action

The third option is **"We're on track, but there are areas to watch closely "** Experience in R4 reviews so far has shown that this is a common type of summary statement made by reviewers of program performance Overall SO performance is seen as adequate or even outstanding, but circumstances expected in coming years (such as a change in host country political leadership or a reduction in resources available to the USAID program) raise concern In such instances, the review group needs to clearly articulate the "watch area" needing particular attention and suggest USAID actions to consider in response Alternatively, if the Mission has a suggestion for dealing with the watch area, the group should comment on this

Finally, the group may conclude **"We don't have sufficient information to assess performance "** The group should come to this conclusion only after consultation with the Mission has verified that such information is not available for the R4 review In this case, the group needs to summarize the key areas of information needed to support a performance assessment and recommend actions for improving performance reporting

(b) *Do resources and staff levels requested seem reasonably sufficient for continued progress toward the objective?* Two sub-questions need to be addressed by the review group

(B1) Does the section of the R4 on expected performance appear realistic, given performance to date and requested resource allocations?

(B2) Are any planned changes in resource/staff investments among program areas reasonable under current resource conditions? Or is the validity of the overall program approach strained by resource adjustments to the point that the Mission's results framework needs to be reconsidered?

Who does what? An ANE/SEA technical specialist will be assigned as chair for each sector review The chair has the option of assigning a co-chair to assist in the review process The chair (and the co-chair, if one is identified) will be responsible for—

(a) Delivering the group's program performance summary to the country desk on time,

(b) Ensuring that the review group is communicating with "one voice" to the Mission and Bureau management, and

(c) Facilitating the sector review session

The chair will provide an agenda to start off the meeting Participants are expected to be empowered by their home units to jointly arrive at decisions at this session The chair will be responsible for making revisions to the performance summary as needed, and sharing the revised version with session participants at least seven working days prior to the country review meeting If needed, the chair will, in coordination with the country desk, pass any technical or management contract questions to the Mission by E-mail or phone

What happens next? The country desk will combine the draft performance summaries for each sector with any management contract, cross-cutting or non-sector-specific issues into a draft R4 agreements cable After review by the DAA, this draft will be conveyed to the operating unit and the reviewers at least seven days prior to the country review meeting Operating units will have at least four working days (and often a weekend) to respond to the draft The draft cable, along with the Mission's response, will serve as the basic reference documents for the country review meeting The expected outcome of the country review meeting is a single Agency voice on the substantive contents of an R4 agreements cable, summarizing program performance and updating the management contract

What if I have a question about the process? ANE is committed to broadly participatory, efficiently run R4 reviews If you have questions or comments about the process, please consult ANE contact points

Review process	David Robinson, ANE/SEA/RPM 2-1777
	Jim Fremming, Management Systems International, 703-312-7540, x16

Review schedule	Gene Smith, ANE/SEA/RPM 2-4107
Documents (current and past)	Deborah Johnson, ANE/SEA/RPM 2-5513

Desks should be copied on all questions

Bangladesh	Louis Kuhn, 2-0253
Cambodia	Tony Doggett, 2-0409
Egypt	Kay Freeman, 2-4956
India	Jerry Tarter, 2-0678
Indonesia	Paula Bryan, 2-1592
Jordan	Pirie Gall, 2-0482
Lebanon	Pirie Gall, 2-0482
Mongolia	Calista Downey, 2-1002
Morocco	Maryanne Hoirup-Bacolod, 2-0527
Nepal	Patricia Zanella, 2-1577
Philippines	Paula Bryan, 2-1592
Sri Lanka	Patricia Zanella, 2-1577
USAEP	Charles Scheibal, 2-4196
West Bank/Gaza	Dot Young, 2-1335

[An example of efforts by USAID's Bureau for Asia and the Near East (ANE) to standardize the performance monitoring process]

DRAFT

ANE'S STANDARDS FOR R4 REVIEWS

ANE will work with its partners and customers in the field and in Washington to

1 Deliver clear information --informed by Agency guidance and operating unit input on how R4s are to be reviewed, in a timely fashion

2 Prepare and support a review process that efficiently and effectively results in delivery of performance assessments and management contract agreements to operating units and USAID/W

3 Ensure that operating unit strategic plans are re-visited in R4 reviews only as program performance calls into question a plan's continued validity

4 Ensure that one person per office or center is empowered to represent that unit in R4 review decision making

5 Ensure that USAID/Washington "speaks with one voice" to operating units

6 Ensure that the professional judgment of technical specialists is at the core of reviewers' assessments of program performance, and that these assessments are examined and validated by top Bureau leadership

7 Ensure excellence and relevance in the content of reviews, by providing a broadly participative yet clearly structured format based on the teamwork concept

8 Ensure that the most accurate, up-to-date available budget and staffing information is utilized in the R4 process

9 Ensure that key stages in the review of each R4 are completed on time, as specified in the Bureau's annual "R4 Review Customer Service Time Line "

10 In the spirit of re-engineering, continuously look for opportunities to make the R4 review and BBS processes clearly understood, efficient and minimally burdensome

Agency Guidance for FY 2000 R4s: Factors for Ranking SOs

✓ Performance	50%
✓ Country Dev't Considerations	
(a) Country Need	15%
(b) Quality of Dev't Partnership	15%
✓ SO's Contribution to Priority U S National Interests	10%
✓ Relative Importance of Country to U S Foreign Policy Concerns	10%

1 Objective's Performance	Based on scores assessed to each objective by USAID/W R4 technical teams
2 Country Development Considerations	
A Country Need	Index of GNP per capita in PPP, infant mortality and total fertility
B Quality of Development Partnership with the Host Country	Simple average of the USAID Economic Policy Performance Assessment Index and the Freedom House combined rating for political freedom and civil liberties
3 Objective's Contribution to Priority U S National Interests in the Host Country	Narrative description of linkage between the objective and the USG Mission Performance Plan
4 Relative Importance of a Country to U S Foreign Policy Concerns	Judgments to be reached by USAID regional bureaus in consultation with Dept of State

❹ Learn/Share Lessons & Best Practices

- Within the Operating Unit--among SO teams and RP teams
- Among Operating Units with similar programs
- Agency-wide
  - Central Bureau Assessments and Evaluations
  - CDIE Summer Seminar
  - CDIE "brown-bag" lunches
  - "On-Track," "Front Line," etc
  - Others?

❺ Plan future strategies

- What have we learned during this strategy period, or during this round of activities, that tells us
  - what to do more of,
  - what to do less of, or
  - what to do differently in the next?
- How can we ensure that we apply those lessons to future planning?

SO/OU Calendar for Using Performance Information for FY 2000

MONTH	EVENT/ACTIVITY
October	Quarterly review of progress with OU management
November	
December	One-day workshop to review performance information with stakeholders, partners and customers
January	Quarterly review of progress with OU mgmt
February	Preparation/submission of R4 to AID/W
March	"Successful Practices" workshop for all SO teams in the Operating Unit
	Production and dissemination of an "SO Annual Report"
and so on	

A Calendar of Performance-Use Events One potentially useful way to plan and track the use of performance information might be to develop a simple calendar for the use of performance information, such as the one illustrated above The calendar could be tied to the fiscal year or calendar year or some other span of time that makes most sense for managing the strategic objective program Included on this calendar would be all the expected events in which performance information is to be reported, reviewed and discussed and in which important decisions about program strategy and activities are to be made Of course, there will be instances of use that cannot be planned in advance, but making a calendar can go a long way toward ensuring that the primary purpose for measuring performance is fulfilled

An SO team's calendar can be as simple or as detailed as needed For example, the illustration above includes only the basics of time and activities, but it could also include additional details for each event or activities, such as to what specifically needs to be done, by when, and by whom, in order to ensure its implementation This would allow the team to use its calendar as a working document throughout the year

There are a variety of events and activities that could be included in an SO team's information-use calendar Several ideas are presented in the box on the next page The list is by no means comprehensive or definitive, but it should spark some ideas for the team to come up with a good list of its own Note also that some of the items on the list could be combined under one activity or event

Once the team has developed a calendar of events for using performance information, it can add the important substantive and procedural details needed to make the events happen, and happen in a way that contributes to the team's objective of managing for results The following interrelated steps for planning each event are offered to guide the team's thinking about each event

Step 1 Identify the Expected Outcome of the Event What products or decisions is the event or activity expected to generate? Are the participants or audience merely to be informed, or are they expected to make some decisions or recommendations, e g , for improvements to the program strategy or activities? The more explicit the team can be about what they want to get out of the activity or event, the better it will be for planning the activity and increasing its utility

Step 2 Identify the Key Participants or Audience for the Activity or Event. Determining the right participants or audience has critical implications for preparation and success For example, if the event is to generate decisions, who needs to contribute to and have ownership of those decisions? If the team is producing a report of some type, who will be the primary consumers of that report? Is the event or activity trying to do too much for too many types of participants? Should it be broken down into more discrete pieces?

Step 3 Identify the Specific Types of Performance Information That Will be Used and How the Information be Packaged and Presented How much performance information, and at what level of detail, is needed for the event or activity to meet its objective? If for example, the team is preparing a public " SO Annual Report," does the report audience need as much detailed information as would be needed, say, by an in-house group reviewing performance in order to make strategic or tactical decisions?

And should the information be presented in the form of a formal report, a set of preliminary charts and tables, a briefing, etc ? Given the sophistication and level of attention of the users, how much detail should be included? Should the information be translated for host country users?

Step 4 Identify the Person or Group Primarily Responsible for Ensuring the Use of Performance Information Unless someone is charged with, and held accountable for, making sure that the performance information is packaged and disseminated and that the information-using event or meeting occurs, important opportunities for use will be lost Who will plan and implement a "best practices" workshop, for example–an SO team member, a contractor? In this step, the objective is to assign the responsibility for making sure things happen

Using Performance Information to Manage for Results: A Few Examples

o In one USAID mission, the basic education SO team conducted a thorough analysis of its performance information The team found that, although the program was meeting targets at the intermediate-result level, there was no impact at the SO level, when impact should have been showing up As a result, the team decided that its strategy was not working, and, during the process of revising the mission's overall strategy, designed a very different results framework for achieving the SO

o In another country, USAID found that its strategy to make birth control pills more affordable to the target population was being constrained by the host country government's laws, which prohibited the public advertising of pharmaceutical brand names. As part of an effort to learn more about what would and would not work, USAID conducted a survey that showed that citizens generally approved of advertising the brand names of birth control pills. USAID presented the survey information to the host country government, and, as a result, the prohibitive statute was repealed, and USAID's program was able to go forward with its social marketing initiative

GLOSSARY OF TERMS

ACTIVITY	An action undertaken either to help achieve a program result or set of results, or to support the functioning of the Agency or one of its operating units a) In a program context, i e , in the context of results frameworks and strategic objectives, an activity may include any action used to advance the achievement of a given result or objective, whether financial resources are used or not E g , an activity could be defined around the work of a USAID staff member directly negotiating policy change with a host country government, or it could involve the use of one or more grants or contracts to provide technical assistance and commodities in a particular area (Also within this context, for the purposes of the New Management Systems, "activity" includes the strategic objective itself as an initial budgeting and accounting element to be used before any specific actions requiring obligations are defined) b) In an operating expense context, an activity may include any action undertaken to meet the operating requirements of any organizational unit of the Agency (Chapters 201, 202, 203, 204, 250)
AGENCY GOAL	A long-term development result in a specific area to which USAID programs contribute and which has been identified as a specific goal by the Agency (See also OPERATING UNIT GOAL) (Chapters 201, 202, 203)
ACTIVITY MANAGER	The member of the SO/RP team designated by that team to manage a given activity or set of activities contributing to the results to be achieved under the results package (Chapters 201, 202, 203, 303, 591, 592)
AGENCY MISSION	The ultimate purpose of the Agency's programs, it is the unique contribution of USAID to our national interests There is one Agency mission (Chapters 201, 202, 203)
AGENCY OBJECTIVE	A significant development result that USAID contributes to, and which contributes to the achievement of an Agency goal Several Agency objectives contribute to each Agency goal Changes in Agency objectives are typically observable only every few years (Chapters 201, 202, 203)
AGENCY PROGRAM APPROACH	A program or tactic identified by the Agency as commonly used to achieve a particular objective Several program approaches are associated with each Agency objective (Chapters 201, 202, 203)

AGENCY STRATEGIC FRAMEWORK	A graphical or narrative representation of the Agency's strategic plan, the framework is a tool for communicating USAID's development strategy The framework also establishes an organizing basis for measuring, analyzing, and reporting results of Agency programs (Chapters 201, 202, 203)
AGENCY STRATEGIC PLAN	The Agency's plan for providing development assistance, the strategic plan articulates the Agency's mission, goals, objectives, and program approaches (Chapters 201, 202, 203)
AGENT	An individual or organization under contract with USAID (Chapters 201, 202, 203)
AGREEMENT	An agreement is the formal mutual consent of two or more parties The Agency employs a variety of agreements to formally record understandings with other parties, including grant agreements, cooperative agreements, strategic objective agreements, memoranda of understanding, contracts and limited scope grant agreements In most cases, the agreement identifies the results to be achieved, respective roles and contributions to resource requirements in pursuit of a shared objective within a given time frame (Chapters 201, 201, 203)
ASSISTANCE MECHANISM	A specific mode of assistance chosen to address an intended development result, a particular intervention chosen to solve a particular development problem or set of development problems Examples of mechanisms include food aid, housing guaranties, debt-for-nature swaps, endowments, cash transfers, etc (Chapters 201, 202, 203, 250)
BASELINE	See PERFORMANCE BASELINE (Chapters 201, 202, 203)
CAUSAL RELATIONSHIP	A plausible cause and effect linkage, i e the logical connection between the achievement of related, interdependent results (Chapters 201, 202, 203)
CORE TEAM	U S government employees and others who may be authorized to carry out inherently U S governmental functions such as procurement actions or obligations For example, only members of the core team would manage procurement sensitive materials or negotiate formal agreements (Chapters 201, 202, 203)

CRITICAL ASSUMPTION	In the context of developing a results framework, critical assumptions refer to general conditions under which a development hypothesis will hold true or conditions which are outside of the control or influence of USAID, and which are likely to affect the achievement of results in the results framework Examples might be the ability to avert a crisis caused by drought, the outcome of a national election, or birth rates continuing to decline as it relates to an education program A critical assumption differs from an intermediate result in the results framework in the sense that the intermediate result represents a focused and discrete outcome which specifically contributes to the achievement of the SO (Chapters 201, 202, 203)
CUSTOMER	Those host country individuals, especially the socially and economically disadvantaged, who are beneficiaries of USAID assistance and whose participation is essential to achieving sustainable development results (Chapters 101, 102) An individual or organization who receives USAID services or products, benefits from USAID programs or who is affected by USAID actions (Chapters 201, 202, 203, 250)
CUSTOMER REPRESENTATIVE	Any individual or organization that represents the interests of those individuals, communities, groups or organizations targeted for USAID assistance (Chapters 201, 202, 203)
CUSTOMER SERVICE PLAN	A document which presents the operating unit's vision for including customers and partners to achieve its objectives This document also articulates the actions necessary to engage participation of its customers and partners in planning, implementation and evaluation of USAID programs and objectives It will act as a management tool for the individual operation unit and must be developed in the context of existing Agency parameters (Chapters 201, 202, 203, 250)
CUSTOMER SURVEYS	Surveys (or other strategies) designed to elicit information about the needs, preferences, or reactions of customers regarding an existing or planned activity result or strategic objective (Chapters 201, 202, 203)

DEVELOPMENT EXPERIENCE	The cumulative knowledge derived from implementing and evaluating development assistance programs Development experience is broader in scope than "lessons learned", and includes research findings, applications of technologies and development methods, program strategies and assistance mechanisms, etc Chapters 201, 202, 203, 540)
DEVELOPMENT INFORMATION	The body of literature and statistical data which documents and describes the methods, technologies, status and results of development practices and activities and measures levels of development on a variety of dimensions (Chapters 201, 202, 203) The corpus of published literature, unpublished "gray literature", statistical data, current awareness information, knowledgebases, etc which document, describe, measure, and communicate the methods, technologies, status, performance, results and experience of development practices and activities by the international development community and local, indigenous development practitioners (Chapter 540)
EVALUATION	A relatively structured, analytic effort undertaken selectively to answer specific management questions regarding USAID-funded assistance programs or activities In contrast to performance monitoring, which provides ongoing structured information, evaluation is occasional Evaluation focuses on why results are or are not being achieved, on unintended consequences, or on issues of interpretation, relevance, effectiveness, efficiency, impact, or sustainability It addresses the validity of the causal hypotheses underlying strategic objectives and embedded in results frameworks Evaluative activities may use different methodologies or take many different forms, e g , ranging from highly participatory review workshops to highly focused assessments relying on technical experts (Chapters 201, 202, 203)
EXPANDED TEAM	U S government employees and partner and customer representatives committed to achieving the strategic objective (Chapters 201, 202, 203)
GLOBAL PROGRAMS OR ACTIVITIES	Global programs or activities refer to USAID programs or activities which take place across various regions, (i e they are trans-regional in nature) These types of programs are most often managed by central operating bureaus such as BHR or the G Bureau (Chapters 201, 202, 203)
GOAL	See OPERATING UNIT GOAL or AGENCY GOAL (Chapters 201, 202, 203)

IMPLEMENTATION LETTERS	Formal correspondence, numbered sequentially, between USAID and other parties pursuant to a duly signed agreement which addresses, inter alia, interpretations of agreements, satisfaction of conditions precedent to disbursement, funding commitments, and mutually agreed upon modifications to program descriptions (Chapters 201, 202, 203, 250)
INDICATOR	See PERFORMANCE INDICATOR (Chapters 201, 202, 203)
INPUT	The provision of technical assistance, commodities, capital or training in addressing development or humanitarian needs (Chapters 201, 202, 203)
INTERIM PERFORMANCE TARGET	A target value which applies to a time period less than the overall time period related to the respective performance indicator and performance target (Chapters 201, 202, 203)
INTERMEDIATE CUSTOMER	A person or organization, internal or external to USAID, who uses USAID services, products, or resources to serve indirectly or directly the needs of the ultimate customers (Chapters 201, 202, 203)
INTERMEDIATE RESULT	A key result which must occur in order to achieve a strategic objective (Chapters 201, 202, 203)
JOINT PLANNING	A process by which an operating unit actively engages and consults with other relevant and interested USAID offices in an open and transparent manner This may occur through participation on teams or through other forms of consultation (Chapters 201, 202, 203)
LESSON LEARNED	The conclusions extracted from reviewing a development program or activity by participants, managers, customers or evaluators with implications for effectively addressing similar issues/problems in another setting (Chapters 201, 202, 203, 540)
LIMITED SCOPE GRANT AGREEMENT	The Limited Scope Grant Agreement(LSGA) is similar to the Strategic Objective Agreement but is shorter in length It is used for obligating funds for a small activity or intervention, e g , participant training or PD&S Model agreements, including the LSGA, can be found in the Series 300 directives (Chapters 201, 202, 203)
MANAGEABLE INTEREST	See RESPONSIBILITY (Chapters 201, 202, 203)

MANAGEMENT CONTRACT	The management contract consists of the strategic plan (including a strategic objectives and supporting results frameworks) together with official record of the guidance emerging from the review of the plan The management contract provides a summary of agreements on a set of strategic and other objectives, confirmation of estimated resources over the strategy period, delegations of authority, and an overview of any special management concerns (Chapters 201, 202, 203)
MEMORANDUM OR LETTER OF UNDERSTANDING	A memorandum of understanding or letter of understanding (not used for obligating funds) sets forth the understandings of the parties regarding the objective, results to be achieved and the respective roles and responsibilities of each party in contributing toward the achievement of a given result or objective It is particularly useful when USAID wishes to obligate through individual grants and contracts, without host government participation in those actions, but still wishes to make the host government a partner in writing to the program or activity and each party's obligations It specifically provides for USAID implementation in the manner noted above (Chapters 201, 202, 203)
NEW MANAGEMENT SYSTEMS	The set of management software developed to support Agency functions in the areas of accounting, budgeting, planning, achieving, performance monitoring and evaluation, assistance and acquisition, human resource management and property management (Chapters 201, 202, 203)
OBJECTIVE	Establishes management aim(s) or goal(s) which the subsequent directives seek to accomplish (Chapter 501)
OBLIGATION	In the event of a strategic objective agreement with a host country government, that agreement is normally the obligating agreement (unless a non-obligating MOU is used) and all grants to and contracts with private entities thereunder are subobligating agreements If there is no strategic objective agreement, whether or not a non-obligating MOU is used, all grants to and contracts with private entities become obligating agreements (Chapters 201, 202, 203)
OPERATING UNIT	USAID field mission or USAID/W office or higher level organizational unit which expends program funds to achieve a strategic objective, strategic support objective, or special objective, and which has a clearly defined set of responsibilities focussed on the development and execution of a strategic plan (Chapters 201, 202, 203, 204)

OPERATING UNIT GOAL	A higher level development result to which an operating unit contributes, but which lies beyond the unit's level of responsibility An operating unit goal is a longer term development result that represents the reason for achieving one or more objectives in an operating unit strategic plan An operating unit goal may be identical to an Agency goal, but is normally distinguished from it in several key ways An Agency goal is a long-term general development objective, in a specific strategic sector, that USAID works toward, and represents the contribution of Agency programs working in that sector An operating unit goal is optional and represents a long-term result in a specific country or program to which an operating unit's programs contribute, and may cross sector boundaries (Chapters 201, 202, 203)
OUTPUT	The product of a specific action, e g , number of people trained, number of vaccinations administered (Chapters 201, 202, 203)
PARAMETER	A given framework or condition within which decision making takes place (i e Agency goals, earmarks, legislation, etc) (Chapters 201, 202, 203)
PARTICIPATION	The active engagement of partners and customers in sharing ideas, committing time and resources, making decisions, and taking action to bring about a desired development objective (Chapters 101, 201, 202, 203)
PARTNER	An organization or customer representative with which/whom USAID works cooperatively to achieve mutually agreed upon objectives and intermediate results, and to secure customer participation Partners include private voluntary organizations, indigenous and other international non-government organizations, universities, other USG agencies, U N and other multilateral organizations, professional and business associations, private businesses (as for example under the U S -Asia Environmental Partnership), and host country governments at all levels (Chapters 101, 102, 201, 202, 203)
PARTNER REPRESENTATIVE	An individual that represents an organization with which USAID works cooperatively to achieve mutually agreed upon objectives (Chapters 201, 202, 203)
PARTNERSHIP	An association between USAID, its partners and customers based upon mutual respect, complementary strengths, and shared commitment to achieve mutually agreed upon objectives (Chapters 101, 102, 201, 202, 203)

PERFORMANCE BASELINE	The value of a performance indicator at the beginning of a planning and/or performance period A performance baseline is the point used for comparison when measuring progress toward a specific result or objective Ideally, a performance baseline will be the value of a performance indicator just prior to the implementation of the activity or activities identified as supporting the objective which the indicator is meant to measure (Chapters 201, 202, 203)
PERFORMANCE INDICATOR	A particular characteristic or dimension used to measure intended changes defined by an organizational unit's results framework Performance indicators are used to observe progress and to measure actual results compared to expected results Performance indicators serve to answer "how" or "whether" a unit is progressing towards its objective, rather than why/why not such progress is being made Performance indicators are usually expressed in quantifiable terms, and should be objective and measurable (numeric values, percentages, scores and indices) Quantitative indicators are preferred in most cases, although in certain circumstances qualitative indicators are appropriate (Chapters 201, 202, 203, 250)
PERFORMANCE INFORMATION	The body of information and statistical data that directly relates to performance towards overall USAID goals and objectives, as well as operating unit strategic objectives, strategic support objectives and special objectives Performance information is a product of formal performance monitoring systems, evaluative activities, customer assessments and surveys, Agency research and informal feedback from partners and customers (Chapters 201, 202, 203)
PERFORMANCE MONITORING	A process of collecting and analyzing data to measure the performance of a program, process, or activity against expected results A defined set of indicators is constructed to regularly track the key aspects of performance Performance reflects effectiveness in converting inputs to outputs, outcomes and impacts (i e , results) (Chapters 201, 202, 203)

PERFORMANCE MONITORING PLAN	A detailed plan for managing the collection of data in order to monitor performance It identifies the indicators to be tracked, specifies the source, method of collection, and schedule of collection for each piece of datum required, and assigns responsibility for collection to a specific office, team, or individual a) At the Agency level, it is the plan for gathering data on Agency goals and objectives b) At the Operating Unit level, the performance monitoring plan contains information for gathering data on the strategic objectives, intermediate results and critical assumptions included in an operating unit's results frameworks (Chapters 201, 202, 203, 250)
PERFORMANCE MONITORING SYSTEM	An organized approach or process for systematically monitoring the performance of a program, process or activity towards its objectives over time Performance monitoring systems at USAID consist of, inter alia performance indicators, performance baselines and performance targets for all strategic objectives, strategic support objectives, special objectives and intermediate results presented in a results framework, means for tracking critical assumptions, performance monitoring plans to assist in managing the data collection process, and the regular collection of actual results data (Chapters 201, 202, 203)
PERFORMANCE TARGET	The specific and intended result to be achieved within an explicit timeframe and against which actual results are compared and assessed A performance target is to be defined for each performance indicator In addition to final targets, interim targets also may be defined (Chapters 201, 202, 203, 250)
PORTFOLIO	The sum of USAID-funded programs being managed by a single operating unit (Chapters 201, 202, 203)
RAPID, LOW-COST EVALUATIONS	Analytic or problem-solving efforts which emphasize the gathering of empirical data in ways that are low-cost, timely, and practical for management decision making Methodological approaches include mini-surveys, rapid appraisals, focus groups, key informant interviews, observation, and purposive sampling, among others (Chapters 201, 202, 203)

RESPONSIBILITY

In the context of setting strategic objectives, responsibility refers to a guiding concept which assists an operating unit in determining the highest level result that it believes it can materially affect (using its resources in concert with its development partners) and that it is willing to use as the standard for the judgement of progress This has also been referred to as "manageable interest " (Chapters 201, 202, 203)

RESULT

A change in the condition of a customer or a change in the host country condition which has a relationship to the customer A result is brought about by the intervention of USAID in concert with its development partners Results are linked by causal relationships, i e , a result is achieved because related, interdependent result(s) were achieved Strategic objectives are the highest level result for which an operating unit is held accountable, intermediate results are those results which contribute to the achievement of a strategic objective (Chapters 201, 202, 203)

RESULTS FRAMEWORK

The results framework represents the development hypothesis including those results necessary to achieve a strategic objective and their causal relationships and underlying assumptions The framework also establishes an organizing basis for measuring, analyzing, and reporting results of the operating unit It typically is presented both in narrative form and as a graphical representation (Chapters 201, 202, 203)

In the context of defining a program objective, it is necessary to identify the critical results (or interrelated changes) which are necessary to accomplish that objective This analysis will produce a results framework which must provide enough information so that it adequately illustrates the development hypothesis (or cause and effect linkages) represented in the strategy and thereby assists in communicating the basic premise of the strategy The results framework must also be useful as a management tool and therefore focuses on the key results which must be monitored to indicate progress (Chapter 250)

RESULTS PACKAGE

A results package (RP) consists of people, funding, authorities, activities and associated documentation required to achieve a specified result(s) within an established time frame A RP is managed by a strategic objective team (or a results package team if established) which coordinates the development, negotiation, management, monitoring and evaluation of activities designed consistent with (1) the principles for developing and managing activities, and (2) achievement of one or more results identified in the approved results framework The purpose of a results package is to deliver a given result or set of results contributing to the achievement of the strategic objective The strategic objective team will define one or more RPs to support specific results from the results framework The SO team may elect to manage the package or packages itself, or may create one or more subteams to manage RPs In addition, strategic objective teams create, modify and terminate results packages as required to meet changing circumstances pursuant to the achievement of the strategic objective Thus, typically a results package will be of shorter duration than its associated strategic objective (Chapters 201, 202, 203, 204, 250)

The formal analysis of a potential assistance activity conducted by USAID that addresses the anticipated benefits, resources required, collateral effects of the activity (Chapter 305)

RESULTS PACKAGE DATA BASE

A results package data base consists of the data and information related to the actions, decisions, events, and performance of activities under a results package (Chapters 201, 202, 203)

RESULTS REVIEW AND RESOURCE REQUEST (R4)

The document which is reviewed internally and submitted to USAID/W by the operating unit on an annual basis The R4 contains two components the results review and the resource request Judgement of progress will be based on a combination of data and analysis and will be used to inform budget decision making (Chapters 103, 201, 202, 203, 204, 250)

REVIEW WORKSHOPS

Workshops which involve key participants in an SO/RP or even a particular element of an RP in collectively evaluating performance during the previous implementation period and planning for the forthcoming period Participants are normally representatives of partners, customers, counterparts, other donors, stakeholders, and USAID Successful workshops are often facilitated to assure that all perspectives are heard and that key findings and conclusions and consensus on modifications and plans is documented and distributed (Chapters 201, 202, 203)

SPECIAL OBJECTIVE

The result of an activity or activities which do not qualify as a strategic objective, but support other US government assistance objectives A special objective is expected to be small in scope relative to the portfolio as a whole (Chapters 201, 202, 203, 204)

STAKEHOLDERS

Individuals and/or groups who have an interest in and influence USAID activities, programs and objectives (Chapters 201, 202, 203, 253)
Those individuals and/or groups who exercise some type of authority over USAID resources, e g , Congress, OMB, Department of State, and those who influence the political process, e g , interest groups and taxpayers (Chapter 102)

STRATEGIC OBJECTIVE

The most ambitious result (intended measurable change) that a USAID operational unit, along with its partners, can materially affect and for which it is willing to be held responsible The strategic objective forms the standard by which the operational unit is willing to be judged in terms of its performance The time-frame of a strategic objective is typically 5-8 years for sustainable development programs, but may be shorter for programs operating under short term transitional circumstances or under conditions of uncertainty (Chapters 201, 202, 203, 204)

STRATEGIC OBJECTIVE AGREEMENT

A formal agreement that obligates funds between USAID and the host government or other parties, setting forth a mutually agreed upon understanding of the time frame, results expected to be achieved, means of measuring those results, resources, responsibilities, and contributions of participating entities for achieving a clearly defined strategic objective Such an agreement between USAID and the host government may allow for third parties (e g , NGOs) to enter into sub-agreements with either USAID or the host government or both to carry out some or all of the activities required to achieve the objective (Details in Series 300) (Chapters 201, 202, 203)

STRATEGIC OBJECTIVE TEAM	In general, a team is a group of people committed to a common performance goal for which they hold themselves individually and collectively accountable Teams can include USAID employees exclusively or USAID, partner, stakeholder and customer representatives An SO team is a group of people who are committed to achieving a specific strategic objective and are willing to be held accountable for the results necessary to achieve that objective The SO team can establish subsidiary teams for a subset of results or to manage a results package (Chapters 201, 202, 203, 204)
STRATEGIC PLAN	The framework which an operating unit uses to articulate the organization's priorities, to manage for results, and to tie the organization's results to the customer/beneficiary The strategic plan is a comprehensive plan which includes the delimitation of strategic objectives and a description of how it plans to deploy resources to accomplish them A strategic plan is prepared for each portfolio whether it is managed at a country level, regionally, or centrally (Chapters 201, 202, 203, 204)
STRATEGIC SUPPORT OBJECTIVE	Strategic support objectives are intended to capture and measure a regional or global development objective which is dependent on the results of other USAID operating units to achieve the objective but to which a global or regional program makes an important contribution Therefore, the key differentiation from a strategic objective, as defined above, is that there is a recognition that the achievement of the objective is accomplished and measured, in part, through the activities and results at the field mission level (Chapters 201, 202, 203, 204)
SUBGOAL	A higher level objective which is beyond the operating unit's responsibility but which provides a link between the strategic objective and the operating unit goal Inclusion in operating unit plans is optional (Chapters 201, 202, 203)
TARGET	See PERFORMANCE TARGET (Chapters 201, 202, 203)
U S NATIONAL INTEREST	A political/strategic interest of the United States that guides the identification of recipients of foreign assistance and the fundamental characteristics of development assistance (Chapters 201, 202, 203)
ULTIMATE CUSTOMER	Host country people who are end users or beneficiaries of USAID assistance and whose participation is essential to achieving sustainable development results (Chapters 201, 202, 203)

VALUE ENGINEERING	A management technique using a systematized approach to seek out the best functional balance between the cost, reliability, and performance of an activity or process, with a particular focus on the identification and elimination of unnecessary costs VE/VA can be used both in the design stage and as an evaluation tool (Chapters 201, 202, 203)
VIRTUAL TEAM	Members of a team who are not collocated and therefore participate primarily through telecommunication systems (Chapters 201, 202, 203)

"USAID*works!*" Series
Table of Contents (of selected items)

(See the next two pages for more information on USAID*works!*)

USAID *works!* Update

Program description

USAID *works!* is a new distance-learning program designed to help the staff, partners and customers of the U S Agency for International Development (USAID) learn and practice many of the skills they need for doing business in the newly reengineered agency With a focus on teams and teamwork (a key management vehicle for the agency), USAID *works!* provides self-instructional learning modules in both the technical areas of planning, achieving, monitoring and evaluating development strategies, and the interpersonal area of working together effectively as teams

USAID *works!* is sponsored by the Office of Human Resources Development in USAID's Management Bureau * When completed, USAID *works!* will include up to 60 self-contained learning modules available in hard and electronic copy, with the potential for use in CD-ROM format These learning modules contain information, strategies and exercises designed for learners to use individually or with their teammates

Every learning module deals with one aspect of three key elements for success as USAID teams their ability to develop and work effectively as teams (*team maintenance*), their ability to perform their technical function (*team tasks*), and the ability of USAID's managers to provide teams with the resources, organizational climate, etc they need in order to succeed(*team support*) The following is a current list of USAID *works!* modules

*USAID *works!* is produced by Management Systems International through a contract managed by the Performance Measurement and Evaluation Division of USAID s Center for Development Information and Evaluation

These modules are available now

Check the ones you would like and see page two for ordering information

☐ An introduction and guide to USAID *works!*

Team maintenance skill area —

☐ Managing the stages of team development
☐ Holding effective meetings
☐ Assessing team effectiveness
☐ Using active listening to improve communication
☐ Managing team conflict
☐ Using "business process reengineering" to improve team processes
☐ Creating a team charter

Team task skill area —

☐ Developing performance indicators
☐ Preparing a performance monitoring plan
☐ Developing results frameworks

Team support skill area —

☐ Deciding if you need a team for the job at hand

Proposed Modules

Help us prioritize production of future modules Put a check in the box to the left of modules you consider of most immediate importance to you and your team

Team maintenance skill area —

☐ Becoming a high-performance team
☐ Establishing and conducting virtual teamwork
☐ Using the right problem-solving approach for the situation
☐ Making decisions as a team
☐ Giving and receiving performance feedback
☐ Integrating new members in the team
☐ Assessing & improving team leadership style

— *Turn the page for more proposed modules* —

- ☐ Establishing and nurturing team empowerment and accountability
- ☐ Communicating assertively in a multicultural setting
- ☐ Valuing diversity in a development setting
- ☐ Promoting individual participation in teams
- ☐ Increasing and maintaining team morale
- ☐ Recognizing that the team's work together is over

Team task skill area —

- ☐ Identifying your customers, partners and stakeholders
- ☐ Creating results packages
- ☐ Understanding strategic planning
- ☐ Creating your operating unit's customer-oriented vision
- ☐ Developing customer oriented standards for your operating unit
- ☐ Completing your customer service plan
- ☐ Finding more information about customers and partners
- ☐ Building and influencing constituencies
- ☐ Defining and analyzing your activity's development environment
- ☐ Identifying and analyzing resources and constraints from the customer and partner perspective
- ☐ Determining your customers' and partners' development priorities
- ☐ Choosing a programmatic focus
- ☐ Defining strategic objectives and strategic support objectives
- ☐ Establishing participatory processes
- ☐ Writing a strategic plan
- ☐ Using focus groups to gather data
- ☐ Examining the internal environment
- ☐ Examining the external environment
- ☐ Building institutional profiles
- ☐ Managing activities
- ☐ Conducting benefits analysis
- ☐ Contracting for performance
- ☐ Designating and managing strategic objective teams
- ☐ Monitoring, measuring and assessing participation and satisfaction of your customers and partners
- ☐ Understanding when program evaluations must be planned in advance
- ☐ Acquiring monitoring data on program performance and assumptions
- ☐ Assessing the implications of program performance for the future
- ☐ Analyzing and interpreting program performance data
- ☐ Amending program and activity plans
- ☐ Drawing on experience to create "next generation" evaluation plans
- ☐ Establishing trend lines for local situation changes over time
- ☐ Managing evaluation studies
- ☐ Preparing an R4
- ☐ Conducting diagnostic and other evaluations to fill information gaps

Team support skill area —

- ☐ Using coaching and counseling to enable staff
- ☐ Creating an organizational culture that promotes effective teamwork
- ☐ Managing through strategic objective teams

Your suggestions for additional modules

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To order your modules,
to tell us which proposed modules you want next,
or to learn more about the program,
fax this form to USAID*works!* 202/216-3632,
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Washington, DC 20523
You can also contact us by e-mail at
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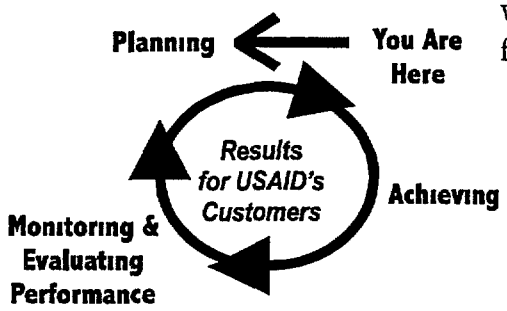
Updated November 3, 1997

Developing Results Frameworks



If you and your team are beginning to think about how you will achieve one of the Strategic Objectives (SOs) upon which your operating unit, or Mission, has decided to focus—you have reached for the right module

Your job, at this point, involves making choices about how to achieve a particular SO and explaining those choices to others This Results Framework module can help you do just that

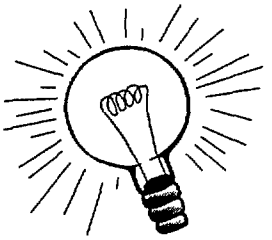
There are two ways to think about a Results Framework and both are correct The first and simplest way to define a Results Framework is as a *graphic display* of a strategy for achieving an important result The second, and in many ways the more interesting way to describe a Results Framework, is as a *process or tool* for helping teams think through and articulate a clear and logical plan for achieving a significant result, for which they will subsequently be held responsible

By the end of this module, you and your team will be able to

- Identify options, or alternative strategies, for achieving important results,
- Articulate all of the key aspects of the strategy you have selected, including those elements for which other entities, such as the government or another donor, may be responsible,
- Explain your strategy and the "development hypotheses" inherent in that strategy in "cause and effect" terms, showing how an SO is achieved by putting in place the right building blocks, that is, Intermediate Results (IRs),
- Describe any important assumptions your strategy makes concerning factors which neither you nor your development partners can control and the risks those assumptions pose for achieving your SO

Remember

If you have questions or need help with this module, you can e-mail the Hotline See last page for details



Note To get the most from this module we suggest that your team work through this module together However, if you prefer to complete this module alone, you will still benefit from learning the principles and guidelines within

Thinking strategically

If you are in New York and you need to be in Bangkok two days later, you clearly have to fly to reach your destination But which route will you take? You can travel via Europe to your destination, or you can go via the Pacific You need to make a choice The number of hours in the air may not be the only important factor As you make this choice, you may also want to consider the number of times you have to change airplanes, or airlines, and where and how long you will stop at intermediate destinations When you weigh options against each other, you are thinking strategically The choice you make is, by definition, your strategy

While the strategy you and your team adopt for achieving an SO will involve factors that are infinitely more complex than selecting a route to Bangkok, the basic process of weighing options and making choices is similar—but not quite the same The difference lies in why we need to make choices In planning a flight path, it's simple We can't be on two different planes going in two different directions at the same time When we plan development programs we often find that we must choose among options—not because it would be impossible to pursue several strategies at the same time -- but because we and our partners may not have the financial resources to do so, or even if we did, the host government we are assisting might not have the human resources to pursue more than one strategic option at a time

The ease with which you and your team will be able to define options or alternative strategies for achieving an SO is likely to depend upon a whole range of factors, including the sector or field you are working in, whether this is a new field for you or your operating unit, your ability to acquire information about experience elsewhere, the experience your host country partners and other donors can call upon, and so forth The options you define will also

depend upon how you view the problem that led your operating unit to decide to focus on a particular SO

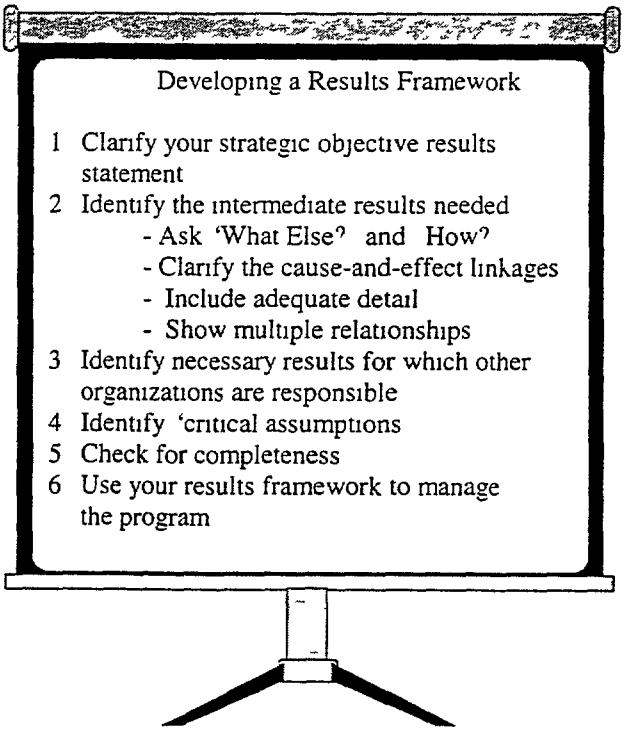
Let's take, as an example, an SO that focuses on improving educational attainment It might read *Education level improved*, or it might be more specific *Number of students completing 6th grade increased* In either case, we know that keeping children in school is an essential element of our task So think strategically What will keep children in school? In many developing countries, the option that USAID and its partners have identified and pursued is what might be called an "offer more" option, that is, increase the number of classrooms, make more textbooks available, upgrade the qualifications of teachers, decrease the teacher-to-pupil ratio, etc Is there an alternative? Of course there is There is a "require more" option This option might involve such things as passing a law that requires all children to complete 6th grade, increasing villagers' access to fuel and water, thus freeing up children to go to school, or policy reforms that would increase national resources for education

In principle, choosing among options involves more than simply having a preference for one strategy, that is, feeling better about "offering more" than about the implications of "requiring more " The best, or optimal strategy will often be the one that best addresses the underlying problem—the problem that led USAID to decide to establish a development program in that sector If, for example, farmers are not producing as much as they might because prices are low, a strategy for providing them with improved access to seeds might not be very effective

In practice, we are not always able to choose the best option Even when we are able to identify a number of strategies for achieving an SO, we may find that some of our options—and sometimes our very best options—are not feasible, for any number of reasons, including political will The *dilemma for USAID and its partners then becomes one of whether to choose a "second best" strategy or admit that unless a better strategy is adopted the chances for success are slim*

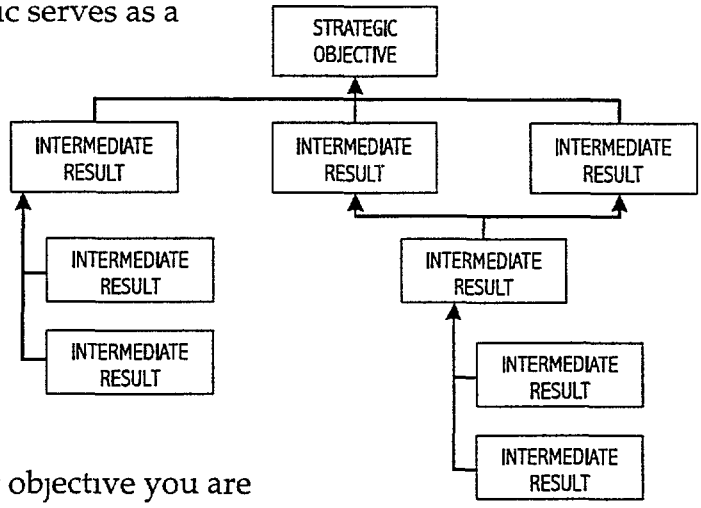
USAID operating units vary in the degree to which they incorporate an analysis of strategy options in their process for selecting SOs As you and your team approach the task of developing a Results Framework, you may find it useful to review background documents on the sector or field on which you are focusing Sector-wide analyses, plans developed by the host government, and evaluations of completed and on-going programs and projects funded by USAID or by other donors, or by PVOs or NGOs, may provide insights about strategic options and about why some approaches have been tried while others have not

There are a number of different ways of going about developing a results framework This module offers one approach that we have found useful when working with strategic planning groups The steps start off with making sure you are clear on the highest level result you are trying to achieve with your program, then move through building and fleshing out your strategy for achieving that result, and end with using the results framework as a tool for communicating, implementing and tracking the strategy



Step one: Clarify your strategic objective result statement

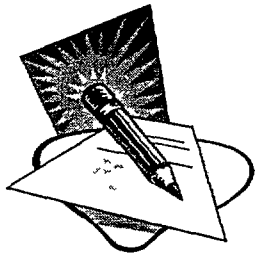
A Results Framework will help you and your team clarify options for achieving your SO by helping you focus on *how* your SO might be achieved and, upon analysis, whether it *can* be achieved There is no single prescribed approach to developing and communicating a results framework One tool that most groups find very helpful, however, is what we might call, for want of a better term, a "results framework graphic," like the blank example below, to show the individual results to be achieved and the expected causal relationships among those results In a results framework graphic, each separate result is displayed in a separate box, and the causal relationships among results are indicated by arrows The use of such a visual device helps focus everyone's attention during development of the results framework and it helps ensure that the strategy being developed is complete and logical In addition, the final results framework graphic serves as a useful thumbnail sketch of the strategy for communicating with people outside the team We will use and help you develop results framework graphics in this module, but please note that they are only thumbnail sketches As such, they are generally accompanied by written descriptions, which provide important detail and explanation that cannot be captured on a one-page diagram



In a Results Framework the most important objective you are trying to achieve becomes a starting point for doing that Your SO and every other objective in a Results Framework is shown in a box on the graphic The SO box goes at the top of the page It is the pinnacle of this graphic structure—the most important thing you are trying to achieve as an SO team All other results shown in a Results Framework lead upward to this pinnacle (Some Results Frameworks also include high-level goals, to which the SOs are expected to contribute, but the focus of Results Frameworks is on achieving SOs)

Strategic Objective
Increased completion rates among primary school children

Notice that the objective shown in this box is clear about "who" and "what." There is only one target group, namely, primary school children. Only one change is expected by the end of the planning period, or program, children complete more grades in school than is the case today. An objective that is stated in this way is said to be *unidimensional*. From a performance standpoint, this is ideal. This objective can be measured quite straightforwardly with one or more performance indicators, that is, specific measures of the result such as: percentage of children who enter primary school in grade one who stay in school and pass the national 6th grade completion exam. Assuming that records exist for past years, targets can be established reasonably quickly and progress in terms of those targets can be monitored annually. (For help with indicators, see the USAID*works!* module, "Developing Performance Indicators.")



Before you go further, take a minute to answer this question.

➥ Is the SO which you and your team have adopted stated as a *result*?

The question is not as odd as it may seem. Sometimes we see strings of words that sound good, but if we analyze them, they don't state a result. While this happens more frequently with results below the SO level than it does at the SO level, it is well worth stopping to examine every "result statement" to make sure it is clearly stated and includes a result. Here's one we found that doesn't meet this test:

Advocate consensus on
policy change among NGOs
and donor organizations

How would you rewrite this statement as a *result*?

_____

_____

One way to revise this statement focuses on advocacy and whether it has occurred For example, "Consensus on policy change advocated " Another approach might focus on what the advocacy process was intended to achieve, for example, "Consensus on policy change reached by NGOs and donor organizations " Both of these alternatives state results that are to be achieved Which result statement is most appropriate will depend upon your situation at the level in your Results Framework you are trying to explain

When results statements are multidimensional, for example, *agricultural production and productivity increased* or *mother s and children's health status improved,* it becomes harder to decide whether an objective has been achieved What would we say, for example, if, at the end of a planning period, we could show that childrens' health status had improved significantly but maternal health indicators had not? Would we say that we had achieved 50% of our objective? How would we describe our success if agricultural productivity (yield per hectare) increased but production (total yield) did not?

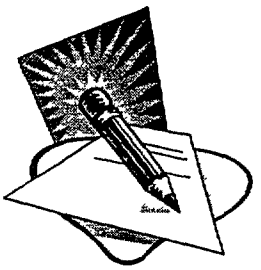
Before you go further, take a minute to answer this question

➥ Is the SO on which you and your team are focusing *unidimensional?*

While the reasons for making our objectives unidimensional are probably clear by now, some USAID operating units do have multidimensional SOs Operating units sometimes deliberately link related objectives when stating their SOs as a means of keeping the total number of SOs on which they are focusing to a minimum At the SO level an operating unit might, for example, say governance and democratic practices improved, even though the programs required to achieve these results differed significantly at the operational level

If your team is focusing on an SO that has multiple dimensions, you may or may not be able to change the wording for reporting purposes, for example, the SO may have already been approved and no one in your operating unit is interested in reopening those discussions Even when you cannot formally disaggregate an SO that has multiple dimensions, you can do so informally You can,

for example, develop a clear strategy and Results Framework for each dimension and then, once you are confident of your plans for each of those dimensions, you can put them together in an aggregate form for presentation purposes



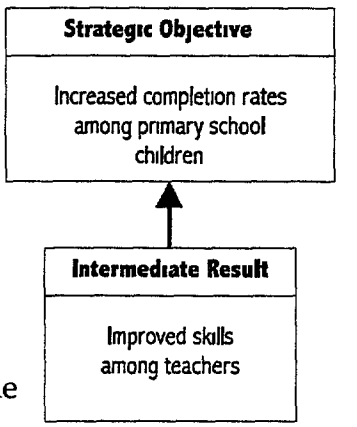
Before we move to the next step in this process, take a look at the Strategic Objective your team has adopted Write it as it is currently stated in space below

Now see if you can improve it Is the result you are trying to achieve clear? Is there a single dimension to this result, or does your Strategic Objective incorporate several results statements? Is the language used complex, or even academic, or is it simple and straightforward? In the space below, rewrite your Strategic Objective, making it as clear and simple a statement of your intended result as possible

2

Step two Identify the intermediate results needed to achieve the strategic objective

Once you have stated the highest objective you are trying to achieve in unidimensional terms, it is time to *elaborate* on how that result will be brought about If you are thinking strategically, you will already have a sense of the basic options A Results Framework can help you and your team lay out one of these options at a time Let us say, for example, that you have selected the "offer more" option for increasing school completion rates The Results Framework graphic at right shows how an element of the "offer more" strategy leads toward the achievement of the SO



As this example illustrates, the elements of a strategy for achieving an SO are themselves results They are simply results at a lower, or subordinate level In most cases, these subordinate results, which USAID calls Intermediate Results (IRs), function as pre-conditions for the achievement of an SO, that is, they must be achieved first IRs are a means for achieving the SO The lines and arrows in a Results Framework signal this relationship Arrows flow from "causes" and point to "effects "

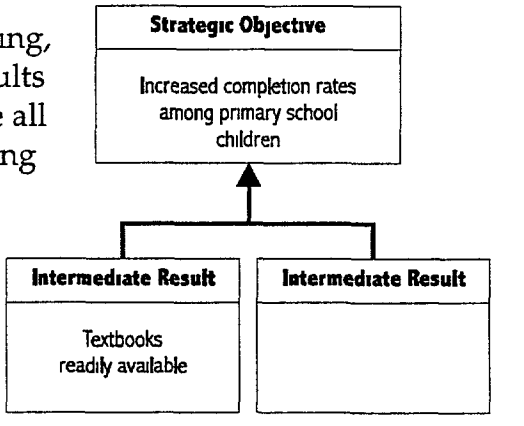
Most of the time, the relationship between a "cause" and "effect" in a Results Framework is something about which we are fairly sure, but not absolutely certain In this sense, the relationship is an *hypothesis* We are saying that

If textbooks are more readily available,
then primary school children's completion rates will improve

An hypothesis is something we can test In this instance, we can provide more textbooks and see what happens

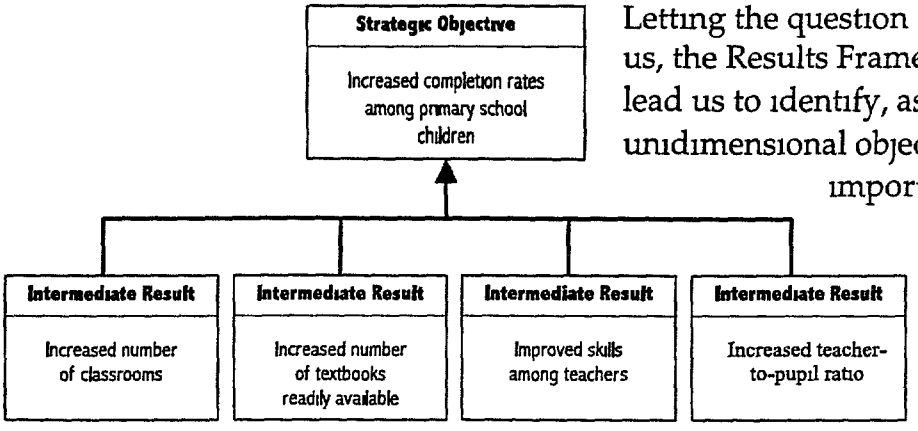
Ask What Else? and How?

In development settings, the strategies we tend to implement, and therefore the hypotheses we are testing, are more complex The process for developing a Results Framework will help you and your team incorporate all of the important aspects of your strategy by suggesting the directions in which that strategy may need to be expanded One way to decide whether your strategy is complete is to ask yourself "what else" might need to be done, or put in place, in order to achieve your Strategic Objective



How about our example here? What else, besides making textbooks more readily available, might be needed in order to achieve increased completion rates?

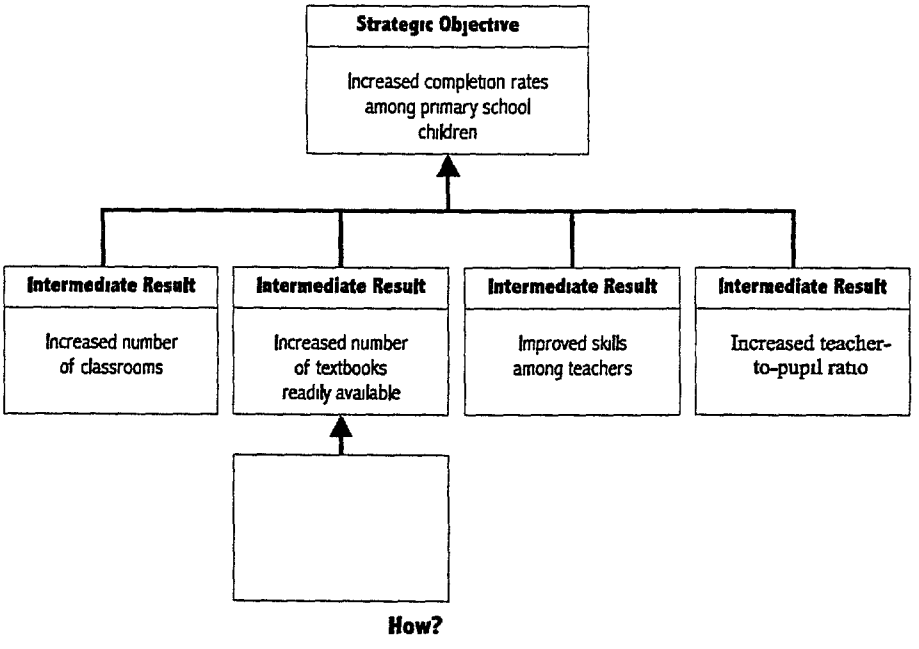
In our example, we might decide that improved skills among teachers and increased teacher-to-pupil ratio are also necessary if we want to increase completion rates at the SO level If so, our Results Framework would look something like this



Letting the question "what else?" direct us, the Results Framework process will lead us to identify, as distinct unidimensional objectives, other important elements of our strategy

A second important question, "how?", will help you and your team identify the next layer of options and choices in your strategy The question, "how," is an appropriate question to ask for every IR you and your team identify

Look at the following elaboration of our illustrative strategy How might we achieve the intermediate result "textbooks readily available?"



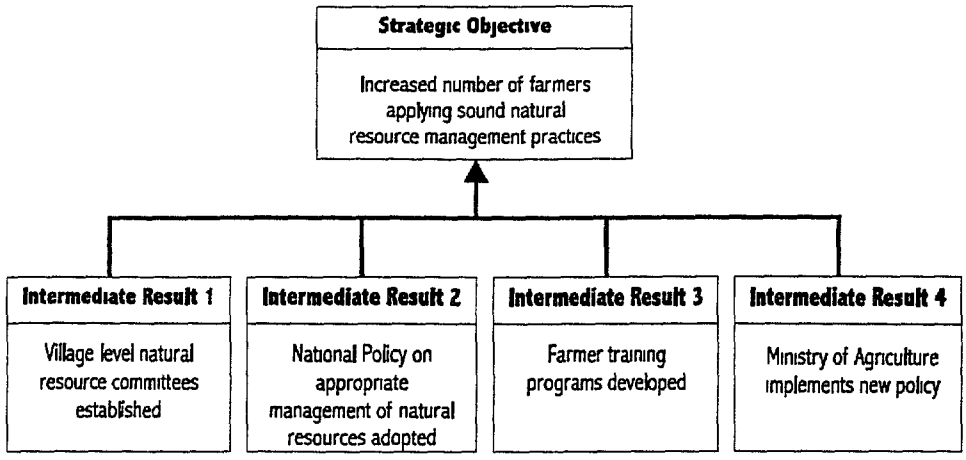
By asking these two questions "what else?" and "how?", in relation to every result you identify, and at every level of the Results Framework you are developing, you will, within a reasonably short period of time, identify the main elements of your strategy and describe in "cause and effect" terms the relationships between the various sets of results that strategy must achieve

Clarify the cause-and-effect linkages

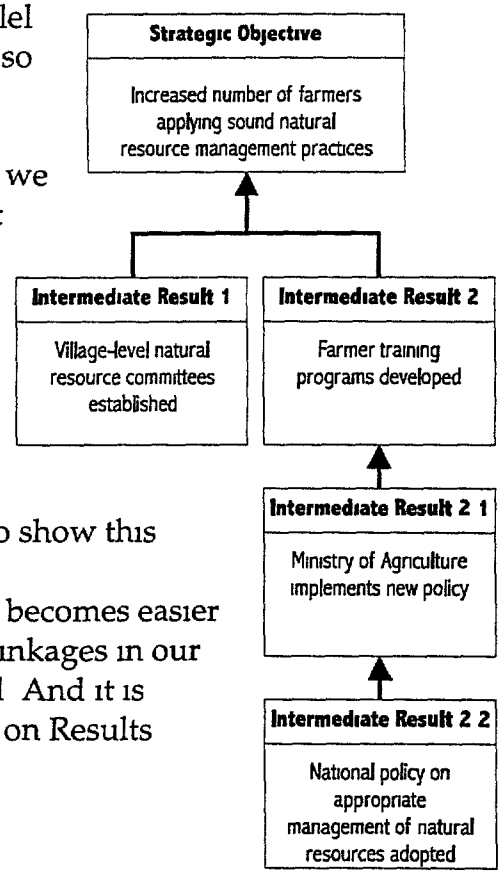
So far, the development of a Results Framework should not seem like a difficult task That is true in part because the basic steps you have to take to develop a Results Framework *are* easy The second reason it seems easy has to do with the examples we have presented The relationships they describe are not controversial The elements of the strategy for improving educational attainment shown in the example above have been included in education strategies all around the world What happens, then, if you and your team are working in a relatively new field, perhaps on environment or democracy? One of the things that tends to happen is that "cause and effect" questions, and detailed questions about "how" results will be achieved are sometimes inadequately addressed in the early stages of the process As a result, teams end up with a "rough" Results Framework that will give them endless problems when they begin to develop lower levels of their hierarchy of results

Take, for example, an SO that reads "increased number of farmers applying sound natural resource management practices " Achieving that objective may require a strategy that puts in place new laws, mechanisms for enforcing those laws, training programs, credit, and a number of other results At a general level, the team that is working on this SO may view each of these strategy elements as being important When they first create their Results Framework, they may, as a result, treat each strategy element as if it belongs at the same level in their hierarchy of results

Look over the following two-level Results Framework that might have been generated by this team What problems do you see? What happens when you begin to ask "how" any one of the IRs in this diagram might be achieved?



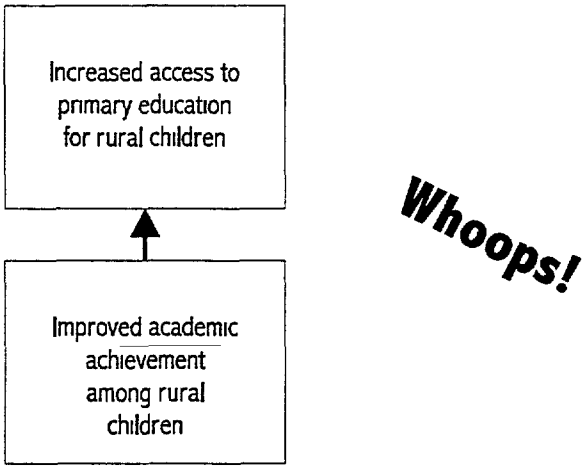
Let's analyze this diagram together Notice on the far right, in IR 4, that the Ministry of Agriculture is expected to implement the new policy If we think about what it will take to reach that objective—that is, what lower level results would need to be achieved—we might say that new policies would have to be adopted Look at the diagram again The adoption of a new national policy is already there, in IR 2 But it appears to be a parallel result Let's move it down a bit, so that its role in bringing about policy implementation becomes clearer Are there other changes we might make? For example, what will bring about the development of new training programs for farmers, the result in IR 3? Might that be a result that occurs if the ministry implements new policies? If we think it would, we need to revise the diagram to show this



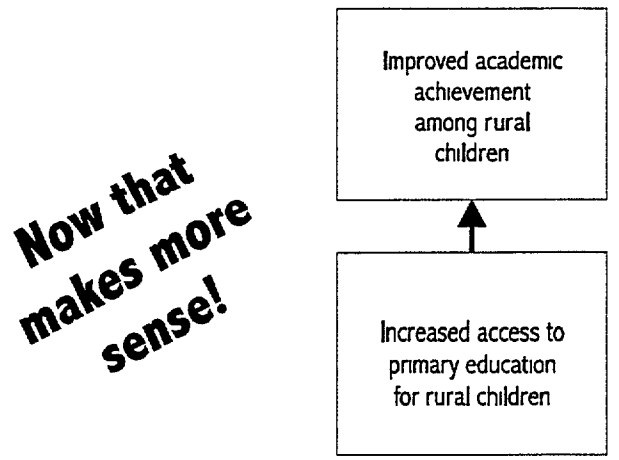
If we make these two changes it becomes easier to understand cause and effect linkages in our Results Framework That's good And it is exactly what USAID's guidance on Results Frameworks asks you to do

> *"A results framework must provide enough information so that it adequately illustrates the development hypothesis (cause and effect linkages) represented in the strategy and therefore assists in communicating the basic premises of the strategy '*
>
> Agency Directives

Results Frameworks are not adequate if they do not display cause and effect relationships Putting everything at the same level is only one of the impediments to clarity in a Results Framework Another fairly common problem in Results Frameworks occurs when cause and effect are inverted and stated "upside down " While it isn't always clear how this happens, it does happen and it is often worthwhile to ask someone who is not on your team -- for example, one of your external partners or a virtual team member -- to review your draft Results Framework Friends like that will help you catch mistakes like this



Do you see what has happened here? Increased access to education, which is one of the things that can contribute to improved academic achievement is shown as the result of better performance, not as its cause This reasoning is "upside down " Let's fix it by inverting the boxes Remember, in a Results Framework, arrows always point upward -- from causes to their effects

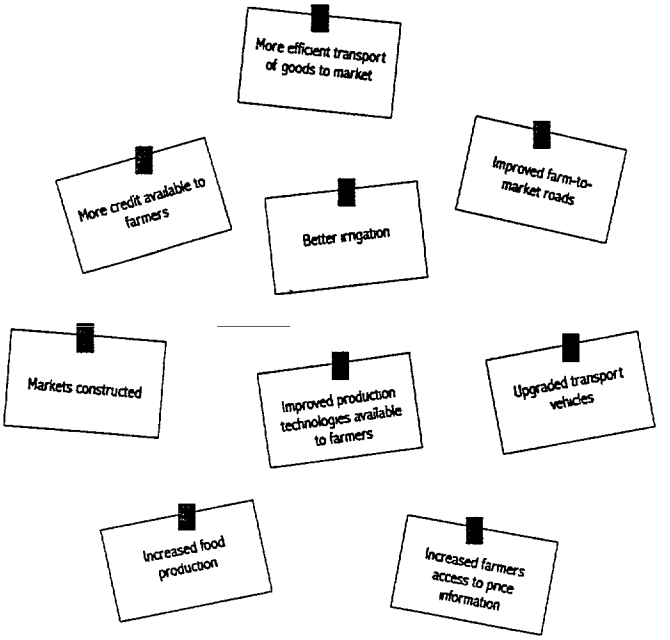


Include adequate detail

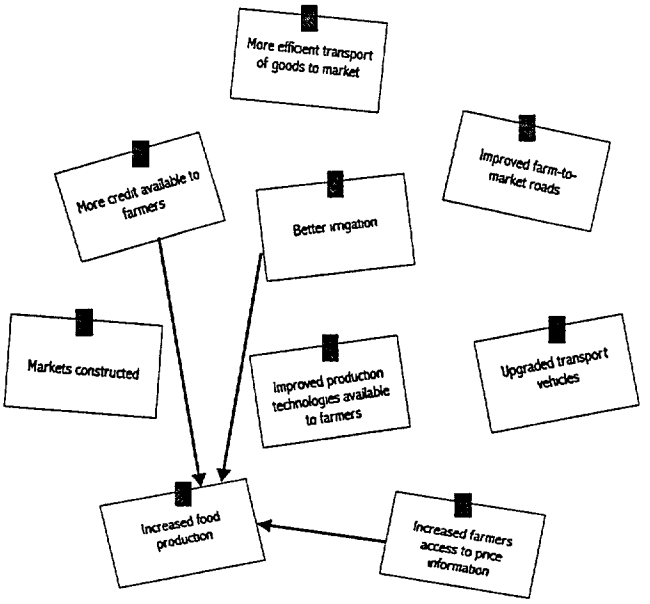
Many people ask how detailed a Results Framework should be How many levels should be shown? How many times should we ask "how?" as we work down from our Strategic Objective to Intermediate Results? There is no right answer to this question For presentation purposes, for example, to your partners or for USAID/Washington, you may want to keep it simple and show only one or two levels of IRs below your SO For the team itself, and for those who will help the team implement a program for achieving an SO, however, additional levels can be extremely useful, since they tend to be more specific and detailed than are higher levels of a Results Framework *So, the answer to the question of how much detail depends on how and with whom you will use the Results Framework*

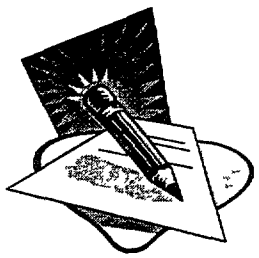
Try Brainstorming While some teams may find it easy to develop their Results Frameworks by repeatedly asking "what else" and "how," other teams find that this step-by-step process cramps their thinking To open up the process and make it freer and more creative, some teams use a "brainstorming approach " These teams start with their SO Their second step is very open-ended They simply ask one another to identify all of the results—everything they can think of—that must be accomplished in order to achieve the SO Everything they think of is noted on individual sheets of paper and pinned or taped to a large wall where everyone on the team can see these results statements

At the beginning of this process, there is no concern for order or hierarchy—only ideas Sometimes the ideas that come out will all be part of a single strategy But if strategic options have not been explicitly discussed ahead of time, the wall of ideas may contain fragments from several strategies The diagram on the right shows some of the ideas that might emerge in relation to an SO that calls for *increased availability of food in domestic markets*



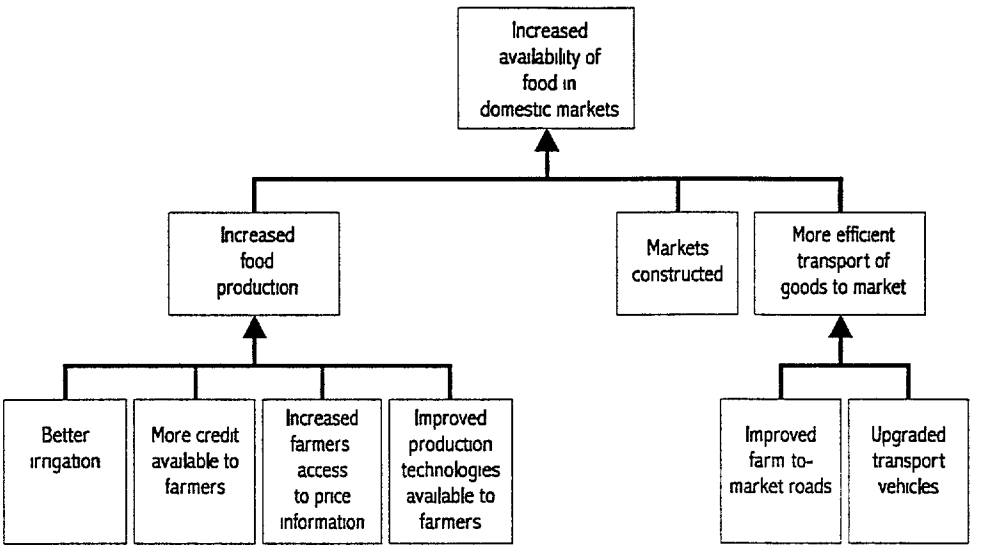
When a brainstorming process is used, the "cause and effect" relationships among various results are not considered until after the team generates a wall of ideas Once that step is completed, the team must ask itself "what causes what" and begin to draw the lines that will eventually allow it to prepare a graphic that clearly demonstrates hierarchical, means-ends relationships The following shows how you might begin making cause-and-effect connections in the brainstormed bunch of results





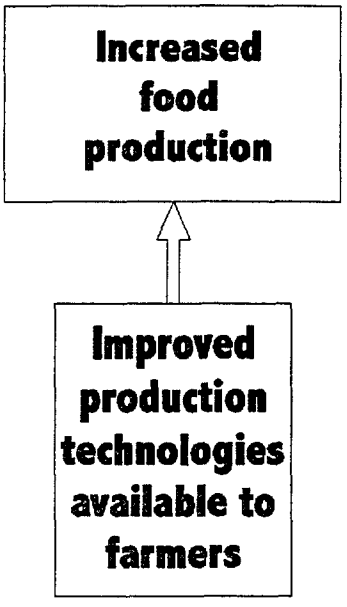
Just to make sure you understand how to move from a wall of ideas to a Results Framework, use the space below to rearrange the results shown above into a Results Framework hierarchy like the one started for *childrens' educational attainment* above

After you have completed this exercise, look at our suggested version of this Results Framework in the next diagram If it does not look like yours, ask yourself if you carefully applied the "what else" and "how" questions in your version



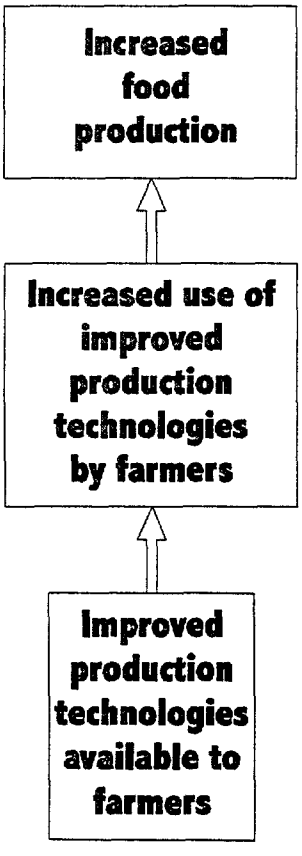
Another important thing to think about with respect to the level of detail in your Results Framework is whether the framework includes *all* the results that you consider important By important, we mean from the perspective of *managing for results* and *measuring progress over time* Once completed, the Results Framework will serve as the basis for implementing your strategy and for measuring its progress And your performance indicators will be developed on the basis of specific results contained in your Results Framework Therefore, you do not want to leave out any results that are strategically important

To illustrate this point, let's look at part of the draft Results Framework presented here If we were managing this part of the program—and measuring progress along the way—would we be comfortable with merely measuring the level to which improved technologies were available to farmers and then waiting to see if production improves at the next level up in the Results Framework? What if we were to find that food production did not increase, despite the availability of improved technologies?



There is quite an "assumptive leap"--as one of our colleagues likes to put it--between farmers having access to new technologies and their actually producing more food What is the missing link?

You probably guessed correctly we would likely want to know if farmers are actually *using* the improved production technologies, and we would probably want to know this sooner rather than later If it were to turn out later that food production did not increase as we had expected and the reason was that farmers had not been using the new technologies, we would certainly wish we had known that sooner So, a more strategically and managerially useful revision of this piece of the Results Framework would look like this



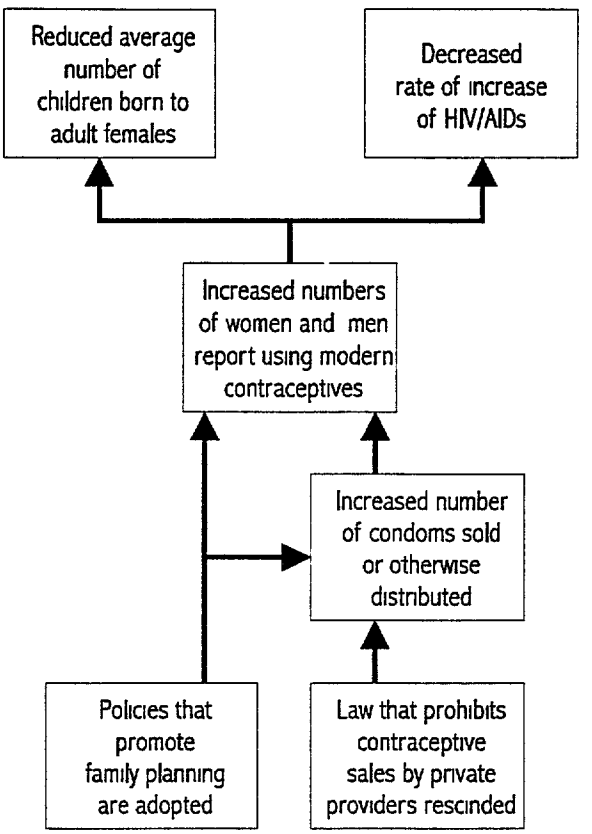
Show Multiple relationships

When teams are developing their Results Frameworks, they sometimes find that a fairly low-level result, such as a policy change, affects more than one part of their results structure or hierarchy Since a Results Framework is a *flexible* rather than rigid tool for displaying results and their relationships, teams are encouraged to identify causes that have more than one effect in their diagrams

Look at the example on the next page It shows that the intermediate result, "policies that promote family planning are adopted," is expected to have an effect on two distinct other intermediate results, "increased number of condoms sold " and "increased numbers of women and men report " Similarly, the intermediate result, "increased numbers of women and men " is expected to contribute to both "reduced average number " and "decreased rate of increase of HIV/AIDS "

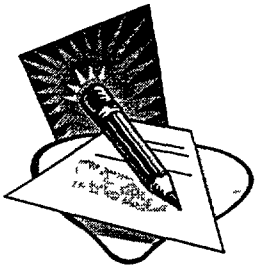
When you are developing your own results framework, pay attention to the important multiple relationships among expected causes and effects

Now it's time to apply your understanding of how to develop a Results Framework to the Strategic Objective for which your team is responsible You may be reading this module at a point where you and your team already have a draft Results Framework That's fine But set it aside for a moment as you do this exercise You may find that your new understanding of how to develop a Results Framework leads you to produce a different, and hopefully clearer, version



- Start by writing your Strategic Objective in the box on the next page
- Use the revised version you created in the last exercise -- the version that states the result you intend to produce very simply and very clearly
- Now ask **"how?"** and begin to develop a second level of results—or IRs—that answer that question Make sure that each IR you put in a box at the next level is stated as a clear result Also make sure that it passes the test of being a reasonably direct cause of your Strategic Objective
- When you think you have completed this level, ask **"what else?"** Think about any important factors you may have left out Put them into your Results Framework, making sure that you have stated them as results Continue on in this manner, asking "how" and "what else" until your Results Framework tells the story of your strategy in a full and complete way
- Ask whether the arrows in the Results Framework reflect **clear cause-effect relationships**
- Pay attention to the **level of detail** you need to lay out and communicate your strategy
- And, finally, indicate important **multiple cause-and-effect relationships**

Your Team's Strategic Objective



Step three Identify necessary results for which organizations other than USAID are responsible

3

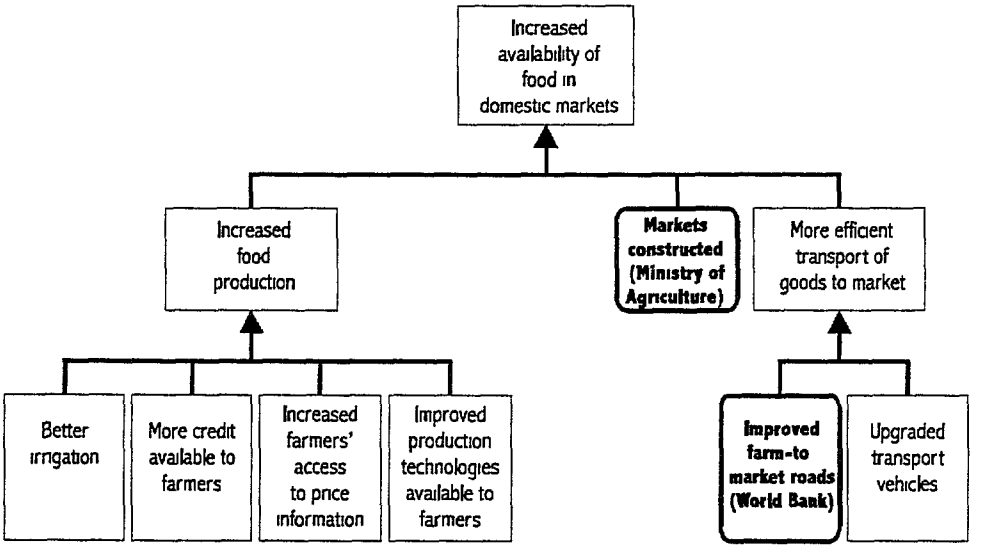
No matter which process you and your team use for identifying the elements of your strategy for achieving a particular SO, it is likely that you will identify some over which USAID will not have direct control If you ask the question "what else" often enough at any level in a Results Framework, you are bound to run into answers of this type Some elements over which USAID will not have direct control will turn out to be important Intermediate Results that, while essential for your strategy, are being produced by some other entity, for example, a Ministry or another donor From USAID's perspective, this kind of sharing of responsibility is a good thing Working alone, USAID might not have sufficient resources to implement as optimal a strategy as it can pursue if it works collaboratively with others Results Frameworks which incorporate the results for which USAID's development partners are taking responsibility tend to highlight these results by showing the name of the responsible party in the results box Sometimes these results boxes are shaded or have dotted line borders, or some other distinguishing feature

> *"The results framework shall include any key results that are produced by other development partners (such as non governmental organizations the host country government other donors and customers)*
>
> Agency Directives

Look back over the Results Framework you have developed for the Strategic Objective on which you and your team are working Are any of the results in that framework results for which another donor is responsible? If so, include the responsible organization's name in the box, as we have done in the example below Now look at your Results Framework with an even more critical eye Did you fail to include some important results when you asked "what else" because you and your team were not prepared to accept responsibility for producing these results? If you left important results out of your Results Framework simply because you could

not commit to producing them, your strategy may be incomplete Go back and add those important results for which another organization is responsible -- or for which some organization should be responsible, even if none has yet volunteered for that role

Recognizing that there is an important result that has to be produced for your strategy to succeed is particularly important if no one is currently doing that job Even if USAID is not prepared to add that result to the list of results for which it will accept responsibility, you may be able to play a catalytic role in ensuring that some other organization does If you cannot enlist another organization, your strategy may be at serious risk of failure



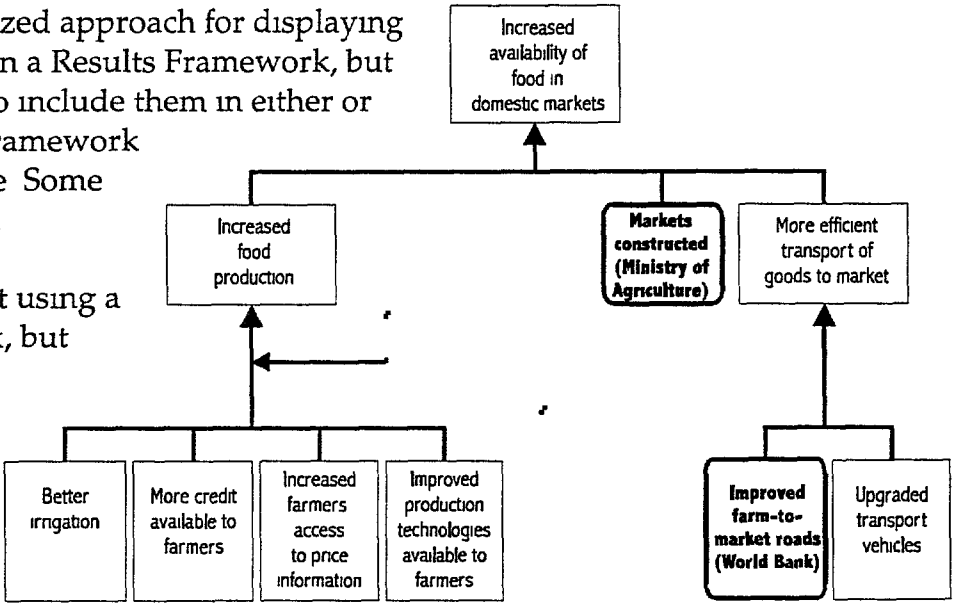
Step four Identify the "critical assumptions" inherent in the cause and effect hypotheses that connect the levels in your results framework

4

In addition to the results for which USAID's development partners are prepared to accept responsibility, teams often find that there are some critical factors over which neither they nor their partners have control In agricultural programs, for example, the level of rainfall in a given year may be critical, but it lies beyond our control Important factors in a strategy which lie outside our control are called *critical assumptions*

In most programs we make a number of basic assumptions, for example, that there will not be an unexpected change in government in the host country, that USAID will continue to operate in a particular country with roughly the same budget level as it has now, and so on Since these assumptions underlie all of USAID's programs it is not necessary to point them out for every SO strategy On the other hand, there may be some assumptions that a team is making which are absolutely critical for the success of the strategy it is proposing When this occurs, the team has a responsibility to share its assumptions—by stating them in the text that explains the strategy or, even better, by displaying them in the Results Framework

There is no standardized approach for displaying critical assumptions in a Results Framework, but it is very important to include them in either or both of the Results Framework graphic and narrative Some teams simply insert a description of their assumptions, without using a box Others use a box, but highlight it by using dotted lines, as shown at right



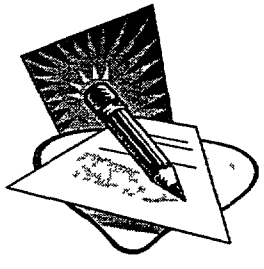
When you and your team think about the critical assumptions you are making, or describe them for others in a text that accompanies your Results Framework, it is often helpful to estimate the chances, or probability, that your assumption will or will not hold true

- If your strategy depends upon a certain level of rainfall each year, what are the chances that there will be less rain, given what is known about rainfall levels in past years? What is the probability that the rainfall you need will occur? 80%? 70%?

- If your strategy for improving the health status of children depends upon an assumption about the degree to which the Ministry will shift its resources from curative to preventive care within two years, what are the chances that this won't occur, or that the shift will be less dramatic than you are assuming? What is the probability that the assumption will hold? If it is entirely a certainty, then it is not an assumption Is the probability of your assumption holding true very high? Or is it relatively low? If the probability is low, then you are probably taking a significant risk Is there anything you or another donor could do to influence the Ministry's decision—to, in effect, shift the probability of this assumption holding true from low to very high?

Before proceeding to the next step, go back to the exercise page where you developed a Results Framework for your Strategic Objectives What critical assumptions did you make as you developed this strategy? At what levels would these assumptions have an effect? Using a different color pen, or dotted line boxes, add your critical assumptions to your Results Framework How many such assumptions did you add? What risk do they pose to your strategy?

In the space below, try summarizing the way in which you view the overall risk to your strategy from critical assumptions Can you describe this risk in terms of the probability your strategy will succeed?



If the risk that assumptions pose to your strategy seems high, go back and look at those assumptions Are there any which you could influence either through advocacy or some other action? If the answer is yes, how would you build those actions into your strategy? What new results need to be added to your Results Framework to give you greater control over your critical assumptions? You might not be able to change the level of rainfall, but you might be able to build more water storage systems, or do something to make existing irrigation systems more efficient

Step five· Check the completeness of your results framework

5

Many teams ask how they will know when their Results Framework is complete As noted above, the number of levels in a Results Framework is really a question of the level of detail that is useful for different levels of management Senior managers may want more of an overview, and thus fewer levels in the version of an RF than does an SO team and the intermediaries who will help that team implement its strategy So the number of levels in a Results Framework isn't really a good test of completeness

> "It is critical to stress the importance of not rushing to finalize a Results Framework It is necessary to take time for the process to mature and to be truly participative The entire process has taken considerable effort, but we are certain that our plan reflects the priorities of the host government and the other donors active in the environmental sector Most importantly, our partners and customers have taken ownership because they have been thoroughly involved "
>
> *USAID Staff Member in Africa*

A better test of the completeness of a Results Framework is the degree to which it lays out clearly, and in a credible "cause and effect" chain, the various elements of a strategy—both results and assumptions—that must be in place to achieve an SO All the key elements need to be present and, by the same token, there should be no elements included that are not needed *One way to "test" the credibility of a Results Framework is to start at the bottom and*

check the logic as it rises up though the diagram's hierarchy For each result at the bottom of the diagram, ask

- Is this result a clear and unidimensional statement of what we need to accomplish? Do I understand it well enough to be able to define ways to measure whether it has been achieved? Would someone unfamiliar with our program understand it?

- Why is the result presented? Do we believe that it causes or contributes to the achievement of the result above it to which an arrow is pointing?

- Is the result sufficient by itself, or are the other results presented at the same level also necessary for achieving the result to which the arrow points? Are any of them unnecessary? Would we fail if one or more of the results at this level were dropped from the strategy? Does this result or the set of results pass the "if/then" test?

  If the law is rescinded,
  then private providers will begin supplying contraceptives through private clinics and commercial channels

  Do we believe this?

- What, if anything, is missing in the "cause and effect" logic presented in the diagram? Could we accomplish all of the results at this level and still fail to achieve the objective to which the arrow is pointing?

- Do all the cause-effect relationships make sense? Do we have our arrows pointing in the right direction and do they reflect any multiple cause-effect relationships?

- Have we indicated the responsibilities of other organizations (if any)?

- Are the critical assumptions associated with each set or level of results reasonable, or are there some that have such a low probability of being valid that the whole strategy is jeopardized?

All of these questions can help you check on the soundness of your Results Framework

Presenting your Results Framework to a broader audience gives you and your team another kind of opportunity to validate your work Look at these interactions as opportunities for making your Results Framework stronger and more useful to your team, not simply as external reviews you must survive Feedback is always useful

Step six Use your results framework as a management tool

> "The framework is intended to be a management tool for mission managers so they are able to gauge progress toward achievement of intermediate results and their contributions to the achievement of the strategic objective "
>
> Agency Directives

Sorting out the cause and effect logic inherent in the strategy you and your team have chosen for achieving a particular SO and presenting that strategy concisely to others are but two of the ways in which you can use a Results Framework A Results Framework can also be useful when

- It is time to develop "results packages"—sets of activities and results which are to be pursued by results package teams and implementing agents With a Results Framework in hand, logical groupings, below the SO level, are often quite apparent It is also possible to design appropriate Results Packages that reach across two or more Results Frameworks by laying them side by side and identifying common themes and requirements

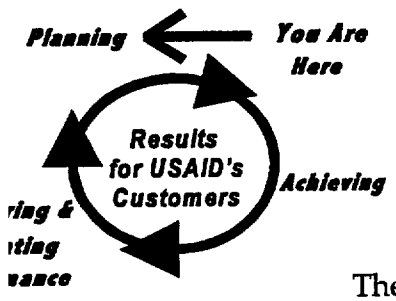
- You are developing performance indicators for key results to be monitored over time, or you are working with implementing organizations, for example, universities, NGOs, etc , and you are collectively making decisions about who will gather the data for performance indicators A Results Framework helps everyone understand the various levels involved and divide responsibilities accordingly

- An annual performance review tells you that performance on a particular indicator for a particular result is lower than expected When this occurs, you need to determine "why" as quickly as you can A Results Framework that describes all of the results and assumptions that support the non-performing result will provide you and your team with a road map for this investigation

- A performance review tells you that one of your results is being achieved ahead of schedule When this situation arises, a well-developed Results Framework can help you decide how to reallocate the resources that will now, unexpectedly, become available

These are only a few of the ways in which you are likely to use a Results Framework once you have developed it The tool is yours now Make the most of it

Developing Performance Indicators



This module begins with the assumption that you and your team have identified some results that you want to achieve or some objectives to accomplish and you want to monitor your progress in achieving them over time Although aimed at monitoring development program results, the module also applies to assessing any intervention or program designed to bring about intended effects— be it at the program level, the team improvement level, the in-house service delivery level, and so on

The centerpiece of a sound plan for monitoring program results is a good set of performance indicators Performance indicators help inform us, our managers and our stakeholders about the extent to which we are achieving our expected results Performance indicators are the basis upon which we collect performance data critical to both managing for and reporting results This module is designed to help you develop sound, useful and usable performance indicators, as part of a larger effort to monitor progress

The module is divided into two sections In Part I you learn the concepts you will need to create your own performance indicators Part II is a step-by-step guide for you to follow as you develop your own indicators

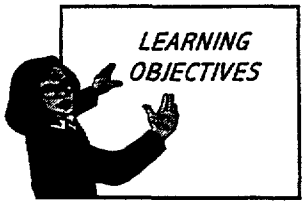
(In another USAID*works!* module, "Preparing a Performance Monitoring Plan," you and your team can learn how to plan for the collection of data on the basis of your performance indicators)

Note We encourage you to work through this module with your colleagues The value in doing it with a group lies in what you will learn from one another through discussion and group involvement in the exercises, especially those dealing with real performance indicators of interest to you

Remember

If you have questions or need help with this module, you can e-mail the Hotline See last page for details

By the end of this module you will be able to:



- explain the important role that performance indicators play in managing for results
- identify the basic characteristics of useful performance indicators
- develop performance indicators for results that you are trying to achieve

A few important definitions

Term	Definition	Ask Questions	Example
Result statement	The effect or change in conditions expected from successful implementation of a particular program, activity, or intervention	"What are we trying to achieve?"	Improved performance among students completing a basic word processing training program
Performance indicator	An observable or measurable characteristic that shows, or "indicates," the extent to which a result is being achieved	"How can we determine whether we are achieving the result? What will we look at? What will we measure?"	Level of speed, with accuracy, in word processing More specifically number of words typed per minute divided by the number of typing errors
Performance target	The expected level of achievement of the result, as stated in terms of the performance indicator, within a given period of time	"How much of the result do we expect to achieve, and by when?"	By completion of the training course, 80 percent of the participants will have a performance indicator score of 25 or higher
Method of data collection	The tool or process to be used in obtaining the data for the performance indicator, so that we can determine whether the performance target is being met and the result is being achieved	"How are we actually going to get the data we need?"	A word processing test administered to training participants upon completion of the training program
Baseline data	The condition or level of performance that exists prior to implementation of the program or intervention Because performance targets set the amount of change expected over time, baseline data are needed to establish the starting point	"What is (or was) performance as we begin (or began) the program or intervention designed to produce a result?"	Before the training course, none of the participants are able to do word processing with a score of 25 or higher

PART 1 Preparing to develop performance indicators

What are performance indicators?

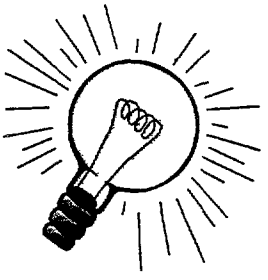
Look for a moment at the definitions in the box on page 2 These are the important key elements of performance measurement

A performance indicator is a phenomenon (that is, an event, a characteristic, a condition, etc) that we can observe or measure which tells us (as accurately and reliably as possible) whether our efforts are having their intended effect

Performance indicators are essential tools in monitoring performance, and, therefore, in making important strategic decisions and managing for results

For strategic objective teams and results package teams, developing sound performance indicators for their results statements sets the stage for setting reasonable performance targets, and collecting useful baseline and performance data on strategic objectives and intermediate results

With those data, teams can judge whether results are being achieved The data obtained on the basis of performance indicators are also a key means for reporting results



Note the data collected on the basis of performance indicators may not necessarily tell us whether our development hypotheses are working or whether it is our program activities that are actually producing desired results (It 's possible, for example, that the results are being achieved because of some other influences in the environment) *Data from performance indicators for a specific result tell us only whether results are being achieved, not why or why not* For answers to the "why?" or "why not?" questions, we may need to look at the performance data for lower-level results in our program or we may need to conduct some program evaluation research

If our performance data tell us that the results we want are not being achieved, we can conclude at least that our program is not

working—that is, it's not the right program or it's not being implemented as we expect In this case, we would want to look at the data for lower-level results that were expected to contribute to the result in question, to see if our answer to "why not?" may lie in the performance of those results

Here are some examples of result statements and associated performance indicators

Some Examples of Performance Indicators

Result Being Measured	Performance Indicator*
Increased educational attainment among primary school graduates	Average scores on a standardized test of educational achievement
Strategic objective teams have accomplished a successful start in their operations	Number of strategic objective teams that have all of the following in their files (a) a completed and agreed-upon team contract, (b) a list of core and extended team members, (c) a customer service plan, (d) an approved results framework, and (e) a complete performance monitoring plan
Improved efficiency of the operating unit's administrative office	Number of complaints regarding delays (or time-consuming errors) in payment of invoices received from contractors and grantees and/or Average amount of time between receipt of an invoice and issuance of a check to the contractor or grantee
Broadened access of micro entrepreneurs to financial resources and services	Number of micro enterprises receiving loans through the formal credit system and Total amount of money lent to micro enterprises
Increased use of effective maternal and child health services	Percentage of diarrheal disease cases among children under the age of five who receive treatment within two weeks of onset of disease

*Note that, in some cases, one or even two performance indicators may not be sufficient to measure a result adequately In those cases, can you think of additional indicators that might be useful?

Practice in creating performance indicators

Let's start with a simple example from everyday life to see what performance indicators are all about

Suppose you grow tomatoes in a vegetable garden every year, and, this year, you want to improve the crop of tomatoes that you produce You have developed, and are implementing, a "program" to improve your tomatoes You are spacing your tomato plants farther apart than usual, you are using a new kind of fertilizer, and you are watering the tomatoes on a more regular schedule than in the past How will you know whether your improvement program is working? Think of some possible indicators to assess the results of the program, and list them here

_____

_____

_____

_____

_____

_____

If you did this little exercise with some of your colleagues, it is likely that each of you came up with some different performance indicators for the tomato improvement program The list probably includes some of the following

- Number (or kilograms) of tomatoes harvested per plant
- Average size per tomato harvested
- Average level of "juiciness" per tomato harvested (as determined, perhaps, through personal observation or a more precise measure of the amount of juice in a sample of tomatoes)
- Level of tastiness, or sweetness, or richness of color, or firmness, etc (as determined, perhaps, by your own observations or those of the people with whom you might share your tomatoes, i e , your "customers")
- Average number of birds that are attracted to the tomato garden on a daily basis (this one assumes that birds are good judges of improvements in tomatoes!)

The example demonstrates that the specific performance indicator(s) you choose for an intended result depend on how you define the result For some people, an "improved tomato crop" may mean an increase in the number or volume of tomatoes harvested, for others, it may mean improvements in the quality of the tomatoes, such as their taste or color or firmness or juiciness Indeed, several different performance indicators may be needed to assess whether the tomato crop has been improved

You will also notice that some of the possible performance indicators listed above or in your own list are quantitative in nature and some are more qualitative Quantitative indicators involving numbers and percentages are generally less ambiguous and subjective than are qualitative indicators like visual observations and, in our case, taste tests

> *A general rule of thumb*
> *if a quantitative indicator can assess a particular result*
> *as well as a qualitative one can,*
> *then we should choose the quantitative indicator*

The more precisely we can initially define the result we are trying to achieve, the more likely will we be able to identify (and agree upon) useful performance indicators And, if we do happen to start out with a rather general result statement, such as "improved tomato crop," the exercise of identifying performance indicators will inevitably force us to become clearer about what we are trying to achieve

This example highlights several important characteristics of useful performance indicators

(1) They should help you measure the actual result you are trying to measure—they should be as *direct* as possible

(2) They should be unambiguous, precise and agreed upon by you and the other members of your performance measurement team—they should be *objective*

(3) They should sufficiently measure the most managerially important dimensions of the result to be achieved—that is, they should be *adequate*

(4) They should, to the extent possible and reasonable, be *quantitative*

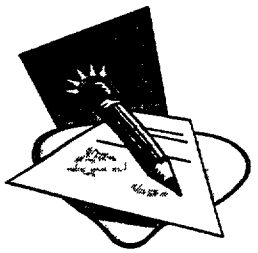
(5) They should allow for the systematic collection of performance data that can be obtained without too much cost and effort, and data in which the team can have confidence—they should be *practical* and *reliable*

We will spend more time on these characteristics of useful performance indicators later in the module The point to be made here is that, even with a simple example like assessing a program to improve one's tomato crop, just about all the characteristics of good performance indicators come into play

The main point to remember
Identifying sound performance indicators
is really a matter of good common sense

There is one more thing that you probably have already noticed about performance indicators To use them effectively to assess results, we need comparative data, that is, both "baseline" data that tell us what conditions with respect to our expected results were like before our program or intervention was implemented, and data that tell us on a periodic basis whether the results are being achieved while the program is being implemented Also, to truly manage for results, we need "performance targets," which establish, for each indicator, the level of results that we expect will be achieved over the course of time (These two important elements of a performance measurement system, which were defined above in the box on page 2, are not covered in this module You can learn more about them, however, in "Establishing Performance Targets," TIPS, No 8, which is available from USAID's Center for Development Information and Evaluation)

Match the performance indicator to the results statement



Let's try another exercise just to make sure we can recognize a performance indicator when we see one. Look at the two lists below. The first is a list of various result statements. The second is a list of various possible performance indicators. Match each result statement in the first list with a possible performance indicator in the second list by drawing a line connecting the two. We have connected the first result statement to a performance indicator to get you started.

Result Statement	Possible Performance Indicator
1 Democratic reforms implemented	a Percentage of women of child-bearing age using one or more clinic-provided reproductive health services per year
2 More balanced team participation	b Average amount of time (in days) it takes to process an application for a business license
3 Improved climate for small and medium enterprises	c Percentage of local government agencies conducting and publicizing standard annual financial audits
4 Increased delivery of reproductive health services	d Visual differences between representative "before" and "after" photos showing the amount of trash lying in several city streets
5 Improved health status of women of child-bearing age	e Team members' ratings of the extent to which they think the team is meeting its objectives
6 Improved administrative services to operating unit offices	f Percentage of women who have attended a hygiene training program who report washing their hands before cooking on a regular basis one month after the program
7 Increased accountability of local government institutions	g Maternal mortality rate
8 Increased dissemination of information on preventive health practices	h Number of women who complete a three-day family hygiene training program
9 Improved living conditions in urban areas	i Percentage of customers who report satisfaction with the services they have received during the past quarter
10 Increased adoption of preventive health practices	j The absolute difference between the average amount of time spoken in a team meeting by those actually speaking and the average amount of time if all team members were to have spoken
11 More effective team processes	k Certification by a panel of experts that local elections have been conducted freely and fairly

Let's see how your answers compare to ours. Turn to the next page to see if you made the same matches as we did.

Our answers to the exercise are as follows

1 = k This is a qualitative indicator, which is often used with others to signal broad change in the direction of more democratic government One could, perhaps, use a quantitative approach, by assessing each specific local election and then counting the number that were rated as having been conducted freely and fairly

2 = j More "balanced" team participation might be measured by the relative amounts of time members speak in team meetings If, for example, 5 team members all participated equally in a one-hour meeting, the value on this indicator would be zero—[60 minutes divided by 5] minus [60 divided by 5], but if only 3 of the 5 members participated, the value on this indicator would be 8—[60 minutes divided by 3] minus [60 divided by 5] So, the lower the value, the more balanced the participation While this indicator may be a fairly good one for measuring balanced participation in terms of time, it offers nothing with respect to the quality of the participation Also, it may not be a very practical one To obtain data for this indicator, someone would have to sit through team meetings and literally record the amounts of time team members say something

3 = b This would be a reasonable performance indicator, if we can assume that an improved climate for enterprises would include faster processing of business license applications However, unless the program is dealing exclusively with that one aspect of meeting entrepreneurs' needs, additional performance indicators may be advisable in order to get a broader sense of performance

4 = a We hope you did not choose g , because maternal mortality rate is an indicator of the likely effects of the delivery of reproductive health services, not the services themselves Someone might quibble that "delivery" (in the result statement) and "use" (in the performance indicator) are not exactly the same, but they are close enough in practical terms for our purposes here

5 = g This is a standard measure of women's health status used in many programs

6 = i Customer satisfaction ratings are a common type of indicator for measuring the quality of services rendered Quality could be measured in other ways, for example, by having experts review and judge the services delivered Such an approach may be better in cases in which the customers are receiving services that are always a source of contention no matter how good they are

7 = c Note that the indicator says "conducting and publishing" audits Merely conducting audits might not be a very good performance indicator for increased accountability It's what is done with those audits that matters

8 = h We hope you did not choose f That indicator is a measure of the behavioral results of disseminating information, not of the level of dissemination itself

9 = d It is fair to say that clean streets are an indicator of good urban living conditions This qualitative indicator could be converted into a quantitative one by counting the number of pairs of photos that show improvement

10 = f Assuming that washing hands before cooking is a representative practice among those covered in the training program, this could be a good indicator of increased adoption of practices If we expect a wide range of practices to be adopted, we may need additional indicators Note also that people's reported behavior is not a true measure of actual practice, but, in many instances, it would be too costly to try to observe and count actual instances of the behavior we are trying to increase with our program

11 = e The extent to which the team is meeting its objectives—or, in this case, team members' observations of how well the team is doing—may be a fair indicator of the effectiveness of team processes If, however, the team could be achieving its objectives despite the effectiveness of its processes, this may not be a good indicator

So, how many of items 2-11 did you get correct—correct, that is, by our standards? Do you think your score on this little exercise would be a good performance indicator of the result we were trying to achieve, which was to increase understanding of what a performance indicator is? Was this a fair exercise, and do you think

our answers are reasonable? Sometimes the answers to questions like these are very relative ones, depending on the circumstances And this suggests that good judgment is critical to the development of useful performance indicators, be they scores on a little training quiz or measures of children's health status Let's think about these questions as we proceed through Part II of this module

Part II Five steps to developing performance indicators

Five steps to developing useful performance indicators

1 Clarify your result statements
2 Develop a list of possible performance indicators
3 Assess each potential indicator
4 Select the best possible indicators
5 Obtain agreement on those indicators

The remainder of this module will take you through five steps for developing performance indicators In each step, we will present a description of the step and some examples of its application, and then ask you (and your team) to work on developing performance indicators for a result that is of interest to you

Step one Clarify your result statements

Before selecting or developing any performance indicators, it's important to clarify, as best you can, the nature of the results you expect your program or intervention to achieve If you are working with a program results framework, for example, this is a good time to review each of the statements for the strategic objective and intermediate results to make sure that they are stated as results and that they are as precise as possible (See Developing Results Frameworks to review this process) This is good advice, of course, for any result statement, whether it is part of a development results framework or the expected result of an effort to improve administrative operations, team performance, etc

Ask the following three questions when clarifying your result statements

Is the result statement framed in results-oriented terms?
Is your result stated as something being achieved, completed, improved, increased, etc , or does it contain process words like "promote(d)," "coordinate(d)," etc ? This may seem a minor point at first glance, but defining results as results is the first step toward sound performance measurement and managing for results

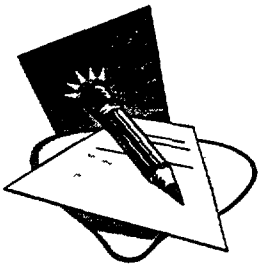
What type of result is expected?
Is the expected result the creation of something new, such as the establishment of a new institution or law or information system? Or is it to be a relative change in an existing condition, such as an improvement, an increase, a decrease, or the strengthening of a particular practice, level of knowledge or skill, institutional capacity, health outcome, level of productivity, sales, etc ? Or is the result to be the maintenance of an existing condition, such as holding an inflation rate constant over time or keeping the rate of deforestation below a certain level?

What or who is the focus of the result, and how broad or narrow is that focus?
Is the result expected among certain individuals, families, groups, communities, institutions, laws, products, etc ? And is the result expected among some or all, at a local level or at a regional or national level?

How you define your result, and how precisely you do it, has implications not only for how you design your strategy but also for how you go about measuring the result with performance indicators Let's look at a few of the result statements that were included in the matching exercise, which you completed earlier Let's view them as draft result statements and see if we could add more precision and clarity to them before moving to on to the next step—indicator identification

Answering clarifying questions to improve a draft result statement

Draft Result Statement	Is the result statement framed in results-oriented terms?	What type of result is expected?	What or who is the focus of the result, and how broad is that focus?	What might a clarified result statement look like?
Example 1 "Democratic reforms implemented"	What do we mean by "implemented?" For example, do we mean reform laws passed, or putting into practice reforms that have already been adopted by the legislature?	Do we really mean reforms in all areas of democracy, or can we be more specific? For example, do we expect electoral reforms, judicial reforms, legislative, human rights, etc ?	Do we mean reforms at the national level, at the local level, or at both levels?	Perhaps "1999 local elections conducted on the basis of reforms passed into law in 1997 "
Example 2 "Improved delivery of operating unit administrative services"	The word "improved" suggests that a result is expected	"Improved delivery" from whose perspective? If from the perspective of the service providers, "improved delivery" could mean more efficient delivery If from the perspective of the customers, it could mean more courteous or more helpful services	Can we specify the services, or is the result to occur among all services? Can we specify the set of customers for whom service delivery is to improve?	Perhaps "Increased usefulness of financial services received by the EXO's operating unit customers "
Example 3 "More effective team processes"	"More effective processes" implies a result, but it is ambiguous See the next box	"More effective" is a tricky concept Is the result focused on the quality of the processes themselves or on the effects of the team's using improved processes?	Can we specify the processes, or is it all team processes?	Perhaps "Increased efficiency of the SO 2 team's decision-making process" or "Increased utility of team communications to non-team members "



Now it's your turn to draft and clarify a result statement, which we will use later for identifying and assessing indicators If you serve on a strategic objective team, take, and clarify, one of the key results from your results framework If that is not possible, develop a result statement for some other program or effort you are working on Try to write the result statement in as clear and precise terms as you can Write your clarified result statement in the space provided in the Performance Indicator Worksheet on the next page

Step two: Develop a list of possible performance indicators

2

Once you have made your result statement as clear and precise as possible, it is time to think about possible performance indicators We say "possible" here, because we think it's easier to start with a number of different ideas for indicators and assessing them later instead of trying to get your indicators perfect on the first try

> *Recall our definition of a performance indicator A phenomenon that we can observe or measure which tells us whether our efforts are having their intended effect*

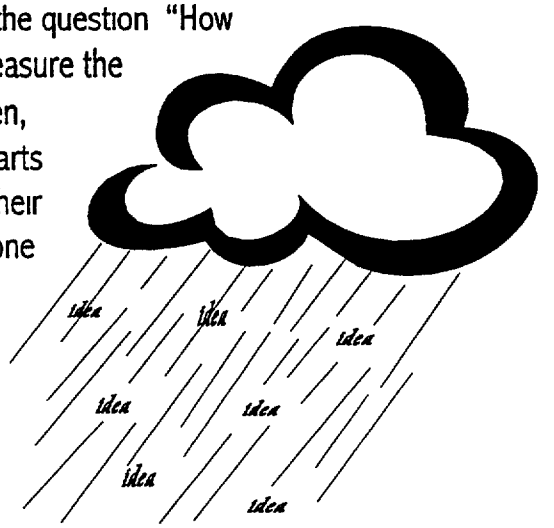
Your task in this step is to identify possible characteristics of the result that could be observed or measured You could do this by "brainstorming" ideas with the members of your team or by consulting experts and reference materials in the area of interest Look at the description of brainstorming in the box and see if that would work for you If you are working with result statements for a development program, you should consider consulting people in other operating units, who have experience in similar programs, or performance measurement experts in USAID's Global,PPC and B geographical bureaus If your team is developing indicators for a strategic objective program, you should take a closer look at "USAID Common Indicators for Mission and Operating Unit Strategic Objectives," USAID/General Notice, A-AA/PPC, February 7, 1997 This action message lists indicators that the Agency is suggesting operating units consider using, so that the Agency can obtain comparable data from one operating unit to another It is likely that this action message will be revised from time to time, so consult with the Program Policy and Coordination Bureau for updates

Step 1. Result statement:						
Step 2. Possible performance indicators	Step 3. Performance indicator criteria					
	Direct*	Precise**	Adequate	Quantitative	Disaggregated	Practical
(1)						
(2)						
(3)						

*Or, if not direct, a proxy based on reasonable assumptions
**Unidimensional and objective.

Brainstorming

In brainstorming, everyone is given a few minutes to think of their answers to the question "How could we measure the result?" Then, everyone starts calling out their ideas, and one person records them on a flip chart During this free flow of ideas, there is no discussion or evaluation of the suggestions The objective is to get as many ideas out in the open as possible, even those that sound odd or unconventional The recorder can ask for help in making sure that he or she has recorded accurately, but that's all Once all the ideas are on the flipchart, the group can then refine, discuss and assess them in terms of their being good candidates for performance indicators



Whatever your approach to identifying potential performance indicators, be inclusive at this point View your results statement from a variety of perspectives

Look at the following result statement, which is an intermediate result taken from a USAID mission's strategic objective results framework Although it is difficult to consider a single intermediate result apart from the broader context of the entire results framework, try your best to think of as many ways as you can to measure or observe progress in achieving this intermediate result Jot down your ideas in the space below the result statement

Result Statement
Increased public confidence in the commercial banking system

Possible Performance Indicators

(1) _____
(2) _____
(3) _____
(4) _____

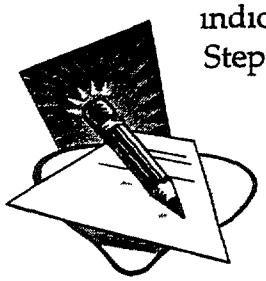
Here are some of the performance indicators that the mission actually used for this intermediate result

- Monetary amount of interest paid out by commercial banks
- Number of commercial bank accounts (business and personal)
- Monetary amount of deposits in commercial bank accounts (business and personal)
- Monetary amount of commercial lending
- Number of short, medium, and long-term loans given to qualified entrepreneurs and firms

It's extremely unlikely that you came up with exactly the same performance indicators as our mission did In fact, you may very well have identified some others, which might be good candidates for measuring "increased public confidence in the commercial banking system " For example, you might have identified an indicator involving people's reported attitudes toward the banking system, in response to a survey or an interview

Given that this step is aimed at generating possible indicators--either through brainstorming or through consulting experts and others' experience--there is no one correct list of possible indicators for the result statement

The main point in this step is to identify the possibilities without worrying too much about their quality or their practicality

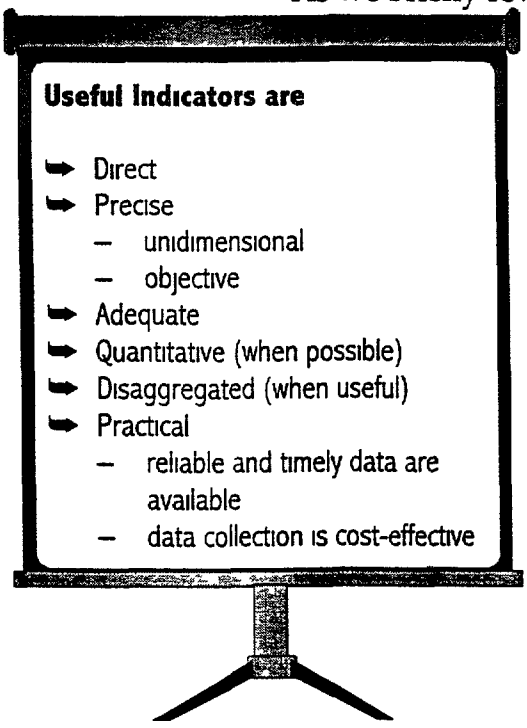


Assessing the quality and practicality of potential performance indicators is our job in the next step But before we move on to Step 3, please complete the following exercise

Go back to the Performance Indicator Worksheet on page 8 For your own result, which you clarified in Step 1, brainstorm (by yourself or with your team), at least three possible performance indicators for that result Write them in the left-hand column of the worksheet

Step three: Assess each potential indicator

Once we have a list of possible performance indicators, our job is to assess each of them in terms of their usefulness in actually measuring performance To do that, we need some criteria Although performance measurement experts might differ somewhat in their lists of criteria for sound performance indicators, we think that most would agree with the six listed here on the flipchart We think that every one of the six is important and should be considered when selecting from a list of possible indicators



As we briefly review our criteria, let's apply each of them to two of the possible performance indicators for our tomato improvement program number of tomatoes harvested per plant and degree of tastiness of the tomatoes produced

Attributes of a useful indicator

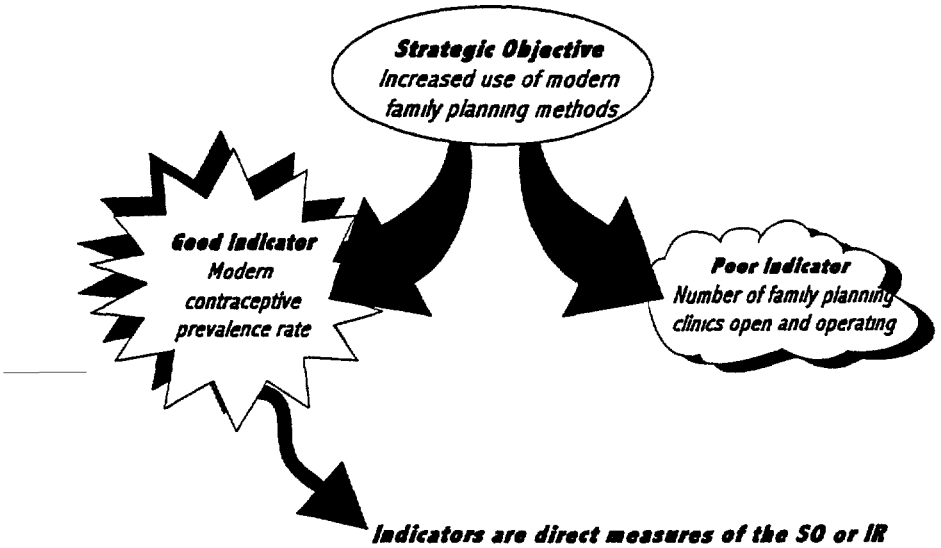
DIRECT Simply put, a useful performance indicator measures the result in a clear, straightforward way In technical terms, it has "validity"—that is, it is a theoretically or experientially sound measure of the result that we want to measure Also, if we are measuring a result in a strategic objective results framework, the indicator measures that result, not one above it or below it in the hierarchy of results

If we want to measure the result, "improved tomato crop," a direct indicator is one that defines, in observable or measurable terms, what we consider the most important characteristics of an improved crop, from our point of view as managers of the tomato improvement program If improvement means a bigger crop, then "number of tomatoes harvested per plant" may be on the right track as a direct performance indicator But what if we harvested a greater number of tomatoes per plant and the tomatoes are smaller than they were before? That is, what if the total volume of tomatoes (in weight, perhaps) did not increase or even went down after our improvement program? So, is it merely the number of tomatoes we want to increase, or would a more direct and valid measure of the result we are trying to achieve be something like "total weight of the tomato crop" or "total weight of tomatoes harvested per tomato plant?"

A direct performance measure answers the question, "What, as precisely as we can define it, is the most important aspect of the result we are trying to achieve?"

Suppose our tomato improvement program consisted of using a new fertilizer on our tomato plants Would we be comfortable with using "amount of fertilizer applied" or "extent to which the new fertilizer is applied correctly" as an indicator of our result, "improved tomato crop?" No! Those may very well be valid measures of a lower-level result, such as "effective implementation of the tomato improvement activity" or "effective delivery of tomato improvement services," but they would tell us nothing about whether the tomatoes have improved

This may seem to be an obvious point when it comes to our tomato improvement program, but it is one that often gets lost in the development of performance indicators for results in development results frameworks



Take a look at the example on the left Modern contraceptive prevalence rate is a fairly standard and well accepted measure of the extent to which people are using modern family planning methods, which is the result being sought at the strategic objective level Number of family planning clinics open and operating is *not* a measure of the increased use of family planning methods It measures a lower-level result that may be seen as contributing to increased use, but it is not a direct measure of use It would be very dangerous to assume that, just because the clinics are operating, or even that people are going to the clinics, they are using family planning methods

Sometimes we have result statements for which we cannot identify a direct indicator that meets all our other criteria for sound performance indicators For example, it is very difficult to measure increases in farmers' incomes in a direct way In most developing countries, income records (such as income tax forms and data) are nonexistent, and farmers do not often count their own income in any systematic way (especially when some of their produce is bartered for other goods instead of sold for cash) Even if farmers were able to provide an accurate report of their income, many people would be reluctant to do so So what do we do if we have a result statement such as "increased income of small-scale farmers in the highland region?"

If we cannot find a direct measure, we try to find a "proxy," or indirect, measure that comes reasonably close In the case of the farmers and their income, there is the classic story of the performance measurement and evaluation team that decided to count tin roofs on representative hillsides in an African highland region as a measure of increases in income among the farmers in the area They had observed that one of the first things farmers did after acquiring

additional cash income was to replace their grass roofs with tin roofs Although we could argue some of the fine points of using the acquisition of tin roofs as a reliable measure of increased income (for example, how would we deal with non-cash income? or how would we account for the increased income of farmers who already had tin roofs?), the point here is that sometimes a creative proxy, an indirect measure, is the only approach available, and a reasonable proxy is better than no measure at all

When using proxy indicators, the performance measurement team must carefully assess, document, and, if possible, validate the assumptions they are making about the connection between the proxy and the result they are trying to measure In the case of the farmers, the performance measurement team made some assumptions with respect to the important questions posed in the preceding paragraph, and they made at least two more (1) that purchasing a tin roof was a typical response for farmers who acquired additional income, and (2) that the additional income expected as a result of the program or intervention would be high enough for most farmers to purchase a tin roof Remember· indirect, or proxy, indicators should be used with caution, and only when reliable data for direct indicators are not available or practical to collect on a timely basis

Proxy performance indicators—a few examples

Amount of wear-and-tear on the carpets as a proxy for the level of popularity of a museum exhibit

Level of public confidence in the courts (as measured through a survey) as a proxy for the level of the courts' effectiveness in serving the public
Note Sometimes it is necessary to look to the measure of a higher-level result (as in this example) or a lower-level result than the result in question for an acceptable proxy measure, because it would be too difficult to measure the result directly The assumptions governing that decision should be very carefully considered, however

Average number of complaints received per month as a proxy for overall client satisfaction with services delivered
Note It may be risky to assume here that people who do not register a formal complaint are satisfied with the service they receive

Amount of sales of equipment and materials required for the use of environmentally sustainable farming practices as a proxy for increased adoption of those practices
Note It may be a safe assumption that farmers would not buy equipment and materials unless they were committed to trying the new practices, but this proxy may be risky because it does not address how accurately farmers implement the new practices

PRECISE A performance indicator should be unidimensional and as objective as possible, so that the performance data collected on the basis of that indicator will be clearly understood and acceptable to everyone who will use the data to make decisions about performance By "unidimensional," we mean that it should measure only one aspect of the result If there are several aspects of the result that are to be measured there should be several unidimensional performance indicators For example, "monetary value of investment and revenues of export firms" includes two different measures, "monetary value of investment of export firms" and "monetary value of revenues of export firms " Each should be treated as a separate indicator

Sometimes it makes sense to combine two or more measures into a single "index" type of measure, which is understood by those who use it For example, some people who report and forecast weather conditions are starting to use an indicator called "humiture," which combines temperature and amount of humidity in the air into one measure In the democracy and governance area, some USAID operating units are measuring country-level performance with the Freedom House Index, which is a group of measures rolled into one measure of how well governments are doing with respect to guaranteeing political and civil rights for their citizens

Going back to the example above, it is conceivable that monetary value of investment and monetary value of revenues could be combined into an index of export firms' financial strength Index measures are rather tricky, however, because decisions have to be made about how much weight to give each separate measure as it is combined with other measures

By "objective," we mean that the performance indicator should be unambiguous enough so that everyone—even those who are skeptical about the likely success of the program—can visualize and agree upon exactly what is being measured With a truly objective measure, people are not left to their own subjective notions of what is being measured

Look at the example on the right An ambiguous word like "successful" in the indicator suggests that more work still needs to be done before the indicator is precise enough to be useful in measuring the result in question If the people that matter—for example, the strategic objective team members, and important partners, stakeholders and customers—still don't agree that the improved indicator ("number/percentage of firms experiencing an annual increase in revenues of at least 5 percent") is an acceptable measure of the result, then more work needs to be done to develop a measure that meets their needs

Let's get back to developing indicators for our improved tomato crop One of the possible indicators we identified was "degree of tastiness of the tomatoes produced " Addressing solely the question of tastiness, this indicator is unidimensional, but what do we mean, in objectively observable terms, by "tastiness?" If only one of us is interested in knowing whether the tomatoes taste better after the improvement program is implemented than they did before, then perhaps we do not have a problem That person can set up a personal scale of tastiness (perhaps from 0 to 10) and personally rate the before-improvement crop and the after-improvement crop If there are several people who care about assessing whether the result is being achieved, however, then we need to specify more precisely what tastiness is and how it will be measured What one person considers a tasty tomato may be quite different from what another person would

In that case, a more precise performance indicator might be something like "average rating of tomato tastiness (as determined by a panel of tomato tasters)" or "average percentage of sugar content in a random sample of tomatoes (as measured through

chemical analysis) " We could come up with other possibilities that offer more precision to "degree of tastiness," *but the indicator that is finally chosen really should be agreed upon by those who have a stake in how the result is measured*

Assess sample performance indicators for directness and precision

Now that we have reviewed two very important criteria for useful performance indicators—direct and precise—let's see what you think of a few performance indicators that we have borrowed from an operating unit's recent Results Review and Resource Request (R4) Assess each of the indicators in terms of their directness and their precision In the table below, read the operating unit's result statement and the four performance indicators being used to measure progress Then, use the questions we have provided to assess the directness and precision of those indicators Discuss your comments with your colleagues and write your assessment in the cells to the right of each indicator When you are finished, review our comments on the indicators below the table

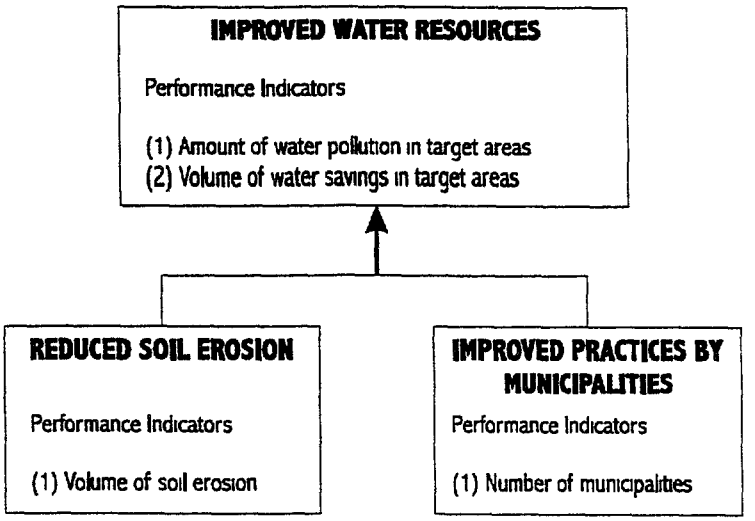
Exercise Are the performance indicators direct and precise?

Result Statement Improved water resources management in the agricultural, urban and industrial sectors		
Performance Indicators	Direct A) Does the indicator appear to measure a managerially and strategically important aspect or dimension of the result ? B) Is the indicator at the same level as the result, or does it measure either a lower-level result that contributes to the result or a higher-level result to which the result contributes? C) If the indicator is not direct, does it serve as a reasonable proxy indicator, or could a better proxy be found?	Precise A) Is the indicator unidimensional— does it measure only one aspect of the result? If not, is it possible to break it up into two or more separate indicators? B) Is the indicator objective— would people agree that the indicator is measuring the same thing?
(1) Amount of water pollution in target areas (measured in milligrams per liter of chromium [for areas with tanneries], and kilograms/hectare of excess nitrogen [for agricultural areas where fertilizer is used])		

(2) Volume of water savings in target areas (measured in millions of cubic meters/year)		
(3) Volume of soil erosion in target areas (measured in tons of soil loss per square kilometer) Note The operating unit points out that reducing soil erosion will improve the soil structure's ability to hold water and replenish underground aquifers, and reduce the sedimentation that diminishes dams' capacity to hold water		
(4) Number of municipalities with improved wastewater treatment, garbage collection, landfill management, green spaces, and recycling services (measured in number of municipalities and total population covered) Note A municipality will be counted if it has at least one service in place		

Our comments Are the performance indicators direct? Depending on how the mission is defining "management," two of the performance indicators appear to be direct, and two do not If management means the *impact* of the program on water resources, then the first two indicators appear to be direct they measure the condition of water resources If, however, management means the achievement of lower-level results that contribute to improvement in the condition of water resources, then the last two indicators appear to be direct Reducing the level of soil erosion and increasing the number of municipalities receiving conservation/ improvement services are both means to achieving improvements in the water resources As this example shows, the term "management" in a result statement is a very ambiguous term, and it is easy to confuse what is being measured

A more strategically logical results framework and set of performance indicators might look something like the following



Now it's time to go back to the Performance Indicator Worksheet on p 15 and see how your three indicators fare with respect to the two criteria, direct and precise How well do they meet those criteria? What might you do to improve them?

ADEQUATE It is wise not to have too many performance indicators for each result statement, because collecting, analyzing and reporting data for a large number of indicators can become very burdensome and inefficient with respect to the information needed for decision making However, if a single indicator does not adequately capture whether progress toward a result is being made, then more than one may be needed *An "adequate" number of indicators is the number that is needed—no more, no fewer—to provide sufficient information for determining, with a reasonable amount of confidence, whether the result is being achieved and whether management action is needed*

Of course, you must always balance the need to know what's happening in your program with the ability to pay for the information This is another example of why good judgment, assisted by a little skill, is so important in developing performance indicators For results that are very straightforward and have indicators that are tried and true, perhaps only one indicator is needed For example, "contraceptive prevalence rate" is a very well tested and accepted measure of the use of modern contraceptives For other results, which are more complex and unique, you may need more than one indicator to capture whether it is being achieved For example, "increased sustainability of NGO capacity" may need several indicators, such as "number of person-years of trained permanent staff per NGO per year," "average percentage of annual operating costs that are obtained

by the NGO from members and contributors," and "percentage of NGOs that survive five years or more after establishment "

Be careful here Even though everyone would like just a little more information to meet their curiosity or personal interests, the number of indicators should be dictated by the need to make reasonably sound judgments from a managerial or strategic point of view

Back to our example Would one indicator be sufficient for measuring the result we are seeking in our tomato crop improvement program? It might, if we can get agreement on one specific characteristic that would represent "improvement " If improvement is seen as having several dimensions, however--e g , taste, quantity, and juiciness--then we may need more than one indicator

QUANTITATIVE (when possible) First ask yourself if your list of possible indicators includes one or more managerially useful quantitative indicators *Quantitative indicators are not necessarily more objective than qualitative indicators, but their numerical precision (when precise numbers are available!) lends them to more agreement on interpretation of results data, and are easier to report*

Quantitative and Qualitative Performance Indicators

Quantitative indicators are numerical in nature, for example, total dollar value, tonnage, number of municipalities, percentage of farmers adopting a new practice, or infant mortality rate

Qualitative indicators are descriptive observations or judgments, for example, an expert's written opinion of an institution's strength, or a description of behavior

Just about any qualitative indicator can be refined into a quantitative one with some effort and testing to make sure that it works For example, descriptive observations or judgments of institutional capacity can be converted into numerical ratings by developing a numerical scale (that is, 1, 2, 3) with points along the scale representing various typical levels of capacity as described in the raters' written statements Admittedly, some of the richness of detail would be lost by using numbers instead of words, but the ratings may be sufficient for managing for and reporting results

The Case of the Unknown Denominator

Suppose for a moment that you read in a USAID results report that the number of companies in a particular sector using a new, environmentally safe production process had increased by 50 percent from 1997 to 1998 Impressive, right?

At first glance, the data on that performance indicator would indeed seem quite impressive But what if the actual number of companies using the process had increased from 2 to 3, out of a total of 20 companies being targeted by the USAID program? That's a 50 percent increase, but, is one more company using the new process a significant result?

This case shows that it can really matter whether we use a number, a percentage, or a percentage increase when measuring a particular result Using just a number (from 2 to 3) or just a percentage increase (50 percent) can be quite misleading, unless the reader knows what the "denominator" is From 2 to 3 out of how many? A 50 percent increase among how many potential users of the new practice? The denominator tells us a lot about the significance of the result

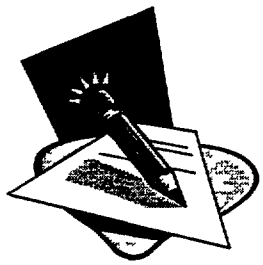
A similar problem could arise if only the absolute number for a result were reported For example, a change from 1997 to 1998 in the number of couples reporting the regular use of family planning methods from 2,000 to 3,000 might seem impressive But it all depends on the denominator An increase of 1,000 in a target population of 5,000 couples could be quite significant, but what if the target population were 100,000 couples?

In general, however large or small the total target population may be, the safest route is to measure and report quantitative indicators as both simple numbers AND percentages of the total targeted population In our case, then, it would be much more meaningful—albeit not as impressive, perhaps—to say that the number and percentage of companies using the new practice increased from 2, or 10 percent (of a total of 20), in 1997 to 3, or 15 percent, in 1998 (that is, from 2 out of 20 to 3 out of 20)

A general rule: Make sure that the denominator—that is, the total number of targeted people, companies, laws, etc.—will be clearly stated or implied when results are being reported against your quantitative performance indicator

Should we use qualitative or quantiative indicators to measure our improved tomato crop? Of course, it depends on how we will define "improved," but suppose for a moment that our notion of improvement includes their appearance We could use a qualitative indicator involving a narrative description of the shape, color, presence of blemishes, etc of a representative sample of our tomatoes and compare the descriptions from one measurement point to the next And that may be all we'd need for our purposes If we wanted to get more quantitative, however, we could develop some visual scales, with different pictures of tomatoes ranging from less attractive (starting with a rating of 1) to more attractive (with a rating of 5), and use those scales to measure the average level of attractiveness of our tomatoes

Developing quantitative indicators



Suppose you are managing a USAID democracy and governance program, and one of the results is "increased institutional capacity of non-governmental organizations " Suppose also that the twenty or so targeted organizations are all at different stages of development and capacity Some are just getting established, others have dues-contributing members, others are performing advocacy and service functions, and so on How would you measure progress among these organizations from one year to the next? You could have a performance measurement team prepare an annual qualititative description of each organization, and rely on those descriptions to identify and report progress (or lack of it)

But suppose you want a quantitative indicator, which would provide results data that can be compared from one year to the next How might you do this? Write down your ideas here

Here are some ideas that USAID missions have tried over the years

You could develop some specific criteria for institutional capacity—for example, a minimally acceptable number of paid staff, a minimally acceptable level of revenues that come from membership dues and fees for service, evidence of the organization's involvement in governmental policy making activities, evidence of the organization's production and distribution of publications, and so on You could then assign a certain number of points for each criterion met (with some, more important, criteria worth more points than others, perhaps) and then assign points to each organization that meets each criterion. When all this is done, you could develop an "institutional capacity" score for each

Institutional Capacity Matrix						
	Criteria					
Organization	A	B	C	D	E	Total
Org #1						
Org #2						
Org #3						
Org #4						
Org #5						
TOTAL						
AVERAGE						

organization and calculate a single average institutional capacity score across all the institutions (An average score would be useful especially when the number of organizations may change from year to year)

In effect, you could create an annual "institutional capacity matrix," similar to the illustration provided here The criteria would be listed across the top and the names of the organizations down the side In each of the cells of the matrix would be the point numbers for each criterion for each organization The totals in the rows would be the scores for the various organizations, and the average score (shown in the bold outline) would be the sum of all the organizations' total scores divided by the number of organizations The average score would be expected to increase from year to year if progress on the result is occurring

We have oversimplified this example for the sake of brevity, but we think the point is clear *just about any indicator or set of indicators is amenable to quantification, providing you are able and willing to give up some of the complexity and richness of information for the sake of the expediency and simplicity that quantification can provide*

Another area in which a quantitative matrix approach has been used is that of measuring progress in moving a variety of legislative initiatives from initial research to eventual enforcement of laws and regulations All the steps in the process (e g , legislative research completed, law drafted, law introduced in the legislature regulations being enforced) are placed along the top of the matrix and the list of various laws being developed are listed down the side, with points being assigned for each step completed from year to year

DISAGGREGATED (when useful) It may be managerially useful to separate, or "disaggregate," a performance indicator by categories of the target population For example, in a program aimed at increasing the number of sustainable microenterprises, we might want to measure the number of male and female-owned microenterprises, not just the total of all microenterprises, that have reached a certain level of success We would do this if our program is aimed specifically at achieving results among both males and females In other words, we would not count males and females simply for the sake of doing so

Disaggregation of a performance indicator can take many forms with people as the targeted population, it might be on the basis of sex, age, ethnicity, geographical location, or economic status, with non-governmenal organizations, it might be on the basis of type of organization, such as advocacy, information, and services, and so on The possibilities are many, but remember, we disaggregate an indicator when the disaggregation will provide strategically or managerially useful information

Let's return once again to our tomato improvement program If we are growing several different types of tomatoes, we might want to disaggregate our performance data by type of tomato, so that we can learn which strategies work best and least with those different types Or we may want to disaggregate according to those tomatoes we will use for raw consumption at our dinner table and those we will use for processing into tomato sauce or tomato paste How we disaggregate our performance indicators should depend on our need for results data, which should depend, in turn, on our intention to manage for different types of results

Recently, there was a USAID mission that was working with its host country partners to increase tourism Using the performance indicator, "number of tourists who enter the country per year," the mission decided to disaggregate the indicator by numbers of male tourists and female tourists Do you think that this disaggregation was appropriate?

Our answer, of course, is that it all depends If it really did not matter whether the tourists were male or female, so long as they were tourists, then the disaggregation would be relatively

meaningless and unnecessary If, however, the strategy aimed at increasing tourism was designed in such a way as to develop some of the attractions and advertising that appealed more to men and some that appealed more to women, then it would be important for the mission and its partners to disaggregate the number of tourists by sex With more and more USAID operating units paying close attention to gender and other variables in the *design* of their program strategies, disaggregation is becoming more and more appropriate as a performance measurement strategy

PRACTICAL Once you are satisfied that your indicators make good technical sense—that is, they are as direct as can be, precise, adequate, quantitative if possible, and disaggregated if appropriate—your final consideration should center on whether they are practical *By practical, we mean that the indicators will be amenable to the collection of reliable data, in a timely way, and at a reasonable cost*

Amenable to the collection of data means that there are data out there to be collected However direct and precise an indicator may be, it is useless if the data needed to use it simply cannot be obtained Therefore, before settling on a specific performance indicator, the performance measurement team needs to check out whether data can be obtained from existing sources or from a new data collection effort If not, your task is to identify a different indicator

Reliable data collection means that the data can be collected in a consistent way and from consistent sources, such that from year to year or from month to month, and from one data collector to another, those data will be comparable For example, if your performance indicator will require the collection of data from an annual interview of random samples of villagers, then can you be reasonably sure that the interviews will be conducted in a consistent way by all your interviewers? And can you be confident that the interviews will be conducted in a similar way from year to year? If not, you will not be able to measure and judge progress against the result in question with any reasonable degree of confidence If your performance indicator will require annual statistical data from a government ministry, but you know that the ministry changes its way of counting things from one year to another, your performance indicator is simply not going to yield useful data for those who are managing for and assessing program results

This discussion just touches the surface of all sorts of questions that a trained social scientist would want to ask about the quality of the data that would be collected against a particular program performance indicator *There is no perfect performance indicator, and the challenge for the strategic objective team or any team that uses performance indicators is to do its best to ensure that the data to be collected will be of sufficient quality to make them useful for decision making* How good the data need to be is a different question from how good the data could be The program performance measurement team needs to strike a balance between spending a fortune on collecting extremely high quality, extremely reliable data, which meet the standards of the social scientist, and collecting data that are good enough to use as a basis for strategic decision-making

And this leads us into the question of whether the data can be collected "in a timely way" and "at a reasonable cost " Will the whole program be completed before reliable data on critical performance indicators can be collected, and the opportunity to make mid-course corrections and strategic changes has been missed? Will the data cost so much to obtain that the cost of measuring performance is far out of proportion with the costs of achieving performance? *USAID's program directives suggest that from 3 to 10 percent of a program's budget is a reasonable amount of resources to devote to the collection, analysis and use of performance data* Will the costs of our data collection efforts fall in that range?

Words for the Wise

Although you may not need the precision of a rigorous social scientist, you do need to have a reasonable degree of confidence in the skills and experience of the people who will be collecting the data upon which your performance indicators rely Whether you need nationwide energy consumption statistics or village-level attitude measurements, you want data that will answer your performance measurement questions

We have seen too many strategic objective teams and operating units identify performance indicators that meet all the criteria except practicality Their quick assumptions that the data will be available from a government ministry or can be easily collected through a nationwide survey often prove invalid and they are stuck scrambling for data later on Our word to the wise be practical!

Suppose that in our tomato improvement program, which, remember, is being conducted in our home garden, we want to use "level of sweetness" as a performance indicator Would it be reasonable to go to the cost of sending a sample of our tomato crop to a laboratory for a sophisticated analysis of sugar content? Probably not Perhaps using a panel of taste-testers, such as our family and friends, would yield less scientific data, but it may be good enough for our purposes So, "level of sweetness, as determined by a panel of taste-testers" may be a far more practical performance indicator than "level of sweetness, as determined by a laboratory test of sugar content "

A Handy Tip

To help you assess your candidate performance indicators, you might want to develop and use a simple rating technique You could assign a maximum of 5 points for each of the 6 criteria in the Performance Indicator Worksheet and then rate each of the indicators on each of the criteria The indicators receiving the best total scores on the 6 criteria are the ones would choose to use

Perhaps, however, you consider one or more of the criteria to be more important than the others If so, assign more maximum points to those criteria than to the others Adapt this technique to reflect what is most important to you and your team

Now that we have reviewed the remainder of the criteria for useful performance indicators, go back to the Performance Indicator Worksheet on page 15, and complete the worksheet for the indicators you are assessing How do the indicators measure up against all the criteria?

If there are problems, fix them now, before you get too far into the performance management and measurement process Then move on to Step 4

4

Step four: Select the best possible indicators

If you have done a good job in Steps 1, 2, and 3, this step should be a very straightforward one The trick in this step is to be selective—to choose for each result you want to measure the performance indicators that best satisfy the criteria you used to assess your candidate indicators in Step 3

After you and your team have made your selection of the best indicators for each result, you need to look one more time at the criterion of adequacy Will the one or two (or more) indicators that you have chosen for each result be sufficient to measure that result? It is possible that you have eliminated some indicators on the basis of other criteria and now need to fill the adequacy gap that remains?

When you are sure that you have the set of performance indicators that you and your team consider the best set for your purposes, it is time to move to the final step, namely, obtain wide agreement on those indicators

5

Step five: Obtain agreement on your indicators

It is important not only that you and your performance measurement team agree on the indicators you want to use, but also that other key parties involved in the program agree These parties include

- senior management, who will have to report and defend the data to those outside the unit,
- members of the extended and expanded team (including virtual team members back in the regional or AID/W office), who have been unable to become as intimately involved in performance measurement as you and the core team,
- other program stakeholders, who have an interest in whether the program succeeds and how success will be measured,
- the program's implementers, who will be needed to help collect the data, and,
- the program's customers, who have an important say in whether the program is or is not meeting their needs with respect to implementation and results

Ideally, these parties, or their representatives, have been involved at the start with identifying useful performance indicators Often, however, that simply is not done for a variety of reasons, and your team finds itself needing to share and obtain reactions to your draft indicators The sooner this can be done the better, so as to avoid bigger problems down the line There is nothing worse than collecting performance data on hitherto unagreed-upon indicators and having those data rejected by key parties on the grounds that the indicators you used are not the ones they think really capture program success or failure

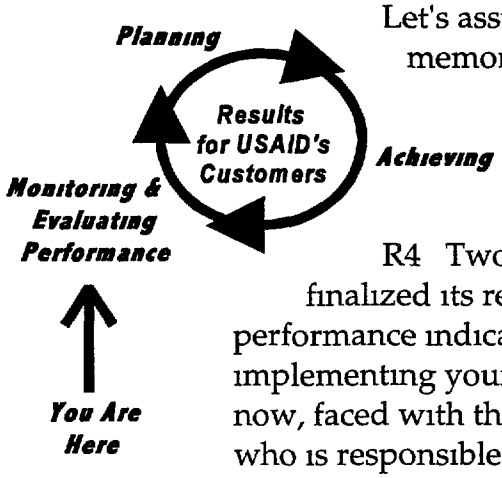
Many teams find it useful to convene an all-parties conference--or separate conferences for separate types of groups--to share and obtain reactions to their proposed performance indicators These meetings usually yield very useful information that the teams, hard as they may have tried by themselves, did not consider in developing their indicators This is the time for the team to become fully aware of how well the data on the indicators are likely to be received in Washington, on how feasible it will really be to collect the data, and on how well the indicators really measure the essence of the results to be achieved

To complete this step, decide now how you will make sure that your performance indicators are not just your indicators, but ones that make sense to all the parties you need to truly manage for results

Conclusion

As you can see, developing useful performance indicators is not necessarily easy To the extent that you can follow the five steps presented in this module, however, you will have a much better chance of making real progress in managing for results Even if you hire consultants to help you design your performance indicators and the means of collecting and analyzing performance data, understanding these steps will allow you to ask for and get more out of the services they perform for you There's a discount clothing store in the Washington area, whose motto is something like, "Our best customer is an informed customer " Being an informed customer when seeking performance measurement services should enable you and your team to get what you, as program managers, need in order to make good results-oriented decisions later on

Preparing a Performance Monitoring Plan



Let's assume that you and your team have just received a memorandum asking you for a list of the performance indicators for which you expect to have new data within the next year The data are needed in time to incorporate them into the Operating Unit's next performance report, the R4 Two months have passed since your SO team finalized its results framework and selected the related performance indicators You and your partners have begun implementing your strategy You have made good progress, but now, faced with this memorandum, you realize that it's not clear who is responsible for which aspects of your performance monitoring effort

If your team is in this position, or you can imagine finding yourself in this position sometime in the future, this module will help you organize the ideas and decisions you have probably already made, but may not have documented in an orderly way It will provide you with a tool for documenting all of the important decisions you and your team need to make in order to adequately monitor performance Furthermore, you don't have to wait until you are in trouble to use the tool You can develop a performance monitoring plan, or PMP, as early as you wish

A multi-purpose management tool

The PMP was designed specifically for developing and recording plans for monitoring the results in a strategic objective team's results framework The questions it answers, however, are questions that any team—be it a strategic objective team or an administrative support team or an ad hoc team—needs to consider if it intends to monitor the results it is trying to achieve Therefore, we encourage wide use and adaptation of the PMP as a management tool

Remember

If you have questions or need help with this module, you can e-mail the Hotline See last page for details

By the end of this module you and your team will be able to:

- determine all of the decisions that need to be made about performance monitoring
- understand the logical order or sequence of those decisions
- use the PMP form for recording decisions about performance monitoring
- produce a draft PMP for the performance indicators for which you and your team are responsible

The PMP is an effective recording device By asking you to write down a number of important decisions you and your team have made about monitoring each indicator you must track, the PMP allows you to recognize any gaps that may exist in your team's decision making process

> *Performance monitoring plans shall be prepared for the Agency strategic framework and for each operating unit's strategic plan Information included in the performance monitoring plan shall enable comparable performance data to be collected over time, even in the event of staff turnover, and clearly articulate expectations in terms of schedule and responsibility*
>
> From the Agency Directives

The elements of a PMP

A PMP is a format for recording information about a number of aspects of your team's plan for monitoring performance The six key elements covered by a PMP are as follows

(1) The set of performance indicators for which you are responsible

These indicators may be intended to measure performance at the Strategic Objective (SO) level or the Intermediate Result (IR) level Regardless of the level, your indicators are important because they are the ones that will measure results for which your team has

accepted responsibility Other strategic objective teams will focus on their indicators and, ultimately, the PMPs developed by all teams within the operating unit can be aggregated to form an overall unit-level PMP

(2) Indicator definitions and units of measurement

Some performance indicators are so clear in their basic form that there is no need to explain them For example, "infant mortality rate" is an indicator that does not need to be explained because it is a standard, commonly-used health indicator On the other hand, "incidence of polluted water sources" is an indicator that includes three terms which need to be defined if we want to be certain that everyone understands this indicator in the same way We need to define what we mean by "water sources " We need a technical answer to what constitutes "pollution," and we need to clarify what we mean by the term "incidence" in this context This type of clarification is the focus of the second element of a PMP

(3) Data sources

This element of a PMP focuses on decisions that have been made about whether existing data will be used, such as data collected by government ministries, or whether data on a performance indicator will be collected specifically for the purpose of performance monitoring In some cases both of these options exist, and you and your team will choose between them based on cost, data quality and other factors In other situations, you will find that there are no existing sources of the data that are needed to monitor a performance indicator, and you will have to develop new data sources or choose a different indicator

(4) Methods of data collection

Whether you use existing or new data sources, it is important to understand and document the methods that will be used to collect data on each performance indicator for which you and your team are responsible The methods by which data are collected tell us a great deal about the quality, or trustworthiness, of the data This is particularly important for data we expect to collect annually The procedures that are used must be clear enough and practical

enough to be used repeatedly The range of data collection methods is quite broad, and choices within this range are an important responsibility of your team and those with whom you consult on such matters

(5) Data collection frequency and schedule

With performance reporting as an annual requirement, one might think that data would be collected on each performance indicator every year However, this is not always the case Sometimes it is just too expensive to collect data every year In other situations, technical experts may tell us that the changes in which we are interested simply cannot be detected on an annual basis This element of a PMP is used to record information about how often and under what conditions data are to be collected and to describe any aspects of a data collection schedule which may be important—for example, it may be impossible to collect data from certain sites during the rainy season

(6) Responsibility for acquiring data

This element of a PMP is designed to help you and your team focus on the practical aspects of obtaining the data you need to monitor performance The responsibility for collecting and analyzing data on your performance indicators is one you are likely to delegate Given all the responsibilities that you and your team have for planning and managing the implementation of a program, it is unlikely that you will have time to personally gather all of the information that will be needed to monitor performance against your performance indicators

Depending upon the number of performance indicators for which you are responsible, you may find that you need to delegate data collection and analysis responsibilities to quite a few individuals or groups Invariably the delegation of responsibility involves some level of management It may involve contracts in some instances To acquire other kinds of data, you may need to develop a memorandum of understanding with a ministry

The PMP form

A PMP form is really a simple table that you and your team can create using the table feature in your WordPerfect software program On page 6, you will see the PMP form that is being used by most USAID operating units The form contains columns in which you and your team can record the decisions you have made about each of the PMP elements described above Note that the form shows how to list indicators for more than one result, for example, an SO and one or more IRs Normally, the table extends for several pages, depending on how many results and indicators are being included in the performance monitoring plan We have included one page, but you can adapt the table to fit your specific needs

The PMP form shown here is not an absolute Some operating units have developed variations on this basic form For example, we have seen PMPs that divide the column on "responsibility for data acquisition" into two elements—one of which names the USAID staff member who is responsible and a second which identifies the ministry, university, PVO or firm that will actually collect the data Variations of this sort are certainly acceptable *However, it is important to recognize that all teams within a given operating unit need to use the same form* Otherwise, it will not be possible to aggregate team products into a unit-level PMP

If your team is ready to begin work on its PMP, take the time to check with your operating unit's program office, or whoever is responsible for producing your unit's R4 each year, and duplicate the exact form your unit intends to use for its aggregate PMP By doing this before you begin, you can avoid reformatting problems at a later date

A Simple Example

Before we get into the steps for completing a PMP, let's look at a simple example to get a sense of what we mean by a performance monitoring plan In another module in this USAID*works!* series, "Developing Performance Indicators," we talked about identifying

Sample PMP form for recording team decisions about performance monitoring

Performance indicator	Indicator definition and unit of measurement	Data source	Method of data collection	Frequency/ schedule of data collection	Responsibility for data acquisition
Result statement					
Indicator 1	Definition Unit of measurement				
Indicator 2	Definition Unit of measurement				
Result statement					
Indicator 1	Definition Unit of measurement				
Add additional rows for more indicators and result statements as necessary					
Comments/special considerations					

and refining performance indicators for a simple improvement strategy for a home garden to achieve the result, "improved tomato crop " It might be helpful for you to review that module, which covers principles and steps for doing what must be done *before* preparing a PMP)

Suppose you are about to implement a strategy to improve the tomatoes that you grow year-round in your garden You have designed your improvement program to cover four complete tomato-growing seasons using the same variety of tomato in the same garden plot during the next year You have an initial strategy for improving your tomatoes, which includes the use of fertilizer, a different watering schedule, and so on You intend to measure your results periodically during the year in order to make strategic changes in your program so that you can continuously improve the tomato crops you are producing

Suppose also that you have decided that you will measure the result you are seeking (improved tomato crop) with several performance indicators, including the following one "amount of tomatoes harvested "

Finally, suppose that you will have to take several business trips during the course of your tomato improvement program, and you will have to rely on an assistant—say, your teenaged son or daughter—for the collection of some of the data for the indicator

Here are some questions that you need to consider if you want to have comparable, useful data during the course of the tomato improvement strategy Think about how you would answer them before looking at our suggestions at the end of the list of questions

Is the performance indicator you want to use defined clearly enough so that both you and your assistant (or anyone else, should the need arise) would know exactly how to collect the data needed for an assessment of the progress of your improvement strategy?

Will it be clear to your data collection team as to exactly where to get the data (i e , the specific source) and exactly how to collect the data so that comparable data will be collected each time?

How often, and when, do you want performance data to be collected?

Will it be you and your assistant alone who will be responsible for collecting the data, or will other people be involved?

Using the PMP as a tool to help you answer these important performance monitoring questions, you may come up with something like the following table

Performance Indicator	Indicator definition and unit of measurement	Data source	Method of data collection	Frequency/ schedule of data collection	Responsibility for data acquisition
Result statement Improved tomato crop					
Amount of tomatoes harvested	**Definition** The average total weight of all acceptable, ripened tomatoes that are harvested from the tomato plants planted at the beginning of a specified growing season (*acceptable* tomatoes are those that have no visual evidence of worms or rotten portions, using a set of photos that distinguish between acceptable and unacceptable tomatoes, *ripened* tomatoes are those either on the vine or fallen to the ground that are within a certain range of pink to red (using a standard color chart) **Unit of measurement** kilograms/ounces per tomato plant	The tomatoes that are harvested from the garden plot on a daily basis	Every day, at approximately the same time, the tomatoes that meet the ripeness and acceptability standards will be harvested from all the plants in the plot Those tomatoes will be weighed on a standard produce scale and the weights will be entered on a form that shows the tomato weight for each day At the end of the data collection period, all the daily weights will be totaled and the total will be divided by the number of plants originally planted in the plot	There will be four data collection periods, each at the end of each of the four growing seasons Each data collection period will begin at the sight of the first ripened tomato (using the color chart) and end after a full seven days without any additional ripened tomatoes	The assistant (your teenaged son or daughter) will do all data collection and recording

Have we left out of this sample PMP any important details? If so, what would you add that would make the data collection plan even more precise and useful than it is? Add this information to the chart

At any rate, the completed table certainly provides a much more precise and reliable outline of how the tomato improvement data should be collected than if we were to leave the process to memory or word of mouth Doing even this simple PMP demonstrates the value of the tool *it makes us think carefully about data collection and it provides a documented set of guidelines for those who are currently responsible for data collection and those new people who may replace them*

Now let's go through the PMP steps, one at a time, using an example from the work we do, namely, international development

Step by step completion of a PMP

Although there are no rules that force you and your team to follow a particular procedure or process for completing a PMP, most teams find it easiest to

1) Start by listing in the first column all of the performance indicators they are responsible for monitoring For some teams, all of their indicators will measure a single result—an SO or IR Other teams may need to focus on indicators that measure several IRs Either way, teams find that it helps to start with their full list of performance indicators in front of them

2) Work across the rows to complete a PMP Teams generally take one indicator at a time, in any order they choose, and fill in all of the decisions they have made about monitoring that indicator before moving on to the next one

In this step by step review, we will follow the process outlined above At each step you and your team will be encouraged to write down the decisions you have made about monitoring at least one of the performance indicators for which you are responsible

On the next page is a completed PMP for one indicator in the Civil Society area of Democracy and Governance Refer to this example for an illustration as you walk through the steps of completing a PMP

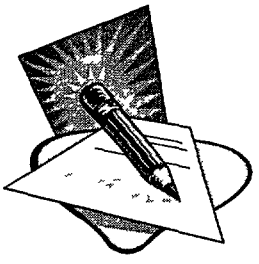
To actively work your way along the following six steps, you will need to create or copy (or turn back to) the sample PMP table shown on page six You can then follow along with each of these steps and apply them to one of your own performance indicators as you fill in the columns for that indicator

Step one List the performance indicators to be monitored

1

To record your performance monitoring decisions, enter all of the indicators for which you are responsible in the first column of the table If you are responsible for indicators that measure several different results, take the time to copy the results row on the table and repeat it as often as needed, as the sample PMP form illustrates

Your Indicators



Now look at your indicators carefully In selecting these indicators you and your team decided that these were the measures you would need to determine whether a particular result is or is not being achieved Do you still feel that the measures, or indicators, you have selected are appropriate? Do you have more indicators than you need? Are your indicators clear statements of what you intend to measure, or are they vague notions that require more discussion and refinement? (If you would like more help with assessing the utility and quality of your indicators, see the USAID*works!* module *Developing Performance Indicators*)

Take the time as you fill in the first column of your PMP to discuss your indicators with your team, or, if you have not already received the technical advice you need to be certain that a particular indicator is appropriate, stop and get that advice now Indicator statements should be simple and clear, but they may include some terms that need further definition

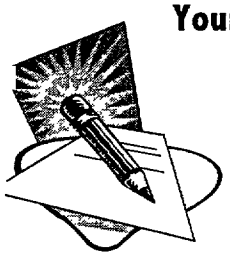
A USAID-specific example of a performance monitoring plan

Performance indicator	Indicator definition and unit of measurement	Data source	Method of data collection	Frequency/ schedule of data collection	Responsibility for data acquisition
Result statement	Increased citizen participation in democratic processes				
Percentage of citizens who are active members of at least one civil society organization	Definition A *civil society organization* (CSO) is defined as any non governmental organization that is organized around a common interest of its members and that may have cause to interact with government institutions The ABC survey, from which this indicator is derived, defines the following types of organizations as CSOs sports clubs and associations, women's associations and mothers' clubs, religious groups, professional associations, community associations and development committees, unions and political groups Persons are considered *active* members if they determine their own participation in any one organization to be "frequent" (on a subjective four step scale ranging from "frequent" to "never") This indicator will be disaggregated by gender Unit of measurement Person who reports "frequent" participation in a CSO, the overall indicator unit is the percentage of all persons responding to the survey who report frequent participation	Baseline Study on Citizen's Participation in Democratic Processes, a national level survey conducted by the XYZ Institute under USAID guidance	A national survey of 1508 randomly selected persons (respondents must be older than 18 years old) The sample is stratified by city size, and it uses a two-stage cluster sampling method, in which the household is the smallest cluster This indicator is derived from questions 3 1 through 3 9 of the survey (Refer to indicator notes for more detail on the derivation of this indicator)	Annually, in November Survey should begin at the beginning of the month, and all data should be collected by the end	The XYZ Institute, under contract to USAID SO 3 Team member, John Smith, will monitor the Institute's work

Step two Clarify indicators through definitions and the specification of units of measurement

When you and your team decided upon the indicators you would use to measure performance, you probably talked through your ideas in a way that made the specific meaning of your indicators clear to the whole team As a second step in the development of your PMP, you need to record the substance of those discussions Exactly what do you mean by every term used in an indicator? From what population do you intend to collect data? Farms? Households? Rivers? Children? Be specific Does a household mean a nuclear family—a father, a mother and their children—or does it mean an extended family, such as, "everyone living under a common roof?"

At this point, you may find it easiest to move across the table, working on one indicator at a time until all aspects of the PMP are developed for that indicator For each indicator, you will need to provide both definitions of key terms and information about the unit of measurement to be used



Your Indicator Definition and Measurement

Review our Civil Society example Then use your own PMP table to record the decisions you and your team have made about definitions and units of measure for one of the indicators for which you and your team are responsible

Step three Identify your data sources

When we talk about data sources, we are asking ourselves from where, whom and through what mechanism information on our indicators will come Will the data simply be extracted from the monthly reports of extension agents? Will it come from a specific question on a household survey that is repeated every year, or every four years? Or will it come from a quarterly or annual report published by a ministry? Your answers to these questions will help your team determine whether the data for a specific indicator, or for a cluster of indicators, are likely to come from existing sources or from new data collection efforts that must be undertaken for the

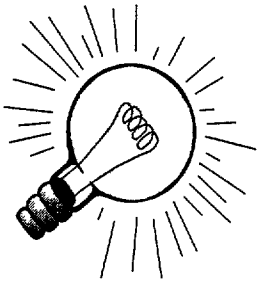
specific purpose of gathering performance information about an SO or IR

As you can see, it is almost impossible to identify a data source without briefly describing the method by which the data will be collected We find ourselves saying "the Ministry of Agriculture's records" or "USAID's Demographic Health Survey (DHS)" to indicate both the source and the method Technically, the data source is the entity from which we will obtain data Reports, surveys and the like are specific data collection methods Because of the tendency to think about data sources and data collection methods simultaneously, we would encourage you and your team to work on Step three and Step four of the process for completing a PMP simultaneously Decisions about data collection methods are vitally important in a PMP They should not simply be driven by decisions about sources

Existing data sources, such as ministry reports, offer an inexpensive way of obtaining answers to questions about performance if these reports contain valid and reliable information The quality of existing data is something your team needs to consider carefully when making decisions about data sources Before deciding to use existing data sources, it's a good idea to ask the people who gather these data how they do it If the data come from reports submitted by field staff, for example, or clinics or village-level microenterprise lending units which are part of a larger network, you might ask what procedures are used to validate the data Are occasional site visits made to "spot check" on these submissions? If the existing data your team is considering using come from a survey that is carried out at regular intervals, you might want to ask how survey respondents are chosen Are they, for example, selected using random sampling techniques?

If your team has reviewed the quality of data produced by an existing source and decided to use this source, enter as complete a description of this source as possible in your PMP What ministry produces the report you will use? Does the report have a name or number by which it is identified? Are there specific charts in this

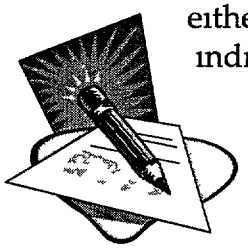
report from which you will draw data each year? Do these charts have names or numbers by which they can be identified from year to year? This is important, because one of the basic assumptions of a performance measurement system is that data will be gathered in a consistent, or comparable, way That means doing it exactly the same way every year



Note When you write your data source descriptions, remember that one of the purposes of a PMP is to create the kind of record your successor might need should you change jobs Write the kind of data source description that you would like to find waiting for you if you went to another USAID Mission or headquarters operating unit

When there is no existing source of information, or when your team decides that the quality of data available through existing sources is not satisfactory, new procedures for gathering performance information have to be established This section of the PMP asks you to provide a brief description of these new data sources, for example, patient intake forms that will, from now on, be completed by all clinics that provide health care services Since the next column in the PMP asks for information about data collection methods, statements in the data source column need not be elaborate with respect to methodology, but they should be clear

In our Civil Society example, we describe an existing data source for our indicator If there were not an existing data source, the performance measurement team would have to develop either a new data source for the indicator or a different indicator for which data could be collected



Your data source

Using your PMP form, try writing a description of the data source you have selected for one of the indicators for which your team is responsible

Step four Describe the method by which data will be collected

As noted above, teams often find it useful to make decisions about data sources and methods simultaneously In a PMP those decisions are reflected in two different columns, partially as a way to ensure that both the entity from which data will be obtained and the method itself are both adequately described

As anyone who has previous experience with data collection already knows, there is a whole range of methods or techniques that can be used That spectrum can include *case studies* (the examination of a single instance, or one unit of a larger population) at one end of the spectrum, and a *census* (the examination of all units of a population) at the other end Most of the time, we do not select either of these extremes We need data from more than one case, but we do not necessarily need data from every village, or farm or child In between these extremes are methodological options that include both formal surveys and structured, but less representative, procedures for obtaining data from knowledgeable individuals or community groups

When it comes to judging data quality, the methods used to acquire information are a determining factor

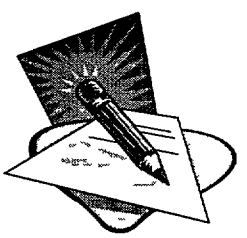
Decisions about which data collection method best meets your team's needs should reflect your expectations about how the data will be used If, for example, you want to generalize about a whole population based on data from only a portion of that population, you may need to use a random sampling procedure for selecting the individuals, clinics or provinces from which data will be

collected If, on the other hand, you want to know how opinions and attitudes are changing in different parts of the country, a focus group—an interviewing technique which selects people because they have similar views, economic profiles, etc —might be appropriate

Since data collection methods vary widely, and each method has its advantages and disadvantages, your team may find it useful to consult with someone who has a good deal of experience with data collection Often such experts can be found nearby For example, the ministry that is responsible for a country's census usually has staff who are familiar with sampling issues and who know whether there exist lists (of individuals or villages or farms) from which samples can be drawn Local universities, and often the universities, contractors and PVOs with which an operating unit is already working have staff who are familiar with community interview techniques and other methods that are sometimes called "rapid appraisal" techniques " (For a quick summary of such techniques, see the USAID/CDIE "TIPS" publication on this topic)

In your PMP, the key decisions you and your team make about data collection methods should be described As our Civil Society example suggests, the description you write should identify the method to be used (observation, interviews, technical measurements, such as height and weight) These descriptions also need to indicate whether and what kind of sampling techniques will be used It is also a good idea to indicate the unit from which data will be collected, for example, families, wells, villages, etc (A term that is often used to describe the units from which data are collected is *unit of analysis* This differs from the term *unit of measurement*, which was discussed in Step two A unit of measurement refers to what is being counted, for example, dollars, pounds or kilograms, test scores, distance, etc , rather than the person or plot or school that provides these answers)

Your method of data collection



On your own PMP form, describe the data collection method that will be used in enough detail to give the reader a good sense of both the scope of the effort and the quality of the data it is likely to produce

Step five. State the frequency and schedule for data collection

5

While this step in the PMP development process is fairly simple, it is also very important Each year, you and your team will be expected to report on performance for the IR or SO for which you are responsible That means providing data every year on at least some indicators On the other hand, it may not be practical or appropriate to report on every indicator every year Fertility rate surveys, for example, are undertaken only every few years in most countries The data collection frequency and schedule column of the PMP makes your team's intentions in that regard explicit

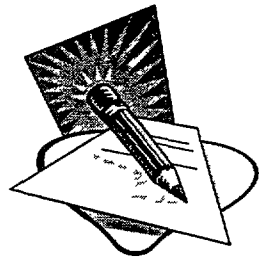
When filling in this column be sure to note any important information concerning the schedule for data collection as well as its frequency

Your frequency/schedule for data collection

On your own PMP form, write a brief description of the frequency and schedule for collecting data on the indicators on which your team is working for this exercise

Step six Indicate who is responsible for data collection

6

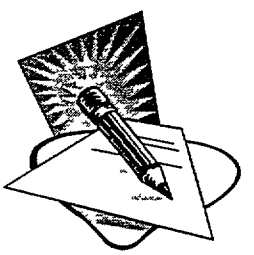


The final step in the process for completing a PMP asks you to specify who will be responsible for collecting and analyzing the performance data your team needs on each of the indicators it has selected Generally speaking, operating units in Washington and Missions overseas use this column of the PMP form to identify the external source that will provide them with data Often their entry in this column is the same as that shown in the data source column, for example, the Ministry of Environment and Natural Resources In other cases, the entry under this column will be the name of the university, PVO or firm that USAID has asked to collect these data, either as part of an existing contract or grant, or through a separate arrangement that focuses exclusively on data collection and analysis

As noted above, some operating units also use this column—or subdivide the column—to identify who *within* the unit is responsible That is, which member of your team will oversee the contract that gathers data, or serve as the liaison to the office within the ministry from which a particular report will be obtained? Even if your Mission or operating unit does not require you to identify the staff member who has this responsibility, some teams have found that it is useful to annotate their own copies of the PMP with this information

Some teams decide to centralize the responsibility for data collection in one team member Other teams divide up these responsibilities Ask your team members which approach they prefer, and be willing to change that approach if it doesn't work well for the team

Those responsible for data collection



On your own PMP form, identify the external and internal actors who are responsible for acquiring data on the indicator you have chosen

Conclusion

At this point you have completed each of the steps involved in developing a PMP You are now ready to complete the PMP for the SO or IR for which your team is responsible Before turning to that task however, review what you have practiced in this module and ask yourself whether you and your team have made all of the decisions you need to make before filling in a PMP form If your answer is "no," you might want to consider setting up a series of working meetings or establishing sub-teams which will make these decisions

The PMP form can serve as a useful outline or agenda for such meetings—but it should not become the central focus Remember, developing a performance monitoring plan is a decision making process It requires careful thought It may even require consultation with individuals who have a broader knowledge of existing data sources or data collection methods than do the members of your team Your job is to make certain that your team's decisions are sound decisions which will yield valid and reliable data across a number of years Once you and your team have made those decisions, it's easy to fill in the PMP form

"TIPS" Series
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Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

CONDUCTING A PARTICIPATORY EVALUATION

As part of reengineering, USAID is promoting participation in all aspects of its development work.

This Tips outlines how to conduct a participatory evaluation.

What Is Participatory Evaluation?

Participatory evaluation provides for active involvement in the evaluation process of those with a stake in the program providers, partners, customers (beneficiaries), and any other interested parties Participation typically takes place throughout all phases of the evaluation planning and design, gathering and analyzing the data, identifying the evaluation findings, conclusions, and recommendations, disseminating results, and preparing an action plan to improve program performance

Characteristics of Participatory Evaluation

Participatory evaluations typically share several characteristics that set them apart from traditional evaluation approaches These include

Participant focus and ownership Participatory evaluations are primarily oriented to the information needs of program stakeholders rather than of the donor agency The donor agency simply helps the participants conduct their own evaluations, thus building their ownership and commitment to the results and facilitating their follow-up action

Scope of participation The range of participants included and the roles they play may vary For example, some evaluations may target only program providers or beneficiaries, while others may include the full array of stakeholders

Participant negotiations Participating groups meet to communicate and negotiate to reach a consensus on evaluation findings, solve problems, and make plans to improve performance

Diversity of views Views of all participants are sought and recognized More powerful stakeholders allow participation of the less powerful

Learning process The process is a learning experience for participants Emphasis is on identifying lessons learned that will help participants improve program implementation, as well as on assessing whether targets were achieved

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Flexible design While some preliminary planning for the evaluation may be necessary, design issues are decided (as much as possible) in the participatory process Generally, evaluation questions and data collection and analysis methods are determined by the participants, not by outside evaluators

Empirical orientation Good participatory evaluations are based on empirical data Typically, rapid appraisal techniques are used to determine what happened and why

Use of facilitators Participants actually conduct the evaluation, not outside evaluators as is traditional However, one or more outside experts usually serve as facilitator—that is, provide supporting roles as mentor, trainer, group processor, negotiator, and/or methodologist

Why Conduct a Participatory Evaluation?

Experience has shown that participatory evaluations improve program performance Listening to and learning from program beneficiaries, field staff, and other stakeholders who know why a program is or is not working is critical to making improvements Also, the more these insiders are involved in identifying evaluation questions and in gathering and analyzing data, the more likely they are to use the information to improve performance Participatory evaluation empowers program providers and beneficiaries to act on the knowledge gained

Advantages to participatory evaluations are that they

- Examine relevant issues by involving key players in evaluation design
- Promote participants' learning about the program and its performance and enhance their understanding of other stakeholders' points of view
- Improve participants' evaluation skills
- Mobilize stakeholders, enhance teamwork, and build shared commitment to act on evaluation recommendations
- Increase likelihood that evaluation information will be used to improve performance

But there may be disadvantages For example, participatory evaluations may

- Be viewed as less objective because program staff, customers, and other stakeholders with possible vested interests participate
- Be less useful in addressing highly technical aspects
- Require considerable time and resources to identify and involve a wide array of stakeholders
- Take participating staff away from ongoing activities
- Be dominated and misused by some stakeholders to further their own interests

Steps in Conducting a Participatory Evaluation

Step 1 Decide if a participatory evaluation approach is appropriate Participatory evaluations are especially useful when there are questions about implementation difficulties or program effects on beneficiaries, or when information is wanted on stakeholders' knowledge of program goals or their views of progress Traditional evaluation approaches may be more suitable when there is a need for independent outside judgment, when specialized information is needed that only technical experts can provide, when key stakeholders don't have time to participate, or when such serious lack of agreement exists among stakeholders that a collaborative approach is likely to fail

Step 2 Decide on the degree of participation What groups will participate and what roles will they play? Participation may be broad, with a wide array of program staff, beneficiaries, partners, and others It may, alternatively, target one or two of these groups For example, if the aim is to uncover what hinders program implementation, field staff may need to be involved If the issue is a program's effect on local communities, beneficiaries may be the most appropriate participants If

the aim is to know if all stakeholders understand a program's goals and view progress similarly, broad participation may be best

Roles may range from serving as a resource or informant to participating fully in some or all phases

Step 3 Prepare the evaluation scope of work Consider the evaluation approach—the basic methods, schedule, logistics, and funding Special attention should go to defining roles of the outside facilitator and participating stakeholders As much as possible, decisions such as the evaluation questions to be addressed and the development of data collection instruments and analysis plans should be left to the participatory process rather than be predetermined in the scope of work

Step 4 Conduct the team planning meeting Typically, the participatory evaluation process begins with a workshop of the facilitator and participants The purpose is to build consensus on the aim of the evaluation, refine the scope of work and clarify roles and responsibilities of the participants and facilitator, review the schedule, logistical arrangements, and agenda, and train participants in basic data collection and analysis Assisted by the facilitator, participants identify the evaluation questions they want answered The approach taken to identify questions may be open ended or may stipulate broad areas of inquiry Participants then select appropriate methods and develop data-gathering instruments and analysis plans needed to answer the questions

Step 5 Conduct the evaluation Participatory evaluations seek to maximize stakeholders' involvement in conducting the evaluation in order to promote learning Participants define the questions, consider the data collection skills, methods, and commitment of time and labor required Participatory evaluations usually use rapid appraisal techniques, simpler, quicker, and less costly than conventional sample surveys They include methods such as those in the box on page 4

Typically, facilitators are skilled in these methods, and they help train and guide other participants in their use

Step 6 Analyze the data and build consensus on results Once the data are gathered, participatory approaches to analyzing and interpreting them help participants build a common body of knowledge Once the analysis is complete, facilitators work with participants to reach consensus on findings, conclusions, and recommendations Facilitators may need to negotiate among stakeholder groups if disagreements emerge Developing a common understanding of the results, on the basis of empirical evidence, becomes the cornerstone for group commitment to a plan of action

Step 7 Prepare an action plan Facilitators work with participants to prepare an action plan to improve program performance The knowledge shared by participants about a program's strengths and weaknesses is turned into action Empowered by knowledge, participants become agents of change and apply the lessons they have learned to improve performance

What's Different About Participatory Evaluation?

Participatory Evaluation

- participant focus and ownership of evaluation
- broad range of stakeholders participate
- focus is on learning
- flexible design
- rapid appraisal methods
- outsiders are facilitators

Traditional Evaluation

- donor focus and ownership of evaluation
- stakeholders often don't participate
- focus is on accountability
- predetermined design
- formal methods
- outsiders are evaluators

4

Rapid Appraisal Methods

Key informant interviews. This involves interviewing 15 to 35 individuals selected for their knowledge and experience in a topic of interest Interviews are qualitative, in-depth, and semistructured. They rely on interview guides that list topics or open-ended questions. The interviewer subtly probes the informant to elicit information, opinions, and experiences

Focus group interviews. In these, 8 to 12 carefully selected participants freely discuss issues, ideas, and experiences among themselves A moderator introduces the subject, keeps the discussion going, and tries to prevent domination of the discussion by a few participants. Focus groups should be homogeneous, with participants of similar backgrounds as much as possible.

Community group interviews. These take place at public meetings open to all community members The primary interaction is between the participants and the interviewer, who presides over the meeting and asks questions, following a carefully prepared questionnaire.

Direct observation. Using a detailed observation form, observers record what they see and hear at a program site. The information may be about physical surroundings or about ongoing activities, processes, or discussions

Minisurveys. These are usually based on a structured questionnaire with a limited number of mostly close-ended questions They are usually administered to 25 to 50 people. Respondents may be selected through probability or nonprobability sampling techniques, or through "convenience" sampling (interviewing stakeholders at locations where they're likely to be, such as a clinic for a survey on health care programs) The major advantage of minisurveys is that the data can be collected and analyzed within a few days It is the only rapid appraisal method that generates quantitative data.

Case studies. Case studies record anecdotes that illustrate a program's shortcomings or accomplishments They tell about incidents or concrete events, often from one person's experience

Village imaging. This involves groups of villagers drawing maps or diagrams to identify and visualize problems and solutions

Selected Further Reading

Aaker, Jerry and Jennifer Shumaker 1994 *Looking Back and Looking Forward A Participatory Approach to Evaluation* Heifer Project International PO Box 808, Little Rock, AK 72203

Aubel, Judi 1994 *Participatory Program Evaluation A Manual for Involving Program Stakeholders in the Evaluation Process* Catholic Relief Services USCC, 1011 First Avenue, New York, NY 10022

Freeman, Jim *Participatory Evaluations Making Projects Work*, 1994 Dialogue on Development Technical Paper No TP94/2 International Centre, The University of Calgary

Feurstein Marie-Therese 1991 *Partners in Evalua tion Evaluating Development and Community Programmes with Participants* TALC, Box 49, St Albans, Herts AL1 4AX, United Kingdom

Guba, Egon and Yvonna Lincoln 1989 *Fourth Generation Evaluation* Sage Publications

Pfohl, Jake 1986 *Participatory Evaluation A User s Guide* PACT Publications 777 United Nations Plaza, New York, NY 10017

Rugh, Jim 1986 *Self-Evaluation Ideas for Participatory Evaluation of Rural Community Development Projects* World Neighbors Publication

For further information on this topic, contact Annette Binnendijk, CDIE Senior Evaluation Advisor, via phone (703) 875-4235), fax (703) 875-4866), or e-mail. Copies of TIPS can be ordered from the Development Information Services Clearinghouse by calling (703) 351-4006 or by faxing (703) 351-4039. Please refer to the PN number. To order via the Internet, address a request to docorder@disc.mhs compuserve.com

1996, Number 2

Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

CONDUCTING KEY INFORMANT INTERVIEWS

USAID reengineering emphasizes listening to and consulting with customers, partners and other stakeholders as we undertake development activities.

Rapid appraisal techniques offer systematic ways of getting such information quickly and at low cost. This Tips advises how to conduct one such method—key informant interviews.

What Are Key Informant Interviews?

They are qualitative, in-depth interviews of 15 to 35 people selected for their first-hand knowledge about a topic of interst The interviews are loosely structured, relying on a list of issues to be discussed Key informant interviews resemble a conversation among acquaintances, allowing a free flow of ideas and information Interviewers frame questions spontaneously, probe for information and takes notes, which are elaborated on later

When Are Key Informant Interviews Appropriate?

This method is useful in all phases of development activities—identification, planning, implementation, and evaluation For example, it can provide information on the setting for a planned activity that might influence project design Or, it could reveal why intended beneficiaries aren't using services offered by a project

Specifically, it is useful in the following situations

1 *When qualitative, descriptive information is sufficient for decision-making*

2 *When there is a need to understand motivation, behavior, and perspectives of our customers and partners* In-depth interviews of program planners and managers, service providers, host government officials, and beneficiaries concerning their attitudes and behaviors about a USAID activity can help explain its successes and shortcomings

3 *When a main purpose is to generate recommendations* Key informants can help formulate recommendations that can improve a program's performance

4 *When quantitative data collected through other methods need to be interpreted* Key informant interviews can provide the how and why of what happened If, for example, a sample survey showed farmers were failing to make loan repayments, key informant interviews could uncover the reasons

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5 *When preliminary information is needed to design a comprehensive quantitative study* Key informant interviews can help frame the issues before the survey is undertaken

Advantages and Limitations

Advantages of key informant interviews include

- they provide information directly from knowledgeable people
- they provide flexibility to explore new ideas and issues not anticipated during planning
- they are inexpensive and simple to conduct

Some disadvantages

- they are not appropriate if quantitative data are needed
- they may be biased if informants are not carefully selected
- they are susceptible to interviewer biases
- it may be difficult to prove validity of findings

Once the decision has been made to conduct key informant interviews, following the step-by-step advice outlined below will help ensure high-quality information

Steps in Conducting the Interviews

Step 1 Formulate study questions

These relate to specific concerns of the study Study questions generally should be limited to five or fewer

Step 2 Prepare a short interview guide

Key informant interviews do not use rigid questionnaires, which inhibit free discussion However, interviewers must have an idea of what questions to ask The guide should list major topics and issues to be covered under each study question

Because the purpose is to explore a few issues in depth, guides are usually limited to 12 items Different guides may be necessary for interviewing different groups of informants

Step 3 Select key informants

The number should not normally exceed 35 It is preferable to start with fewer (say, 25), since often more people end up being interviewed than is initially planned

Key informants should be selected for their specialized knowledge and unique perspectives on a topic Planners should take care to select informants with various points of view

Selection consists of two tasks First, identify the groups and organizations from which key informants should be drawn—for example, host government agencies project implementing agencies, contractors, beneficiaries It is best to include all major stakeholders so that divergent interests and perceptions can be captured

Second, select a few people from each category after consulting with people familiar with the groups under consideration In addition, each informant may be asked to suggest other people who may be interviewed

Step 4 Conduct interviews

Establish rapport Begin with an explanation of the purpose of the interview the intended uses of the information and assurances of confidentiality Often informants will want assurances that the interview has been approved by relevant officials Except when interviewing technical experts, questioners should avoid jargon

Sequence questions Start with factual questions Questions requiring opinions and judgments should follow In general, begin with the present and move to questions about the past or future

Phrase questions carefully to elicit detailed information Avoid questions that can be answered by a simple yes or no For example questions such as "Please tell me about the vaccination campaign?" are better than "Do you know about the vaccination campaign?"

Use probing techniques Encourage informants to detail the basis for their conclusions and recommendations For example an informant's comment, such as "The water program has really changed things around here ' can be probed for more details such as "What changes have you noticed?" "Who seems to have benefitted most?" "Can you give me some specific examples?"

Maintain a neutral attitude Interviewers should be sympathetic listeners and avoid giving the impression of having strong views on the subject under discussion Neutrality is essential because some informants, trying to be polite, will say what they think the interviewer wants to hear

Minimize translation difficulties Sometimes it is necessary to use a translator, which can change the dynamics and add difficulties For example, differences in status between the translator and informant may inhibit the conversation Often information is lost during translation Difficulties can be minimized by using translators who are not known to the informants briefing translators on the purposes of the study to reduce misunderstandings, and having translators repeat the informant's comments verbatim

Step 5 Take adequate notes

Interviewers should take notes and develop them in detail immediately after each interview to ensure accuracy Use a set of common subheadings for interview texts, selected with an eye to the major issues being explored Common subheadings ease data analysis

Step 6 Analyze interview data

Interview summary sheets At the end of each interview, prepare a 1-2 page interview summary sheet reducing information into manageable themes, issues, and recommendations Each summary should provide information about the key informant's position, reason for inclusion in the list of informants, main points made implications of these observations, and any insights or ideas the interviewer had during the interview

Descriptive codes Coding involves a systematic recording of data While numeric codes are not appropriate, descriptive codes can help organize responses These codes may cover key themes, concepts, questions, or ideas such as sustainability, impact on income, and participation of women A usual practice is to note the codes or categories on the left-hand margins of the interview text Then a summary lists the page numbers where each item (code) appears For example women's participation might be given the code wom–par ' and the summary sheet might indicate it is discussed on pages 7 13 21, 46 and 67 of the interview text

Categories and subcategories for coding (based on key study questions, hypotheses, or conceptual frameworks) can be developed before interviews begin, or after the interviews are completed Precoding saves time, but the categories may not be appropriate Postcoding helps ensure empirically relevant categories but is time consuming A compromise is to begin developing coding categories after 8 to 10 interviews, as it becomes apparent which categories are relevant

Storage and retrieval The next step is to develop a simple storage and retrieval system Access to a computer program that sorts text is very helpful Relevant parts of interview text can then be organized according to the codes The same effect can be accomplished without computers by preparing folders for each category, cutting relevant comments from the interview and pasting them onto index cards according to the coding scheme, then filing them in the appropriate folder Each index card should have an identification mark so the comment can be attributed to its source

Presentation of data Visual displays such as tables, boxes and figures can condense information, present it in a clear format and highlight underlying relationships and trends This helps communicate findings to decision-makers more clearly, quickly, and easily Three examples below and on page 4 illustrate how data from key informant interviews might be displayed

Table 1 Problems Encountered in Obtaining Credit

	Male Farmers		Female Farmers
1	Collateral requirements	1	Collateral requirements
2	Burdensome paperwork	2	Burdensome paperwork
3	Long delays in getting loans	3	Long delays in getting loans
		4	Land registered under male's name
		5	Difficulty getting to bank location

Table 2 Impacts on Income of a Microenterprise Activity

"In a survey I did of the participants last year, I found that a majority felt their living conditions have improved"
—university professor

"I have doubled my crop and profits this year as a result of the loan I got"
—participant

"I believe that women have not benefitted as much as men because it is more difficult for us to get loans"
—female participant

Table 3 Recommendations for Improving Training

Recommendation	Number of Informants
Develop need-based training courses	39
Develop more objective selection procedures	20
Plan job placement after training	11

Step 7 Check for reliability and validity

Key informant interviews are susceptible to error, bias, and misinterpretation, which can lead to flawed findings and recommendations

Check representativeness of key informants Take a second look at the key informant list to ensure no significant groups were overlooked

Assess reliability of key informants Assess informants' knowledgeability, credibility, impartiality, willingness to respond, and presence of outsiders who may have inhibited their responses Greater weight can be given to information provided by more reliable informants

Check interviewer or investigator bias One's own biases as an investigator should be examined, including tendencies to concentrate on information that confirms preconceived notions and hypotheses, seek consistency too early and overlook evidence inconsistent with earlier findings, and be partial to the opinions of elite key informants

Check for negative evidence Make a conscious effort to look for evidence that questions preliminary findings This brings out issues that may have been overlooked

Get feedback from informants Ask the key informants for feedback on major findings A summary report of the findings might be shared with them, along with a request for written comments Often a more practical approach is to invite them to a meeting where key findings are presented and ask for their feedback

Selected Further Reading

These tips are drawn from *Conducting Key Informant Interviews in Developing Countries*, by Krishna Kumar (AID Program Design and Evaluation Methodology Report No 13 December 1986 PN-AAX-226)

For further information on this topic, contact Annette Binnendijk, CDIE Senior Evaluation Advisor, via phone (703) 875-4235), fax (703) 875-4866), or e-mail Copies of TIPS can be ordered from the Development Information Services Clearinghouse by calling (703) 351-4006 or by faxing (703) 351-4039. Please refer to the PN number To order via the Internet, address a request to docorder@disc mhs.compuserve com

1996, Number 3

Performance Monitoring and Evaluation TIPS

USAID Center for Development Information and Evaluation

PREPARING AN EVALUATION SCOPE OF WORK

USAID's reengineering guidance requires the preparation of a scope of work as a crucial element in planning a useful evaluation activitiy.

This Tips offers suggestions for preparing a good evaluation scope of work.

What Is an Evaluation Scope of Work?

An evaluation scope of work (SOW) is a plan for conducting an evaluation, it conveys clear directions to the evaluation team

A good SOW usually

- identifies the activity, results package, or strategy to be evaluated
- provides a brief background on implementation
- identifies existing performance information sources
- states the purpose, audience and use of the evaluation
- clarifies the evaluation questions
- identifies the evaluation method to answer the questions
- discusses evaluation team composition and participation of customers and partners
- covers procedures such as schedule and logistics
- clarifies requirements for reporting and dissemination
- includes a budget

Why Are SOWs Important?

A good evaluation SOW provides a clear blueprint that an evaluation team can follow to ensure management needs are met Experience demonstrates that expending adequate time and effort in preparing a good SOW has big payoffs in terms of the evaluation's quality, relevance and usefulness SOWs are as important for internal teams (composed of USAID and implementing partner staff) as they are for external teams (composed of contractors and grantees)

USAID's reengineering directives require that SOWs be prepared for all evaluations The more formal and critical the evaluation effort, the more thorough the SOW should be SOWs for external teams may require more detail on background context and on intended audiences and uses

Elements of a Good Evaluation SOW

Consider including the following elements when preparing a SOW

1 Activity, Results Package, or Strategic Objective to be Evaluated

Identify what is being evaluated For example, is the focus on a single activity, a set of related activities in a results package, or a broader strategy for achieving a strategic objective? Use appropriate activity names, titles, authorization

2

Use a Participatory Process

Reengineering guidance encourages using a participatory process in developing an evaluation SOW Employ "joint planning" and "virtual team" principles by including staff from relevant USAID offices with an interest in the evaluation Broaden participation by including partners, customers (or their representatives), and other stakeholders in, for example, evaluation planning meetings. Survey what their evaluation issues are or ask them to review drafts of the SOW. Participation in planning an evaluation ensures greater relevance of the results, allows participants to "buy in," and increases the likelihood that they will act on the evaluation's recommendations.

numbers, funding levels, completion dates, and short descriptions to specify what is being evaluated

2 Background

Give a brief description of the history and current status of the activities or programs, names of implementing agencies and organizations involved, and other information to help the evaluation team understand the background and context of the activity or activities being assessed

3 Existing Performance Information Sources

Identify the existence and availability of relevant performance information sources, such as performance monitoring systems and/or previous evaluation reports A summary of the types of data available, the time frames, and an indication of their quality and reliability will help the evaluation team to build on what is already available

4 Purpose of the Evaluation

Under reengineering, evaluations are only to be done when driven by a clear management need Specify the need for the evaluation, its audience, and purpose

- Who wants the information?
- What do they want to know?
- What will the information be used for?
- When will it be needed?
- How accurate must it be?

Agency guidance identifies some broad purposes that evaluations might serve For example an evaluation might

- assess why progress toward planned results has been unexpectedly positive or negative
- test the validity of hypotheses and assumptions underlying a results framework
- assess how well needs of different customers are being met (e g , by gender, age, ethnic groups)
- identify and analyze unintended consequences and effects of assistance activities
- examine sustainability of activities and their results
- distill lessons learned that may be useful elsewhere in the Agency
- assess effectiveness of Agency strategies across countries

5 Evaluation Questions

Articulate the questions the evaluation will answer Vague questions lead to vague answers Limit the number of questions Asking too many questions can result in an unfocused effort

Ensure that questions are management priorities One approach to selecting a few key questions is to ask the evaluation's "customers" (audiences or intended users) to state those questions they would like answered, and then ask them which are most important Avoid questions to which people already know the answers

Frame questions so they are answerable based on empirical evidence Indicate that teams are expected to base their answers on empirical evidence, not subjective opinions, and identify any sources and standards of evidence required (for example, if information must be obtained directly from beneficiaries, degree of data validity and reliability sought)

It may also be useful to provide further context to the questions If an evaluation concepts or issues paper has been drafted, it could be used to develop this section or be provided as an annex

6 Evaluation Methods

This section specifies an overall design strategy to answer the evaluation questions and provides a plan for collecting and analyzing data Several issues are addressed

- the broad evaluation design strategy and how it responds to the questions
- from whom (or what), and how, data will be collected
- how data will be analyzed

a.) Select the overall design strategy

The choice of an evaluation design should depend largely on the nature of the evaluation questions Different design strategies (case studies, sample surveys, comparative evaluation designs, analyses of existing data) have distinct features that make them either more or less appropriate for answering a particular type of question credibly

For example, to answer a question such as "What percentage of farmers in county *x* have obtained credit from the USAID program?," a sample survey would be appropriate If the question is "Why aren't farmers using the credit program?," use of a rapid appraisal method, such as holding focus groups of farmers, would be more appropriate If the question is "Is activity *x* more effective in increasing farmers' yields than activity *y*?," then some comparative evaluation design would enable the most persuasive conclusions to be drawn

The challenge is to chose a design that will answer questions in a credible way (that is, with high validity), subject to time and resource constraints

In practice, designs may combine different approaches, for example, a sample survey may be combined with a few case studies The purpose is either to improve the persuasiveness of an argument or to answer different evaluation questions

(b) Prepare the Data Collection and Analysis Plan

Define

- "unit of analysis" from which data will be collected (e g , individuals, families, farms, communities clinics, wells)
- data disaggregation requirements (e g by gender, ethnic group location)
- the procedure to be used to select examples or cases to examine from this population (e g random sampling, convenience sampling, recommendations of community leaders)
- techniques or instruments to be used to acquire data on these examples or cases (e g , structured questionnaires, direct observation, loosely structured interview guides, scales to weigh infants, instruments to measure water quality)
- timing and frequency of data collection
- how data will be analyzed (e g , quantitative methods such as cross tabulations or regression analysis, or qualitative methods such as content analysis)

In some cases, an evaluation SOW will not select a design strategy nor provide plans for data collection and analysis in order to leave choices open to the evaluation team SOWs that provide flexibility can include a requirement for submission and approval of the methodology the team develops

7 Team Composition and Participation

Identify the approximate team size, the qualifications and skills team members collectively should have, as well as any requirements concerning participation For example

- language proficiency
- areas of technical competence
- in-country work experience
- evaluation methods and data collection skills
- facilitation skills
- gender mix and gender analysis skills
- participation of USAID staff, partners, customers, and other stakeholders

The evaluation focus, methods, and analyses required should determine the evaluation team composition Use of multidisciplinary teams are encouraged, including technical specialists and at least one evaluation specialist Facilitation skills may be needed if participatory evaluations are undertaken

Broadening participation on teams is strongly encouraged under reengineering Including USAID staff will strengthen the Agency's learning from its own experience Host country participation facilitates evaluation capacity-building as well as increases the likelihood of their acting on evaluation recommendations

In some cases, where there is a particular need for maintaining the objectivity and independence of an evaluation special care should be taken to ensure team members have no evident conflicts of interest (i e no potential biases or vested interests in the evaluation's

outcomes) This may, to some extent, limit participation of those with a direct "stake" in the activities being evaluated Alternatively, care can be taken to ensure that the team as a whole is balanced and represents various points of view

8 Procedures Schedule and Logistics

Specify the various procedural requirements of the evaluation, including the schedule, logistical concerns, and USAID assistance to the evaluation team

- the general schedule of the evaluation—duration, phasing and timing considerations
- work hours, holidays, any requirements for working 6-day weeks or on holidays
- preparatory work in the United States (e g , document reviews, team planning meetings)
- weather, travel, and sociocultural conditions that may influence data collection procedures
- availability and provision of services— local translators, interviewers, data processors, drivers, etc
- availability/provision of office space, cars, laptops, tape recorders, hand calculators, and other needed equipment
- procedures for arranging meetings, requirements for debriefings

9 Reporting and Dissemination Requirements

All evaluation activities should at their conclusion document the important findings, conclusions, and recommendations The formality of reporting should depend on factors such as the type, importance, breadth, and resources committed to the evaluation

Provide

- dates when draft and final reports are due
- number of copies of report needed
- languages in which report is needed
- page limits and formats for the report
- any requirements for datasets, if primary data collection is involved
- requirement for submitting copies of the evaluation report, in electronic form, to the Agency's Development Information System (DIS)
- dates for oral briefings and any other requirements for communicating, marketing, and disseminating results that are the responsibility of the evaluation team

A suggested format for formal evaluation reports includes

- executive summary
- activity identification sheet (if appropriate)
- table of contents
- body of the report
- appendices

(For additional information on evaluation report format and content, see Tips entitled *Preparing Evaluation Reports*)

10 Budget

Estimate the cost of the evaluation and give the source of funds Cost estimates may cover items such as international and in-country travel, team members' salaries, per diem and expenses, stipends to customers or partners, and payments for translators, interviewers, data processors, and secretarial services

There is no easy rule of thumb for estimating what an evaluation should cost It depends on many factors, such as how broad or narrow the scope of the evaluation (that is, how many activities are included, how many evaluation questions are being asked), what evaluation methods have been selected, and the degree of validity (accuracy, reliability) being sought

Reengineering guidance stresses that when planning an evaluation, cost should be viewed and justified in light of the value to management of the information it will produce Costs can often be lowered by narrowing the scope or considering alternative, low-cost methods

The reengineering guidance states that resource levels dedicated to performance monitoring and evaluation functions typically should amount to 3 percent to 10 percent of the overall budget for a strategic objective or results package

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1996, Number 4

Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

USING DIRECT OBSERVATION TECHNIQUES

What is Direct Observation?

Most evaluation teams conduct some fieldwork, observing what's actually going on at assistance activity sites Often, this is done informally, without much thought to the quality of data collection Direct observation techniques allow for a more systematic, structured process, using well-designed observation record forms

Advantages and Limitations

USAID's reengineering guidance encourages the use of rapid, low cost methods for collecting information on the performance of our development activities

Direct observation, the subject of this Tips, is one such method.

The main advantage of direct observation is that an event, institution, facility, or process can be studied in its natural setting, thereby providing a richer understanding of the subject

For example, an evaluation team that visits microenterprises is likely to better understand their nature, problems, and successes after directly observing their products technologies, employees, and processes, than by relying solely on documents or key informant interviews Another advantage is that it may reveal conditions, problems or patterns many informants may be unaware of or unable to describe adequately

On the negative side, direct observation is susceptible to observer bias The very act of observation also can affect the behavior being studied

When Is Direct Observation Useful?

Direct observation may be useful

- When performance monitoring data indicate results are not being accomplished as planned and when implementation problems are suspected but not understood Direct observation can help identify whether the process is poorly implemented or required inputs are absent
- When details of an activity's process need to be assessed, such as whether tasks are being implementing according to standards required for effectiveness
- When an inventory of physical facilities and inputs is needed and not available from existing sources

2

When interview methods are unlikely to elicit needed information accurately or reliably either because the respondents don't know or may be reluctant to say

Steps in Using Direct Observation

The quality of direct observation can be improved by following these steps

Step 1 Determine the focus

Because of typical time and resource constraints direct observation has to be selective, looking at a few activities, events, or phenomena that are central to the evaluation questions

For example, suppose an evaluation team intends to study a few health clinics providing immunization services for children Obviously, the team can assess a variety of areas—physical facilities and surroundings, immunization activities of health workers, recordkeeping and managerial services, and community interactions The team should narrow its focus to one or two areas likely to generate the most useful information and insights

Next break down each activity, event, or phenomena into subcomponents For example, if the team decides to look at immunization activities of health workers, prepare a list of the tasks to observe, such as preparation of vaccine, consultation with mothers, and vaccine administration

Each task may be further divided into subtasks, for example, administering vaccine likely includes preparing the recommended doses, using the correct administration technique, using sterile syringes and protecting vaccine from heat and light during use

If the team also wants to assess physical facilities and surroundings, it will prepare an inventory of items to be observed

Step 2 Develop direct observation forms

The observation record form should list the items to be observed and provide spaces to record observations These forms are similar to survey questionnaires but investigators record their own observations, not respondents' answers

Observation record forms help standardize the observation process and ensure that all important items are covered They also facilitate better aggregation of data gathered from various sites or by various investigators An excerpt from a direct observation form used in a study of primary health care in the Philippines provides an illustration below

When preparing direct observation forms, consider the following

1 Identify in advance the possible response categories for each item, so that the observer can answer with a simple *yes*

OBSERVATION OF GROWTH MONITORING SESSION

Name of the Observer
Date
Time
Place

Was the scale set to 0 at the beginning of the growth session?
Yes_____ No _____

How was age determined?
By asking_____
From growth chart_____
Other_____

When the child was weighed, was it stripped to practical limit?
Yes_____ No_____

Was the weight read correctly?
Yes_____ No_____

Process by which weight and age transferred to record
Health Worker wrote it_____
Someone else wrote it_____
Other_____

Did Health Worker interpret results for the mother?
Yes_____ No_____

or *no* or by checking the appropriate answer Closed response categories help minimize observer variation, and therefore improve the quality of data

2 Limit the number of items in a form Forms should normally not exceed 40–50 items If nessary, it is better to

use two or more smaller forms than a single large one that runs several pages

3 Provide adequate space to record additional observations for which response categories were not determined

4 Use of computer software designed to create forms can be very helpful It facilitates a neat, unconfusing form that can be easily completed

Step 3 Select the sites

Once the forms are ready, the next step is to decide where the observations will be carried out and whether it will be based on one or more sites

A single site observation may be justified if a site can be treated as a typical case or if it is unique Consider a situation in which all five agricultural extension centers established by an assistance activity have not been performing well Here, observation at a single site may be justified as a typical case A single site observation may also be justified when the case is unique, for example, if only one of five centers had been having major problems, and the purpose of the evaluation is trying to discover why However, single site observations should be avoided generally, because cases the team assumes to be typical or unique may not be As a rule, several sites are necessary to obtain a reasonable understanding of a situation

In most cases, teams select sites based on experts' advice The investigator develops criteria for selecting sites, then relies on the judgment of knowledgeable people For example, if a team evaluating a family planning project decides to observe three clinics—one highly successful, one moderately successful, and one struggling clinic—it may request USAID staff, local experts, or other informants to suggest a few clinics for each category The team will then choose three after examining their recommendations Using more than one expert reduces individual bias in selection

Alternatively, sites can be selected based on data from performance monitoring For example, activity sites (clinics schools, credit institutions) can be ranked from best to worst based on performance measures, and then a sample drawn from them

Step 4 Decide on the best timing

Timing is critical in direct observation especially when events are to be observed as they occur Wrong timing can distort findings For example, rural credit

organizations receive most loan applications during the planting season, when farmers wish to purchase agricultural inputs If credit institutions are observed during the nonplanting season, an inaccurate picture of loan processing may result

People and organizations follow daily routines associated with set times For example, credit institutions may accept loan applications in the morning, farmers in tropical climates may go to their fields early in the morning and return home by noon Observation periods should reflect work rhythms

Step 5 Conduct the field observation

Establish rapport Before embarking on direct observation, a certain level of rapport should be established with the people, community, or organization to be studied The presence of outside observers, especially if officials or experts, may generate some anxiety among those being observed Often informal friendly conversations can reduce anxiety levels

Also, let them know the purpose of the observation is not to report on individuals' performance, but to find out what kind of problems in general are being encountered

Allow sufficient time for direct observation Brief visits can be deceptive partly because people tend to behave differently in the presence of observers It is not uncommon, for example, for health workers to become more caring or for extension workers to be more persuasive when being watched However, if observers stay for relatively longer periods people become less self-conscious and gradually start behaving naturally It is essential to stay at least two or three days on a site to gather valid, reliable data

Use a team approach If possible two observers should observe together A team can develop more comprehensive, higher quality data, and avoid individual bias

Train observers If many sites are to be observed, nonexperts can be trained as observers, especially if observation forms are clear, straightforward and mostly closed-ended

Step 6 Complete forms

Take notes as inconspicuously as possible The best time for recording is during observation However this is not always feasible because it may make some people self-conscious or disturb the situation In these cases, recording should take place as soon as possible after observation

Step 7 Analyze the data

Data from close-ended questions from the observation form can be analyzed using basic procedures such as frequency

counts and cross-tabulations Statistical software packages such as SAS or SPSS facilitate such statistical analysis and data display

Analysis of any open-ended interview questions can also provide extra richness of understanding and insights Here, use of database management software with text storage capabilities, such as dBase, can be useful

Step 8 Check for reliability and validity

Direct Observation of Primary Health Care Services in the Philippines

An example of structured direct observation was an effort to identify deficiencies in the primary health care system in the Philippines It was part of a larger, multicountry research project, the Primary Health Care Operations Research Project (PRICOR) The evaluators prepared direct observation forms covering the activities, tasks, and subtasks health workers must carry out in health clinics to accomplish clinical objectives These forms were closed-ended and in most cases observations could simply be checked to save time The team looked at 18 health units from a "typical" province, including samples of units that were high, medium and low performers in terms of key child survival outcome indicators

The evaluation team identified and quantified many problems that required immediate government attention. For example, in 40 percent of the cases where followup treatment was required at home, health workers failed to tell mothers the timing and amount of medication required In 90 percent of cases, health workers failed to explain to mothers the results of child weighing and growth plotting, thus missing the opportunity to involve mothers in the nutritional care of their child Moreover, numerous errors were made in weighing and plotting

This case illustrates that use of closed-ended observation instruments promotes the reliability and consistency of data. The findings are thus more credible and likely to influence program managers to make needed improvements

Direct observation techniques are susceptible to error and bias that can affect reliability and validity These can be minimized by following some of the procedures suggested, such as checking the representativeness of the sample of sites selected, using closed-ended, unambiguous response categories on the observation forms, recording observations promptly, and using teams of observers at each site

Selected Further Reading

Information in this *Tips* is based on "Rapid Data Collection Methods for Field Assessments" by Krishna Kumar, in *Team Planning Notebook for Field-Based Program Assessments* (USAID PPC/CDIE, 1991)

For more on direct observation techniques applied to the Philippines health care system, see Stewart N Blumenfeld, Manuel Roxas, and Maricor de los Santos, "Systematic Observation in the Analysis of Primary Health Care Services," in *Rapid Appraisal Methods* edited by Krishna Kumar (The World Bank 1993)

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Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

USING RAPID APPRAISAL METHODS

USAID's reengineering guidance encourages the use of rapid, low-cost methods for collecting information on the performance of development assistance activities.

What are these methods? What are their strengths and weaknesses? When are they appropriate? This Tips addresses these questions.

What Are Rapid Appraisal Methods?

Rapid appraisal methods are quick, low-cost ways to gather data systematically in support of managers' information needs especially questions about performance

Rapid appraisal methods fall on a continuum between very informal methods, such as casual conversations or short site visits and highly formal methods, such as censuses, surveys, or experiments

Informal methods are cheap, "quick and dirty," and susceptible to bias They follow no established procedures, but rely on common sense and experience They do not generate systematic, verifiable information, and thus may not be credible with decision-makers

Conversely, formal methods are highly structured, following precise, established procedures that limit errors and biases They generate quantitative data that are relatively accurate, enabling conclusions to be made with confidence Because they have high reliability and validity they generally have high credibility with decision-makers Weaknesses include their expense and requirements for highly technical skills

Between these two lie rapid appraisal methods They are neither very informal nor fully formal They share some of the properties of both and that is their strength as well as their weakness

Strengths and Limitations

Strengths of rapid appraisal methods include the following

They are relatively low-cost Rapid appraisal studies are usually only a fraction of the $100 000 to $200 000 often spent for a sample survey They typically have a smaller sample size and narrower focus and they often require less technical and statistical expertise than formal methods

They can be quickly completed Rapid appraisal methods can gather, analyze and report relevant information to decision-makers within days or weeks This is not possible with sample surveys Rapid appraisal methods are advantageous to decision-makers who seldom have the option of holding up important decisions to wait for information

PN-ABY-209

They are good at providing in-depth understanding of complex socioeconomic systems or processes Formal methods which focus on quantifiable information lose much in "operationalizing" social and economic phenomena

They provide flexibility Rapid appraisal methods allow evaluators to explore relevant new ideas and issues that may not have been anticipated in planning the study Such changes are not possible in sample surveys once the questionnaire is designed and the survey is under way

Rapid appraisal's limitations

They have limited reliability and validity Information generated may lack reliability and validity because of informal sampling techniques individual biases of the evaluators or interviewers and difficulties in recording, coding, and analyzing qualitative data Those using rapid appraisal methods can minimize these problems, for example, by taking steps to reduce bias during data collection and analysis, or by using more than one method to cross check results (triangulation)

They lack quantitative data from which generalizations can be made for a whole population Most rapid appraisal methods generate qualitative information Even those that generate quantitative data (such as minisurveys and direct observation) cannot be generalized with precision, because they are almost always based on non-representative samples While a rapid appraisal method can give a picture of the prevalence of a situation, behavior or attitude it cannot tell the extent or pervasiveness For example it may show that many farmers are not using credit facilities, but not the percentage of farmers

Their credibility with decision-makers may be low Most decision-makers are more impressed with precise figures than qualitative descriptive statements For example a sample survey finding that 83 percent of local entrepreneurs were satisfied with technical assistance provided is likely to carry more weight than the conclusion, based on key informant interviews, that most entrepreneurs interviewed seemed satisfied with the technical assistance

When Are Rapid Appraisal Methods Appropriate?

Choosing between informal rapid appraisal and formal methods of data collection should depend on balancing several potentially conflicting factors

- purpose of the study (importance and nature of the decision hinging on it)
- level of confidence in results needed (accuracy reliability validity)
- time frame within which it is needed (when decision must be made)
- resource constraints (budget expertise)
- nature of information required

Regarding the last factor—nature of the information required—rapid appraisal methods are especially useful and appropriate

When qualitative descriptive information is sufficient for decision-making When there is no great need for precise or representative quantitative data, rapid appraisal is a good choice When there is a need to understand complex cultural social, or economic systems and processes, qualitative information from rapid appraisal methods have an advantage over formal methods—for example when assessing organizations and institutions socioeconomic conditions of an area (communities, for example), or the cultural patterns, behaviors, values, and beliefs of a group or population

When an understanding is required of the motivations and attitudes that may affect behavior, for instance of a development activity's customers, partners or stakeholders Rapid appraisal methods are successful in answering the "why" and "how" questions For example key informant interviews or focus group discussions are more likely than sample surveys to provide insightful answers to such questions as "Why are farmers not adopting the recommended variety of seeds?" or "How are macroeconomic policies being implemented?"

When available quantitative data must be interpreted Routinely generated quantitative data from activity records and performance monitoring—data about financial outlays input and output volumes products and services provided to customers customer usage results targets accomplished or missed—may require explanation Many of the rapid appraisal methods are useful in interpreting such data resolving inconsistencies and deriving meaningful conclusions Suppose, for instance performance monitoring data show female farmers aren't using a technical package recommended by an agricultural development activity Interviews with key informants and one or two focus groups can shed light on this

When the primary purpose is to generate suggestions and recommendations Often an evaluation is used to solve a problem facing an activity What is needed are practical recommendations For example the manager of a contraceptive social marketing activity may be concerned with finding ways to augment sales The manager's needs can be served by eliciting suggestions in interviews or focus groups with doctors pharmacists, medical workers traders and customers

When the need is to develop questions hypotheses and propositions for more elaborate comprehensive formal

studies Key informant and group interviews are widely used for this purpose

Common Rapid Appraisal Methods

The most commonly used methods include

Key informant interviews Involves interviews with 15 to 35 individuals selected for their knowledge and to reflect diverse views Interviews are qualitative, in depth and semistructured Interview guides listing topics are used, but questions are framed during the interviews, using subtle probing techniques

Focus groups Several homogeneous groups of 8 to 12 participants each discuss issues and experiences among themselves A moderator introduces the topic, stimulates and focuses the discussion, and prevents domination of discussion by a few

Community interviews These take place at public meetings open to all community members Interaction is between the participants and the interviewer who presides over the meeting and asks questions following a carefully prepared interview guide

Direct observation Teams of observers record what they see and hear at a program site using a detailed observation form Observation may be of physical surroundings or of ongoing activities, processes or discussions

Minisurveys Involves interviews with 25 to 50 individuals, usually selected using nonprobability sampling techniques Structured questionnaires are used that focus on a limited number of closed ended questions Generates quantitative data that can often be collected and analyzed quickly

Each of these methods has particular situations in which they are most appropriate or useful as well as distinct advantages and limitations The matrix on page 4 summarizes this For information on individual methods, see additional *Tips* or selected further readings below

Selected Further Reading

Kumar Krishna *Rapid Low Cost Data Collection Methods for A I D* A I D Program Design and Evaluation Methodology Report No 10 1987 (PN-AAL-100)

Kumar Krishna (editor) *Rapid Appraisal Methods* World Bank Regional and Sectoral Studies, 1993

Kumar, Krishna, *Conducting Key Informant Interviews in Developing Countries* A I D Program Design and Evaluation Methodology Report No 13, 1986 (PN-AAX 226)

Kumar, Krishna, *Conducting Group Interviews in Developing Countries*, A I D Program Design and Evaluation Methodology Report No 8, 1987 (PN-AAL 088)

Kumar, Krishna, *Conducting Mini Surveys in Developing Countries*, A I D Program Design and Evaluation Methodology Report No 15, 1990 (PN-AAX-249)

Rapid Appraisal and Beyond The Participation Forum Workshop Notes, 1995

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COMMON RAPID APPRAISAL METHODS

METHODS	Useful for Providing	Advantages	Limitations
KEY INFORMANT INTERVIEWS	- general descriptive data -understanding of attitudes and behaviors --suggestions and recommendations --information to interpret quantitative data	--provides in-depth inside information --flexibility permits exploring unanticipated topics -easy to administer --relatively inexpensive -takes 4-6 weeks	-does not generate quantitative data -susceptible to interviewer and selection biases
FOCUS GROUP INTERVIEWS	--customer views on services, products, benefits --information on implementation problems --suggestions and recommendations for improving activities	--can be completed rapidly (5 weeks) --very economical -group discussion may reduce inhibitions, allowing free exchange of ideas	--does not provide quantitative data -discussion may be dominated by a few individuals -susceptible to moderator biases
COMMUNITY INTERVIEWS	--village/community level data -views on activities and suggestions for improvements	-permits direct interactions between evaluator and large numbers of individuals --can generate some quantitative data on community characteristics, behaviors, opinions -participants tend to correct each other, providing more accurate information -inexpensive and quick (5-6 weeks)	--can be manipulated by elites or monopolized by individuals --cultural taboos or norms may inhibit discussion of certain topics
DIRECT OBSERVATION	-data on physical infrastructure, supplies conditions --information about an agency's delivery systems, services --insights into behaviors or events	-phenomenon can be examined in its natural setting --may reveal conditions or problems informants are unaware of --can be completed in 3-4 weeks	-suseptible to observer bias --act of observing can affect behaviors --distortions can occur if sites selected are not representative
MINISURVEYS	--quantitative data on narrowly focused questions for a relatively homogeneous population --when probability sampling is difficult --data on attitudes beliefs behaviors of customers or partners	-can generate quantitative data -reduces non-random sampling errors -requires limited personnel and is quick (5 6 weeks)	--findings are less generalizable than those from sample surveys --suseptible to sampling biases --requires statistical analysis skills --inappropriate for gathering in-depth, qualitative information

1996, Number 6

Performance Monitoring and Evaluation
TIPS

USAID Center for Development Information and Evaluation

SELECTING PERFORMANCE INDICATORS

To manage for results, USAID operating units need reliable and timely data on their program results. Performance indicators define the data to be collected to measure progress, and are thus an indispensable tool for decision-making.

This Tips offers advice for selecting appropriate and useful performance indicators.

What Are Performance Indicators?

Simply put, performance indicators are measures that describe how well a program is achieving its objectives

Whereas a results statement identifies what we hope to accomplish, indicators tell us specifically what to measure to determine whether the objective has been achieved Indicators are usually quantitative measures but may also be qualitative observations They define how performance will be measured along a scale or dimension, without specifying a particular level of achievement (Planned levels of achievement -- targets -- are separate from the indicators themselves)

USAID operating units have developed hundreds of performance indicators in recent years Common examples include the dollar value of non-traditional exports, private investment as a percentage of gross domestic product, contraceptive prevalence rates, child mortality rates, and percentage of eligible voters voting

Why Are Performance Indicators Important?

Performance indicators are at the heart of a performance monitoring system -- they define the data to be collected to measure progress and enable actual results achieved over time to be compared with planned results Thus, they are an indispensable management tool for making performance-based decisions about program strategies and activities

Other ways that performance indicators, and the data collected on them, can be used include the following

- to orient and motivate operating unit staff toward achieving results
- to communicate USAID achievements to host country counterparts, other partners, and customers and
- to report results achieved to USAID's stakeholders including the U S Congress, Office of Management and Budget and citizens

PN ABY 214

2

Use a Participatory Approach

Reengineering requires operating units to use a participatory approach in selecting indicators for their performance monitoring system Collaborating closely with development partners, host country counterparts, and customers at each step of the indicator selection process has many benefits It makes good sense to draw on the experience of others and obtain their consensus throughout the process

For What Results Are Performance Indicators Required?

Reengineering guidance requires operating units to develop performance indicators for all strategic objectives, strategic support objectives, special objectives, and USAID-supported intermediate results (referred to below as SOs and IRs) identified in the results frameworks

Some means should also be developed for gathering information on the results supported by development partners and on the status of critical assumptions, although less rigorous standards apply

Also SO teams are required to collect data regularly on activity-level inputs, outputs, and processes to ensure they are proceeding as expected and are contributing to relevant IRs and SOs This implies some thought be given to developing indicators for monitoring progress at the activity level

Steps in Selecting Performance Indicators

Selecting appropriate and useful performance indicators is a fairly straightforward process, but requires careful thought iterative refining, collaboration, and consensus-building Here are some suggestions Although presented as discrete steps, in practice some of these can be effectively undertaken simultaneously

Step 1 Clarify the results statements

Good performance indicators start with good results statements that people can understand and agree on

Carefully consider the result desired Review the precise wording and intention of the strategic objective strategic support objective special objective intermediate result critical assumption, or result supported by partners What exactly does it say?

Avoid overly broad results statements Sometimes objectives and results are so broadly stated it is difficult to identify the right performance indicators Instead, specify those aspects believed to make the greatest difference to improved performance For example, rather than using a broad results statement like "improved capacity" of a host country institution, clarify those aspects that program activities emphasize For example, improved personnel recruitment process, or improved management skills

Be clear about what type of change is implied What is expected to change -- a situation, a condition, the level of knowledge, an attitude, a behavior? For example, changing a country's law about voting is very different from changing citizens' awareness of their right to vote, which again is different from their voting behavior Each type of change is measured by different types of indicators

Also clarify whether the change being sought is an absolute change a relative change or no change

--*Absolute changes* involve the creation or introduction of something new

--*Relative changes* involve increases, decreases, improvements, strengthening or weakening in something that currently exists, but at a higher or lower level than is considered optimum

--*No change* involves the maintenance, protection or preservation of something that is considered fine as is

Be clear about where change should appear Is change expected to occur among individuals, families groups communities, regions? Clearly, a change in the savings rate for an entire nation will be quite different than for a particular sector of the business community This is known as identifying the "unit of analysis" for the performance indicator

Identify more precisely the specific targets for change Who or what are the specific targets for the

change? For example, if individuals, which individuals? Average citizens or exporters? All exporters or only exporters of non-traditional agricultural products?

Study the activities and strategies directed achieving change Some activities will produce the desired change directly, while other activities will produce the change less directly For example, activities to develop microenterprises aim to increase employment directly Activities to reform economic policies may have the same effect, but less directly Before appropriate indicators can be developed, clarity is needed about the expected relationship between activities and their intended results, in order to understand exactly what changes are reasonable to expect

Step 2 Develop a List of Possible Indicators

There are usually many possible indicators for any desired outcome, but some are more appropriate and useful than others In selecting indicators, don't settle too quickly on the first that come most conveniently or obviously to mind A better approach is to start with a list of alternatives, which can then be assessed against a set of selection criteria

To create the initial list of possible indicators, tap the following sources

- internal brainstorming by the strategic objective team
- consultations with experts in the substantive program area
- experience of other operating units with similar indicators

Tip. When developing indicators, consider tapping information from a) the PME database on indicators other operating units have used for similar objectives, and b) on-going work by technical groups in the Agency goal areas to develop common or generally used indicators. These sources can be accessed through the PME Hotline by contacting PME HOTLINE@CDIE.PME@AIDW in the Agency e-mail system or PHOTLINE@USAID GOV on the Internet.

The key to creating a useful initial list of performance indicators is to be inclusive That is, view the desired result in all its aspects and from all perspectives Allow sufficient opportunity for a free flow of ideas and creativity

Step 3 Assess Each Possible Indicator

Next, assess each possible indicator on the initial list Experience suggests using seven basic criteria for judging an indicator's appropriateness and utility These seven criteria are described in the box on page 4

When assessing and comparing possible indicators, it is helpful to use a matrix with the seven criteria arrayed across the top and the candidate indicators listed down the left side With a simple scoring scale, for example 1-5, rate each candidate indicator against each criterion These ratings will help give an overall sense of the indicator's relative merit, and help in the selection process However, apply this approach flexibly and with judgment, because all seven criteria may not be equally important

Step 4 Select the "Best" Performance Indicators

The next step is to narrow the list to the final indicators that will be used in the performance monitoring system They should be the optimum set that meets the need for *management-useful information at a reasonable cost*

Be selective Remember the costs associated with data collection and analysis Limit the number of indicators used to track each objective or result to a few (two or three) Select only those that represent the most basic and important dimensions of our aims

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4

SEVEN CRITERIA FOR ASSESSING PERFORMANCE INDICATORS

1 DIRECT A performance indicator should measure as closely as possible the result it is intended to measure It should not be pegged at a higher or lower level than the result being measured For example, *contraceptive prevalence rate* is a direct measure of the result *increased use of family planning methods* But *number of service providers trained* would NOT be a direct measure of the result *improved service delivery* Just because people are trained does not necessarily mean they will deliver services better

If using a direct measure is not possible one or more proxy indicators might be appropriate For example, sometimes reliable data on direct measures are not available at a frequency that is useful to managers, and proxy indicators are needed to provide timely insight on progress Proxy measures are *indirect* measures that are linked to the result by one or more assumptions For example, in rural areas of Africa it is often very difficult to measure income levels directly Measures such as percentage of village households with tin roofs (or radios or bicycles) may be a useful, if somewhat rough, proxy The assumption is that when villagers have higher income they tend to purchase certain goods If convincing evidence exists that the assumption is sound (for instance it is based on research or experience elsewhere), then the proxy may be an adequate indicator albeit second-best to a direct measure

2 OBJECTIVE An objective indicator has no ambiguity about what is being measured That is, there is general agreement over interpretation of the results It is both unidimensional and operationally precise To be *unidimensional* means that it measures only one phenomenon at a time Avoid trying to combine too much in one indicator, such as measures of both access and use *Operational precision* means no ambiguity over what kind of data would be collected for an indicator For example, while *number of successful export firms* is ambiguous, something like *number of export firms experiencing an annual increase in revenues of at least 5 percent* is operationally precise

3 ADEQUATE Taken as a group, a performance indicator and its companion indicators should adequately measure the result in question A frequently asked question is "how many indicators should be used to measure any given result?" The answer depends on a) the complexity of the result being measured, b) the level of resources available for monitoring performance and c) the amount of information needed to make reasonably confident decisions For some results that are straightforward and have tried and true measures one performance indicator may be enough For example, if the intended result is *increased traditional exports*, the indicator *dollar value of traditional exports per year* is probably sufficient Where no single indicator is sufficient or where there are benefits to be gained by "triangulation" -- then two or more indicators may be needed However avoid using too many indicators Try to strike a balance between resources available for measuring performance and the amount of information managers need to make reasonably well informed decisions

4 QUANTITATIVE, WHERE POSSIBLE Quantitative indicators are numerical (number or percentage of dollar value tonnage for example) Qualitative indicators are descriptive observations (an expert opinion of institutional strength or a description of behavior) While quantitative indicators are not necessarily more objective their numerical precision lends them to more agreement on interpretation of results data, and are thus usually preferable However even when effective quantitative indicators are being used qualitative indicators can supplement the numbers and percentages with a richness of information that brings a program s results to life

5 DISAGGREGATED, WHERE APPROPRIATE Disaggregating people-level program results by gender age location or some other dimension is often important from a management or reporting point of view Experience shows that development activities often require different approaches for different groups and affect those groups in different ways Disaggregated data help track whether or not specific groups participate in and benefit from activities intended to include them Therefore it makes good management sense that performance indicators be sensitive to such differences

6 PRACTICAL An indicator is practical if data can be obtained in a timely way and at a reasonable cost Managers require data that can be collected frequently enough to inform them of progress and influence decisions USAID operating units should expect to incur reasonable but not exorbitant costs for obtaining useful performance information A rule of thumb, given in the reengineering guidance is to plan on allocating 3 to 10 percent of total program resources for performance monitoring and evaluation

7 RELIABLE A final consideration in choosing performance indicators is whether data of sufficiently reliable quality for confident decision-making can be obtained But what standards of data quality are needed to be *useful*? The data that a program manager needs to make reasonably confident decisions about a program is not necessarily the same rigorous standard a social scientist is looking for For example a low cost minisurvey may be good enough for a given manage ment need

1996, Number 7

Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

PREPARING A PERFORMANCE MONITORING PLAN

USAID's reengineering guidance requires operating units to prepare a Performance Monitoring Plan for the systematic and timely collection of performance data. This Tips offers advice for preparing such a plan.

What Is a Performance Monitoring Plan?

A performance monitoring plan (PMP) is a tool USAID operating units use to plan and manage the collection of performance data Sometimes the plan also includes plans for data analysis, reporting, and use

Reengineering guidance requires operating units to prepare PMPs once their strategic plans are approved At a minimum, PMPs should include

- a detailed definition of each performance indicator
- the source, method, frequency and schedule of data collection, and
- the office, team, or individual responsible for ensuring data are available on schedule

As part of the PMP process, it is also advisable (but not mandated) for operating units to plan for

- how the performance data will be analyzed, and
- how it will be reported, reviewed, and used to inform decisions

While PMPs are required, they are for the operating unit's own use Review by central or regional bureaus is not mandated, although some bureaus encourage sharing PMPs PMPs should be updated as needed to ensure plans, schedules, and assignments remain current

Why Are PMPs Important?

A performance monitoring plan is a critical tool for planning, managing, and documenting data collection It contributes to the effectiveness of the performance monitoring system by assuring that *comparable* data will be collected on a *regular and timely* basis These are essential to the operation of a credible and useful performance-based management approach

PMPs promote the collection of *comparable* data by sufficiently documenting indicator definitions, sources, and methods of data collection This enables operating units to collect comparable data over time even when key personnel change

PMPs support *timely* collection of data by documenting the frequency and schedule

2

Use a Participatory Approach

The Agency's reengineering directives require that operating units involve USAID's partners, customers, and stakeholders in planning approaches to monitoring performance Experience indicates the value of collaborating with relevant host government officials, implementing agency staff, contractors and grantees, other donors, and customer groups, when preparing PMPs. They typically have the most familiarity with the quality, availability, and timeliness of relevant

of data collection as well as by assigning responsibilities Operating units should also consider developing plans for data analysis, reporting, and review efforts as part of the PMP process It makes sense to think through data collection, analysis, reporting, and review as an integrated process This will help keep the performance monitoring system on track and ensure performance data informs decision-making While there are strong arguments for including such integrated plans in the PMP document, this is not mandated in the reengineering guidance Some operating units may wish to prepare these plans separately

Elements of a PMP

The following elements should be considered for inclusion in a performance monitoring plan Elements 1- 5 are required in the reengineering guidance, whereas 6 -9 are suggested as useful practices

I Plans for Data Collection (Required)

In its strategic plan, an operating unit will have identified a few preliminary performance indicators for each of its strategic objectives, strategic support objectives, and special objectives (referred to below simply as SOs), and USAID-supported intermediate results (IRs) In most cases, preliminary baselines and targets will also have been provided in the strategic plan The PMP builds on this initial information, verifying or modifying the performance indicators, baselines and targets, and documenting decisions

PMPs are required to include information outlined below (elements 1-5) on each performance indicator that has been identified in the Strategic Plan for SOs and IRs

Plans should also address how critical assumptions and results supported by partners (such as the host government, other donors, NGOs) will be monitored, although the same standards and requirements for developing indicators and collecting data do not apply

Furthermore, it is useful to include in the PMP lower-level indicators of inputs, outputs, and processes at the activity level, and how they will be monitored and linked to IRs and SOs

1 Performance Indicators and Their Definitions

Each performance indicator needs a detailed definition Be precise about all technical elements of the indicator statement As an illustration, consider the indicator, *number of small enterprises receiving loans from the private banking system* How are small enterprises defined -- all enterprises with 20 or fewer employees, or 50 or 100? What types of institutions are considered part of the private banking sector -- credit unions, government-private sector joint-venture financial institutions?

Include in the definition the unit of measurement For example, an indicator on the value of exports might be otherwise well defined, but it is also important to know whether the value will be measured in current or constant terms and in U S dollars or local currency

The definition should be detailed enough to ensure that different people at different times, given the task of collecting data for a given indicator, would collect identical types of data

2 Data Source

Identify the data source for each performance indicator The source is the entity from which the data are obtained, usually the organization that conducts the data collection effort Data sources may include government departments, international organizations, other donors, NGOs, private firms, USAID offices, contractors, or activity implementing agencies

Be as specific about the source as possible, so the same source can be used routinely Switching data sources for the same indicator over time can lead to inconsistencies and misinterpretations and should be avoided For example, switching from estimates of infant mortality rates based on national sample surveys to estimates based on hospital registration statistics can lead to false impressions of ch

Plans may refer to needs and means for strengthening the

capacity of a particular data source to collect needed data on a regular basis, or for building special data collection efforts into USAID activities

3 Method of Data Collection

Specify the method or approach to data collection for each indicator Note whether it is primary data collection or is based on existing secondary data

For primary data collection, consider

- the unit of analysis (individuals, families, communities, clinics, wells)
- data disaggregation needs (by gender, age, ethnic groups, location)
- sampling techniques for selecting cases (random sampling, purposive sampling), and
- techniques or instruments for acquiring data on these selected cases (structured questionnaires, direct observation forms, scales to weigh infants)

For indicators based on secondary data, give the method of calculating the specific indicator data point and the sources of data

Note issues of data quality and reliability For example, using secondary data from existing sources cuts costs and efforts, but its quality may not be as reliable

Provide sufficient detail on the data collection or calculation method to enable it to be replicated

4 Frequency and Schedule of Data Collection

Performance monitoring systems must gather comparable data periodically to measure progress But depending on the performance indicator, it may make sense to collect data on a quarterly, annual, or less frequent basis For example, because of the expense and because changes are slow, fertility rate data from sample surveys may only be collected every few years whereas data on contraceptive distributions and sales from clinics' record systems may be gathered quarterly PMPs can also usefully provide the schedules (dates) for data collection efforts

When planning the frequency and scheduling of data collection, an important factor to consider is management's needs for timely information for decision-making

5 Responsibilities for Acquiring Data

For each performance indicator, the responsibility the operating unit for the timely acquisition of data from their source should be clearly assigned to a particular office, team, or individual

II Plans for Data Analysis, Reporting, Review, and Use

An effective performance monitoring system needs to plan not only for the collection of data, but also for data analysis, reporting, review, and use It may not be possible to include everything in one document at one time, but units should take the time early on for careful planning of all these aspects in an integrated fashion

6 Data Analysis Plans

To the extent possible, plan in advance how performance data for individual indicators or groups of related indicators will be analyzed Identify data analysis techniques and data presentation formats to be used Consider if and how the following aspects of data analysis will be undertaken

Comparing disaggregated data For indicators with disaggregated data, plan how it will be compared, displayed, and analyzed

Comparing current performance against multiple criteria For each indicator, plan how actual performance data will be compared with a) past performance, b) planned or targeted performance or
c) other relevant benchmarks

Analyzing relationships among performance indicators Plan how internal analyses of the performance data will examine interrelationships For example

- How will a set of indicators (if there are more than one) for a particular SO or IR be analyzed to reveal progress? What if only some of the indicators reveal progress?
- How will cause-effect relationships among SOs and IRs within a results framework be analyzed?
- How will USAID activities be linked to achieving IRs and SOs?

Analyzing cost-effectiveness When practical and feasible, plan for using performance data to compare systematically alternative program approaches in terms of costs as well as results The Government Performance and Results Act (GPRA) encourages this

7 Plans for Complementary Evaluations

Reengineering stresses that evaluations should be conducted only if there is a clear management need It may not always

be possible or desirable to predict years in advance when or why they will be needed

Nevertheless, operating units may find it useful to plan on a regular basis what evaluation efforts are needed to complement information from the performance monitoring system The operating unit's internal performance reviews, to be held periodically during the year, may be a good time for such evaluation planning For example, if the reviews reveal that certain performance targets are not being met, and if the reasons why are unclear, then planning evaluations to investigate why would be in order

8 Plans for Communicating and Using Performance Information

Planning how performance information will be reported, reviewed, and used is critical for effective managing for results For example, plan, schedule, and assign responsibilities for internal and external reviews, briefings, and reports Clarify what, how and when management decisions will consider performance information Specifically, plan for the following

Operating unit performance reviews Reengineering guidance requires operating units to conduct internal reviews of performance information at regular intervals during the year to assess progress toward achieving SOs and IRs In addition, activity-level reviews should be planned regularly by SO teams to assess if activities' inputs, outputs and processes are supporting achievement of IRs and SOs

USAID/Washington reviews and the R4 Report Reengineering requires operating units to prepare and submit to USAID/Washington an annual *Results Review and Resource Request* (R4) report, which is the basis for a joint review with USAID/W of performance and resource requirements Help plan R4 preparation by scheduling tasks and making assignments

External reviews reports and briefings Plan for reporting and disseminating performance information to key external audiences, such as host government counterparts, collaborating NGOs, other partners, donors, customer groups, and stakeholders Communication techniques may include reports, oral briefings, videotapes, memos, newspaper articles

Influencing management decisions The ultimate aim of performance monitoring systems is to promote performance-based decision-making To the extent possible, plan in advance what management decision-making processes should be influenced by performance information For example, budget discussions, programming decisions, evaluation designs/scopes of work, office retreats, management contracts, and personnel appraisals often benefit from the consideration of performance information

9 Budget

Estimate roughly the costs to the operating unit of collecting, analyzing, and reporting performance data for a specific indicator (or set of related indicators) Identify the source of funds

If adequate data are already available from secondary sources, costs may be minimal If primary data must be collected at the operating unit's expense, costs can vary depending on scope, method, and frequency of data collection Sample surveys may cost more than $100,000, whereas rapid appraisal methods can be conducted for much less However, often these low-cost methods do not provide quantitative data that are sufficiently reliable or representative

Reengineering guidance gives a range of 3 to 10 percent of the total budget for an SO as a reasonable level to spend on performance monitoring and evaluation

CDIE's Tips series provides advice and suggestions to USAID managers on how to plan and conduct performance monitoring and evaluation activities effectively. They are supplemental references to the reengineering automated directives system (ADS), chapter 203. For further information, contact Annette Binnendijk, CDIE Senior Evaluation Advisor, via phone (703) 875-4235, fax (703) 875-4866, or e-mail. Copies of TIPS can be ordered from the Development Information Services Clearinghouse by calling (703) 351-4006 or by faxing (703) 351-4039. Please refer to the PN number. To order via Internet, address requests to docorder@disc.mhs.compuserve.com

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Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

ESTABLISHING PERFORMANCE TARGETS

Reengineering supports USAID's commitment to focus on results. Performance targets lie at the heart of this commitment. They define, in concrete terms, what will be accomplished by when as a result of USAID's program.

This Tips discusses what targets are, why they are important, and what information sources and approaches may be used for setting targets.

What are Performance Targets?

Performance targets represent commitments that USAID operating units make about the level and timing of results to be achieved by a program

Operating units should establish a performance target for each performance indicator it selects for its strategic objectives and intermediate results
Whereas the indicator defines how performance will be measured along a scale or dimension, the target identifies the specific, planned level of result to be achieved within an explicit timeframe For example, for the indicator "value of credit provided to small enterprises by private financial institutions", the target might be "$500 million provided by 1999 "

Final and Interim Targets A *final* target is the planned value of a performance indicator at the end of the planning period For strategic objectives, final targets are often set at five to eight years away Final targets for intermediate results are usually three to five years away In addition, some *interim* targets should be set for years in between the baseline and final target year (e g for years in which change is expected and data collection is possible)

Quantitative and Qualitative Targets Targets, may be either quantitative or qualitative, depending on the nature of their indicators While targets for quantitative indicators will be numerical, targets for qualitative indicators will be descriptive

In most cases, performance targets are *quantitative* -- they identify how much of a change is expected from year to year For some indicators, performance targets will depict an increase of some sort Declines or decreases can also represent improvement, however, as is the case for certain health indicators, such as reducing the number of deaths from a particular childhood disease

USAID operating units sometimes select indicators that focus on changes which are not easy to describe in quantitative terms Improvements in the management practices of an organization USAID is assisting is a common example For such cases, descriptive or *qualitative* targets may be established An example is a list of new functions the organization should be able to perform and a set of standards for each of these functions

Often, with a little ingenuity, qualitative information can be transformed into quantitative scales against which targets can be set, as the example in box 1 illustrates

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BOX 1. Transforming Ideas About Quality into Measures for Which Targets Can Be Set

To measure an intermediate result that emphasizes improvements in quality of maternal and child health services, USAID/Yemen devised a scale that transforms qualitative information about services into a rating system against which targets can be set

0 points = Service not offered
1 point = Offers routine antenatal care
1 point = Offers recognition and appropriate management of high risk pregnancies
1 point = Offers routine deliveries
1 point = Offers appropriate management of complicated deliveries
1 point = Offers post partum care
1 point = Offers neonatal care

Score $\frac{\text{Total actual service delivery points}}{\text{Total possible service delivery points}}$

Illustrative Target Increase average score to 5/6 by the year 2000

Different Dimensions As with performance indicators, targets may address different dimensions of results Targets -- which are simply the planned values of indicators -- may express quantity (how much), quality (how good), or efficiency (least cost) values to be achieved within a specific timeframe

Several possible ways of expressing targets answer questions about *quantity* of change expected

- *Absolute level of achievement* - e g , 7,000 jobs created by 1998
- *Change in level of achievement* - e g , yields per hectare increased by 5 percent from 1996 to 2002
- *Change in relation to the scale of the problem - e g ,* proportion of households with reliable potable water increased to 70 percent by 2000
- *Creation or provision of something new* - e g , a law that allows non-government organizations to operate freely and without taxation passed by the end of 1997

Other targets may be concerned with *quality*, or how good the results of programs are expected to be Such targets relate to indicators of product or service quality -- customer satisfaction levels, responsiveness rates, dropout rates, complaints, error rates, failure rates, etc Examples of targets might include average customer satisfaction scores (based on a 5 point scale) increased to 4 by 1997, or customer dropout rates reduced to 5 percent by 1998

Targets relating to *efficiency* or producing outcomes at least cost, typically relate to unit cost measures Examples of such targets might include cost of providing a couple-year-of-protection reduced to $10 by 1998, per student cost of a training program reduced by 20 percent between 1996 and 1998

Disaggregating Targets for People-Level Indicators When a program's progress is to be measured in terms of its effects on people, targets can help USAID operating units to establish expectations about a program's intended impact on men and women, rural and urban residents, young and old, etc *Disaggregating* targets for people-level indicators clarifies the specific customer groups for which benefits are intended (See box 2)

Specific Timeframe All performance targets have a *timeliness* dimension - they establish expectations about when specific planned results will be achieved

BOX 2. Disaggregating Targets for People-Level Indicators

As part of its effort to expand and diversify opportunities in agriculture, USAID/Bolivia is reporting against gender-specific targets for permanent jobs created by firms and individuals receiving USAID- supported services

Year	Planned	Actual
1991 (Baseline)		1,369
1992	2,390 M 3,593 F	7,566 M 10,854 F
1993	10,000 M 15,000 F	11,908 M 16,818 F
1994	11,200 M 16,800 F	
1995	12,800 M 19,200 F	

Why are Targets Important?

Reengineering requires all operating units in their strategic plans to establish performance targets for all performance

indicators used to measure progress towards each strategic objective and intermediate result Beyond this formal requirement, performance targets are important for several reasons Targets bring the purpose for undertaking a program into sharp focus They help to justify a program by describing in concrete terms what USAID's investment will produce

Targets orient stakeholders to the tasks to be accomplished and motivate individuals involved in a program to do their best to ensure the targets are met Targets also help to establish a clear management contract between a USAID operating unit and the managers to whom that unit reports Once a program is underway, they serve as the guideposts for judging whether progress is being made on schedule and at the levels originally envisioned

A natural tension exists between the need for setting realistic targets and the value, from a motivational perspective, of setting targets high enough to ensure that staff and stakeholders will stretch to meet them When motivated, people can often achieve more than they imagine At the same time, realistic targets build confidence about an operating unit's ability to plan and perform When an operating unit sets targets that are too high, it constantly falls short of the expectations it sets for itself and others Like the boy who called "wolf" once too often, the unit's credibility suffers

Information Useful for Establishing Targets

Any information that helps to ground a target setting exercise and ensure its realism is helpful, especially information that improves a USAID operating unit's understanding of

- *What is the performance baseline?* It is difficult if not impossible to establish a reasonable performance target without some idea of the starting point The performance baseline is the value of the performance indicator at the beginning of the planning period --ideally, just prior to the implementation of the USAID program activities Operating units may rely on secondary data sources for baselines, if available, or may have to conduct primary data collection to establish baseline values (See Box 3)

- *What trends occurred before the program started?* Perhaps even more important than estab-lishing a single baseline value is understanding the underlying historical trend in the indicator value over time What pattern of change has been evident in the past five to ten years on the performance indicator? Is there a trend, upward or downward, that can be drawn from existing reports, records or statistics?

BOX 3 Collecting Baselines

Where baseline information is inadequate, many USAID operating units initiate a data collection effort as soon as they decide what their strategic objectives and intermediate results are and the performance indicators they will use to judge progress The first set of data collected on these indicators becomes, in effect, the formal baseline against which targets are set and future progress is assessed For people-level indicators, baselines should disaggregate data by gender and other relevant customer groups to facilitate disaggregated target setting

- *What are customer expectations of progress?* While targets should be set on an objective basis of what can be accomplished given certain conditions and resources, it is useful to get input from customers regarding what they want, need, and expect from USAID activities What are expectations of progress? Customer surveying may involve formal interviews, rapid appraisals, or informal conversations with relevant customer groups or their representatives Not only ultimate customers should be surveyed, intermediate customers (e g implementing agency staff) can be especially useful in developing realistic targets

- *What are expert judgements?* Another source of valuable information for target setting is surveying expert opinion about what is possible or feasible with respect to a particular indicator and country setting Experts should be knowledgeable about the program area as well as about local conditions Experts will be familiar with what is and what is not possible from a technical and practical standpoint -- an important input for any target setting exercise

- *What do research findings reveal?* Similarly, reviewing development literature, especially research and evaluation findings, may help in choosing realistic targets In some program areas, such as population and health, extensive research findings on development trends are already widely available What is possible to achieve may be well known In other areas, such as democracy, research on performance indicators and trends may be scarce

- *What is being accomplished elsewhere with similar programs?* Checking progress other USAID operating units or other development agencies and partners have achieved with similar programs and

using this information to set ambitious but achievable targets is known as

BOX 4 Benchmarking

One increasingly popular way of setting targets is to look at what is being done by someone else -- another business or another agency -- that has a reputation for high performance in the particular business or program area. Some examples are simple How long should a light bulb last? As long as a General Electric light bulb lasts Similarly, USAID operating units may seek such benchmarks in a particular program area by examining the best experiences of others -- e g , other USAID operating units, other development agencies or partners -- that have achieved a high level of performance Targets may be set to reflect this "best in the business" experience, provided of course that consideration is given to the comparability of country conditions, resource availabilities, and other factors likely to influence the performance levels which can be achieved

benchmarking (See Box 4)

To the extent that different types and sources of information exist, combining several of them is a way to optimize target setting

Another key to target setting is *collaboration* with others who are knowledgeable about the local situation (or similar settings) and about reasonable expectations for accomplishments Other USAID operating units, other development agencies, host country counterparts, partners, customers and experts can all be invaluable in helping determine the progress that might be expected

Some Approaches for Setting Targets

There is no single best approach to use when setting targets Much depends on the information available or readily gathered Alternative approaches include

I *Project a future trend, then add the "value added" by USAID activities* Probably the most rigorous and credible approach, this involves estimating the future trend without USAID's program, and then adding whatever gains can be expected as a result of USAID's efforts This is no simple task, projecting the future can be very tricky The task is made somewhat easier if historical data are available that can be used to establish a trend line

II *Establish a final performance target for the end of the planning period then plan progress from the baseline level* This approach involves deciding on the program's performance target for the final year, and then defining a path of progress for the years in between Final targets may be based on benchmarking techniques or on judgements of experts, program staff, customers or partners about expectations of what can be reasonably achieved within the planning period When setting interim targets, remember that progress is not necessarily a "straight line " All targets, both final and interim, should be based on a careful analysis of what is realistic to achieve, given the stage of program implementation, resource availabilities, country conditions, technical constraints, etc (See Box 5)

BOX 5. Progress Is Not Always a Straight Line

While it is easy to establish annual targets by picking an acceptable final performance level and dividing expected progress evenly in the years between, such straight line thinking about progress is often inconsistent with the way development programs really work. More often than not, no real progress -- in terms of measurable impacts or results -- is evident during the start-up period Then, in the first stage of implementation, which may take the form of a pilot test, some, but not much progress is made, while the program team adjusts its approaches. During the final two or three years of the program, all of this early work comes to fruition Progress leaps upward, and then rides a steady path to the end of the planning period If plotted on a graph, this would look like a "staursteps", not a straight line.

III *Set annual performance targets* This approach is similar to the preceding, except it is based on judgements about what can be achieved each year, instead of starting with a final performance level and working backwards

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Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

CONDUCTING CUSTOMER SERVICE ASSESSMENTS

Under USAID's new operations system, Agency operating units are required to routinely and systematically assess customer needs for, perceptions of, and reactions to USAID programs.

This TIPs gives practical advice about customer service assessments—for example, when they should be conducted, what methods may be used, and what information can be usefully included.

What Is a Customer Service Assessment?

A customer service assessment is a management tool for understanding USAID's programs from the customer's perspective Most often these assessments seek feedback from customers about a program's *service delivery performance* The Agency seeks views from both ultimate customers (the end-users, or beneficiaries, of USAID activities—usually disadvantaged groups) and intermediate customers (persons or organizations using USAID resources, services, or products to serve the needs of the ultimate customers)

Customer service assessments may also be used to elicit opinions from customers or potential customers about USAID's strategic plans, strategic objectives, or other planning issues For example, the operating unit may seek their views on development needs and priorities to help identify new, relevant activities

Why Conduct Customer Service Assessments?

USAID's reengineered operating system calls for regularly conducting customer service assessments for all program activities Experience indicates that effective customer feedback on service delivery improves performance, achieves better results, and creates a more participatory working environment for programs, and thus increases sustainability

These assessments provide USAID staff with the information they need for making constructive changes in the design and execution of development programs This information may also be shared with partners and customers as an element in a collaborative, ongoing relationship In addition, customer service assessments provide input for reporting on results, allocating resources, and presenting the operating unit's development programs to external audiences

Customer service assessments are relevant not only to program-funded activities directed to customers external to USAID They can also be very useful in assessing services provided to internal USAID customers

Moreover, customer service assessments are federally mandated The Government Performance and Results Act of 1993 and Executive Order 12862 of 1993 direct federal agencies to reorient their programs toward achievement of measurable results that reflect customers' needs and to systematically assess those needs Agencies must report annually to the Administration on customer service performance

Who Does Customer Service Assessments?

USAID reengineering guidance specifies that all operating units should develop a *customer service plan* The plan should include information about customers' needs, preferences, and reactions as an element in a unit's planning, achieving, performance monitoring and evaluation functions (see box 1)

Box 1 The Customer Service Plan

The customer service plan presents the operating unit's vision for including customers and partners to achieve its objectives It explains how customer feedback will be incorporated to determine customer needs and perceptions of services provided, and how this feedback will be regularly incorporated into the unit's operations. The customer service plan is a management tool for the operating unit and does not require USAID/W approval Specifically, the plan

- Identifies the ultimate and intermediate customers for service delivery and segments customer groups for different programs, products, or services
- Describes and regularly schedules appropriate means for assessing service delivery, performance, and customer satisfaction
- Establishes service principles and specifies measurable service performance standards
- Indicates staff responsibilities for managing customer service activities—including assessments
- Specifies the resources required for customer service activities and assessments

Depending on the scope of its program operations, an operating unit may find it needs to plan several customer service assessments The various assessments might be tailored to different strategic objectives, program activities and services, or customer groups (differentiated, for example, by gender, ethnicity, or income) Responsibility for designing and managing these assessments typically is assigned to the relevant strategic objective or results package team

How Do Customer Service Assessments Complement Performance Monitoring And Evaluation?

Performance monitoring and evaluation broadly addresses the results or outcomes of a program These results reflect objectives chosen by the operating unit (in consultation with partners and customer representatives) and may encompass several types of results

Often they are medium- to longer-term developmental changes or impacts Examples reductions in fertility rates, increases in income, improvements in agricultural yields, reductions in forest land destroyed

Another type of result often included in performance monitoring and evaluation involves *customer perceptions and responses to goods or services delivered by a program*—for example, the percentage of women satisfied with the maternity care they receive, or the proportion of farmers who have tried a new seed variety and intend to use it again Customer service assessments look at this type of result—customer satisfaction, perceptions, preferences, and related *opinions* about the operating unit's performance in delivering the program's products and services

Unless the service or product delivery is satisfactory (i e , timely, relevant, accessible, good quality) from the perspective of the customers, it is unlikely that the program will achieve its substantive development results, which, after all, ultimately depend on customers' participation and use of the service or product For example, a family-planning program is unlikely to achieve reduced fertility rates unless customers are satisfied with the contraceptive products it offers and the delivery mechanism it uses to provide them If not sufficiently satisfied, customers will simply not use them

Customer service assessments thus complement broader performance monitoring and evaluation systems by monitoring a *specific type* of result service delivery performance from the customer's perspective By providing managers with information on whether customers are satisfied with and using a program's products and services, these assessments are especially useful for giving early indications of whether longer term substantive development results are likely to be met

Both customer service assessments and performance monitoring and evaluation use the same array of standard social science investigation techniques—surveys, rapid and participatory appraisal, document reviews, and the like In some cases, the same survey or rapid appraisal may even be used to gather both types of information For example, a survey of customers of an irrigation program might ask questions about service delivery aspects (e g , access, timeliness, quality, use of

irrigation water) and questions concerning longer term development results (e g , yields, income)

Steps In Conducting A Customer Service Assessment

Step 1 Decide when the assessment should be done

Customer service assessments should be conducted whenever the operating unit requires customer information for its management purposes The general timing and frequency of customer service assessments is typically outlined in the unit's customer service plan

Customer service assessments are likely to be most effective if they are planned to coordinate with critical points in cycles associated with the program being assessed (crop cycles, local school year cycles, host country fiscal year cycles, etc) as well as with the Agency's own annual reporting and funding cycles

Customer service assessments will be most valuable as management *and* reporting tools if they are carried out some months in advance of the operating unit's annual planning and reporting process For example, if a unit's results review and resources request (R4) report is to be completed by February, the customer service assessment might be conducted in November

However, the precise scheduling and execution of assessments is a task appropriate for those responsible for results in a program sector—members of the strategic objective or results package team

Step 2 Design the assessment.

Depending on the scale of the effort, an operating unit may wish to develop a *scope of work* for a customer service assessment At a minimum, planning the assessment should 1) identify the purpose and intended uses of the information, 2) clarify the program products or services being assessed, 3) identify the customer groups involved, and 4) define the issues the study will address Moreover, the scope of work typically discusses data collection methods, analysis techniques, reporting and dissemination plans, and a budget and time schedule

Specific issues to be assessed will vary with the strategic objective, program activities under way, socioeconomic conditions, and other factors However, customer service assessments generally aim at understanding

- Customer views regarding the *importance of various USAID-provided services* (e g , training, information, commodities, technical assistance) to their own needs and priorities
- Customer judgments, based on measurable service standards, *on how well USAID is performing service delivery*
- Customer *comparisons of USAID service delivery* with that of other providers

Open-ended inquiry is especially well suited for addressing the first issue The other two may be measured and analyzed quantitatively or qualitatively by consulting with ultimate or intermediate customers with respect to a number of service delivery attributes or criteria important to customer satisfaction (see box 2) In more formal surveys, for example, customers may be asked to rate services and products on, say, a 1-to-5 scale indicating their level of satisfaction with specific service characteristics or attributes they consider important (e g , quality, reliability, responsiveness) In addition to rating the actual services, customers may be asked what they would consider "excellent" service, referring to the same service attributes and using the same 5-point scale Analysis of the gap between what customers expect as an ideal standard and what they perceive they actually receive indicates the areas of service delivery needing improvement

In more qualitative approaches, such as focus groups, customers discuss these issues among themselves while researchers listen carefully to their perspectives Operating units and teams should design their customer

Box 2: Illustrative Criteria For Assessing Service Delivery

Convenience Ease of working with the operating unit, simple processes, minimal red tape, easy physical access to contacts

Responsiveness. Follow up promptly, meet changing needs, solve problems, answer questions, return calls

Reliability. On-time delivery that is thorough, accurate, complete

Quality of products and services. Perform as intended, flexible in meeting local needs, professionally qualified personnel

Breadth of choice. Sufficient choices to meet customer needs and preferences

Contact personnel. Professional, knowledgable, understand local culture, language skills

assessments to collect customer feedback on service delivery issues and attributes they believe are most important to achieving sustainable results toward a clearly defined strategic objective These issues will vary with the nature of the objective and program activity

3 Conduct the assessment.

With its objective clearly in mind, and the information to be collected carefully specified, the operating unit may decide to use in-house resources, external assistance from consultants, or a combination of the two, to conduct the assessment

Select from a broad range of methods A customer service assessment is not just a survey It may use a broad repertory of inquiry tools designed to elicit information about the needs, preferences, or reactions of customers regarding a USAID activity, product or service Methods may include the following

- Formal customer surveys
- Rapid appraisal methods (e g , focus groups, town meetings, interviews with key informants)
- Participatory appraisal techniques, in which customers plan, analyze, self-monitor, evaluate or set priorities for activities
- Document reviews, including systematic use of social science research conducted by others

Use systematic research methods A hastily prepared and executed effort does not provide quality customer service assessment information Sound social science methods are essential

Practice triangulation To the extent resources and time permit, it is preferable to gather information from several sources and methods, rather than relying on just one Such triangulation will build confidence in findings and provide adequate depth of information for good decision-making and program management In particular, quantitative surveys and qualitative studies often complement each other Whereas a quantitative survey can produce statistical measurements of customer satisfaction (e g , with quality, timeliness, or other aspects of a program operation) that can be generalized to a whole population, qualitative studies can provide an in-depth understanding and insight into customer perceptions and expectations on these issues

Conduct assessments routinely Customer service assessments are designed to be *consciously iterative* In other words, they are undertaken periodically to enable the operating unit to build a foundation of findings over time to inform management of changing customer needs and perceptions Maintaining an outreach orientation will help the program adapt to changing circumstances as reflected in customer views

4 Broadly disseminate and use assessment findings to improve performance

Customer service assessments gain value when broadly disseminated within the operating unit, to other operating units active in similar program sectors, to partners, and more widely within USAID Sharing this information is also important to maintaining open, transparent relations with customers themselves

Assessment findings provide operating unit managers with insight on what is important to customers and how well the unit is delivering its programs They also can help identify operations that need quality improvement, provide early detection of problems, and direct attention to areas where remedial action may be taken to improve delivery of services

Customer assessments form the basis for review of and recommitment to service principles They enable measurement of service delivery performance against service standards and encourage closer rapport with customers and partners Moreover, they encourage a more collaborative, participatory, and effective approach to achievement of objectives

Selected Further Reading

Resource Manual for Customer Surveys Statistical Policy Office, Office of Management and Budget October 1993

H S Plunkett and Elizabeth Baltimore, *Customer Focus Cookbook*, USAID/M/ROR, August 1996

Zeithaml, Valarie A, A Parasuraman, and Leonard L Berry *Delivering Quality Service* New York Free Press

For more information about customer service assessments contact H S Plunkett (202-663-2496) or Elizabeth Baltimore (202-663-2459), customer service officers with M/ROR.

CDIE's Tips series provides advice and suggestions to USAID managers on how to plan and conduct performance monitoring and evaluation activities effectively They are supplemental references to the reengineering directives system (ADS), chapter 203 For further information, contact Annette Binnendijk, CDIE Senior Evaluation Advisor via phone (703) 875-4235, fax (703) 875-4866, or e mail. Copies of Tips can be ordered from the Development Information Services Clearinghouse by calling (703) 351-4006 or by faxing (703) 351-4039 Please refer to the PN number To order via the Internet, address requests to docorder@disc mhs compuserve com

1996, Number 10

Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

CONDUCTING FOCUS GROUP INTERVIEWS

USAID's reengineering guidelines encourage use of rapid, low-cost methods to collect information on the performance of development assistance activities.

Focus group interviews, the subject of this *TIPS*, is one such method.

What Is a Focus Group Interview?

A focus group interview is an inexpensive, rapid appraisal technique that can provide managers with a wealth of qualitative information on performance of development activities, services, and products, or other issues A facilitator guides 7 to 11 people in a discussion of their experiences, feelings, and preferences about a topic The facilitator raises issues identified in a discussion guide and uses probing techniques to solicit views, ideas, and other information Sessions typically last one to two hours

Advantages and Limitations

This technique has several advantages It is low cost and provides speedy results Its flexible format allows the facilitator to explore unanticipated issues and encourages interaction among participants In a group setting participants provide checks and balances, thus minimizing false or extreme views

Focus groups have some limitations, however The flexible format makes it susceptible to facilitator bias, which can undermine the validity and reliability of findings Discussions can be sidetracked or dominated by a few vocal individuals Focus group interviews generate relevant qualitative information, but no quantitative data from which generalizations can be made for a whole population Moreover, the information can be difficult to analyze, comments should be interpreted in the context of the group setting

When Are Focus Group Interviews Useful?

Focus group interviews can be useful in all phases of development activities—planning, implementation, monitoring, and evaluation They can be used to solicit views, insights, and recommendations of program staff, customers, stakeholders, technical experts, or other groups

They are especially appropriate when

- program activities are being planned and it is important for managers to understand customers' and other stakeholders' attitudes preferences or needs
- specific services or outreach approaches have to take into account customers' preferences
- major program implementation problems cannot be explained
- recommendations and suggestions are needed from customers, partners, experts, or other stakeholders

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For example, focus groups were used to uncover problems in a Nepal family planning program where facilities were underutilized, and to obtain suggestions for improvements from customers The focus groups revealed that rural women considered family planning important However, they did not use the clinics because of caste system barriers and the demeaning manner of clinic staff Focus group participants suggested appointing staff of the same social status to ensure that rural women were treated with respect They also suggested that rural women disseminate information to their neighbors about the health clinic

Before deciding whether to use focus group interviews as a source of information, the study purpose needs to be clarified This requires identifying who will use the information, determining what information is needed, and understanding why the information is needed Once this is done, an appropriate methodology can be selected (See Tips 5 *Using Rapid Appraisal Methods* for additional information on selecting appraisal techniques)

Steps in Conducting Focus Group Interviews

Follow this step-by-step advice to help ensure high-quality results

Step 1 Select the team

Conducting a focus group interview requires a small team, with at least a facilitator to guide the discussion and a rapporteur to record it The facilitator should be a native speaker who can put people at ease The team should have substantive knowledge of the topic under discussion

Skills and experience in conducting focus groups are also important If the interviews are to be conducted by members of a broader evaluation team without previous experience in focus group techniques training is suggested This training can take the form of role playing, formalized instruction on topic sequencing and probing for generating and managing group discussions, as well as pre-testing discussion guides in pilot groups

Step 2 Select the participants

First identify the types of groups and institutions that should be represented (such as program managers, customers, partners, technical experts, government officials) in the focus groups This will be determined by the information needs of the study Often separate focus groups are held for each type of group Second, identify the most suitable people in each group One of the best approaches is to consult key informants who know about local conditions It is prudent to consult several informants to minimize the biases of individual preferences

Each focus group should be 7 to 11 people to allow the smooth flow of conversation

Participants should be homogenous, from similar socioeconomic and cultural backgrounds They should share common traits related to the discussion topic For example, in a discussion on contraceptive use, older and younger women should participate in separate focus groups Younger women may be reluctant to discuss sexual behavior among their elders, especially if it deviates from tradition Ideally, people should not know each other Anonymity lowers inhibition and prevents formation of cliques

Step 3 Decide on timing and location

Discussions last one to two hours and should be conducted in a convenient location with some degree of privacy Focus groups in a small village arouse curiosity and can result in uninvited participants Open places are not good spots for discussions

Step 4 Prepare the discussion guide

The discussion guide is an outline, prepared in advance, that covers the topics and issues to be discussed It should contain few items, allowing some time and flexibility to pursue unanticipated but relevant issues

Excerpt from a Discussion Guide

Curative Health Service
(20-30 minutes)

Q. Who treats/cures your children when they get sick? Why?

Note Look for opinions about

- outcomes and results
- provider-user relations
- costs (consultations, transportation, medicine)
- waiting time
- physical aspects (privacy, cleanliness)
- availability of drugs, lab services
- access (distance, availability of transportation)
- follow-up at home

The guide provides the framework for the facilitator to explore, probe, and ask questions Initiating each topic with a carefully crafted question will help keep the discussion focused Using a guide also increases the comprehensiveness of the data and makes data collection more efficient Its flexibility, however can mean that different focus groups are asked different questions, reducing the credibility of the findings An excerpt from a discussion guide used in Bolivia to assess child survival services provides an illustration (See box on page 2)

Step 5 Conduct the interview

Establish rapport Often participants do not know what to expect from focus group discussions It is helpful for the facilitator to outline the purpose and format of the discussion at the beginning of the session, and set the group at ease Participants should be told that the discussion is informal everyone is expected to participate, and divergent views are welcome

Phrase questions carefully Certain types of questions impede group discussions For example, yes-or-no questions are one dimensional and do not stimulate discussion "Why" questions put people on the defensive and cause them to take "politically correct" sides on controversial issues

Open-ended questions are more useful because they allow participants to tell their story in their own words and add details that can result in unanticipated findings For example

- What do you think about the criminal justice system?
- How do you feel about the upcoming national elections?

If the discussion is too broad the facilitator can narrow responses by asking such questions as

- What do you think about corruption in the criminal justice system?
- How do you feel about the three parties running in upcoming national elections?

Use probing techniques When participants give incomplete or irrelevant answers the facilitator can probe for fuller, clearer responses A few suggested techniques

- *Repeat the question*—repetition gives more time to think
- *Adopt "sophisticated naivete posture*—convey limited understanding of the issue and ask for specific details
- P*ause for the answer*—a thoughtful nod or expectant look can convey that you want a fuller answer
- *Repeat the reply*—hearing it again sometimes stimulates conversation
- *Ask when what where which and how questions*—they provoke more detailed information
- *Use neutral comments*—"Anything else?" "Why do you feel this way?"

Control the discussion In most groups a few individuals dominate the discussion To balance out participation

- Address questions to individuals who are reluctant to talk
- Give nonverbal cues (look in another direction or stop taking notes when an individual talks for an extended period)
- Intervene, politely summarize the point, then refocus the discussion
- Take advantage of a pause and say, "Thank you for that interesting idea, perhaps we can discuss it in a separate session Meanwhile with your consent, I would like to move on to another item "

Minimize group pressure When an idea is being adopted without any general discussion or disagreement, more than likely group pressure is occurring To minimize group pressure the facilitator can probe for alternate views For example, the facilitator can raise another issue, or say, "We had an interesting discussion but let's explore other alternatives "

Step 6 Record the discussion

A rapporteur should perform this function Tape recordings in conjunction with written notes are useful Notes should be extensive and reflect the content of the discussion as well as nonverbal behavior (facial expressions, hand movements)

Shortly after each group interview, the team should summarize the information, the team's impressions, and implications of the information for the study

Discussion should be reported in participants' language, retaining their phrases and grammatical use Summarizing or paraphrasing responses can be misleading For instance, a verbatim reply "Yes, indeed! I am positive," loses its intensity when recorded as "Yes "

Step 7 Analyze results

After each session, the team should assemble the interview notes (transcripts of each focus group interview),

the summaries, and any other relevant data to analyze trends and patterns The following method can be used

Read summaries all at one time Note potential trends and patterns, strongly held or frequently aired opinions

Read each transcript Highlight sections that correspond to the discussion guide questions and mark comments that could be used in the final report

Analyze each question separately After reviewing all the responses to a question or topic, write a summary statement that describes the discussion

In analyzing the results the team should consider

- *Words* Weigh the meaning of words participants used Can a variety of words and phrases categorize similar responses?
- *Framework* Consider the circumstances in which a comment was made (context of previous discussions, tone and intensity of the comment)
- *Internal agreement* Figure out whether shifts in opinions during the discussion were caused by group pressure
- *Precision of responses* Decide which responses were based on personal experience and give them greater weight than those based on vague impersonal impressions
- *The big picture* Pinpoint major ideas Allocate time to step back and reflect on major findings
- *Purpose of the report* Consider the objectives of the study and the information needed for decision-making The type and scope of reporting will guide the analytical process For example, focus group reports typically are (1) brief oral reports that highlight key findings, (2) descriptive reports that summarize the discussion, and (3) analytical reports that provide trends, patterns, or findings and include selected comments

Selected Further Reading

Krishna Kumar *Conducting Group Interviews in Developing Countries* A I D Program Design and Evaluation Methodology Report No 8, 1987 (PN-AAL-088)

Richard A Krueger, *Focus Groups A Practical Guide for Applied Research*, Sage Publications, 1988

Focus Group Interviews of Navarongo Community Health and Family Planning Project in Ghana

The Ghanaian Ministry of Health launched a small pilot project in three villages in 1994 to assess community reaction to family planning and elicit community advice on program design and management A new model of service delivery was introduced community health nurses were retrained as community health officers living in the communities and providing village-based clinical services. Focus group discussions were used to identify constraints to introducing family planning services and clarify ways to design operations that villagers value.

Discussions revealed that many women want more control over their ability to reproduce, but believe their preferences are irrelevant to decisions made in the male-dominated lineage system This indicated that outreach programs aimed primarily at women are insufficient Social groups must be included to legitimize and support individuals' family-planning decisions. Focus group discussions also revealed women's concerns about the confidentiality of information and services. These findings preclude development of a conventional community-based distribution program, since villagers clearly prefer outside service delivery workers to those who are community members

CDIE's *Tips* series provides advice and suggestions to USAID managers on how to plan and conduct performance monitoring and evaluation effectively They are supplemental references to the reengineering directives system (ADS), chapter 203 For further information, contact Annette Binnendijk, CDIE Senior Evaluation Advisor, via phone (703) 875-4235, fax (703) 875-4866, or e-mail Copies can be ordered from the Development Information Services Clearinghouse by calling (703) 351-4006 or faxing (703) 351-4039 Please refer to the PN number. To order via Internet, address requests to docorder@disc mhs compuserve com

1997, Number 11

Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

THE ROLE OF EVALUATION IN USAID

Evaluation is a practical management tool for understanding and improving the performance of USAID programs and activities.

This TIPS addresses questions about the new role of evaluation in the reengineered Agency and outlines key steps operating units should follow in planning and conducting evaluations.

What Is Evaluation?

"Evaluation is a relatively structured, analytical effort undertaken selectively to answer specific management questions regarding USAID-funded assistance programs or activities (USAID Automated Directives System, chapter 202 4)

Evaluation is a management tool that plays a vital role in Agency decision-making, accountability reporting, and learning It is an important source of information about the performance of USAID activities, programs and strategies Other sources include performance monitoring, research, customer surveys, and informal sources (unstructured feedback from customers and partners, or casual site visits)

To manage for results effectively, the regular collection, review, and use of performance information is critical For example, performance information is used to

- Improve the performance and effectiveness of development activities
- Revise strategies
- Plan new strategic objectives, results packages or activities
- Decide whether to abandon failing programs, strategies or objectives
- Document and report findings on the impacts of assistance

How Is Evaluation Different From Performance Monitoring?

Two key sources of performance information—performance monitoring and evaluation—differ in ways discussed below

Performance monitoring systems track and alert management as to whether actual results are being achieved as planned They are built around a hierarchy of objectives logically linking USAID activities and resources to intermediate results and strategic objectives through cause-and-effect relationships For each objective one or more indicators are selected to measure performance against explicit targets (planned results to be achieved by specific dates) Performance monitoring is an ongoing, routine effort requiring data gathering, analysis, and reporting on results at periodic intervals

Evaluations are systematic analytical efforts that are planned and conducted in response to specific management questions about performance of USAID-funded development assistance programs or activities Unlike performance monitoring, which is ongoing, evaluations are occasional—conducted when needed Evaluations often focus on why results are or are not being achieved Or they may address issues such as relevance, effectiveness, efficiency, impact, or sustainability Often, evaluations provide management with lessons and recommendations for adjustments in program strategies or activities (See box 1 for more on evaluation purposes)

2

While performance monitoring and evaluation are distinct functions, they can be highly complementary if they are appropriately coordinated with each other

Evaluations should be closely linked or integrated with performance monitoring systems Performance monitoring information will often trigger or flag the need for an evaluation, especially when there are unexpected gaps between actual and planned results that need explanation Depending on where the unanticipated trouble lies, evaluations may be needed at the level of individual activities, intermediate results, or strategic objectives Not only failures to achieve targets but also unexpected successes deserve special evaluations

Why Is Evaluation Important?

USAID operating units need to know not only *what* results were achieved (via the monitoring system) but also *how* and *why* they were achieved, and *what actions to take* to improve performance further (via evaluation) Thus, evaluation makes unique contributions to explaining performance and understanding what can be done to make further improvements Evaluation is an important, complementary tool for improving program management

BOX 1
Evaluation Purposes

- Explain unexpected results (positive or negative).
- Determine if customer needs are being met.
- Assess net impacts of USAID activities.
- Identify unintended impacts.
- Explore special issues such as sustainability, cost effectiveness, relevance.
- Make action recommendations for program improvement.
- Distill lessons for application in other settings.
- Test validity of hypotheses and assumptions underlying results frameworks.

What's New About Evaluation?

USAID reengineering guidance stresses

- Conducting more strategic evaluations
- Using collaborative and participatory evaluation processes
- Using rapid appraisal techniques

Conducting more strategic evaluations

Traditionally, most USAID evaluations focused on single projects or activities Rarely were multiple activities evaluated together to determine their contribution to a common result or objective Now, reengineering guidance calls for evaluation at any of three levels activity, intermediate result, or strategic objective levels, depending on where a performance issue appears to lie

While operating units should continue to use evaluation to understand operational problems and assess individual activities, with a clear results framework in place, units also need to evaluate *strategically*—that is, to assess the broader development hypotheses and assumptions underlying the framework Such strategic evaluations assess the performance of entire groups of activities directed at a common strategic objective (or intermediate result), analyze causal linkages and the relative effectiveness of alternative activities and approaches These broader evaluations are useful for strategic decision-making—for example, which activities, approaches, and strategies to promote and which to abandon to more effectively achieve objectives

Using more collaborative and participatory evaluation processes

USAID evaluations can be categorized into several types based on who is conducting them

1 **Internal or self-evaluations** are conducted by the operating unit or agency implementing the activity or program being assessed

2 **External evaluations** are conducted by an independent office or experts not directly associated with the activity or program

3 **Collaborative evaluations** are conducted jointly by more than one office, agency, or partner For example, a collaborative or joint evaluation might be conducted by a team comprising staff from the USAID mission, the World Bank, the recipient country, and an NGO

4 **Participatory evaluations** are conducted by multiple stakeholders, often in a workshop format with the help of a facilitator Stakeholders include representatives of customers or beneficiaries, as well as sponsoring donor agencies, implementing agency staff, and others with a stake in the program The stakeholders have active participation in all phases of the evaluation, including planning, data collection, analysis, reporting, dissemination and follow-up actions

Each type of evaluation has its own strengths and limitations Some may be more appropriate than others under different circumstances and needs For example, if objectivity and credibility are key requirements, an external evaluation may be the appropriate choice, whereas if stakeholder ownership and acting on findings are priorities, more collaborative or participatory approaches are usually better

In general, however, the reengineering guidance requests that operating units consider using more collaborative and participatory approaches to evaluation—with good cause

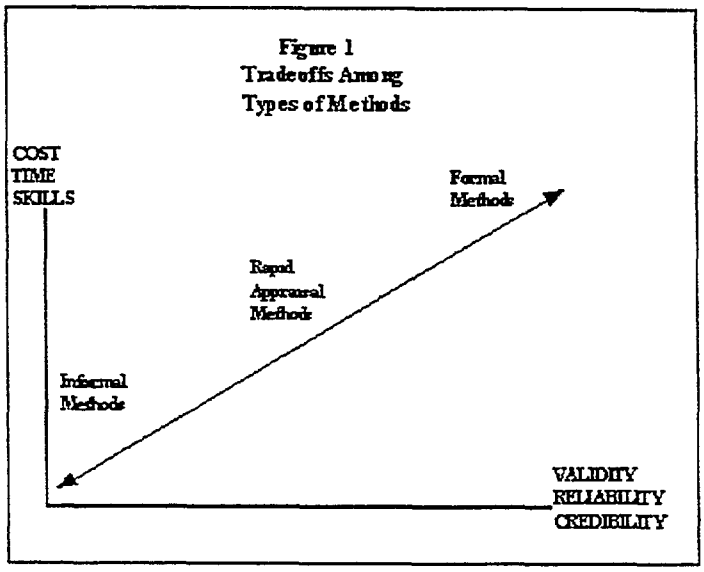
As strategic evaluations become common, so will the need for more collaborative evaluations conducted in partnership with other donors and with the recipient country While USAID may contribute to the achievement of a strategic objective, rarely is USAID the only or even the key contributor Thus, it makes sense to conduct these strategic-level evaluations jointly—where possible—with the other development partners active in a particular sector or program area. Advantages of these joint evaluations are that they will burden the recipient organization less than several individual donors' evaluations, have greater impact on shared lesson learning and decision-making, and be more cost-effective A possible disadvantage may be less attention to each individual donor's contributions or accountability

Reengineering calls for a more participatory approach to evaluation, involving customers, partners and stakeholders—as appropriate—in all phases of the evaluation process While conducting more participatory evaluations is now Agency policy, its practice is not yet widespread Experience has shown several advantages of participatory evaluations ultimately resulting in improved program performance Listening to and learning from program beneficiaries, field staff, and other stakeholders who know why a program is or is not working is critical to making improvements Also, the more insiders are involved in identifying the evaluation questions and in gathering and analyzing the data, the more likely they are to use the information to improve performance Participatory evaluation empowers program providers and customers to act on knowledge gained They have the added advantage of building evaluation capacity among the participants However they can have disadvantages such as being viewed as less objective because stakeholders with vested interests participate, being less useful in addressing some technical issues, and requiring considerable time and resources (See TIPs #1 for more on participatory evaluation)

Emphasis on using rapid appraisal techniques

Reengineering guidance also emphasizes the use of rapid appraisal methods in evaluation work These methods are quick low cost ways of gathering data systematically in support of managers' information needs, especially questions about performance They fall on a continuum between very informal methods, such as casual conversations or unstructured site visits, and highly formal methods, such as censuses, surveys, or experiments While informal methods are cheap and quick, they may not be as credible with decision-makers as the more formal, rigorous methods Whereas formal methods have high reliability, validity, and credibility, they typically are expensive and time consuming and require extensive technical skills Between these two lie rapid appraisal methods Being neither very informal nor fully formal, they share the properties of both, and that is their strength as well as their weakness (Figure 1 illustrates tradeoffs between these types of methods)

Figure 1
Tradeoffs Among
Types of Methods



Some of the most popular rapid appraisal methods include key informant interviews, focus groups, community interviews, direct observation, and minisurveys (See TIPS #5 for more on rapid appraisal methods)

Specific advantages of rapid appraisal methods include their relative low cost, quick turn-around time, and flexibility They can provide in-depth information concerning an issue, process, or phenomenon Moreover, they can be learned relatively easily, thus making them ideal for participatory evaluations Their shortcomings include limited reliability and validity, lack of quantitative data from which generalizations can be made, and possibly less credibility with decision-makers (Box 2 indicates when it is appropriate to use rapid appraisal methods)

Key Steps in Planning And Conducting an Evaluation

USAID operating units should consider the steps discussed below in planning, conducting, and following-up an evaluation

BOX 2
Use Rapid Appraisal Methods When . . .

. . . Qualitative descriptive information is sufficient for decision-making

. . . Motivations and attitudes affecting behavior need to be understood—that is, when "how" and "why" questions need answering

. . . Quantitative data—for example, from the performance monitoring system—must be interpreted

. . . Practical suggestions and recommendations are needed for improving performance

1 Decide if and when to evaluate

The decision whether to evaluate should be driven by management's need for information about performance Evaluations should not be treated as a formality that is just scheduled routinely Rather, they should be planned when there is a distinct and clear need This will help focus them and increase their usefulness

Some triggers that may indicate an evaluation is needed include the following

- Performance monitoring indicates there are unexpected results (positive or negative) that need to be explained
- A key management decision must be made and there's inadequate information
- Annual performance reviews have identified key questions that need to be answered
- Customer or partner feedback suggests that there are implementation problems or unmet needs
- The contribution of USAID activities to results is questioned
- Issues of sustainability, cost-effectiveness, or relevance arise
- The validity of results frameworks hypotheses and critical assumptions is questioned
- Recommendations for actions to improve performance are needed
- Extracting lessons is important for the benefit of other operating units or for future programming

2 Plan the evaluation

Planning an evaluation well involves careful consideration of a number of substeps

Clarify the evaluation purpose and audience Answer who wants the information, what do they want to know, what will the information be used for, when will it be needed, and how accurate must it be?

Identify the evaluation questions Clarifying the questions the evaluation will answer is critical to a focused effort Ensure they are management priorities and limited in number Frame the questions so they can be answered on the basis of empirical evidence

Select appropriate methods The next challenge is choosing an evaluation design strategy or methodology (case studies, sample survey, comparative evaluation design, rapid appraisal methods, analysis of existing data, participatory workshop, and the like) that answers the evaluation questions in a credible way, subject to time and resource constraints Different methods have distinct features that make them either more or less appropriate for answering a particular type of question credibly For example, if the question is what percentage of the farm population adopted a new technology, then a sample survey would be most appropriate If, by contrast, the issue is why didn't more farmers adopt a new technology, a rapid appraisal method would be a better choice If the question is did a USAID activity contribute to the increase in agricultural production (that is, proving attribution), then a comparative evaluation design might be needed In practice, designs may sometimes combine different approaches, either to improve the persuasiveness of a finding or to answer different questions

Prepare a data collection and analysis plan Once the basic design has been selected, detailed plans need to be prepared before data collection and analysis can begin The plan should address what is the unit of analysis from which data will be collected, what are requirements for data disaggregation, what sampling procedures will be followed, what techniques or instruments will be used to gather data, what is the timing and frequency of data collection and what methods of data analysis will be employed?

Decide on team composition and participation Another planning task involves deciding team size, qualifications and skills, as well as issues concerning collaboration with other development partners and participation by customers and other stakeholders Broad collaboration and participation on teams is strongly encouraged in USAID guidance Important factors to consider when selecting the team include language proficiency, technical competencies, in-country experience, methods and data collection skills, facilitation skills, gender mix, and possible conflicts of interest

Plan procedures schedule, logistics, reporting requirements and budget Planning an evaluation also requires resolving various procedural issues, such as the schedule of evaluation activities, what logistical support is needed, what reports are required, how evaluation findings will be disseminated, and estimates of costs

In formal evaluation efforts, it is useful to document these evaluation plans in a scope of work (See TIPS #3 for more on preparing scopes of work)

3 Hold a team planning workshop

Usually evaluations are conducted by teams Once fieldwork (data collection and analysis) begins, teams will typically have a lot to accomplish in a short time, possibly facing unfamiliar surroundings, logistical problems, data shortages, and internal "team" problems Holding a team planning workshop will help the team get off to a good start The workshop aims to a) create an effective team that shares common understandings of the evaluation purpose and plans and b) prepare them as much as possible for the fieldwork ahead

A suggested agenda for a team planning workshop includes sessions on

- *Evaluation purpose and audience* The team should gain a clear understanding of the evaluation's purpose, questions to be addressed, and the intended audience It's often useful for them to hear first hand from key clients
- *USAID program or activities* In this session, the team becomes familiar with the program or activities to be evaluated by setting aside time for document reviews or having knowledgeable people brief them
- *Evaluation plans (scope of work)* This session gives the team the opportunity to review and if appropriate revise plans in order to develop a common understanding of the tasks ahead In particular, the team should concentrate on data collection and analysis methods If they haven't already been done, the team should develop a strategy for data gathering and prepare preliminary data collection instruments
- *Reporting requirements* The team reviews expectations for the evaluation report and plans for briefings
- *Team workstyles roles and work plan* The team discusses individual members' preferences for working in order to agree on effective ways of working together (such as work processes, decision-making styles, work hours, and handling disagreements) The team also discusses and agrees on how the overall evaluation scope of work will be divided among team members They develop a workplan including a schedule of tasks

4 Conduct data collection and analysis

It is difficult to give general advice for conducting data collection and analysis because so much is specific to the evaluation method(s) selected Scopes of work may specify the methods to be used or teams may be asked to chose appropriate methods themselves Several TIPs have already been written for conducting specific rapid appraisal methods (TIPs #2, 4, and 10) and for participatory evaluations (TIPs #1) Others are planned

Nevertheless, evaluations should always be based on empirical evidence and follow a systematic procedure for gathering and analyzing data—whether it's quantitative or qualitative—to maximize credibility and reduce possible sources of bias Regardless of method selected, teams will be dealing with the following general elements, considerations, and issues

- *Data collection methods* There is a broad range of structured approaches to collecting data to chose from, whether it's quantitative or qualitative information that's being sought Methods include the rapid appraisal techniques (key informant interviews, focus groups, community interviews, site observation, minisurveys), participatory workshops, sample surveys, case studies, and syntheses of existing documents Which methods to select depends on factors such as the nature of the evaluation purpose and questions, whether quantitative or qualitative information is desired, the level of credibility required by the audience, and time and cost constraints
- *Data collection instruments* The data collection instruments determine the kind of information to be acquired Their content should be directly related to the evaluation questions (that is, sufficient to answer them) Care should be taken to ensure data disaggregation needs (such as gender or other special characteristics) are identified in the instrument Different data collection methods use different types of instruments Surveys employ structured questionnaires, site observation techniques use observation forms, focus groups use loosely structured interview guides to record information Other examples are scales to weigh infants and instruments to measure water quality
- *Unit of analysis* The unit of analysis is the source of information Sources should be knowledgeable about the issues or questions the evaluation wants to answer Sources may vary considerably and may be people, objects, or events

For example, units might be individuals, families, farms, communities, clinics, water wells, or immunization campaigns

- *Sampling techniques* These are systematic procedures for selecting examples or cases from the population of units Rarely will complete censuses of the whole population be called for, given time and resource constraints Sampling techniques vary considerably, including random sampling, purposive sampling, convenience sampling, recommendations of community leaders, snowballing techniques, and others Choice of techniques depends on how precise and representative of broader populations the results need to be

- *Timing of data collection* The timing or frequency of a data collection effort may be critical to getting reliable results Obvious examples include sampling agricultural yields in the right seasons, or considering local holidays or lifestyle patterns when visiting health clinics or schools

- *Data analysis methods* Data must be analyzed to discern patterns trends, or comparisons Whether quantitative or qualitative data analysis is called for, well-established methods are usually available Quantitative methods include use of descriptive statistics including measures of central tendency (such as mean median, and mode) and regression analysis and analysis of variance to test existence of potential relationships The most popular qualitative method is content analysis (a method for analyzing written material) Desktop computer software is increasingly available to make the analyst s job easier Quantitative analysis pakages include SAS, SPSS, EXCEL, DBASE, and LOTUS An example of packages for qualitative analysis is RE SEARCH

5 Communicate evaluation results

Communicating evaluation results effectively is critical if they are to be used Evaluators need to be *proactive* in seeking out opportunities to interject evaluation results into relevant management discussions and decisions They also need to be *creative* in tailoring a communication strategy to fit the audiences' needs and in drawing from a variety of communications approaches

Prepare the evaluation report Reengineering guidance requires that evaluation reports be prepared for formal and critical evaluation activities However, for less structured efforts, such as casual site visits or informal conversations with customers and partners, simple memos may suffice to document findings

BOX 3
Some Practical Tips for Conducting Fieldwork

- *Plan regular team meetings.* While it makes sense for evaluation teams to split up from time to time to do some tasks individually, it is good policy to plan daily team meetings (such as at breakfast or in the evening) to share experiences and views, to review progress, and to decide on next steps. With continuous interaction, reaching team consensus on evaluation results will be easier.

- *Maintain a calendar or schedule* for team members. Start by listing known events, such as prescheduled meetings, planned field trips, time reserved for regular team meetings, and debriefings. Then block out time required for key tasks, such as data collection, analysis, and report writing. Clarify on the calandar who will do what, and when, to get the job done

- *Keep good field notes.* Keeping good notes of interviews and observations pays off. Use instruments developed for this purpose whenever possible, since they help ensure all relevant information is included. If two team members are present during an interview or focus group, it is useful for one to do the speaking while the second concentrates on note taking. Soon afterward, notes should be typed up for later reference and analysis.

- *Take steps to reduce error, bias, and misinterpretation.* For example, make a conscious effort to look for evidence that questions or contradicts preliminary findings. Assess the credibility and impartiality of data sources, and consider giving more weight to more reliable sources. Make sure no significant sources of information are overlooked. Take a second look at possible biases among team members, hired interviewers, and translators

- *Make sure translators translate word for word.* Paraphrasing or summarizing conversations means missing rich detail and may even be misleading

When formal evaluation reports are prepared, they should be succinct, appealing, readily understood, and useful (See box 4 for tips on writing effective evaluation reports)

BOX 4
Tips for Writing an Effective Report

- Keep the report short—preferably under 20 pages—and always include an executive summary.
- Enliven the report with true-to-life quotes, anecdotes, short case studies, questions-and-answers, and photographs
- Make the report more powerful by using active voice and present tense, featuring the most important information first, and highlighting key points (in boxes, bullets, bold fonts).
- Use graphics—they can present lots of data in a small space, illustrate data patterns, highlight important comparisons, and have impact.
- Make it appealing by using attractive layouts, desktop publishing, and high-quality materials.
- Clearly specify the recommendations for action—they are the most critical component of the evaluation report. Effective recommendations don't simply happen—they must be carefully developed and presented. Try to avoid "surprises" and make recommendations realistic and easy to understand

Consider the following suggestions for the report format

- **Executive summary**—concisely states the most critical elements of the larger report
- **Introduction**—relates the evaluation purpose, audience, and questions
- **Background of the problem**—explains the development setting and constraints USAID was trying to address
- **USAID's assistance approach**—describes the USAID program strategy and activities implemented in response to the problem
- **Findings**—are *empirical facts* collected by the evaluation team and are usually about performance or factors influencing performance
- **Conclusions**—are the evaluators' *interpretations and judgements* based on the findings
- **Recommendations**—are *proposed actions* for management based on the conclusions
- **Lessons learned**—are broader implications for similar programs in different settings or for future activities
- **Unresolved issues**—review what remains to be done or examines unanswered questions
- **Annexes**—useful for covering evaluation methods, data collection instruments, schedules, interview lists, and statistical tables

Of these elements, several are required by reengineering guidance *Executive summaries* must always be prepared Also, evaluation reports should at a minimum address key *findings conclusions* and *recommendations* They should be clearly identified and distinguished from each other Making these distinctions enables readers to trace the reasoning used by the evaluators in reaching conclusions and proposing recommendations, thus making the evaluation more transparent (Box 5 gives analogies from different disciplines for these evaluation terms to help clarify their distinctions)

BOX 5
Analogies from Different Disciplines

Everyday Language	Evaluation	Law	Medicine
Facts	Findings	Evidence	Symptoms
Interpretations Judgments	Conclusions	Verdict	Diagnosis
Proposed actions	Recommendations	Sentence	Prescription

Share evaluation results USAID policy is to openly share and discuss evaluation results with relevant customers and partners, as well as other donors and stakeholders (unless there are unusual and compelling reasons not to do so) Such transparency enables others to learn and benefit from the evaluation's results and facilitates their broader use Evaluation reports should be translated into the language of key counterparts and customers

Use oral briefings Briefings are almost always more effective than written reports for presenting evaluation results and their use is suggested whenever possible By creating a forum for discussion among relevant actors, briefings create momentum for action Most important, briefings fit the way busy managers normally operate, they rarely have time to sit and read lengthy documents and moreover are used to making decisions jointly with others in meetings (Box 6 provides tips for giving an effective oral briefing)

BOX 6
Tips for an Effective Briefing

Preparing for the briefing:

- Invite a small, select audience
- Study the audience's special interests and likely questions
- Select only the most important information to present
- Prepare 6–10 large briefing charts (or use overhead transparencies or slides)
- Prepare briefing materials for all members of the audience
- Select a team of one presenter, one assistant, and one high-level liaison with the audience

Delivering the briefing:

- Explain the purpose of the briefing
- Immediately grab the audience's attention
- Avoid using a microphone or notes
- Encourage interaction at any time
- Provide a balanced picture of issues
- Limit the briefing to one hour—20 minutes for presentation
- Facilitate a lively discussion and help generate momentum for action

Use multiple communications techniques Using written reports and briefings to communicate evaluation results is commonplace But also consider using less traditional techniques that may be effective at feeding evaluation findings into ongoing decision-making or that aim at sharing evaluation results more broadly For example, consider using senior managers' bulletins, memoranda, e-mail messages, question-and-answer statements, press releases, op-ed items in newspapers, speeches, written testimony, newsletters, articles in professional journals, brown-bag lunches, videotapes, or computerized evaluation presentations

6 Review and use evaluation results

Operating units have the primary responsibility for responding to and using an evaluation including

- Systematically reviewing the key findings, conclusions and recommendations
- Identifying which are accepted and supported and which are not
- Identifying specific management actions and assigning clear responsibilities for undertaking them
- Determining whether any revisions are necessary in strategy, the results framework, or activities

The review of individual evaluation reports by regional or central bureaus is not required—in line with reengineering values of empowerment and accountability for results and to simplify review processes However, evaluations should be drawn upon to analyze and explain performance in the *Results Report and Resource Request* (R4s), which is annually reviewed by USAID/W

7 Submit evaluation reports to CDIE

The Center for Development Information and Evaluation's automated development experience database —which includes thousands of evaluation reports—is a vital aspect of the Agency's capacity to learn and share experiences across operating units and with the broader development community Operating units are required to submit to CDIE, in electronic form, all evaluation reports, executive summaries of evaluations, other documents prepared at the conclusion of an evaluation activity, operating unit's (or counterpart agency's) responses to evaluation reports, and action decisions arising from evaluation activities Project Evaluation Summaries (form AID 1330–5) is no longer required (See box 7 for how to submit evaluation documents to CDIE)

BOX 7
How to Submit Evaluation Documents to CDIE

1. Send documents in diskette form to

PPC/CDIE/DI
Document Acquisitions
Room 203J, SA–18
Washington, DC 20523–1820

2. Or send them as e-mail attachments to this box: cdie_acq@usaid.gov

The preferred form for documents is WP5.2, but other forms can be accommodated

CDIE's TIPS series provide advice and suggestions to USAID managers on how to plan and conduct performance monitoring and evaluation activities effectively. They are supplemental references to the reengineering automated directives system (ADS), chapter 203. For further information, contact Annette Binnendijk, CDIE senior evaluation adviser, via phone (703) 875–4235, fax (703) 875–4866, or e-mail (abinnendijk@usaid gov) Copies of TIPS can be ordered from the Development Experience Clearinghouse by calling (703) 351–4006 or by faxing (703) 351–4039 Please refer to the PN number To order via the Internet, address requests to docorder@dsc.mhs.compuserve.com

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DRAFT 1998, Number XX

Performance Monitoring and Evaluation

TIPS

USAID Center for Development Information and Evaluation

QUALITY STANDARDS FOR PERFORMANCE MEASUREMENT

LEFT-HAND SIDE BOX Because performance data are becoming more important Agency decisions, clarifying acceptable standards for the quality of data has become increasingly crucial This TIPS provides Agency standards for ensuring the quality of indicators and data in operating units' performance monitoring systems

Why a TIPS on Quality Standards for Performance Measurement?

This TIPS helps USAID operating unit staff and partners understand and apply the Agency's standards for performance measurement quality It brings together all of the key references to performance measurement quality found in various parts of the Automated Directives System (ADS) and clarifies the statistical, measurement, or evaluation concepts underlying them It identifies the important criteria and definitional standards for performance measurement quality which together constitute thresholds of acceptability for operating units to use as they assess performance measures An overarching quality standard and the envisioned review process with respect to these criteria and definitional standards are also outlined [1]

USAID's standards for performance measurement are evolving, and will continue to evolve, along with our collective experience and knowledge about how best to measure development

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[1] *Criteria* refer to various conceptual aspects or dimensions of quality (e g , validity, reliability) *Standards* refer to specific rules, levels, or actions that define what is acceptable quality for each criteria, and that - ideally - can be documented and independently verified

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progress These standards will also evolve because performance measurement is not yet an exact science, and because we must continually balance the cost of obtaining data against the uses of that data as well as the alternative uses to which limited resources could be put

A key principle that has guided USAID's work to date is the recognition that our knowledge about how to measure development performance is limited Much of the territory we are exploring is uncharted, and our progress will necessarily be iterative Indeed, our ability to measure performance is associated with our degree of understanding about how social change and development work in diverse technical areas and geographic settings As we gain a fuller understanding we want to avoid the kind of "spurious specificity" that drives decision-making and institutional behavior based on easily obtainable, but irrelevant measures We want to make sure that USAID staff and partners manage for *meaningful* results, not inappropriate indicators

The pace of our learning is also constrained by limited resources -- both human and financial We simply can't do everything at once The ADS recognized this, and provides a comprehensive, but flexible framework within which more precise performance measurement standards can evolve

Measuring and analyzing development results across the diversity of sectors and countries in which USAID operates is extraordinarily complex PPC developed this series of *Performance Monitoring and Evaluation TIPS,* as supplemental references to the ADS, to help staff and partners cope with this complexity In addition, PPC continues to collaborate with the regional and central bureaus to field specialized in-house staff and contractors to assist operating units in their strategic planning, performance measurement, and evaluation activities

The Agency will apply the supplemental guidance in this TIPS for one year (from July to July) to cover a complete Agency reporting cycle Therefore, operating units and USAID/W bureaus will be expected to apply the quality standards presented in this TIPS when developing and approving new strategic plans and as they assess performance through the annual R4 process Based on experience and feedback from managers and technical officers in Washington and the field, we will revise and refine this guidance next year to ensure that it does not lead to over-bureaucratization If appropriate, we will revise relevant ADS policies and essential procedures as well However, because performance monitoring begins with strategic planning and is an integral component of implementation, readers of this TIPS are also encouraged to review the relevant portions of the ADS, Chapters 201 and 203 on strategic planning and performance measurement respectively

It is important to keep in mind the fact that performance monitoring is not a substitute for evaluation Operating units are advised to undertake formal evaluations when performance monitoring indicates an unexpected result, positive or negative, on a critical measure, when feedback from formal or informal sources indicate implementation is not going well, or when there is a breakdown in a critical assumption (ADS E203 5 6a(1)

Why are Quality Standards Needed?

USAID has made substantial progress in measuring performance and managing for results since formally adopting "results-oriented" management reforms less than three years ago USAID has developed a Strategic Plan and Annual Performance Plan that include specific Agency-wide performance goals and their associated indicators These indicators now provide a clear reference point and linkages between USAID's programs and the larger development trends that we aspire to influence Nearly all of USAID's operating units have strategic plans that identify the results (strategic objectives, strategic support objectives or special objectives[2]) their programs expect to achieve and their contribution to larger Agency goals These units are identifying performance indicators to measure progress against performance baselines and targets, and have begun collecting and reporting actual performance data The analysis and assessment of these data have become an important focus of each Bureau's annual R4 (Results Report and Resource Request) reviews and of the programming decisions and resource allocations that these reviews trigger

Over the past three years, USAID has also worked hard to develop better performance measures for operational programs One important aspect of this has been the "common" indicators exercise through which PPC has engaged technical specialists from throughout the Agency in reviewing and assessing the range of indicators for different programs Initially, PPC hoped to identify "common" indicators in each goal area that would be widely applicable across program settings While this proved more feasible in some areas (such as population, health, and education), the diversity of programs and settings made the development of "common" indicators more difficult, and less useful, in other areas (such as democracy and environment) The work of these indicator teams continues, with the emphasis now on identifying quality indicators that have wide applicability, rather than "common" indicators, per se

Through the R4 process, USAID has also learned important lessons about how to collect, analyze and use results information First, better results data -- information that managers believe and trust -- do have a greater influence on decision-making Second, managers at different levels have different information needs and require differing amounts of detail Third, data without analysis and context provide little insight and much potential for misinterpretation and misuse

We have, in other words, moved very substantially from planning our performance measurement systems to actually using performance data in managing for results, as reflected in the R4 guidance for fiscal years 1999 and 2000 and the increasing transparency and comparability of decision factors among bureaus Because performance data are becoming more central to important Agency decisions, the quality of these data has become increasingly crucial We need these standards in order to

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[2] Referred to collectively in this TIPS as "objectives"

- Assure that Agency program and budget decisions - both in the field and USAID/W - are as well-informed as practically possible,

- Support efficient use of Agency resources, including those dedicated to performance measurement itself,

- Meet requirements of federal legislation, and

- Address the information needs of the Agency's internal and external stakeholders, including senior management, OMB, and the Congress

Overarching Quality Standard and the USAID/W Review Process

Attention to the quality of indicators and data clearly serves numerous and varied purposes, relevant to both USAID/W and field operating units The standard defined below, which encompasses all of the criteria discussed in this TIPS, correspondingly recognizes the needs of both the field and Washington

Standard *Each operating unit shall regularly assess the quality of its program level indicators and data The assessment of quality should be guided by the criteria and definitional standards discussed in this TIPS An operating unit shall, in its proposed Strategic Plan, (ADS E201 5 10) present "proposed performance indicators and targets for achievement of each strategic objective as well as monitoring interim progress " It should be prepared to discuss its assessments of data and indicator quality during reviews (SP and R4 reviews) with the cognizant USAID/W bureau, per the responsibilities presented in ADS 203 3 Once approved by USAID/W, an operating unit's indicators and data will be judged to have met the Agency's quality standard with respect to the criteria outlined in the ADS and this TIPS However, consistent with the ADS (ADS, E203 5 5e), this approval requires continued reassessment of data and indicators by operating units and regular validation by USAID/W and operating units through the R4 process*

Responsibility for the assessment of indicators and data against the criteria outlined in this TIPS remains the responsibility of the operating units, consistent with the ADS The USAID/W review and approval process is meant to function as a validation of operating units' judgment regarding the quality of their data and indicators The focus of the discussion between operating units and USAID/W will be on outstanding or exceptional indicator or data issues Operating units should, in these discussions, outline difficult data or indicator problems and should be prepared to explain deviations from the criteria and definitional standards presented in this TIPS (e g , the use of proxy indicators)

USAID/W reviews will be guided by the yardstick of reasonableness, i e , an understanding of the necessary trade offs encompassing the cost versus quality question with regard to

performance indicators and data Operating units may wish to use their performance monitoring plans or other mechanisms to record or present to USAID/W any outstanding or exceptional issues related to data and indicator quality However, the intention of this standard is not to increase the bureaucratization of the review process or the level of documentation required of operating units by USAID/W Rather, we hope by insuring that adequate attention is paid to the issue of data and indicator quality that more relevant, accurate and reliable performance data will be available to Agency managers at all levels, thereby facilitating better and more confident program and policy decisions

What are Quality Standards?

Appropriate quality standards for performance data must, necessarily, be keyed to our purposes in collecting these data and the uses to which these data will be put This TIPS elaborates on USAID's Automated Directives System (ADS) and earlier supplemental guidance (such as TIPS #6, *Selecting Performance Indicators* and TIPS #7, *Preparing a Performance Monitoring Plan*) to more clearly lay out key aspects of quality and the applicable criteria for assessing quality performance indicators and data

Operating units are required to track performance at various levels -- objectives, intermediate results, and activities This ensures that progress is satisfactory or that adjustments are made at the appropriate level to improve performance and helps answer the fundamental question How well are we achieving the larger development results that the Congress and the American people expect?

BOX
Performance Monitoring Systems

"The Agency and its operating units shall establish and maintain performance monitoring systems that regularly collect data which enable the assessment of progress towards achieving results Operating unit performance monitoring systems shall track performance at both the results framework level and the activity level " (ADS, 203 5 5)

USAID collects performance information to make better decisions about program content and funding based on a better understanding of the results those programs are achieving More specifically, operating units collect data on selected performance measures as *indicators* of progress towards strategic and key intermediate results These data should *indicate* whether progress is satisfactory, more rapid, or slower than expected towards targets

Occasionally, performance data may, by themselves, be so compelling that decisions -- to terminate, expand, or significantly change a program -- are crystal clear More typically, performance data inform decisions which are also guided by a wide range of other quantitative and qualitative information Indeed, the importance of this broader evaluative and contextual data for decision making is a key lesson from the R4 process Most critically, performance data often signal the need for more intensive program scrutiny or evaluation before a sound decision can be made While performance monitoring data *indicate* if performance is on track or not, it is evaluation that explains why or why not, draws lessons, and makes program action recommendations (For more on the crucial and complementary role of evaluation, vis-a-vis performance monitoring, see TIPS #11, *The Role of Evaluation in USAID*, 1997)

The challenge in setting quality standards for USAID's performance data is that we work in countries which do not have well-established data collection systems and that we seek to achieve results that involve complex social, cultural and/or institutional change Accordingly, USAID believes that the Agency's data quality standards are most appropriately informed by the theory and methods of social research [3] In the complicated development settings in which USAID works, this involves trade-offs, reasonableness, and the application of common-sense Ultimately, the Agency needs performance data that are useful for program decisions Quality standards are essential so that managers can trust that the information they are using to make decisions is on a solid methodological foundation

The key aspects and generally accepted definitional standards for performance measurement are discussed in the remainder of this TIPS The material is organized in three sections, each covering a key element of sound performance measurement First, we discuss the *quality of performance indicators* themselves Next, we consider how to ensure the *quality of the data* that are collected in relation to those indicators Finally, we discuss appropriate standards for *documenting, reviewing, and periodically re-assessing* the indicators and data collected While it is useful to keep these elements distinct when thinking about performance measurement, it is important to recognize that all three elements are crucial to measuring performance effectively and, therefore, to managing for results

Selecting Quality Performance Indicators: Criteria and Standards

BOX
Selecting Quality Indicators

[3] This is analogous to the development of generally accepted auditing and accounting standards by auditing and accounting professionals Similarly, technically qualified experts should take the lead in developing performance measurement standards for their fields, as supported by the latest research and practice

"The Agency and its operating units shall define performance indicators for which quality data are available at intervals consistent with management needs and that are direct, objective, practical and unidimensional "(ADS, E203 5 5 a) However, objectives (and their associated performance indicators) "which represent more than one dimension in addressing a development problem will be acceptable if the component results of the strategic objective are a) implemented in an integrated manner, b) achievable by a common set of intermediate results , and c) the component results are inseparable and mutually reinforcing " (ADS 201 5 10a)

The usefulness of performance indicators for decision-making is determined to a large extent by two factors

(1) the degree to which performance indicators and their related data are of reasonable quality and accurately reflect the process or phenomenon they are being used to measure, and

(2) the level of comparability of performance indicators and data over various measurement contexts That is, can we measure results in a consistent and comparable manner over time and across settings?

The first, and most essential step in getting useful performance data is to identify appropriate and reasonable quality performance indicators No matter how good the data are, they have little value if they are collected for inappropriate indicators that do not capture the intended results

It's important to recognize from the start, however, that while we always want the best indicators, there are inevitably trade-offs among various aspects of indicator quality Indeed, as the Joint Standards Committee for Education Evaluation (Program Evaluations Studied, Volume II How to Assess and Evaluate Education Programs, ©1994, Joint Standards Committee for Education Evaluation) stated in its reference volume, "there is no such thing as perfect data " One ever-present tradeoff is between cost and quality Unlimited resources would allow us to develop and use much better or more elaborate indicators, particularly in the difficult democracy and environmental areas, and to collect higher quality data In the real world though, we must make judgments about what level of quality is needed and what cost is acceptable There are, in the end, no perfect indicators

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BOX
Validity and Reliability

The concepts of validity and reliability are important to both performance indicators and data. In brief, validity refers to the extent which our measure actually represents what we intend to measure While simple in principle, validity can be very difficult to assess in practice, particularly when measuring social phenomena What does IQ really measure, for example? Is the poverty gap a good measure of the extent of a country's poverty?

Reliability refers to the stability of a measurement process That is, assuming there were no real change in the variable being measured, would the same measurement process provide the same results or findings if the procedure were repeated over and over? If we use a thermometer to measure a child's temperature repeatedly and the results vary from 95 to 105 degrees, even though we know the child's temperature hasn't changed, that wouldn't be a very reliable thermometer for determining if the child had a fever

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BOX

"Whenever possible, reasonable standards for statistical reliability and validity should be applied, although in many cases it will not be appropriate or possible to meet these standards " (ADS, E203 5 5 e))

USAID's criteria for selecting quality indicators - that they be direct, objective, practical, and adequate --are discussed below Each criterion is defined and operationalized through the use of definitional standards

Direct

Definitional Standard. *A performance indicator is direct (or valid) if it closely tracks the result it is intended to measure Each indicator that a USAID operating unit uses should be widely accepted for use by specialists in the relevant subject area, exhibit readily and widely understandable face validity(that is, be as direct a measure of a result as possible), or be supported by a specific body of technical research In cases where the operating unit uses indirect or proxy indicators (that are not generally accepted or widely used) to measure a result, the rationale for its selection and use should be assessed along with the assumed linkages [See page 4 for a discussion of the application of USAID's general quality standard.]*

The directness of an indicator is one of the most important criteria for identifying a quality performance indicator Direct indicators are often intuitively more understandable to the general

populace This is also referred to as being "valid" or having a high "face validity " Child mortality and morbidity rates, for example, are direct measures of the result, *improved child health* On the other hand, a wage rate is not a direct measure of *increased household food security* because many factors beyond wage rates determine food security The more closely an indicator reflects the result it is measuring, the more direct the indicator Managers tend to have more confidence in decisions made if they are based on such direct measures of results

Some objectives are conceptually simple and have relatively direct and straight-forward indicators (e g , fertility or mortality reduction, or increased school enrollment) Others are more complicated, but have a long history of application in the field and are supported by a specific body of research (e g , household expenditures as a measure of household income, or measures of gross national product and gross domestic product) In still other areas, particularly democracy and environment, identifying relatively direct measures remains a very complex undertaking In these sectors we are trying to develop new, direct indicators, but often must use proxy, or indirect, measures, which are linked to the result by one or more assumptions Research or experience should indicate that such assumptions are sound Whenever possible, several indicators and multiple sources of data should be used when proxy indicators are used

Objective

Definitional Standard *An indicator is objective if it is unambiguous about (a) what is being measured, and (b) what data are being collected Each performance indicator identified by an operating unit should be framed and defined in clear terms so as not to be open to broad and varied interpretation by specialists in the relevant sector Particularly in the case of qualitative indicators, operating units must develop clear and comprehensive definitions to ensure a reasonable level of objectivity and comparability over time If operating units develop multidimensional indicators (e g , indices), they should clearly define each element of the indicator and specify the method of aggregation* *[See page 4 for a discussion of the application of USAID's general quality standard]*

Objective indicators have *clear operational definitions* that are independent of the person conducting the measurement, i e , different individuals would collect data for an objective indicator using the same definitional parameters Many of USAID's indicators are already widely used and clearly operationalized In the case of some widely used indicators, several "standard" definitional variations exist In such situations, operating units should be clear with regard to which definition they are using and why Frequently there are no "standard" operational definitions for the indicators operating units identify to track their results It is particularly important for operating units to specify detailed operational definitions for these indicators

The objectivity of performance indicators is absolutely critical to the collection of comparable data over time If indicators are subjective or open to interpretation, it is less likely the data

collected will permit a useful assessment of progress towards the relevant result over time For example, an indicator of "number of successful firms," without a clear and precise definition of both "successful" and "firm," could likely lead to the collection of substantially different data from year to year, independent of the actual change taking place

The ADS states that *quantitative* performance indicators are to be preferred and used in most cases If qualitative indicators are used, they must be defined so as to permit regular, systematic and relatively objective judgment regarding the change in the "value" or status of the indicator " (ADS, E203 5 5 a) Concerning the revision of indicators, operating units may modify initial indicator definitions -- if a better or more practical alternative becomes readily available and if it is acceptable to Washington -- but definitions should not be allowed to vary across time periods, unless clearly referenced and justified Once monitoring begins, changes in indicator definitions may compromise comparability with earlier data

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BOX

Quantitative versus Qualitative Indicators

Perhaps more is made of the distinction between qualitative and quantitative data than is warranted For some results, qualitative measures can be extremely useful For example, a detailed description of how U S -host government cooperation has been strengthened provides a valuable supplement to a narrowly defined "count" of government-to-government contacts

Moreover, few, if any, of the performance indicators that USAID uses are purely qualitative in nature Typically, even qualitative information is represented as measures on well developed scales What is sometimes at issue, though, is the degree or preciseness of quantification required For example, should the indicator simply distinguish between results categories (categorical measures), rank order results (ordinal scales), scale results with precise intervals (equal-interval scales), or have a true zero point (ration scales)? (These distinctions, of course, correspond to the common social science distinctions about levels of measurement)

More precision and quantification is not necessarily desirable It has costs attached and may be spurious A rule of thumb to follow is to require the level of quantification needed to credibly distinguish if the amount of change anticipated actually occurs

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BOX

Disaggregating Indicators

The ability to disaggregate indicator data by gender, ethnicity, age or geographic location often provides important management information that can be used to adjust programs and improve performance When such disaggregation is desired, it is advisable to choose and define indicators with this in mind right from the start

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Objective indicators are helped by being *unidimensional*, that is, when they measure a single characteristic, variable or phenomenon (ADS E203 5 5 a) Indicators which include multiple dimensions, for example, indicators incorporating both access to and use of a given service or technology, can and usually do confuse procedures for data collection, collation and analysis Multidimensional indicators have the potential to complicate assessments of progress towards results and, in turn, of consideration of relevant management options However, multidimensional indicators are permitted (ADS 201 5 10a) There are situations where sufficient care has been taken to assure the objectivity of multidimensional indicators, such as the Freedom House Indices In this case, each component or dimension has been clearly and separately defined, and a methodology for aggregating the components into a single indices or score was devised and documented

Practical

Definitional Standard *A practical indicator is an indicator for which data can be collected on a timely basis and at a reasonable cost Each performance indicator identified by an operating unit should (a) provide data to managers at a cost that is deemed to be reasonable and appropriate, as compared to the management utility of the data, (b) have data available on a frequent enough basis to inform regular program management decisions - in the majority of cases this would mean data should be available on an annual basis, though for some indicators annual data collection will not be practical (see ADS, E203 5 5d), and (c) have data available that are current enough to be useful in decision making (i e , as a general guideline, data should lag no more than three years) [See page 4 for a discussion of the application of USAID's general quality standard*]

Cost considerations Cost of data collection, both in terms of human and financial resources, is an important consideration when identifying indicators Though such an assessment is difficult to make in absolute terms, the cost of collecting data for an indicator should not exceed the management utility of the collected data Though operating units should not incur exorbitant data collection costs, they should expect, and in fact are required, to incur reasonable, sometimes substantial, costs to collect useful performance data. The rule of thumb provided in the ADS is that costs to an operating unit for performance monitoring and evaluations should range between 3 and 10 percent of the total budget for the objective activities (ADS, E203 5 4) This is a rough guideline that will not apply in all cases For example, if the USAID program in Egypt spent 10

percent of its budget assessing performance, (e g , $81 5 million per year), it is not clear whether individuals would consider it "about right" or "excessive "

The costs incurred by an operating unit will relate largely to the data collection methods required by the chosen indicators, and the existence or absence of reliable secondary data sources If adequate data are already collected routinely by a secondary source, costs may be minimal If primary data must be collected at the operating unit's expense, costs can vary depending on the scope, method and frequency of data collection A sample survey may cost several hundred thousand dollars, whereas rapid appraisal methods can be less expensive but may not provide quantitative data that are sufficiently accurate or representative

Similarly, operating units should not expect their development partners (e g , government departments, implementing agencies, international agencies, or other secondary sources) to bear unreasonable costs, time or paperwork burden in the provision of data specific to USAID needs [4] USAID has not provided a standard or "rule of thumb" in this case, but recommends that USAID and its partners regularly review the costs and the uses of the information collected

Timeliness considerations Data should be available for a given indicator *frequently* enough to inform relevant decisions Data that are collected only once every five or six years (as is frequently the case with national-level surveys) may have limited management use for decisions which must be made more frequently That is, in order to "manage for results," managers must have information regarding performance on a regular periodic basis, preferably annually However, it should be remembered that (1) for some key indicators, such as fertility rates and literacy rates, development progress is usually slow so that annual data collection would not register any significant change and thus be a waste of resources and (2) annual collection of performance data for USAID funded intermediate results is not required until the point in time at which progress is anticipated to begin Moreover, data collection for some indicators entails conducting costly sample surveys and thus may not be practical every year

Regardless of the periodicity of the data, there's the question of how current the data are The data should be sufficiently *current* to permit an understanding of the prevailing status of a given result (also refer to the "timeliness" criteria for quality data discussed later in this TIPS)

Adequate

Definitional Standard *Taken as a group, the set of performance indicators for a given result should effectively and comprehensively measure the result in question - i e , they should reflect a "complete picture" of the status of the result [See page 4 for a discussion of the application of USAID's general quality standard]*

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[4] The ADS articulates a different standard for USAID's partners who are responsible for results or assumptions upon which USAID's results are dependent (see ADS E203 5 5 d)2)

There is no "correct" number of indicators that ensures a result is adequately captured The number of indicators required depends on a) the complexity of the result being measured, b) the amount of information needed to make reasonably confident decisions, and c) the level of resources available for monitoring performance An objective focusing on improved maternal health, for example, may require two or three indicators to capture the various and constituent aspects of maternal health As a general rule of thumb, operating units should limit the number of indicators used to monitor and report on an objective or an intermediate results to no more than three Ideally, the number of indicators used should be the minimum necessary to sufficiently capture progress toward the result If a large number of indicators have been identified for a specific result, it may indicate that the result is too complex or not well enough understood to measure adequately The indicators identified for a result should provide a sufficient basis for both judging whether anticipated progress is or is not being made and signaling the need for additional evaluation or investigation

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"We must be prudent about how much and what information we collect and use for decisions More is not always better Information collected should be demonstrably useful If it is not, one should question why it is being collected" (UNCLASS STATE 057091)

Collecting Quality Performance Data. Criteria and Standards

Measuring performance effectively depends on having quality performance indicators, but that is not enough We must also pay attention to the data collection process to ensure that quality data are collected and available to inform management decisions This section discusses key criteria for assessing the quality of performance data -- validity (accuracy), reliability, and timeliness -- and operationalizes the criteria through definitional standards for each

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" operating units shall, at regular intervals, critically assess the data they are using to monitor performance to insure they are of reasonable quality and accurately reflect the process or phenomenon they are being used to measure " (ADS, 203 5 5e)

As with performance indicators, we sometimes have to make tradeoffs, or informed judgments when applying the criteria for data quality This is especially true if, as in many cases in USAID, we are relying on others to provide data for one or more indicators For example, if our only existing source of data for a critical economic growth indicator is the Ministry of Finance, and we know that the Ministry's data collection methods leave some things to be desired, we may have to weigh the alternatives of either relying on less-than-ideal data, having no data at all, or

conducting a potentially very expensive USAID-funded primary data collection effort A decision must be made as to whether the Ministry's data would allow the objective team to make a reasonably confident conclusion about program results or whether they are so flawed as to be useless in reporting and managing for results We must be careful not to let the "ideal drive out the good "

Validity (Accuracy)

Data validity (also called data accuracy) refers to the degree to which the data collected actually measure the variable or characteristic embodied by their related indicator statement As stated earlier, indicator validity refers to the degree to which an indicator measures what it is intended to measure Taken together then, indicator validity and data validity determine the degree to which data actually measure the result they are intended to measure Indeed, it is quite possible to identify a direct (valid) indicator, but to then collect unrepresentative and invalid data In such cases, the strength of the indicator is made moot The opposite scenario, valid data for an indirect and poorly conceived indicator, is also possible

Data accuracy or validity is affected by many related considerations, the most important of which - measurement errors, incompleteness, or simple transcription errors - are discussed below

Measurement Error

Definitional Standard *the level of measurement error associated with all performance data collected and/or used by operating units (1) should not be so large as to call into question either the direction or general degree of indicator change reflected by the data and (2) should not overwhelm the level of anticipated change in an indicator (thereby making it impossible for managers to determine whether "progress" reflected in the data is a result of actual change or of measurement error) Assessment of measurement error should be conducted for all data, with a particular focus on "suspect" secondary sources* *See page 4 for a discussion of the application of USAID's general quality standard*

To ensure that data are valid, we must pay attention to a number of possible sources of measurement error These sources of error are often grouped into two general categories, *sampling error*, i e , unrepresentative samples, and *non-sampling error*, including poor design of the data collection instrument (e g , survey), poorly trained or partisan enumerators, and the use of questions related to highly sensitive subject areas which encourage incomplete or untruthful answers from respondents Regardless of the source, if too much error is introduced into the data collection process, the resulting data will be invalid (For additional information refer to the PPC diagnostic tool, *Assessing the Quality and Utility of Secondary Data*)

USAID staff and partners should expect some error in any data collection effort that focuses on social and economic change Our challenge is to determine the level of measurement error that

we are willing to accept, thereby establishing the standard for data validity for a given set of data In defining an acceptable level of error, we should remember that removing measurement error, or reducing it to minute levels, is in most cases a very expensive undertaking, if not an impossibility Additionally, the *management utility* of data is usually not greatly enhanced by reductions in error beyond some acceptable threshold In short, while we must ensure data validity by reducing sampling and non-sampling measurement errors, pushing the threshold of acceptable error too far is neither practical nor of great benefit as a management tool

What is an acceptable level of error? There is no simple standard which can be applied across all of the data collected for USAID's varied programs and results As performance monitoring plans are constructed, teams should (1) assess the types and sources of error for each indicator, (2) estimate levels of error to reasonably expect from data to be collected, and (3) review these estimated error levels to decide whether or not the data collection plan needs to be revised Judgments should be based on the nature of the data being collected and the intended use of the data For example, a ten percent error may be quite acceptable in a postal scale, but not on a balance used to measure how much nuclear material is needed for an explosive device

When making judgments about the acceptable level of error for specific data we should also remember to consider error in terms of the change in the relevant data that is anticipated For example, suppose our indicator for strengthening civil society is "the number of politically active NGO's " If our baseline is 900 NGO's and our preliminary data showed that after a few years this had grown to 30,000 NGO's, a 10% level of error is probably perfectly acceptable If, however, our baseline was 900 NGO's, and our second data point was 1,000, a 10% level of error would be unacceptable because it would represent nearly 100% of the change apparent in the data

In summary, estimating an acceptable level of error for an indicator's data should be determined by the management uses of the data, as well as by practical considerations such as cost What is an acceptable level of error must be viewed in relation to the magnitude of anticipated change Keep in mind USAID is interested primarily in demonstrating with reasonable confidence that improvements occurred, not with reducing error below some arbitrary level

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Judging Data Quality of Secondary Sources

USAID performance monitoring systems often rely on data from existing secondary sources, and their quality can vary considerably In some cases a data source is sufficiently reliable so that independent data checks are not necessary, or only necessary at rare intervals In other instances data may need to be spot-checked In still others, a record-by-record reliability check is needed Realism as well as technical acuity are necessary to select the type of validation that is appropriate It is too simplistic -- and wrong -- to assume whole categories of sources (e g , NGO's, government agencies) are not to be considered valid and reliable Ideally, each source

needs to be evaluated individually, in terms of the adequacy of its data quality assurance systems Such an undertaking is no small task, and may require considerable resources

For more on this subject and a checklist of questions for judging secondary sources, see "Common Problems/Issues with Using Secondary Data" in the CDIE Resource Book on Strategic Planning and Performance Monitoring under Re-engineering, April 1997

Completeness

Definitional Standard. *Data are said to be "complete" if they reflect all elements of the population they are intended to describe All performance data collected and/or used by operating units should reflect completely and representatively the population to which they (the data) refer If data are incomplete, but the incompleteness does not result in biases which make the data unrepresentative, the data can still be used by operating units* *See page 4 for a discussion of the application of USAID's general quality standard*

Another important aspect of data validity relates to the completeness of data, e g , were data collected from all of the cities or regions, etc to which the indicator refers? The implications of data completeness for accuracy must be understood within the context of the importance of having *representative* data, or stated differently, the significance of the possible errors introduced by incomplete data Bluntly put, incompleteness is only a problem if it significantly biases (i e , makes inaccurate) the results

For example, if we manage to collect data for a national poverty survey from only 10 comparatively wealthy urban areas in a country, there is a good chance the lack of data coverage will result in data that are invalid in terms of measuring national poverty On the other hand, if we fail to get data from 50 of the 100 health clinics reflected by our indicator, it may not create an issue in terms of data validity, if the 50 clinics for which data are available are evenly distributed or representative of the whole Again, there are no absolute rules for determining when the incompleteness of data constitutes a "problem " In fact, appropriately conducted sample surveys may actually be more accurate than attempts at complete enumerations of populations (i e censuses)

In summary, if data coverage is incomplete, we need to assess, and in reporting, be transparent about the implications for data validity Adjustments might be necessary, including instituting new data collection activities to increase coverage, identifying a new indicator, proposing revisions to the data collection or coverage standard, and so forth

Transcription error

Definitional Standard *Transcription errors refer to simple data entry errors made when transcribing data from one document (electronic or paper) or database to another Operating units shall seek to minimize transcription errors to less than 1% of all data points*

Transcription error -- that is, the data estimate in the USAID performance management system (and reported in the R4) is different from the data (for the same indicator and time frame) in the original source because of copying or data entry mistakes Such differences (unless due to rounding) are easily avoided by careful cross checking of data against the original source

Reliability

Definitional Standard. *Data reliability refers to the stability or consistency of the data collection process If we know an actual result hasn't changed, and we collect data repeatedly, against the same indicator and for the same population, the data can be considered reliable if the findings on each occasion are approximately the "same " All performance data collected and/or used by operating units should be reasonably reliable, i e , they should reflect a consistent data collection process from year to year such that managers can be confident that progress towards indicator targets is not simply the result of new data collection methods If elements of the data collection process vary from year to year, operating units must assess the degree to which the resulting data can be usefully compared and thus used to understand performance over time [See page 4 for a discussion of the application of USAID's general quality standard]*

Ensuring that data are reliable requires not only that an indicator be objectively and clearly defined, but also that the data collection process be consistent from year to year That is, a consistent sampling method and the same or comparable data collection instruments and data collection procedures are used If, for example, the data collection instrument for a given survey is substantially changed between year one and year two, both sets of data might be valid, but they might very well not be reliable nor comparable

As is the case with data validity, measurement error can compromise the reliability of data The sampling and non-sampling errors presented in the discussion of data accuracy/validity also impact on data reliability However, there are additional complicating considerations If a measurement error results in a *consistent* bias (for example, due to a sampling method that consistently excludes the same segment of a given population), then data reliability *will not* be negatively affected because the measurement process remains stable and consistent If managers are aware of the consistent bias, they may well be able to effectively use the resulting data

Timeliness

Definitional Standard. *As outlined above under the discussion of practical indicators, timeliness refers to two elements - frequency and currency Concerning* frequency, *all performance data collected and/or used by operating units should be available on a frequent enough basis to inform regular program management decisions - in the majority of cases this would mean data should be available on an annual basis, though for some indicators annual data collection will not be practical Annual collection of intermediate result level performance*

data is not required until that point in time at which progress is expected to occur (see ADS, E203 5 5d) The specific timing or date (month/year) of each data collection activity should be transparently documented so that the exact interval is clear to all In terms of currency, *data should be current enough to be useful in decision making (i e , as a general guideline, data should lag no more than three years) In the interests of more timely data, preliminary estimates can be used, but they should be clearly flagged as such, and replaced as soon as possible with the final data as they become available from the source [See page 4 for a discussion of the application of USAID's general quality standard]*

Data should be available for a given indicator *frequently* enough to regularly inform program management decisions Data that are collected only once every five or six years (as is frequently the case with national-level surveys) may have limited management use for decisions which must be made more frequently That is, in order to "manage for results," managers must have information regarding performance on a regular periodic basis, preferably annually Data from some sources are only available at longer intervals, but they can still be very useful to managers (e g , the USAID-sponsored Demographic and Health Surveys, or DHS) However, data from such sources should be supplemented by data or other information that are available on a more frequent basis if we are to manage effectively

In some cases, where we know development changes can take a long time, it may not make sense to collect data annually on key performance indicators, because changes are unlikely to be significant at short intervals (e g fertility rates) Often, these are the very indicators that require relatively expensive sample surveys to collect good data In these cases, data may be collected at several-year intervals They may be usefully supplemented with annual data on proxy or indirect indicators (e g , contraceptive distribution and sales data) to get an indication of progress towards the longer-term objective However, their potential limitations, in terms of directness (see section above), should be noted

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" for performance indicators for which annual data collection is not practical, operating units will collect data regularly, but at longer time intervals " (ADS, E203 5 5d)1)

The second aspect of data timeliness relates to how *current* the data are It is preferable to inform decision making with the most current data that are practically available Frequently data that are obtained from a secondary source, however, and at times even USAID-funded primary data collection, will reflect time lags (Between data collection and publication, there are numerous processes including data entry, verification, analysis, tabulation, etc) Many lags are unavoidable, even if considerable additional resources were expended

Although the ADS states that the results review sections of the R4 must address the operating unit's performance for the immediate past fiscal year (ADS, 203 5 9a), we recognize that data may come from preceding calendar or fiscal years

Moreover, data usually measures results for the specific point in time that the data were collected, not from September to September, or December to December Often the realities of the recipient country context will dictate the appropriate timing of the data collection effort, not the U S fiscal year For example, if agricultural yields are at their peak in July, then data collection efforts to measure yields should be conducted in July of each year Moreover, to the extent that USAID relies on secondary data sources and partners for data collection, we may not be able to dictate exact timing PPC is modifying the ADS accordingly to reflect this reality

The Results Act (GPRA) also prefers that decision-making be informed by the most current data that are practically available At the same time, it also recognizes that there are unavoidable lags in collecting and obtaining data, and that even where getting more current data may be possible the costs may be unacceptable OMB's Results Act guidance clearly recognizes that data will often lag by one year, two years, or even further Finally, while preferred, the Results Act does not require that performance data capture changes that precisely encompass the U S fiscal year

Documenting, Reviewing, and Periodically Re-assessing Quality of Performance Indicators and Data

Critical to ensuring the quality of both performance indicators and performance data are the processes of documenting, reviewing and re-assessing them These processes should take place in a transparent and open manner, and to the extent possible should provide opportunities for independent checks on whether the performance measurement systems in use by the operating unit are of acceptable quality for management uses These processes should encourage participation by specialists in performance measurement, data collection methods, and social science research techniques

Documentation

By *documentation,* we mean recording

(1) the important considerations and assumptions that went into deciding on specific performance indicators, when this is not readily self-evident

(2) the detailed specifications for each indicator (such as a comprehensive, operational definition of the indicator and the precise unit of measurement)

(3) the specifications for how the data are collected (such as the precise source of the data, the methods used, and the frequency and timing of data collection)

(4) the assessments of the quality of performance indicators and data, in relation to specific Agency criteria and standards, and

(5) the agreements reached during USAID/Washington reviews of indicator and data quality

Adequate documentation facilitates the achievement of good quality, comparable performance measurement from one measurement period to the next This is especially important in an organization like USAID, where there is considerable staff turnover in operating units and objective teams Adequate documentation also allows staff to explain their procedures to those who are seeking assurance that quality standards are being maintained in the collection and reporting of performance data It may also allow others to independently replicate the collection of the data

Careful development, use, and updating of the Performance Monitoring Plan (PMP) by operating units can go a long way toward ensuring adequate documentation The ADS requires that these Plans be prepared, and periodically updated, to provide details on their performance monitoring system's indicators and data collection efforts (ADS, 203 5 5a) TIPS #7, *Preparing a Performance Monitoring Plan* (1996), elaborates further on the ADS guidance

For performance monitoring plans to be useful, they need to be kept current Annual updating, timed to coincide with the R4 process, is suggested

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Performance Monitoring Plans

"Performance Monitoring Plans shall provide a detailed definition of the performance indicators to be tracked, specify the source, method of data collection and schedule of collection for all required data, and assign responsibility for collection to a specific office, team or individual

"Performance Monitoring Plans are one element of a performance monitoring system and function as critical tools for managing and documenting the data collection process "
(ADS, E203 5 5b)

USAID/Washington Reviews

Strategic plan and R4 review processes can provide regular occasions for joint discussion, agreement and/or re-affirmation between an operating unit and USAID/Washington on issues related to the quality of performance indicators and data collection efforts for objectives Operating units are encouraged to take advantage of the R4 performance data table (comments section) which provides space for summary information on performance indicator definitions, sources, data collection methods and quality issues Special qualifications and limitations concerning quality should be noted for both indicators (e g , when proxy indicators are used, when definitions are modified, etc) and data (e g , that data are preliminary estimates, vary from initial definitions, refer to calendar years or specific dates, etc)

Because USAID's quality standards are still evolving and defining what's "acceptable" may not always be self-evident, the strategic and R4 review processes provide opportunities for operating units and USAID/Washington to discuss and reach agreement on whether standards are being met Participation by regional and central bureau technical and performance measurement specialists up-front, through virtual teams, could serve as an independent check on the quality of the performance monitoring systems and plans, and result in corrective actions and improvements

The criteria and definitional standards outlined in this TIPS can serve as a guide for these reviews Reviews will want to cover, for each objective's performance indicators and data, the key criteria outlined above, and using common sense agree on reasonable standards for each

Agreements reached during these review meetings concerning indicator and data quality (e g , changes in indicator definitions or sources and actions to be taken to improve quality) should be documented

Agreement, however, does not guarantee there will be no further problems If, with use, the operating unit and reviewers sense that the data fail to capture the changes observed to the degree needed for decision-making, then they have the responsibility for revisiting both the indicator and the data

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USAID/Washington Review of Performance Monitoring

" reviewers [of strategies] will focus upon the ability of the operating unit to monitor and demonstrate performance " (ADS, 201 5 11b 4))

" the R4 will be reviewed by the parent bureau this may include adjustments in indicators and targets " (ADS, E201 5 16c)

While the ADS does not require the review of operating units' Performance Monitoring Plans by central or regional bureaus (ADS, E203 5 5b), in practice a number of regional bureaus have already encouraged sharing them As concerns over the quality of operating unit performance monitoring systems grow, the need for USAID/Washington review of PMPs may need to be re-visited (and ADS guidance revised, as appropriate)

Periodic Re-assessment

In-depth re-assessments of the quality of an operating unit's performance monitoring system should be undertaken periodically -- at least every three years

By *re-assessment*, we mean making sure that our performance indicators and data are adequately serving their purpose, namely, helping us measure results at the level of quality that we need in order to make reasonably confident strategic and tactical program decisions and demonstrate program results to those outside the program If we have done our jobs well when developing our performance indicators and collecting our data, we will have gone a long way toward ensuring quality

However, it is important to take a critical look at our performance measurement systems and data sources from time to time Agency directives (ADS, E203 5 5e) call for this critical look once every three years as a minimum to make sure that the indicators are still measuring what we think they are measuring and that data are being collected in the way that we intended them to be collected (This may be particularly important for data collected for intermediate results Unlike the case for objectives, intermediate results, in general, they do not receive the annual scrutiny provided by the R4 review process)

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Quality Re-assessments

"Data quality will be assessed as part of the process of establishing performance indicators and choosing data collection sources and methods Data quality will be reassessed as is necessary, but at intervals of no greater than three years " (ADS, E203 5 5e))

Re-assessment needs to be done systematically, informed by current data collection and data management practice, with attention to cost considerations It should include assessing quality for all performance indicators (at both objective and intermediate results levels) and cover all data sources used It needs to be documented as reviewers, including the OIG, will want to determine if it has been done In this process, the relevance of indicators and data to the overall goal of measuring program performance needs to be re-affirmed and documented These

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periodic indicator and data quality reviews need to be included in operating unit work plans and budgets, with results documented in the Performance Monitoring Plan Operating units might want to consider using a qualified, independent individual or team -- with appropriate social science research, performance measurement, and data collection expertise -- to conduct a credible assessment

Questions? Comments?

If operating units, reviewers, USAID partners or others have questions, comments or suggestions regarding these standards, please send them to PPC/CDIE, Richard W Whelden, and your bureau strategic planning office Working with your bureau, PPC commits to answering questions, comments, and suggestions, making technical assistance available, both USDH and contract (although funding may have to come from sources other than PPC), and making this TIPS more user-friendly For information or comments on PPC's broader responsibilities for Agency-wide planning, performance measurement, and reporting under the GPRA, please contact DAA/PPC, Dirk Dijkerman

Selected Further Reading

This will include a short list of suggested readings, especially those which were cited For example, the three TIPS (6), (7) and (11) as well as Assessing Secondary Data pp 14, 15

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CDIE's TIPS series provide guidelines, advice and suggestions to USAID managers on how to plan and conduct performance monitoring and evaluation activities effectively They are supplemental references to the re-engineering automated directives system (ADS, chapter 203 For more information on the TIPS series, contact Annette Binnendijk, CDIE senior evaluation advisor, via phone (202) 712-4459, fax (202) 216-3124, or E-mail (abinnendijk@usaid gov) Copies of TIPS can be ordered from the Development Experience Clearinghouse by calling (703) 351-4006 or by faxing (703) 351-4039 Please refer to the PN number To order via the Internet, address requests to docorder@dec cdie org

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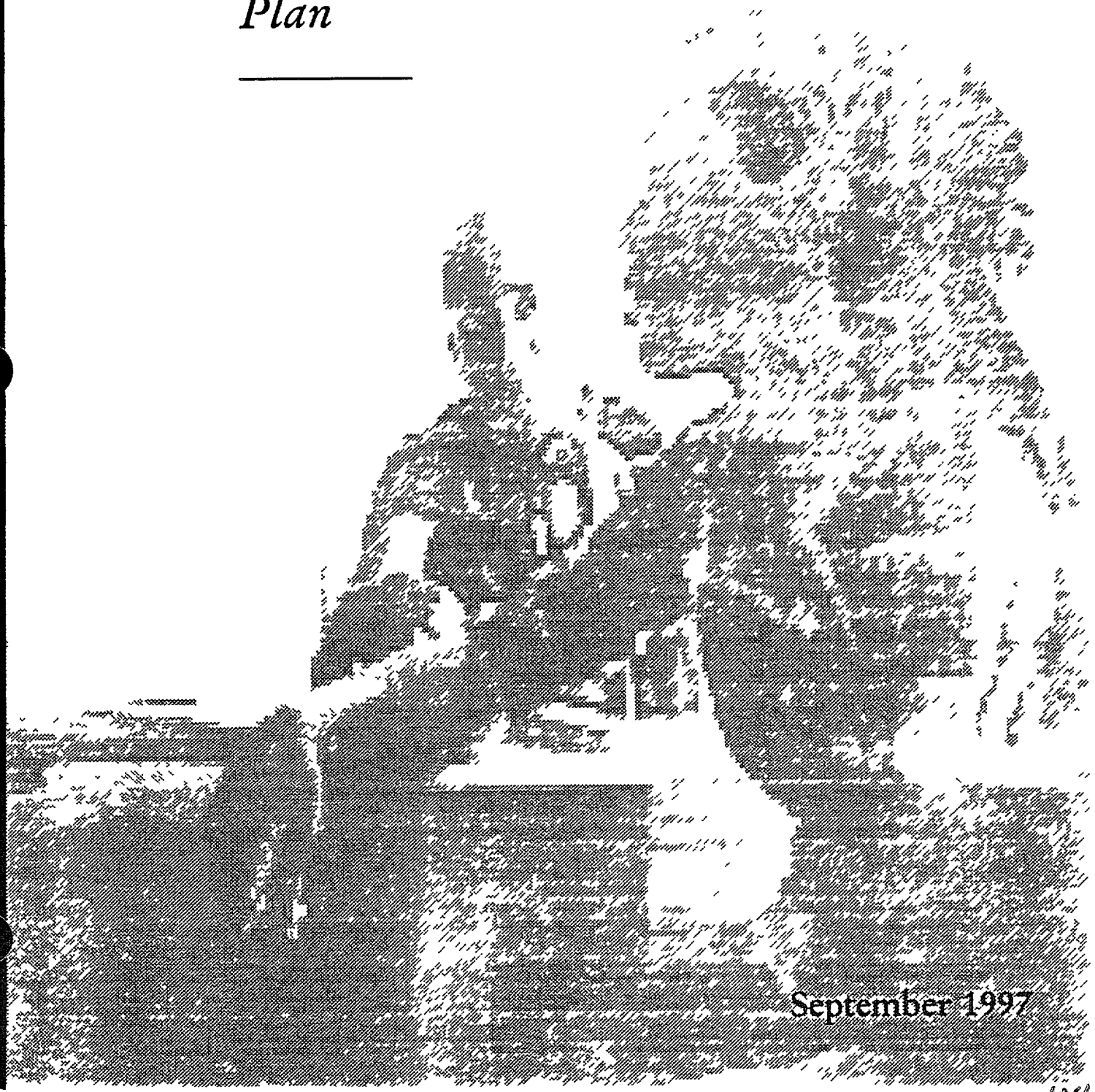
If you have access to the USAID Internal Web Site, you can access the TIPS series directly by clicking on "Information Services", then "CDIE" From the CDIE OnLine web page, click on Performance Monitoring and Evaluation TIPS

U.S. Agency for International Development

Strategic Plan



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U S Agency for International Development
Strategic Plan

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Preamble

Promoting sustainable development among developing and transitional countries contributes to U S national interests and is a necessary and critical component of America's role as a world leader [1] It helps reduce the threat of crisis and create the conditions for economic growth, the expansion of democracy and social justice, and a protected environment Under these conditions, citizens in developing and transitional countries can focus on their own social and economic progress, which creates demand for U S goods and services and expands cooperative relationships between the United States and assisted countries

Sustainable development leads to a lasting increase in the capacity of a society to improve the quality of life of its people Humanitarian assistance is a vital part of sustainable development, essential to saving lives during natural or man-made crises and for returning societies to social and economic progress in post-crisis countries

Sustainable development results from the implementation of open, market-oriented economic policies and institutions, social policies that increase human capacity and opportunities for individuals to better their lives, open and accessible political institutions and processes that encourage the active engagement of all members of a society, environmental policies and practices that sustain a country's and the world's natural resource base and the collaboration of public and private institutions and groups, especially at the local level USAID recognizes that each of these conditions is necessary for sustainable development, each contributes to the success of the others, and the lack of any one impedes the success of all the others USAID also recognizes that these conditions can only be created by the people and governments of developing and transitional countries In the right settings, however, American resources, including its ideas and values, can be powerful catalysts enabling sustainable development

USAID expects its activities to encourage stability rather than crisis, convert poverty to prosperity, and open closed economies and societies It considers effective institutions of democratic governance and vibrant civil society organizations essential foundations of sustainable development and encourages the development of such institutions wherever it works USAID is committed to full participation by women and disadvantaged groups in all sustainable development activities and to ensuring that sustainable development includes improvements in the lives of children USAID recognizes the critical role training and access to information and information technology play in achieving its goals for sustainable development generally and incorporates these activities across all sectors USAID acknowledges its success depends on working effectively with its partners, including the people and governments of developing and transitional countries, U S public, private and voluntary organizations, and other assistance organizations USAID values this mutual commitment to sustainable development, however, because it ensures its programs will be, on the one hand, customer-focused and, on the other, coordinated with the work of others, thereby enhancing the impacts of its efforts and those of others

[1] U.S national interests are defined in the Strategic Plan for International Affairs Agencies and are incorporated into USAID s strategic plan.

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Where and how USAID works

USAID typically works in countries committed to achieving sustainable development, but which lack the technical skills or resources necessary to implement policies and programs that will accomplish this result In such countries, USAID's program emphasizes one or more of the Agency s strategic goals depending upon a country's specific needs and the activities of other donors

USAID also works in countries that have made major commitments to cooperating with the United States in achieving complementary goals, particularly the establishment and maintenance of regional peace In such countries, USAID's programs typically enhance the country's capacity to continue to collaborate with the United States on goals of mutual interest

USAID is also substantially involved in assisting countries committed to shedding economically repressive and ruinous totalitarian legacies In these countries, USAID focuses on building the human and institutional capacities needed to implement major reforms

Increasingly, USAID is involved with countries emerging from post-conflict situations Here, USAID's emphasis is on restoring fundamental social, institutional and physical infrastructure in ways that reduce the risk of renewed conflict and return the country to a path of sustainable development

USAID responds to natural disasters within each of these country contexts USAID also addresses developmental problems along regional and global lines, including slowing the transmission of infectious diseases, reducing the threat of global climate change, stabilizing world population and enhancing food security and regional trade and investment

Generally, USAID supported activities are based on the strategic goals and objectives identified in this plan, although the way in which it operates is affected by the different settings in which the Agency works In post-conflict situations or humanitarian crises, USAID's ability to achieve humanitarian results is greatly affected by the willingness of contending groups to cooperate in the restoration of normal social, economic and political relationships In those situations where USAID is supporting major reform efforts, its success depends heavily on sustained public support for change and a continued commitment among leaders to carry out reform In its more traditional assistance programs, results can be sidetracked by political unrest, changes of government or policy, natural disasters that affect a large proportion of the country's population or infrastructure, or significant shifts in the international economy, which reduce government revenues and its capacity to invest in sustainable development activities

USAID's Mission

USAID contributes to U S national interests through the results it delivers by supporting the people of developing and transitional countries in their efforts to achieve enduring economic and social progress and to participate more fully in resolving the problems of their countries and the world

At the country level, such factors are tracked by USAID field missions They estimate the effects such factors have on the achievement of individual country programs and modify their programs to offset the impact of these factors This may mean adopting a different approach to government policy makers, initiating new activities in a new goal area, or terminating assistance in areas where there is no longer a productive partnership At the Agency level, however, USAID is a highly diverse corporate entity, pursuing six strategic goals in more than 100 countries around the world This diversity serves

to offset the adverse program effects that developments in any single country may have on USAID s overall performance and progress toward its strategic goals In this context, the major external factor affecting USAID's performance is the continued commitment of other donor countries and multilateral agencies to sustainable development, a commitment that USAID promotes through active interactions with its development partners

USAID pursues its mission through partnerships with the people and governments of assisted countries, U S businesses, non governmental organizations (NGOs), private voluntary organizations (PVOs), academic institutions, other U S government agencies and international assistance agencies including international financial institutions, multilateral and bilateral donors and private foundations In cooperation with its many partners, USAID identifies the needs of a country, assesses the country's commitment to sustainable progress, and develops country specific plans to address the country s needs or to enhance its contribution to the resolution of regional or global problems USAID also seeks to strengthen the capacities of host governments and of its U S and local PVO and NGO partners to expand their development and humanitarian activities and consults with them on USAID's policies and practices

USAID's success depends on the quality of its many partnerships Accordingly, it actively seeks to improve the quality of its partnerships and cooperation among partners

At the country level, USAID seeks to build partnerships that facilitate local resource mobilization and action, that encourage local participation and advocacy for development and humanitarian efforts, and that foster cooperation among local actors There are three key components to USAID's local partnering (1) creating an enabling environment supportive of development and humanitarian actions by both individuals and communities, (2) encouraging investments in human and institutional capacity at the local level, and (3) building strategic partnerships among state, society and market actors through new linkages at the community, national and society to society levels This ensures that host government priorities reflect the needs of their peoples and that USAID programs address the sustainable development priorities of the countries and peoples it assists

At the international level, USAID's efforts have contributed to building a consensus among bilateral and multilateral donors on the key problems of sustainable development Much of the coordination at the international level takes place within the framework of the Organization for Economic Cooperation and Development (OECD), but includes specific collaborative activities with the European Union through the "Transatlantic Agenda" and with the Japanese through the "Common Agenda " Such interactions concentrate resources on key problems to the benefit of all participants Though its strategic approaches and evaluations of development experiences, the United States has contributed significantly to defining the problems upon which international assistance is focused

USAID has long used the skills of other U S government agencies to provide technical assistance to developing and transitional countries Some of these services are included in the strategic plans of other agencies, e g , the Department of Energy, which will help an estimated 18 developing countries develop plans to reduce greenhouse gas emissions In other cases, USAID and another agency may pursue a similar goal, but engage in very different activities Both USAID and the Overseas Private Investment Corporation (OPIC), for example, have articulated goals related to economic reform and democracy in developing countries OPIC, however, focuses on how these goals can be achieved through the promotion of U S private investment while USAID works on creating enabling legal and regulatory environments within developing countries that encourage private investment, both local and U S Finally, USAID's ability to achieve its long term goals are affected by the actions of other agencies The Treasury Department, for example, carries primary responsibility for representing U S positions in

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international financial institutions such as the World Bank USAID provides recommendations to Treasury on what the U S positions should be based on what needs to be done to achieve Agency wide and country specific goals

Mechanisms are in place to reduce or minimize duplication at the field level between USAID and the international activities of other U S government agencies GPRA mandated strategic plans, however, provide a new opportunity for all agencies to step back and examine the overall approach being taken to address specific U S national interests and goals as identified in the International Affairs Strategic Plan The strategic goals proposed by USAID are integrated fully with the International Affairs Strategic Plan USAID contributed to the preparation of this plan and looks forward to an expanded and ongoing dialogue with other executive agencies under the direction of the President and Secretary of State regarding improved coordination and collaboration among their international affairs activities

Among other donors, USAID is generally recognized as a leader in innovative, performance based development assistance America's ability to lead sustainable development initiatives, therefore, depends on USAID maintaining its position as a premier bilateral development assistance agency with the capacity to identify significant development problems, generate effective solutions, serve as a catalyst for donor coordination and manage effectively the resources allocated to it for sustainable development This mandates, in turn, that USAID be a learning organization one that constantly monitors and evaluates the performance of its activities, replicating those that are most effective, dropping those that are less so and using a variety of sources to generate new initiatives This is a continuous process that USAID carries out in the following ways

1 As appropriate, usually every four to six years, the Agency's field missions and Washington-based operating units develop or modify strategic plans which identify the specific objectives each unit is to accomplish These objectives are approved only if they contribute to the goals identified in the Agency s strategic plan [2]
2 For each approved strategic objective, operating units develop performance monitoring plans that include baseline data and performance targets Annually, operating units report progress against these targets and request additional resources based in part on the objective s performance Objectives that are not performing well are either fixed or dropped Washington allocates resources to the Agency's operating units using performance criteria
3 Annual performance assessments by the Agency's operating units are reviewed by technical officers in Washington The results of these reviews are used to inform sector-wide assessments of the effectiveness of various objectives and approaches and are reflected in the Agency's Annual Performance Reports In addition, formal evaluations of strategic objectives and approaches are conducted at the discretion of operating units, to enhance performance, or by the Agency, to identify best practices across a number of objectives that are performing well Such information is then used by individual operating units or the Agency to develop new approaches, objectives or goals as appropriate
4 USAID updates a rolling agenda of central evaluation studies each year to better address senior managers' strategic information needs Findings and lessons learned are widely disseminated through briefings, electronic systems/networks, formal publications, and the Agency's Annual Performance Reports [3]

[2] Immediately prior to this strategic plan program parameters for the Agency s operating units were established by the Agency s Strategies for Sustainable Development (USAID Washington March 1994)

[3] USAID prepares annual evaluation schedules which will be discussed in its Annual Performance Plans

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USAID's goals, objectives and performance measures

The following sections of USAID's strategic plan set forth its goals, objectives and performance measures for its major functions and operations USAID has defined its major functions and operations in terms of sustainable development, i e , actions that lead to a lasting increase in the capacity of a society to improve the quality of life of its people This is the fundamental mission of USAID and, although it manages a variety of resources responding to U S national interests, it does so with an emphasis on activities that contribute to sustainable development at the community, national, regional or global level

USAID's goals reflect its authorizing and appropriating legislation, Administration priorities, consultations with the Congress and public, and a growing consensus among donors, based on experience and numerous program evaluations, about what is needed to achieve conditions favorable to sustainable development The logical connections between each of USAID's goals and the conditions of sustainable development are described in the following pages in the paragraphs immediately after the goal statement itself U S national interests in the goal's achievement is also described as are the objectives or "intermediate results" through which USAID pursues its goals USAID's tactics or "approaches," i e , what it does to achieve its objectives, are presented graphically in Annex 1

For each of its strategic goals, USAID has identified performance goals and indicators that are ambitious yet realistic USAID's performance measures are the standards by which it will assess progress and the overall effectiveness of its objectives and tactics Its performance measures also provide a basis for analyzing progress and adjusting the Agency's strategic framework

Where it has developed the requisite experience and adequate data exists to do so, USAID has identified specific targets – explicit levels of results to be achieved within the 10-year time frame of this strategic plan – to measure performance This is the case for the Agency s economic growth and agricultural development, population and health, and human capacity development goals For the other goals, i e , democracy and governance, environment and humanitarian assistance, development hypotheses are less well developed and the data may be less reliable In these cases, USAID has chosen to rely upon performance trends, i e , the desired directional changes it seeks to influence, while working to increase its understanding of the factors affecting results and its ability to assess performance As the Agency gains experience and information in these sectors, it will establish more rigorous performance targets that inform us not only of trends, but of results across the Agency's programs

The context, significance and importance of the Agency's performance goals are discussed in Annex 2 This annex also describes the data sources for each Agency performance indicator USAID's performance "targets" are stated in annual terms, e g , average annual growth rates in per capita income above 1 percent, to facilitate the Agency's annual performance planning and reporting USAID's performance "trends" are also stated in ways that facilitate annual reporting, however, the magnitude of change expected for each trend can only be projected on a short-term basis Therefore, USAID will establish expected trend changes in its annual performance plans

Where possible, USAID's performance goals replicate those endorsed by the United States as a member of the OECD This reflects USAID's commitment to working collaboratively with its development partners and its belief that, while these goals will not be achieved independently by USAID alone, through its collaborative relationships with host governments, other donors, and a broad array of U S and local non governmental actors, USAID will be able to influence results significantly

USAID GOAL
Broad-based economic growth and agricultural development encouraged

Broad based, equitable economic growth is the most effective means of bringing poor, disadvantaged and marginalized groups into the mainstream of an expanding economy The keys to broad-based growth and reduced poverty are expanded human capacity through education and training, a policy environment that promotes efficiency and economic opportunity for all members of society, soundly organized and managed institutions and good governance The resulting widespread increases in income, employment and output lead to reduced poverty, increased food security and higher standards of living including better health and education For transitional countries, broad based economic growth offers the best chance to enhance political stability and transform their societies along an irreversible reform pathway

The majority of people in the poorest countries derive their livelihoods from agriculture Therefore, in most of the least developed countries, the transformation of agriculture and food systems is an essential aspect of broad based economic growth The shift from subsistence agriculture to producing for off farm markets and consumers contributes to a more prosperous rural environment, additional opportunities for employment and economic progress throughout the economy and reduced food insecurity

Women play a central role in broad based economic growth and agricultural development In addition to their direct contribution to agricultural production and income generation, women contribute to economic growth indirectly through their household maintenance and child rearing roles

U S NATIONAL INTEREST Economic Prosperity

Americans benefit as the economies of transitional and developing nations become more open and market-oriented and expand This also helps reduce widespread and extreme poverty and lack of economic opportunity, which contribute to political instability and exacerbate global and transnational problems, such as rapid population growth, the spread of infectious and communicable diseases, drug trafficking, and accelerated environmental degradation USAID coordinates its economic growth and agricultural development programs with the Departments of Agriculture, Justice, State and Treasury

USAID OBJECTIVES

- Critical private markets expanded and strengthened
- More rapid and enhanced agricultural development and food security encouraged
- Access to economic opportunity for the rural and urban poor expanded and made more equitable

PERFORMANCE GOALS

- Average annual growth rates in real per capita income above 1 percent achieved [4]
- Average annual growth in agriculture at least as high as population growth achieved in low income countries
- Proportion of the population in poverty reduced by 25 percent
- Openness and greater reliance on private markets increased
- Reliance on concessional foreign aid decreased in advanced countries

INDICATORS

- GNP per capita average annual growth rate (in constant prices)

[4] Statistical analyses suggest that achieving this goal over the course of ten years can be expected to reduce the incidence of poverty by up to 29 percent For more detail see Annex 2

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- Difference between average annual growth rate of agriculture and average annual growth rate of population
- Percent of population below poverty line
- Trade of goods and services average annual growth rate
- Foreign direct investment average annual growth rate
- Economic Freedom Index
- Aid as percent of GNP

USAID GOAL
Democracy and good governance strengthened

Broad based participation and democratic processes are integral elements of sustainable development They encourage individuals and societies to take responsibility for their own progress, ensure the protection of human rights and foster informed civic participation Sustainable democracies are built on the guarantee of human rights for all people, women as well as men To achieve the broad goals of democracy, USAID supports programs that strengthen democratic practices and institutions and ensure the full participation of women

Democracy requires transparent and accountable government, fair and effective judicial systems, open and transparent access to and use of information, and citizen participation in the policy-making process These attributes of democracy ensure that government policy reflects popular will, which contributes to fairer uses of public resources – including access to quality education, improved health care, and the management of natural resources – and the needs and concerns of local communities Training at all levels is usually required to achieve or revitalize these attributes

The democratic process also builds trust and legitimacy for government, which help prevent political destabilization and, in extreme cases, failed states The consequences of such political failures often include massive flights of people from their homelands, costly refugee flows, destruction of the environment, and the spread of disease and epidemics of catastrophic proportion

U S NATIONAL INTEREST Democracy and Human Rights

A world of democratic nations provides a more stable and secure global arena in which to advance the fundamental values and national interests of the United States Democracy, transparent and accountable government, and respect for human rights, including the rights of women and minorities, reflect the fundamental values of the American people Advancing these values and U S national interests in maintaining conditions necessary for a more stable, peaceful and prosperous world require support for democratic transitions and amelioration of human rights disasters USAID coordinates its democracy, good governance, human rights and justice programs with the Departments of Defense, Justice, State and Treasury

USAID OBJECTIVES

- Rule of law and respect for human rights of women as well as men strengthened
- Credible and competitive political processes encouraged
- The development of politically active civil society promoted
- More transparent and accountable government institutions encouraged

PERFORMANCE GOALS

- Level of freedom and participation improved
- Civil liberties and/or political rights improved

INDICATORS

- Number of countries classified by Freedom House as free/partly free/not free
- Freedom House scores for political rights
- Freedom House score for civil liberties

USAID GOAL
Human capacity built through education and training

The development of human capacity permits all individuals to participate in matters that affect their lives Increasing human capacity through education, training and increased access to information is essential for sustained social and economic progress Basic education, including the acquisition of literacy, numeracy and problem-solving skills, is especially critical to development Investments in universal primary education have been linked to economic growth, reduction of poverty, improved health, lower fertility and the enhanced status of women

U S or in-country training in each of USAID's strategic goal areas expands a country's capacity to manage its own social and economic progress through the identification and implementation of appropriate policies, the development, adaptation or adoption of progress-enhancing technologies, and the commitment to more open lines of inquiry and tolerance USAID also provides international leadership in developing training policy and building institutional capacity for long-term training programs that promote the sustainability of Agency assistance efforts

Colleges and universities produce the educated leaders and skilled professionals essential to the development of politically and economically sustainable societies, from the teachers who provide quality basic education, to the decision makers and practitioners essential to sustained growth and progress in all sectors Vibrant partnerships between higher education institutions, business and government are critical to a developing or transitional country's ability to solve complex problems, support a growing economy and develop sound policies

Broad and equitable access to information is also essential to success in each of USAID's strategic goal areas not only at the level of policy makers, who are therefore better informed about what works and why, but at the individual and household level as well so that, among other results, farmers can better produce, price and market their crops, microentrepreneurs can provide improved products or services, and families can protect their health USAID is gaining experience with the role of information technology in development, particularly through the Leland Initiative in Africa, ongoing technology transfer activities across all strategic goal areas, and a new interagency collaboration led by the Global Bureau While training and information technology are highlighted here, they are addressed under each of USAID's strategic goal areas

U S NATIONAL INTEREST Economic Prosperity and Global Issues

Americans benefit as the people of developing and transitional countries become better able to address their nations problems through the application of their own abilities, skills and resources Expanding these skills initiates a process by which individuals, families and communities become better able to manage their own development Education is essential to preventing and mitigating crises, achieving post-crisis transition to sustainable development, reducing fertility rates, ensuring good health and child development, and fuller participation in the global economy USAID coordinates its human capacity development programs with the Departments of State and Treasury

USAID OBJECTIVES

- Access to quality basic education, especially for girls and women, expanded
- The contribution institutions of higher education make to sustainable development increased

PERFORMANCE GOALS

- Proportion of the primary school age population not enrolled reduced by 50 percent

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- Differences between girls' and boys' primary enrollment ratio virtually eliminated
- Primary School comletion rates improved
- Higher education increased 100 percent

INDICATORS

- Net primary enrollment ratio
- Gross primary enrollment ratio
- Ratio of girls' enrollment ratio to boys' enrollment ratio
- Percentage of cohort reaching grade five
- Percentage of relevant age group enrolled in tertiary education

USAID GOAL
World population stabilized and human health protected

Stabilization of rapid population growth and improved health, nutrition and education (particularly for mothers and children) are essential to sustainable development They are also fundamentally interdependent When people are nourished and free from the ravages of infectious diseases, they can contribute more fully to their own social and economic progress and to that of their nations Nutrition education and investments to correct micronutrient deficiencies along with investments in basic health services will significantly improve the health of undernourished people When people can control the size of their families, resources are made available at the household, national and global levels for enduring improvements in quality of life Improved health status of women and girls plays a critical role in child survival, family welfare, economic productivity and population stabilization

Stabilizing population and improving health are two aspects of a single common goal that is essential for sustainable development, rather than two separate goals As such, USAID's efforts within this goal area focus on interventions that contribute directly and in an integrated fashion to achieving both aspects through improvements in maternal and child health and reproductive health, rather than on the potentially broader array of activities that might contribute to one or the other but not both Achieving this common goal depends on strengthening voluntary family planning and other reproductive health information and services, infant and child health services, safe pregnancy care, nutritional security for women and children, prevention of HIV transmission, mitigation of the impact of the HIV/AIDS pandemic, improved management of other sexually transmitted infections, and capacity to combat infectious diseases

U S NATIONAL INTEREST Population and Health

Early stabilization of the world s population serves U S national interests by contributing to global economic growth, a sustainable environment and regional security Reduced population pressures will also lower the risk of humanitarian crises in countries where population growth rates are highest Protecting human health and nutrition in developing and transitional countries also directly affects public health in the United States Unhealthy conditions elsewhere in the world increase the incidence of disease and threat of epidemics which could directly affect U S citizens, retard economic development, and increase human suffering Thus, the U S has a direct interest in both safeguarding the health of Americans and helping to reduce the negative consequences of disease worldwide USAID coordinates its population, health and nutrition programs with the Departments of Agriculture, Health and Human Services, State and Treasury

USAID OBJECTIVES

- Unintended and mistimed pregnancies reduced
- Infant and child health and nutrition improved and infant and child mortality reduced
- Deaths, nutrition insecurity, and adverse health outcomes to women as a result of pregnancy and child birth reduced
- HIV transmission and the impact of the HIV/AIDS pandemic in developing countries reduced
- The threat of infectious diseases of major public health importance reduced

PERFORMANCE GOALS

- Fertility rate reduced by 20 percent
- Mortality rates for infants and children under the age of five reduced by 25 percent
- Maternal mortality ratio reduced by 10 percent

- Rate of increase of new HIV infections slowed
- Proportion of underweight children under 5 in developing countries reduced

INDICATORS

- Total fertility rate
- Under 5 mortality rate
- Prevalence of underweight children under 5
- Early Neonatal mortality rate (proxy for maternal mortality rate)
- HIV seroprevalence rate in 15 to 49 year-olds

USAID GOAL
The world's environment protected for long-term sustainability

Environmental degradation threatens human health, undermines long term economic growth and impairs critical ecological systems upon which sustainable development depends Careful management of natural resources is essential if investments in development are to yield sustainable benefits Unpolluted and undegraded natural resources are required for long-term economic growth and food security Clean air and water are prerequisites to people's health Addressing environmental issues builds public/private sector partnerships, increases public awareness through education and training, crosses gender, cultural and class lines, stretches across the political spectrum, and strengthens civil societies

U S NATIONAL INTEREST Environment

Not only is the United States affected directly by global climate change, the loss of biodiversity, the spread of pollutants, use of toxic chemicals and the decline of fish stocks in the oceans, but struggles over land, water and other resources can lead to instability and conflict, which may become serious and direct threats to U S interests, as well as the U S itself United States leadership is essential to resolving global environmental problems and promoting environmentally sustainable economic growth in developing countries USAID coordinates its environmental programs with the Departments of Energy, State and Treasury and the Environmental Protection Agency

USAID OBJECTIVES

- The threat of global climate change reduced
- Biological diversity conserved
- Sustainable urbanization including pollution management promoted
- Use of environmentally sound energy services increased
- Sustainable management of natural resources increased

PERFORMANCE GOALS

- National environmental management strategies prepared
- Conservation of biologically significant habitat improved
- Rate of growth of net emissions of greenhouse gases slowed
- Urban population's access to adequate environmental services increased
- Energy conserved through increased efficiency and reliance on renewable sources
- Loss of forest area slowed

INDICATORS

- National environmental management strategies
- Nationally protected areas (in hectares and as percent of total land area)
- Carbon dioxide emissions, average annual rate of growth
- Percent of urban population with access to safe drinking water
- Percent of urban population with access to sanitation services
- GDP per unit of energy use
- Percent of energy production from renewable sources
- Annual change in total forest area (percent change and in hectares)
- Annual change in natural forest area (percent change and in hectares)
- Annual change in plantation forest area (percent change and in hectares)

USAID GOAL

Lives saved, suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established

Crises, whether natural or man made, destroy the resources individuals, families or nations might otherwise commit to social and economic progress Crises usually have their greatest impact on the poor, women and children Humanitarian assistance can help replace some of these resources and enable victims to resume their normal lives more quickly The provision of humanitarian and transitional assistance is equally important as a means to prevent crisis, to safeguard long term economic and social development, and to support the creation of free markets and democratic institutions for countries in transition

U S NATIONAL INTEREST Humanitarian Assistance

Small U S investments in crisis prevention and mitigation may reduce the need for more substantial investments in crisis resolution where U S interests are directly at risk However, even where U S interests may not be directly affected, the United States has a long-standing tradition of providing humanitarian assistance in response to the urgent needs of the victims of natural and man made disasters and complex emergencies USAID coordinates its humanitarian assistance programs with the Departments of Agriculture, Defense and State

USAID OBJECTIVES

- The potential impact of crises reduced
- Urgent needs in times of crisis met
- Personal security and basic institutions to meet critical intermediate needs and protect human rights re-established

PERFORMANCE GOALS

- Crude mortality rate for refugee populations returned to normal range within six months of onset of emergency situation
- Nutritional status of children 5 and under populations made vulnerable by emergencies maintained or improved
- Conditions for social and economic development in post conflict situations improved
- Freedom of movement, expression and assembly and economic freedoms in post-conflict situations increased

INDICATORS

- Crude mortality rate in emergency situations
- Proportion of children under 59 months in emergency situations who are wasted
- Number of people displaced by open conflict
- Changes in the number and classification of designated post-conflict countries classified by Freedom House as free/partly free/not free
- Economic Freedom Composite Index

USAID GOAL
USAID remains a premier bilateral development agency

To achieve maximum impact in assisted countries and returns to the United States, America's contributions to sustainable development programs must be efficiently and effectively managed Beginning in 1993, USAID has made concerted efforts to improve its efficiency and effectiveness by (1) establishing a coherent strategic framework in its *Strategies for Sustainable Development*, (2) becoming a pilot reform agency under the Government Performance and Results Act (GPRA), (3) simplifying internal operations, (4) encouraging operating units to identify better ways of doing business and to adopt "best practices," including effective partnering, and (5) emphasizing a customer focus and coordination with other donors USAID has been and will continue to be a learning organization committed to improving its performance Accordingly, USAID will pursue the following management objectives

U S NATIONAL INTEREST **Maintenance of fundamental capabilities to carry out international affairs missions in sustainable development**

Promoting sustainable development is a necessary and critical component of America's role as a world leader It helps to reduce the threat of crisis, and to create the conditions for economic growth, the expansion of democracy and social justice, and a protected environment Under these conditions, citizens in developing and transitional countries can focus on their own social and economic progress, which creates demand for U S goods and services and expands cooperative relationships between the United States and those countries it assists

USAID OBJECTIVES

- Responsive assistance mechanisms developed
- Program effectiveness improved
- U S commitment to sustainable development assured
- Technical and managerial capacities of USAID expanded

PERFORMANCE GOALS

- Time to deploy effective development and disaster relief resources overseas reduced
- Level of USAID managed development assistance channeled through strengthened U S based and local non governmental organizations increased
- Contacts and cooperation between USAID's policy and program functions and those of other U S government foreign affairs agencies expanded
- The OECD agenda of agreed development priorities expanded
- Capacity to report results and allocate resources on the basis of performance improved

INDICATORS

- Percent of critical positions vacant
- Percent of USAID-managed development assistance overseen by U S and local private voluntary organizations
- Statements at the objective level across the strategic plans of U S executive agencies concerned with sustainable development are consistent
- Number of jointly defined OECD development priorities
- Financial and program results information readily available
- Time to procure development services reduced

Resource assumptions

USAID's performance goals were selected, in part, on the basis of its assumptions about available program resources, support resources and workforce, and information resources If these assumptions prove incorrect, then USAID would have to modify its projected performance goals

Program Resources Resource levels for most USAID program accounts are projected to remain at fixed levels in *constant dollar terms* over the course of the planning period The exceptions are Economic Support Funds earmarked for Israel and Egypt, projected to be straightlined, and transitional programs funded by the Support for Eastern European Democracy and Freedom Support Act accounts, projected to be phased down as transitional objectives are reached in specific countries

Administration budget requests are projected to be sustained by Congressional appropriations action, and resources made available for each strategic goal are projected to be congruent with current Administration priorities – as reflected in the FY 1998 USAID budget request – in constant dollar terms throughout the planning period

The Strategic Plan also assumes that current levels of development assistance provided by other donor nations will remain roughly at current levels throughout the planning period USAID would have to re-examine its own assistance plans if such assumptions prove unfounded for any reason

Support Resources In contrast to program resources, the Strategic Plan assumes that resources for USAID support costs, including the cost of maintaining the Agency s direct-hire and non-direct hire workforce, will remain fixed, in *current dollar terms*, over the planning period This means that the purchasing power of the USAID Operating Expenses account, the principal source of such support resources, effectively will shrink annually at the rate of inflation

To accommodate such a reduction in the effective level of support resources, USAID workforce levels, which account for the largest portion of support costs, would have to be reduced at roughly the annual inflation rate, unless a case can be made for marginally increased operating expenses to accommodate program management requirements If a continued contraction in Agency staff is required, it will place increasing limits on USAID's ability to provide adequate oversight for even a program portfolio projected to remain static in constant dollar terms

Moreover, while this level of workforce reduction may be largely achievable through normal annual rates of attrition, the effects of such staff losses – e g , skewing the Agency's available skills mix, changing the balance between field and headquarters staffing, losing institutional memory from retirement of senior staff, and limiting the ability to recharge the Agency's workforce with the infusion of new hires – will require active workforce planning The Strategic Plan assumes that a workforce planning process, recently initiated, will be completed successfully, that its results will permit the Agency to manage its programs responsibly with available staff and, possibly, that its findings will help make the convincing case for increased support resources to fund adequate program oversight

Information Resources To effectively manage its information resources in support of the Strategic Plan, the Agency is updating for the sixth time its five-year Strategic Information Resources Management (IRM) Plan USAID has made considerable progress against the previous IRM plan, having successfully completed three of its six goals The Agency is well into the implementation stage of the Information Systems Plan, with more than half of the planned New Management System modules operational in Washington and the architecture in place to support them worldwide

This updated Strategic IRM Plan focuses on completing implementation of the New

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Management System to support the re-engineered Agency and is expected to set the direction for the IRM program to meet the Agency's information needs through 2002 It includes four goals

- Operations to assure the architecture to support Agency automated business processes is available and provides a reliable, secure and robust environment to support the Agency's business as well as the productivity of Agency staff

- Information Management to improve USAID's ability to manage, access and use information to achieve Agency strategic objectives

- Quality to improve the value (efficiency and effectiveness) of information-related products and services

- Project Support to ensure that information technology and information management components of program activities contribute effectively to meeting USAID goals and objectives

Conclusion

The purpose of the diplomacy of the United States is to create a more secure, prosperous and democratic world for the benefit of the American people and those whom they choose to assist Sustainable development, that is, lasting improvements in the lives of the people in those countries in which USAID works, contributes to this end and remains a necessary and critical component of America's role as a world leader USAID leads American efforts to promote sustainable development around the world Through this Strategic Plan, USAID commits itself, with the support of the American people and in coordination with its partners, to achieving significant results in developing and transitional countries over the next 10 years and establishes a base for measuring its performance

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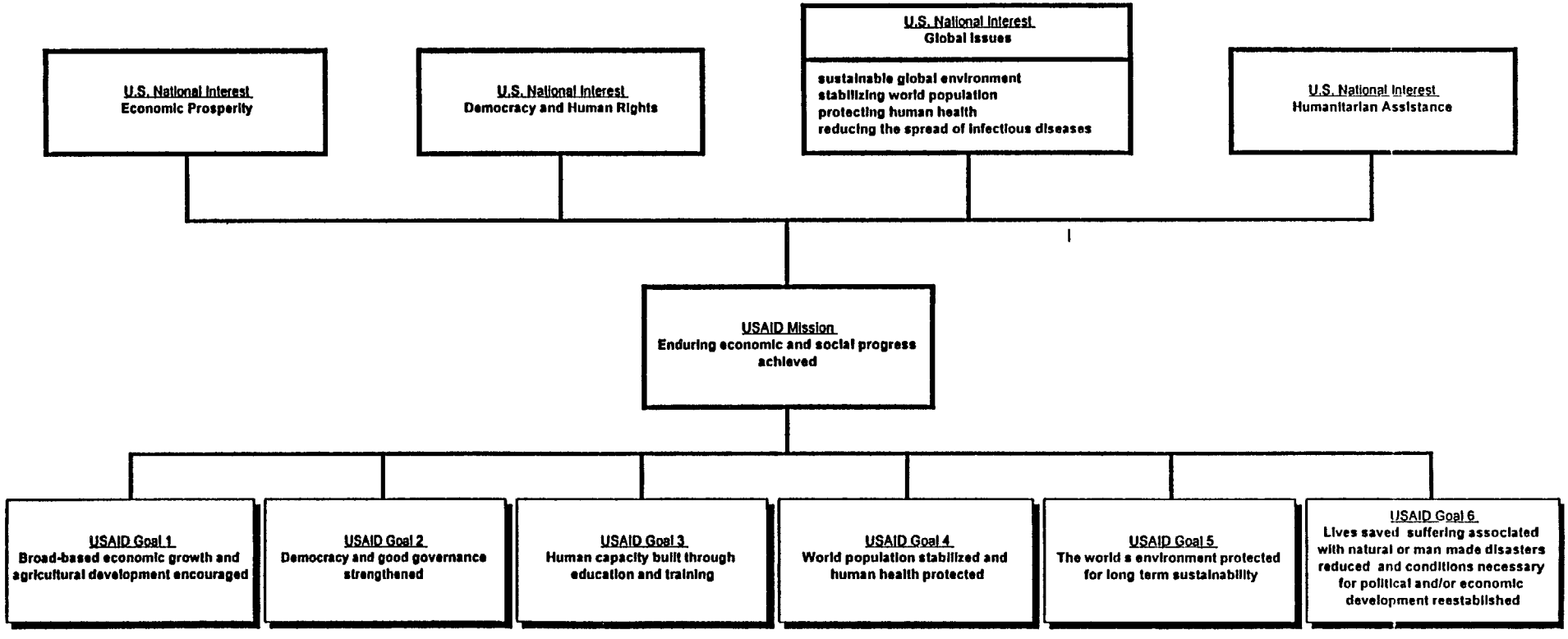
Annex 1
USAID's Strategic Framework Goals, objectives and program approaches

USAID's Contributions to U S National Interests
FINAL - 09/18/97



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USAID STRATEGIC PLAN
FINAL - 09/18/97

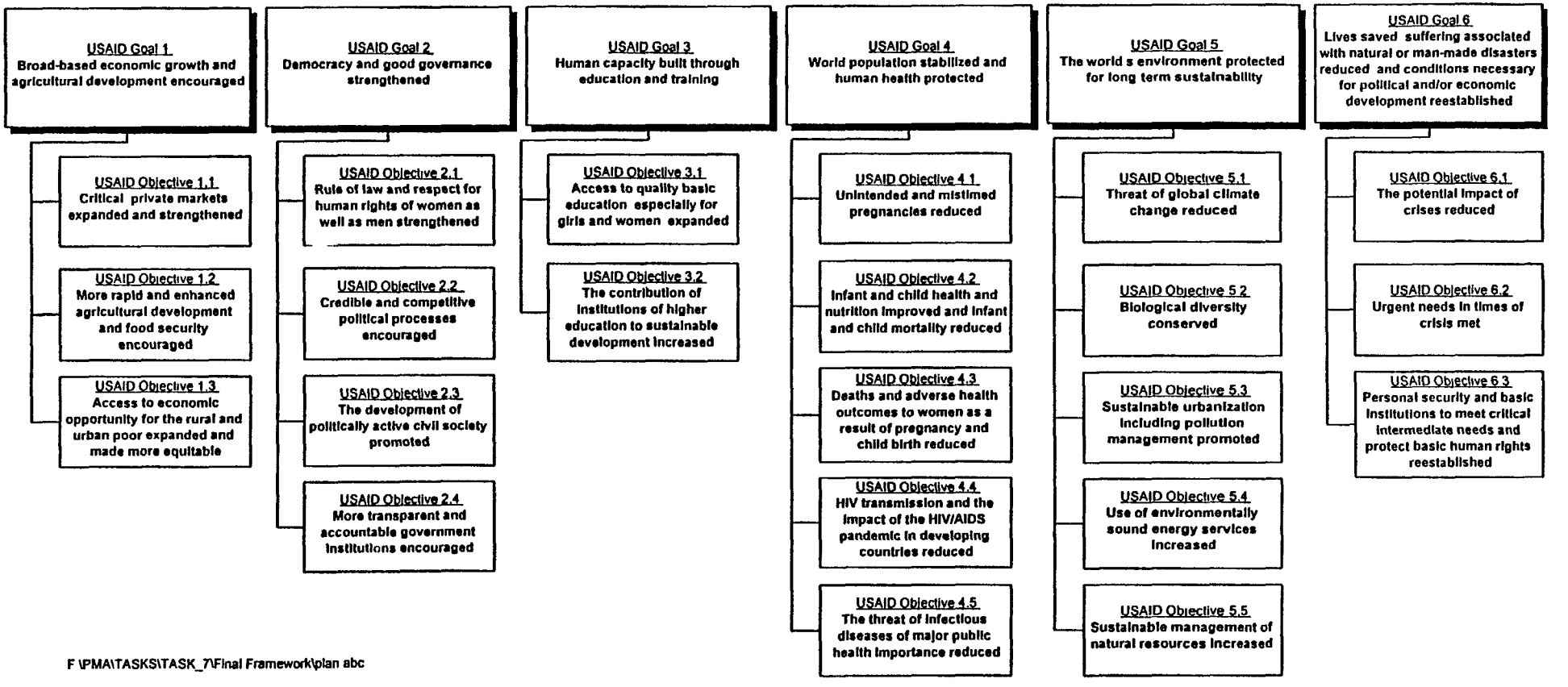

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Figure 3a: Economic Growth Strategic Framework
FINAL - 09/18/97

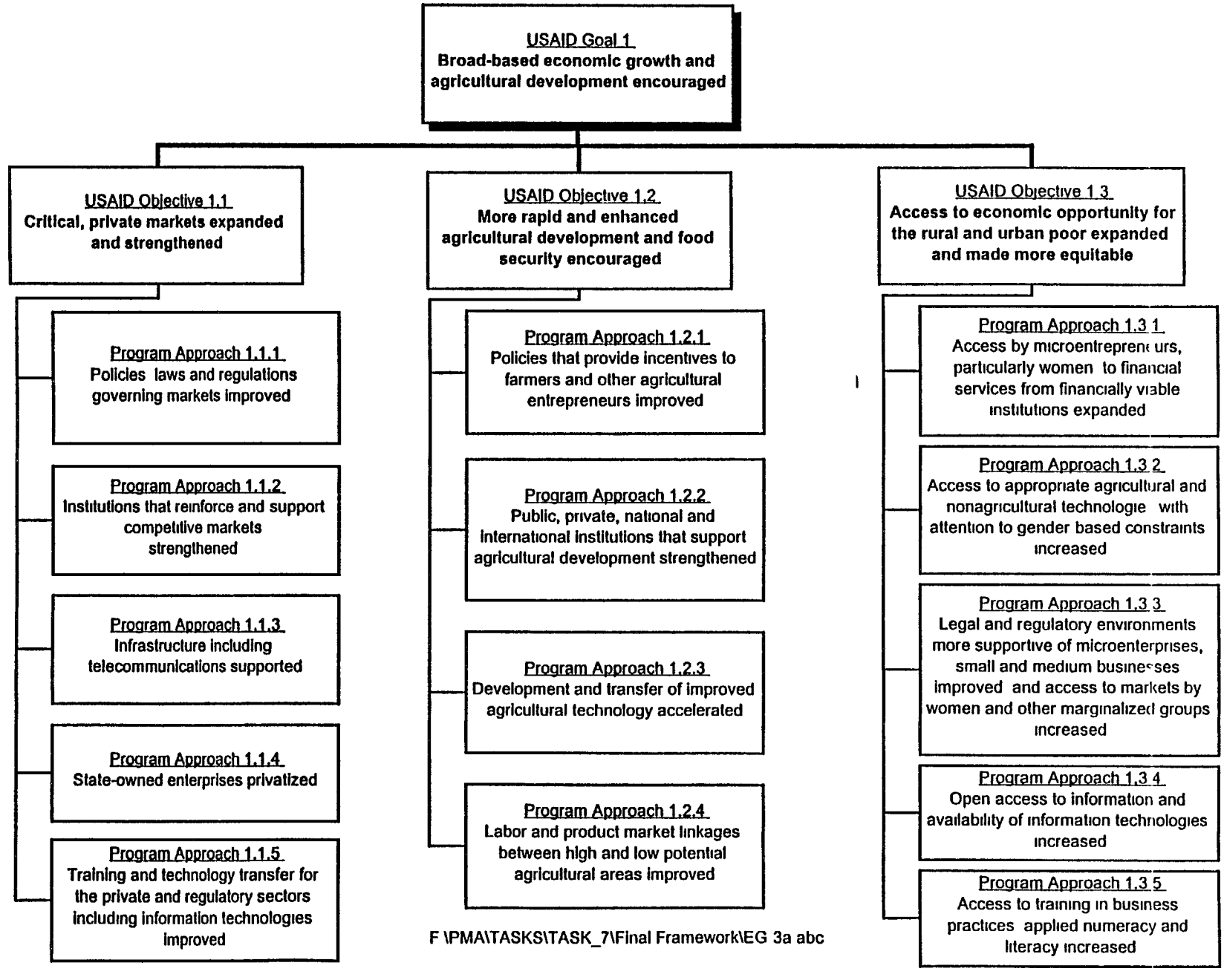

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Figure 4a: Democracy Strategic Framework FINAL - 09/18/97

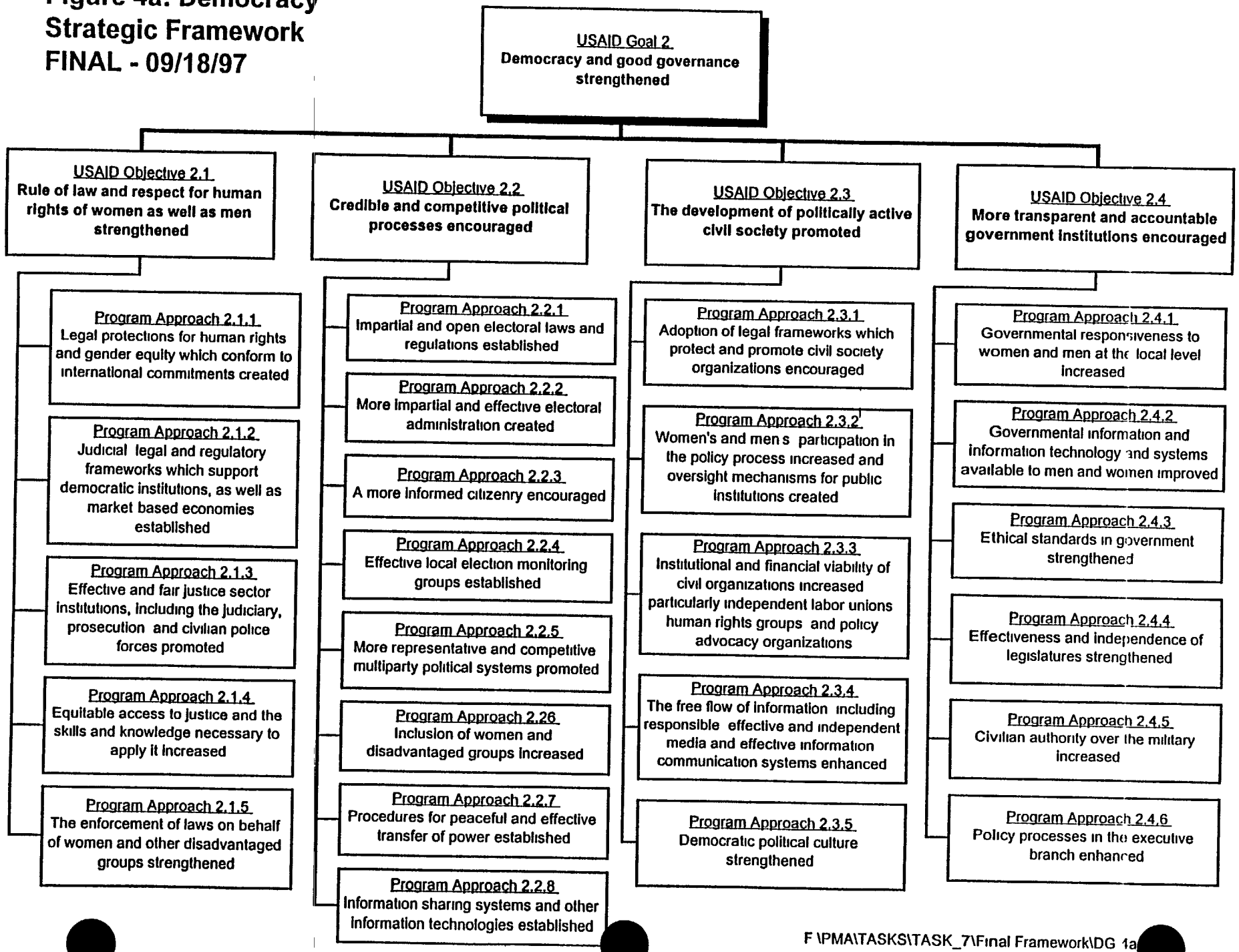

Figure 5a: Human Capacity Development Strategic Framework FINAL - 09/18/97

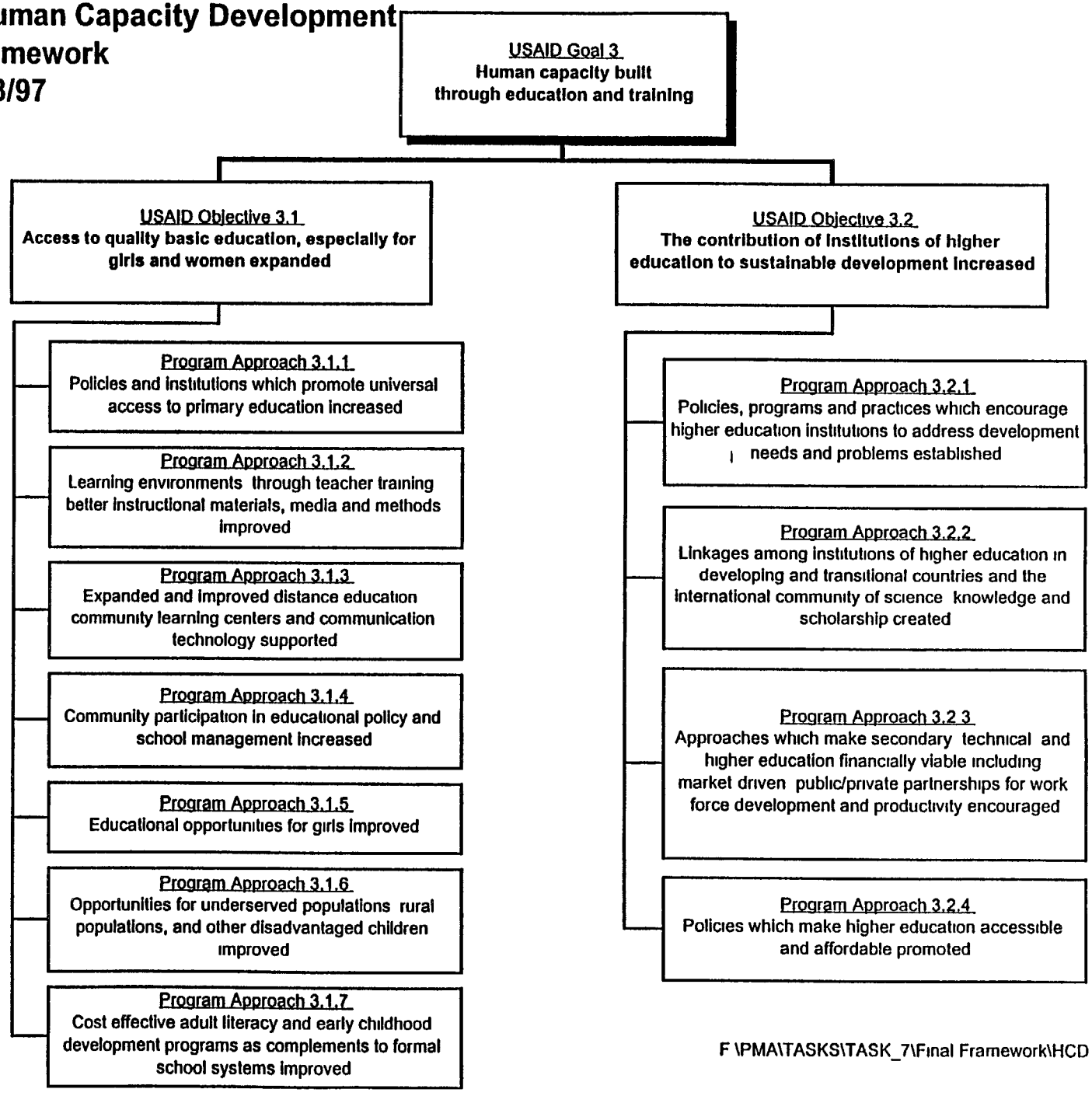

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Figure 6a Population, Health and Nutrition Strategic Framework FINAL - 09/18/97

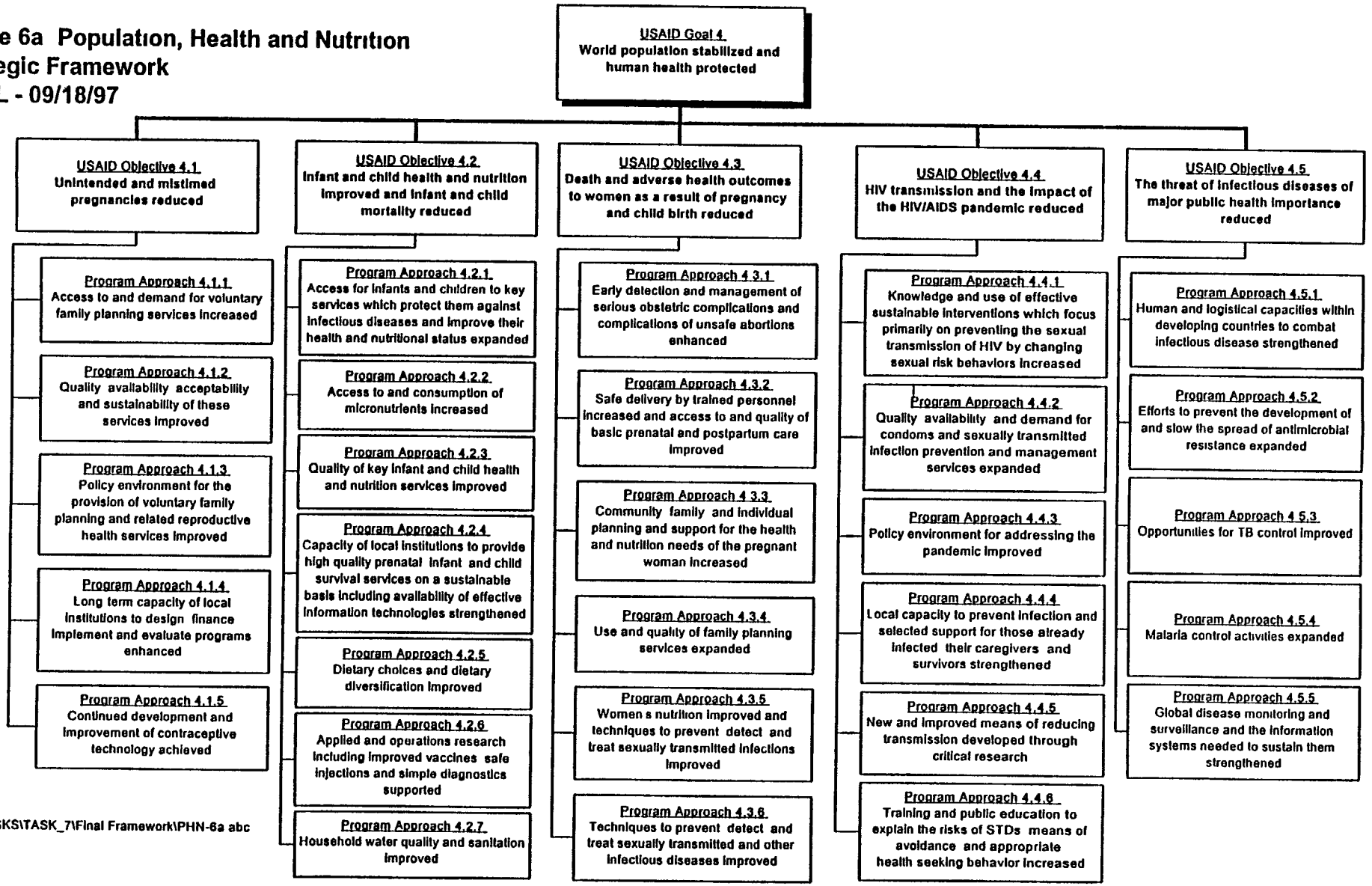

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Figure 7a: Environment Strategic Framework
FINAL - 09/18/97

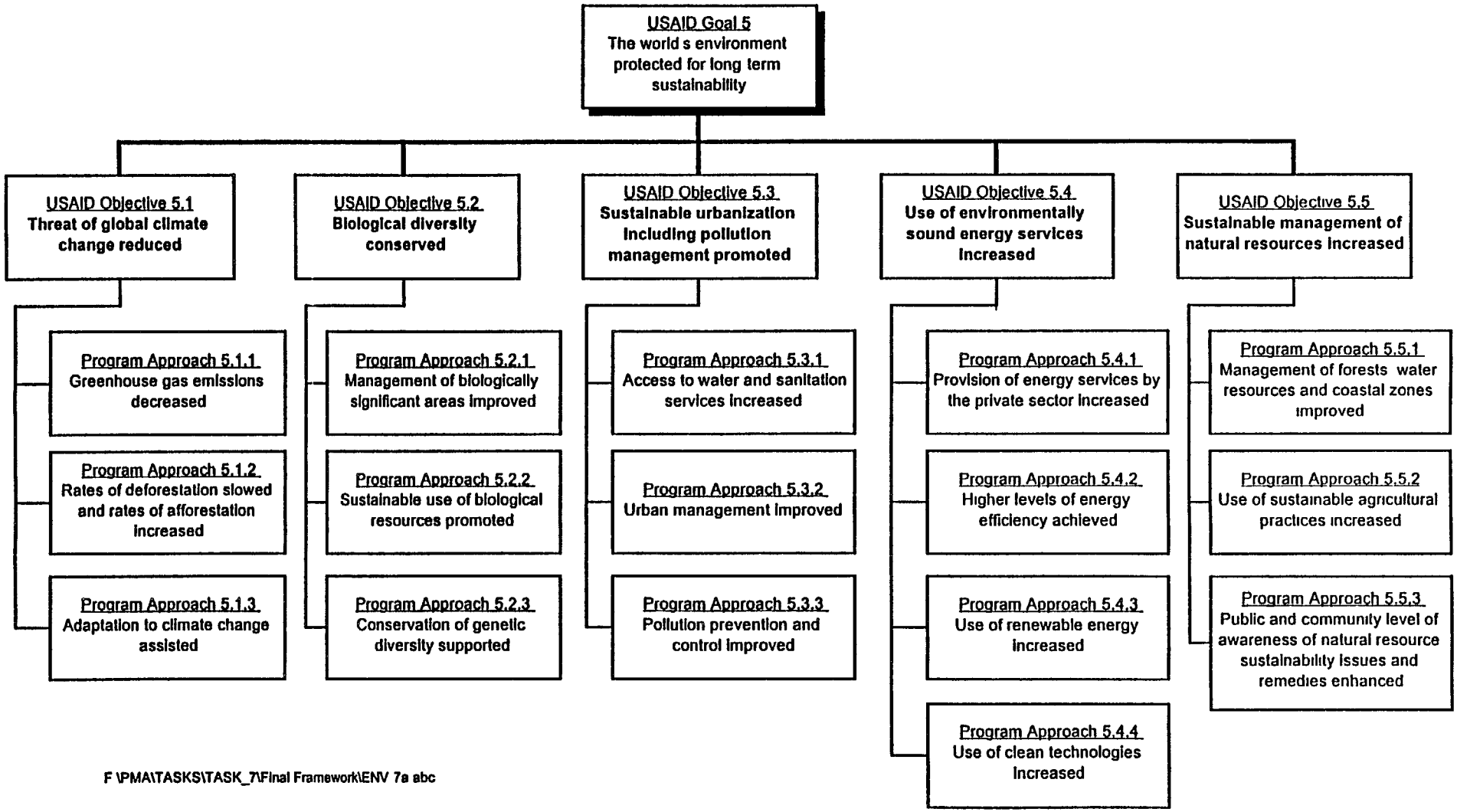

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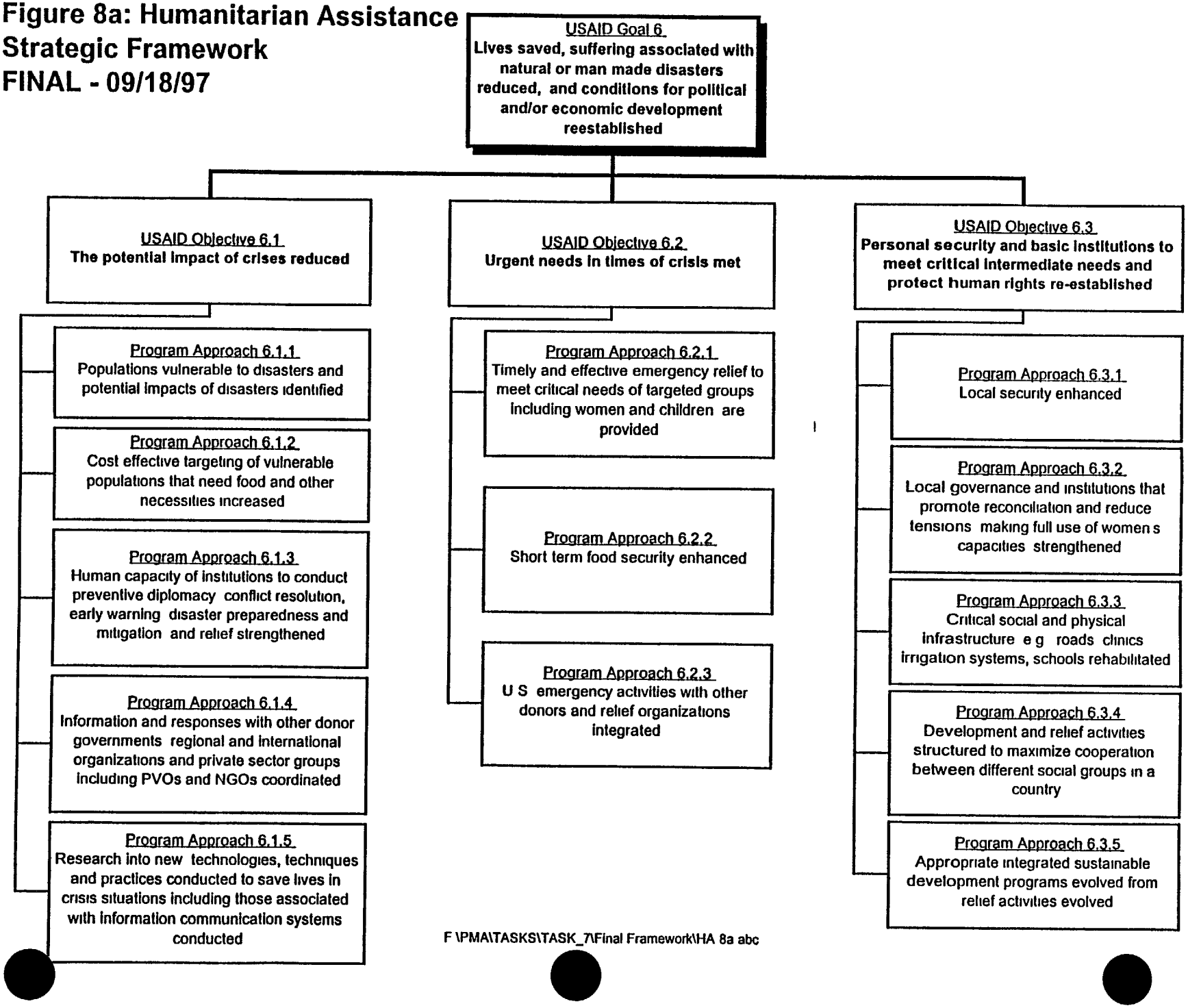
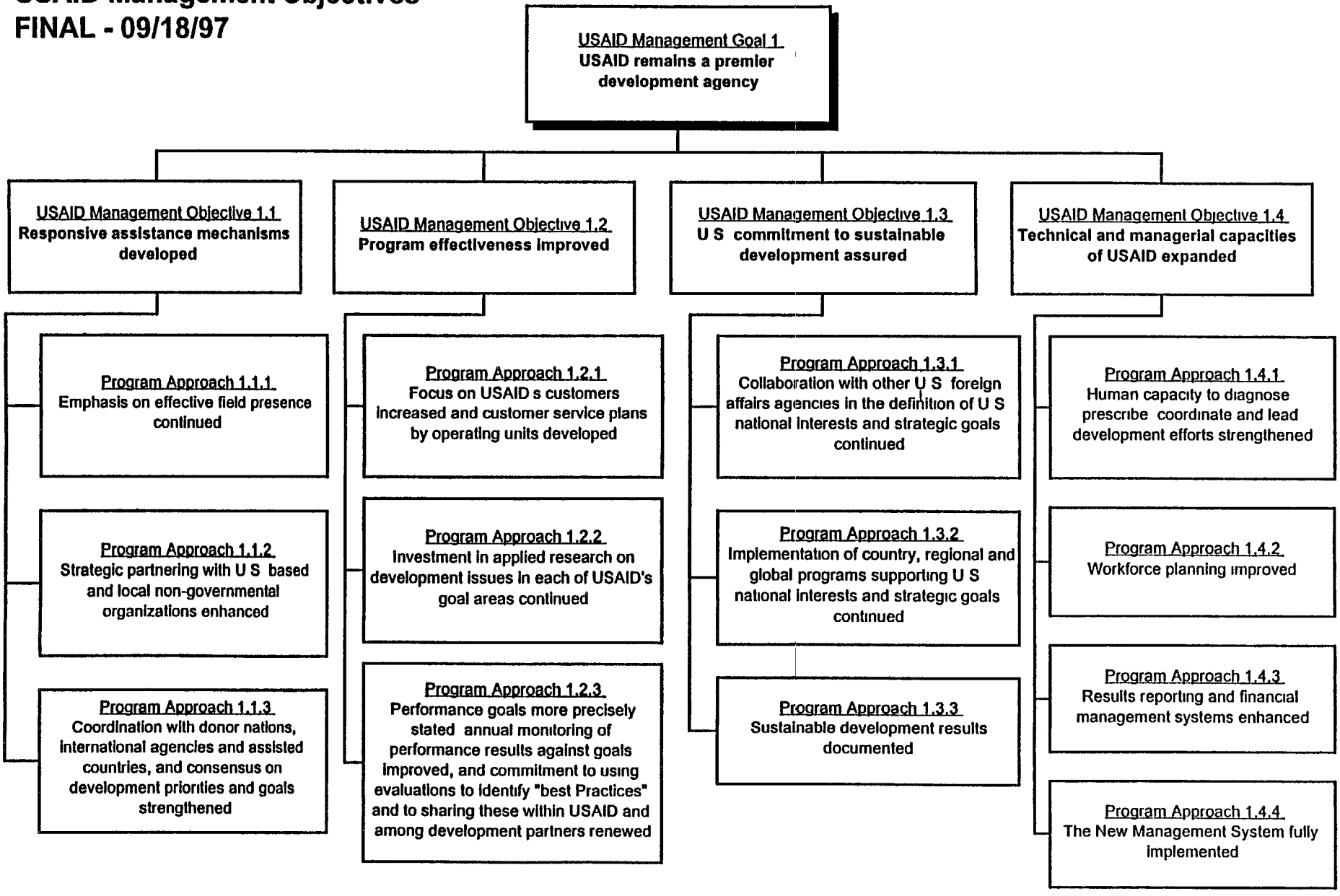
Figure 8a: Humanitarian Assistance Strategic Framework FINAL - 09/18/97



USAID Management Objectives
FINAL - 09/18/97



Annex 2 Justification for performance goals and indicators

Introduction

USAID has selected a limited number of performance goals in each of the six Agency goal areas to express the broad development changes to which USAID expects to contribute over the next decade in concert with its development partners Performance goals are limited in number and do not necessarily cover all Agency objectives or program approaches The performance goals are couched in terms of country level development targets and trends USAID recognizes these goals are beyond its manageable interest in that their achievement also depends on the work of its partners Nevertheless, USAID believes that, through its collaborative relationships with host governments and other donors, it can significantly influence the desired results

These Agency performance goals are complementary to those endorsed by the United States as part of the report by the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development titled "Shaping the 21st Century The Role of Development Cooperation " The United States played a leadership role in the development of these international targets, and they are consistent with U S national interests and development goals and objectives

Agency performance goals are of two types (1) targets – explicit levels of results to be achieved within a 10 year timeframe, or (2) trends – desired directional changes sought Indicators have been identified for measuring, analyzing and reporting on progress toward each of the performance goals These performance goals are indicative and may be subject to adjustment and refinement (to help ensure they are ambitious yet realistic) as further analyses of data availability, baselines and historical trends are conducted

USAID will monitor and report on progress toward achievement of these performance goals in all developing and transitional countries, regardless of whether they have relevant USAID assisted programs or not In analyzing the data for any given performance goal, however, an effort may be made to focus on specific country groupings that are most relevant For example, this could mean focusing on countries that have USAID-assisted population programs when assessing total fertility rate declines

These agency goals and objectives are not to be confused with the goals and strategic objectives of its operating units or with program results that can be directly attributed to USAID programs The number of hectares of biologically significant habitat where USAID has programs to improve management, the number of disaster refugees that received USAID food assistance, or the number of children's lives directly saved by USAID child survival programs are examples of indicators at the operational level that are useful for aggregating program results across countries, but that are not appropriate as Agency performance goals –which attempt to capture the broader country-level progress or trends expected as a result of collective efforts of all development partners and not just USAID However, such USAID operational or program specific measures will be included in the Agency's Annual Performance Plan and reported against in the Agency's Annual Performance Report

For each Agency performance goal, this annex lists the indicator or indicators that will be used to monitor progress and provides a justification for why the performance goal and indicator(s) were selected (i e , its importance or significance, data quality and availability from existing international sources, etc) In the case of specific targets, there is a justification for why it is both ambitious yet feasible to achieve Detailed definitions of the indicators and data sources are also provided

USAID Goal Broad Based Economic Growth and Agricultural Development Encouraged

Performance Goal Average annual growth rates in real per capita income above 1 percent achieved

Indicator GNP per capita average annual growth rate (in constant prices)

Justification Out of 72 developing countries accounting for 2 7 billion people, 36 countries (accounting for about 75 percent of the group population) achieved economic growth rates above 1 percent for the 1985 95 period USAID has not done the same tally for transitional (from Communism) countries because the decade overall was inevitably one of decline and partial recovery for most of those countries

Looking ahead, the pool of countries will "worsen" somewhat as higher income, more successful countries graduate from assistance, and very poor countries emerging from crisis join the group On the positive side, most expect improved growth performance in sub Sararhan Africa, Eaatern and Central Europe and the New Independent States, and Latin American and the Carribean compared with the past decade, along with continued good growth performance in most of Asia and the Near East Indeed, over the course of the decade, growth was accelerating in a number of countries

Statistical analysis indicates that 1 percent growth can be expected to reduce the proportion of the population below the poverty line Indeed, one estimate (among several) indicates that a 10 percent increase in per capita income will reduce the incidence of poverty by 29 percent Other estimates indicate poverty would decline, but less rapidly

Indicator Source World Bank, World Bank Atlas, World Development Indicators 1997 (Table 1 3), and Data Tapes

Indicator Definition GNP per capita is the gross national product, converted to U S dollars using the World Bank Atlas method, divided by the mid year population GNP is the sum of gross value added by all resident producers plus any taxes (less subsidies) that are included in the valuation of output plus net receipts of primary income (employee compensation and property income) from non resident sources The growth rate is computed using the least squares method and constant prices

Performance Goal Average annual growth in agriculture at least as high as population growth achieved in low-income countries

Indicator Difference between average annual growth rate of agriculture and average annual growth rate of population

Justification Looking at 38 low-income countries (about 2 billion people) over the 1980 95 period, 16 countries (1 4 billion people) had agricultural growth at least as high as population growth

Looking ahead, population growth rate projections show clear declining trends for almost all countries, on the order of several tenths of a percentage point So, the target will be a little easier to reach in the future Also, prospects for a policy setting that encourages agricultural growth are better On the negative side, some of the better performing countries will no longer be considered low-income

Typically, GNP growth is above agricultural growth So this target is not inconsistent with the 1 percent growth target stated above

Many in the agricultural community consider it vital that agricultural growth exceed population growth by 1 or 2 percentage points

Overall there is a fair amount of tension here between what is considered good or acceptable performance, and what looks feasible based on historical performance

Indicator Source World Bank, World Development Indicators 1997 (Table 4 1, 2 1) and Data Tapes

Indicator Definition Agriculture is the value added from forestry, hunting and fishing as well as cultivation of crops and livestock production Country growth rates are calculated using constant price data in the local currency and using the least squares growth rate method

Total population is mid-year estimates based on national censuses, using the de facto definition of population, which counts all residents regardless of legal status or citizenship Refugees not permanently settled in the country of asylum are generally considered to be part of the population of their country of origin Average annual growth rate is based on the exponential change over the period

Performance Goal Proportion of the population in poverty reduced by 25 percent

Indicator Percent of population below poverty line

Justification The main justification for this performance goal, despite severe data problems, is that it corresponds to a DAC "Shaping the 21st Century" target, the only one pertaining to economic well being It is a pro-rated version of the DAC target of reducing poverty by 50 percent in the developing countries by 2015 (USAID assumes that 1997-2007 will reflect 1995-2005 data)

The target is feasible for developing countries that achieve positive economic growth USAID estimates suggest per capita growth at 2 percent will achieve the DAC poverty target Some other estimates developed at the World Bank are more optimistic, e g , a 29 percent decline in poverty for a 10 percent increase (not growth rate) in per capita income The empirical record suggests that changes in income distribution will by and large not undermine the impacts of growth on poverty

The target is not only broadly feasible, but also meaningful and impressive A 25 percent reduction in the incidence of poverty over 10 years would strike most observers as a fine achievement

Indicator Source Various World Bank reports provide these data, for example, World Development Indicators 1997 (Table 2 5) They appear on an irregular basis, though with mounting frequency as the Bank and others increasingly track trends in poverty

Indicator Definition The percentage of the population living on less than $1 a day at 1985 international prices, adjusted for purchasing power parity (i e , the World Bank s International Poverty Line) This will be supplemented by reports using country specific poverty lines

Performance Goal Openness and greater reliance on private markets increased

Indicators Trade of goods and services, average annual growth rate of foreign direct investment, average annual growth rate, Economic Freedom Index

Justification Growth of trade and foreign direct investment are indications of integration into the global economy Developing countries have participated extensively in global integration, although with sharp differences among countries Integration matters because there is an association between integration and growth Fast growth tends to reflect relatively rapid expansion of international trade and investment, and policies that promote an open economy also promote faster growth Thus, lagging integration is a sign of policy deficiencies In addition, integration can lead to higher growth through better resource allocation, greater competition, transfer of technology and access to foreign savings

The Heritage Foundation's Economic Freedom Index is an effort to empirically measure the level of economic freedom in countries around the world, using a variety of economic criteria There is a strong correlation between levels of economic freedom and levels of development, with causality running in both directions Both economic

freedom and the level of development more generally are heavily dependent on well functioning institutions (e g , court systems, institutions that support financial markets, tax systems, etc) that are the hallmark of development progress

Indicator Source World Bank data on merchandise trade and direct foreign investment see World Development Indicators, (Tables 4 7, 5 2), Heritage Foundation Annual Surveys of Economic Freedom

Indicator Definitions Merchandise trade includes all goods that add to or subtract from an economy's material resources The World Bank calculates growth rates of export and import volumes from 1987 constant U S dollar prices series

Foreign direct investment is net inflows of investment to acquire a lasting interest (10 percent or more of voting stock) in an enterprise operating in an economy other than that of the investor It is the sum of equity capital reinvestment of earnings, other long term capital, and short-term capital as shown in the balance of payments

The Economic Freedom Index measures how well countries score on a list of 10 economic factors The higher the score, the less supportive of private markets are institutions and policies The factors are (1) trade policy, (2) taxation policy, (3) government intervention in the economy, (4) monetary policy, (5) capital flows and foreign investment, (6) banking policy, (7) wage and price controls, (8) property rights, (9) regulation, and (10) black market

Performance Goal Reliance on concessional foreign aid decreased in advanced countries

Indicator aid as percent of GNP

Justification Aid dependency ratios are useful indicators of recipient country reliance on concessional foreign aid, relative to the size of their population and economy Poor countries tend to consume most of their income, leaving little savings Thus, they depend on aid to raise investment, to purchase essential imports and to maintain a minimum level of expenditure on education and health services As countries develop, they become less reliant on aid Exceptions to this pattern are the large, poor countries (e g , India, China) where aid to-GNP ratios are already low Also, for foreign policy reasons, some countries (e g , Israel) have received much larger amounts of assistance from one donor or another than warranted by considerations of development need

Indicator Source World Bank, World Development Indicators 1997 (Table 6 10)

Indicator Definition Overseas Development Assistance (ODA) consists of net disbursements of loans and grants made on concessional terms by official agencies of the members of DAC and certain Arab countries to promote economic development and welfare in recipient countries listed as developing by DAC Loans with a grant element of more than 25 percent are included as ODA ODA also includes technical assistance Official aid refers to aid flows from official donors to the transition countries of Eastern Europe and the former Soviet Union and to certain advanced countries and territories as determined by DAC Official aid is provided under terms and conditions similar to those of ODA Aid dependency ratio is computed using values in U S dollars converted at official exchange rates See notes above for definition of GNP

USAID Goal: Democracy and Good Governance Strengthened

Performance Goal Level of freedom and participation improved

Indicator Number of countries classified by Freedom House as free/partly free/not free

Justification Freedom House's classification of countries each year into broad categories of free, partly free and not free is a useful measure of the levels of freedom and participation in a country The ratings measure the extent to which individuals enjoy rights and freedoms in each country Broadly

defined, freedom encompasses two sets of characteristics grouped under political rights and civil liberties Political rights enable people to participate freely in the political process Civil liberties refer to freedoms to develop views, institutions, and personal autonomy apart from the state Over time, a reduction in the number of countries classified as not free and an increase in the number of countries classified as free would show progress is being made towards the USAID goal of strengthening democracy and good governance

Indicator Source Freedom House, Freedom in the World The Annual Survey of Political Rights & Civil Liberties, 1995 1996

Indicator Definition The Freedom House survey team classifies countries as free, partly free, or not free based upon ratings of political rights and civil liberties (each is scored separately on a seven-point scale with 1 representing most free and 7 the least free) A country is assigned to one of the three categories based on responses to a checklist of questions about political rights and civil liberties and on the judgments of the Freedom House survey team The numbers are not purely mechanical but reflect judgments

Performance Goal Civil liberties and/or political rights improved

Indicators Freedom House score for political rights, Freedom House score for civil liberties

Justification Another measure of successful performance would be improvement in terms of changes in a country's political rights and civil liberties scores over time Since these scores for countries are more likely to show change in the short term, compared to changes in country status as free/partly free/not free, it is useful to look at them separately

Indicator Source Freedom House, Freedom in the World The Annual Survey of Political Rights & Civil Liberties, 1995-1996

Indicator Definition The Freedom House annual surveys provides scores or ratings on a seven-point scale for political rights and for civil liberties (with 1 representing the most free and 7 the least free) Changes in countries scores from year to year are monitored via annual surveys The political rights score depends on answers to a checklist of questions dealing with issues such as whether there are free and fair elections, competitive political parties, opposition with an important role and power, freedom from domination by a powerful group (e g , military, foreign power, totalitarian parties), and participation by minority groups The civil liberties checklist asks questions such as whether there is a free and independent media, freedom of discussion, assembly and demonstration, freedom of political organization, equality under the law, protection from political terror, unjustified imprisonment and torture, free trade unions, professional and private organizations, freedom of religion, personal social freedoms, equality of opportunity, and freedom from extreme government corruption

USAID Goal: Human Capacity Built Through Education and Training

Performance Goal Proportion of the primary school age population not enrolled reduced by 50 percent

Indicators Net primary enrollment ratio, gross primary enrollment ratio

Justification
Reducing the proportion of the primary school-age population not enrolled by one-half (50 percent) within 10 years is consistent with the longer-term DAC "Shaping the 21st Century" target, which calls for achieving universal primary education in all countries by 2015 (pro rated for the shorter 10-year timeframe) This performance goal supports USAID's objective of expanding access to basic education

However, because not all countries are starting from the same baseline, achieving this performance goal will be more difficult in some countries and

easier in others Countries that currently have very low primary enrollment ratios will require a greater effort to achieve the target than countries that already have high enrollment ratios For example, if a country has a net enrollment ratio of 60 percent, that implies 40 percent of the school age population is not enrolled The target would call for a reduction by half from 40 percent to 20 percent (or 80 percent enrollment) If another country has a net enrollment ratio of 90 percent, this implies 10 percent of the school age population are not enrolled In ten years, the target would be to reduce this to 5 percent (i e to 95 percent enrollment ratio)

Historical trend data indicate that while this performance goal is a reasonable target for many developing and transitional countries, it may be unrealistic for countries with low baseline enrollment ratios – particularly in Africa and Asia/Near East countries Countries that currently have net enrollment ratios of 70 percent or less are most likely to have difficulty achieving this target

Indicator Source UNESCO Statistical Yearbook 1996 , UNESCO 1995 World Education Report Although school enrollment ratios are important indicators of access, the data are rife with errors They are usually based on surveys by national education authorities conducted at the beginning of the school year and do not reflect actual attendance Net enrollment data are not available for many countries To help remedy this data situation, USAID will soon be adding an education module to the DHS (Demographic and Health Surveys)

Indicator Definition The percent of the official primary school-age population not enrolled is equivalent to 100 percent (representing universal access) minus the net primary enrollment ratio Net enrollment ratio is the ratio of the number of children of official school age enrolled in school to the number of children of official school age in the population Gross enrollment ratio is the ratio of total enrollment, regardless of age, to the population of the age group that officially corresponds to the primary school level) Primary, or first level, provides the basic elements of education at elementary or primary school The duration of primary school varies from country to country

Using net enrollment ratios is preferable to gross enrollment ratios Gross enrollment ratios do not correct for overage or underage enrollments, and thus a high ratio does not necessarily indicate a successful school system Net enrollment ratios do make such adjustments, but data are less readily available in many countries For these reasons, both net and gross enrollment ratio data will be monitored However, because they are not comparable, net and gross enrollment ratios will not be "mixed" in the same cross-country analysis but will be kept separate and distinct

Performance Goal Difference between girls' and boys' primary enrollment ratio is virtually eliminated

Indicator Ratio of girls' enrollment ratio to boys' enrollment ratio

Justification This performance goal is consistent with the DAC "Shaping the 21st Century" target of eliminating gender disparity in primary and secondary education by 2005 Also, supports USAID's special focus on expanding basic education for girls

However, the goal will be more difficult to achieve in countries where gender disparities are currently high than in countries where it is already low For example, historical rates of progress indicate some countries that now have low female/male ratios– especially in Africa and Asia/Near East – may have difficulty achieving virtual elimination of disparity by 2007

Indicator Source UNESCO 1995 World Education Report, UNESCO Statistical Yearbook 1996

Indicator Definition The female/male participation ratio is the ratio of female gross enrollment ratio to male gross enrollment ratio A female/male participation ratio of one (or more) implies the gap or disparity has been eliminated and

girls have as equal access as boys to primary education (This may be more easily conceptualized as the number of girls enrolled in primary school for every boy enrolled)

Performance Goal Primary school completion rates improved

Indicator Percentage of cohort reaching grade five

Justification Indicators of grade progression provide a measure of how successful or efficient an education system is in maintaining a flow of students from one grade to the next and thus of imparting a particular level of education It addresses the Agency's concern of providing quality basic education, as opposed to just increasing enrollments or access

Indicator Source UNESCO s 1995 World Education Report and Statistical Yearbook 1996 (World Bank, World Development Indicators 1997 (Table 2 9) has progression to grade four)

Indicator Definition Percentage of the cohort reaching grade five is the proportion of a single-year cohort of students that eventually reaches fifth grade, based on the reconstructed cohort method This method uses data on average promotion, repetition, and dropout rates to calculate the flow of students from one grade to the next The percentage of the cohort reaching grade five, rather than some other grade, is used to increase cross-country comparability (duration of primary schooling varies from 3 to 10 grades)

Performance Goal Higher education enrollments increased

Indicator Percentage of relevant age group enrolled in tertiary education

Justification Admission to tertiary education requires, at a minimum, successful completion of secondary education or some other evidence of amount of an equivalent attainment of knowledge Higher education enrollments, therefore, become a proxy measure of increased human capacity beyond basic or primary education

Indicator Source World Development Indicators 1997 (Table 2 8)

Indicator Definition Tertiary education includes universities, teacher colleges and other higher level professional schools

USAID Goal: World Population Stabilized and Human Health Protected

Performance Goal Fertility rate reduced by 20 percent

Indicator Total fertility rate

Justification Total fertility rate (TFR) was chosen because it is widely accepted, well defined, measurable, and straightforward to collect A TFR of 2 1 would imply a replacement level fertility rate and is a precondition for population stabilization

Since the initiation of USAID's population assistance program in the mid-1960s, the total fertility rate in the developing world (excluding China) has fallen from approximately 6 children per woman to 4 children per woman today–half of the decline required to reach the replacement rate of 2 1 Data from DHS surveys suggest that in 1987, the TFR in 45 USAID assisted countries was 4 8 In 1996, it was 3 7 With continued strong family planning efforts, further declines can be expected

A TFR target of 3 0 by 2007 (or about a 20 percent reduction) represents the likely change in fertility if contraceptive prevalence increases by 1 percentage point per year on average, which is reasonable given historical experience Because the average is constructed from the experience of individual countries, there is a direct link between what happens at the country level and what happens at the global level for this variable Progress in large countries, such as India, Indonesia, Brazil, and Kenya, for example, is critical to achieving the 2007 target

The DAC "Shaping the 21st Century Report" uses a somewhat different global target – access through primary health care systems to reproductive health services for all individuals of appropriate ages as soon as possible and no later than the year 2015 However, because there are definitional issues with this access indicator and because data are not readily available from an international source, USAID will be using the more direct total fertility rate measure instead

Indicator Source The principal source of TFR data for the developing world is the Demographic and Health Surveys, which are routinely implemented in most USAID-assisted countries at least once every five years Also available in World Bank, World Development Indicators 1997 (Table 2 2)

Indicator Definition The total fertility rate represents the number of children that would be born to a woman if she were to live to the end of her childbearing years and bear children in accordance with prevailing age-specific fertility rates

Performance Goal Mortality rates for infants and children under the age of 5 reduced by 25 percent

Indicator Under 5 mortality rate

Justification Under-5 mortality rate (U5MR) is the principal indicator reflecting the overall mortality burden among children who are encompassed under the Agency's Child Survival program (that is, children in the first five years of life) This indicator is well-defined, and data on it are reported for virtually every country of the world It is able to be derived from the most important standardized data collection approaches used in assessing child health, including the DHS

Compared to the infant mortality rate, this indicator captures more effectively the impact of programs addressing major present causes of morbidity and mortality of children, such as diarrheal diseases, respiratory infections and malnutrition, since mortality from these causes continues to be important into the second and third years of life, with some lesser effect in years four and five In addition, this indicator is more likely than infant mortality to capture the effects of new threats to children such as HIV/AIDS, which is more likely to result in mortality after year one of life

Since the initiation of USAID's Child Survival program in the mid-1980s, U5MR in 45 countries surveyed by the DHS has declined from approximately 125 deaths per 1,000 liveborn children, to approximately 89 (population weighted averages) Linear extrapolation of the trend established under the global Child Survival initiative would yield a year 2007 weighted average U5MR target of 54, however, since this linear progression may level off in countries and regions as lower levels are reached (such as Latin America, where the linear projection would establish a year 2007 weighted average estimate of 6 5 deaths per 1,000 lower than the present U S rate), a year 2007 target of 58 is recommended (implying about a 35 percent reduction)

As for other indicators, progress in more populous countries such as India, Bangladesh, Nigeria and Ethiopia will contribute substantially to overall progress However, there is also much impact to be gained through addressing the aggregate effect of smaller countries, especially in Africa and Southern Asia For purposes of enhancing overall development and of equity, the U5MR indicator also helps target individual countries and areas within countries in which child survival, health and nutrition are lagging behind

This USAID performance goal of reducing death rates for infants and children under the age of 5 by 35 percent by the year 2007 is consistent (on a pro-rated basis) with the longer term DAC "Shaping the 21st Century" goal of a two thirds reduction by the year 2015

Indicator Source USAID Demographic and Health Surveys (DHS) Estimates also available in World Bank, World Development Indicators 1997 (Table 2 14)

440

Indicator Definition Under 5 mortality rate is the probability that a newborn baby will die before reaching age 5, if subject to current age-specific mortality rates (per 1,000)

Performance Goal Maternal mortality ratio reduced by 10 percent

Indicator Early neonatal mortality rate

Justification Early neonatal mortality rate (ENMR) is used as a proxy for maternal mortality because the maternal mortality ratio is poorly measured due to the relative rarity of occurrence and the fact that many deaths are hidden WHO estimates that there were 3,370,000 early neonatal deaths in 1995

The early neonatal mortality rate reflects progress toward reduction of maternal mortality since decrease in ENMR depends substantially upon the health status of the pregnant woman and her care during pregnancy and birth–essentially the same immediate biologic and programmatic determinants of maternal mortality The indicator is well-defined, possible to measure and reasonably straightforward to collect

Early neonatal mortality estimated rates in 1997 range from 4 to 43/1,000 live births Since 1987, early neonatal mortality in the 40 countries surveyed has fallen from 24 1 to 21 5/1,000 live births over the decade With continued programs in maternal health and accompanying immediate newborn care, routinely a part of USAID maternal health programs, further declines can be anticipated

The target of 18 8/1,000 live births by the year 2007 (or about a 10 percent reduction) represents a linear extrapolation of a weighted average of annual decline in the past decade Progress at a global level to achieve the 2007 target is particularly dependent upon progress in the large countries

The DAC "Shaping the 21st Century" goal calls for a reduction in maternal mortality by three-fourths by the year 2015 The World Summit for Children (1990) had a target of 50 percent reduction in maternal mortality between 1990 and 2000, a goal the world is nowhere near reaching The USAID performance goal of a 10 percent reduction by 2007 is less ambitious than these international targets but more realistic given historical trends Thus far, there is no evidence of a decline in maternal mortality, suggesting caution against projecting massive declines Moreover, a more modest target is reflective of limited USAID funding in this area

Indicator Source The principal source of the early neonatal mortality data is from the Demographic and Health Surveys, which are routinely implemented in most USAID-assisted countries with population, health and nutrition programs every few years, the ENMR is currently available from 40 developing countries The ENMR can also be calculated from a WHO database, which includes data from vital registration, sample registration and community studies, as well as DHS surveys

Indicator Definition Early neonatal mortality is defined as the death of a liveborn infant during the first week of life (0 6 days) The rate is the number of early neonatal deaths per 1,000 live births

Performance Goal Rate of increase of new HIV infections slowed

Indicators HIV prevalence rate in the adult population (with selected special surveys to allow interpretation of serial prevalence to estimate incidence of new infections), percentage condom use during last sexual encounter with a non-regular partner

Justification The ultimate measure of impact of HIV/AIDS prevention and mitigation programs would be a decline in the number of new annual HIV infections However, unlike family planning and child survival incidence measures where incidence data can be obtained from verbal questionnaires, the cost of prospective cohort biologic HIV incidence studies would be prohibitive Instead, two proxy indicators are used Measurement of serial HIV prevalence rates in populations that engage in either high risk sexual

behavior or in the general adult population can serve as a proxy for HIV incidence if additional information is gathered that allows interpretation of serial prevalence data In 1997, estimated HIV rates by region are sub Saharan Africa 5 6 percent, Caribbean 1 7 percent, Latin America and S/SE Asia 0 6 percent During the next two to three years, as the surveillance systems are established in the USAID emphasis countries, select 2007 targets will be determined by country and by region

As part of the redesigned portfolio for the Global Bureau, increased significance will be placed on establishing minimum HIV surveillance systems in USAID HIV-emphasis countries In addition to standardized, regular measurement of HIV prevalence in selected populations, the surveillance system will also include measuring key information that allows interpretation of serial prevalence data This includes such parameters as AIDS mortality, levels of behavior change, sexually transmitted infections (STI) prevalence, epidemic saturation modeling and sampling strategies

The indicator – percentage condom use during last sexual encounter with a non-regular partner – is currently more readily available and may also serve as a reasonable proxy for reducing new HIV infections

Indicator Source Estimations of HIV incidence (new infections of HIV/year) will be achieved through a combination of the following regular surveys and special studies Serial HIV prevalence (The sentinel surveillance sites are to be supported through USAID, local government or other donors) STI prevalence (USAID, local governments, and other donors), behavioral surveillance through DHS and targeted periodic behavioral surveillance studies (The level of condom use during last sexual contact with a non-regular partner will also be achieved through these two survey methodologies), estimations of AIDS mortality achieved through DHS and selected vital statistics and hospital registration data, and estimation of epidemic saturation achieved through computer simulation modeling through collaborations with the U S Bureau of Census and UNAIDS

Indicator Definition Serial HIV prevalence reflects the estimated prevalence rate of HIV-1 infection in persons 15 to 49 years of age (Also see special studies in section above)

Number of people aged 15-49 reporting the use of a condom during the most recent act of sexual intercourse with a non regular partner divided by the number of people surveyed aged 15-49 who report sexual intercourse with a non-regular partner in the last 12 months

Performance Goal Proportion of underweight children under 3 reduced

Indicator Proportion of children under age 3 years who are underweight

Justification The use of a second child health performance goal is warranted Nutritional status of children has been analyzed extensively and shown to have a major role in determining child survival The proportion of children under age 3 who are underweight reflects both acute and chronic undernutrition

The most important reasons for including a nutrition status indicator in addition to a mortality indicator are to increase the focus on nutritional status not only as a determinant of survival, but also as an indicator of child well-being and of the impact of childhood on the future developmental potential of children, these dimensions are not captured by mortality indicators alone

Globally, the United Nations (UN) estimated in late 1992 that about 40 percent of children (or 193 million) under 3 are underweight While declines were evident in the period prior to 1990, the rate of decline has slowed down The World Summit for Children goal recommended a 50 percent reduction in malnutrition in under-5s between 1990 and 2000 This would suggest almost a 2 percentage point drop per year, which is unlikely, especially given the burden of undernutrition in South Asia and Sub Saharan Africa

The 2007 target is set around 30 percent of children under 3 being classified as underweight (implying a reduction of about 25 percent) Progress in such countries as India, Indonesia and Kenya is critical to achieving the target globally

Indicator Source USAID DHS surveys Data on the percentage of children undernourished are also available in World Bank, World Development Indicators 1997

Indicator Definition The anthropometric index, weight for age, is presented as a percentage of children under 3 who are underweight – falling below a cutoff of 2 standard deviations from an international reference population defined by NCHS/CDC/WHO

USAID Goal: The World's Environment Protected for Long-Term Sustainability

Performance Goal National environmental management strategies prepared

Indicator National environmental management strategies

Justification The DAC "Shaping the 21st Century" goal for environmental sustainability is to implement national strategies for sustainable development by 2005 so as to ensure current trends in the loss of environmental resources are effectively reversed by 2015 The USAID performance goal – of monitoring whether governments have prepared national environmental strategies – supports the DAC target It is a qualitative measure of a government's commitment to addressing environmental problems The active implementation of such a national plan is generally seen as essential to attaining of other environmental objectives

Indicator Source The World Resources Institute and the World Bank, World Development Indicators 1997 (Table 3 9), reports on whether countries have in place various national environmental strategies and action plans

Indicator Definition National environmental management strategies include initiatives such as national conservation strategies, national environmental action plans, country environmental profiles and biological diversity profiles National conservation strategies (promoted by International Union for the Conservation of Nature (IUCN)) provide a comprehensive, cross sectoral analysis of conservation and resource management issues to help integrate environmental concerns with the development process National environmental action plans (NEAPs – supported by the World Bank, USAID and others) describe a country's main environmental concerns, identify the principal causes of environmental problems, and formulate policies and actions to deal with them NEAPs are a continuing process Country environmental profiles identify how national economic and other activities can stay within the constraints imposed by the need to conserve natural resources Some profiles also consider issues of equity, justness and fairness Biological diversity profiles – prepared by the World Conservation Monitoring Centre and IUCN – provide basic background on species diversity, protected areas, major ecosystems and habitat types, and legislative and administrative support They identify the status of sites of critical importance for biodiversity and report on threats to them

Performance Goal Conservation of biologically significant habitat improved

Indicator Nationally protected areas (in hectares and as percent of total land area)

Justification USAID works with host countries and partners to improve the management of biologically significant areas both within and outside of officially protected areas An ideal measure would consider both increases in quantity of biologically significant land area under protection and also improvements in the quality of their management However, no existing international database provides data annually on such a measure (Note USAID is collecting information on improved management of biologically significant areas where it has programs,

and this information is reported in its Annual Performance Report)

A proxy indicator that is readily available on a country by-country basis – nationally protected areas – can be used to monitor increases in land area set aside under national protection systems Protected area coverage averaged about 6 3 percent worldwide in 1996 and thus obviously misses a great deal of habitat important for biodiversity Moreover, the measure says nothing about how effectively these protected areas are managed Although it only covers a part of USAID's program emphasis, it is a reasonably good indicator of national commitment to conservation of biological diversity

Indicator Source The main source of nationally protected areas is the IUCN World Conservation Monitoring Centre Others sources such as the World Bank, World Development Indicators and the World Resources Institute, World Resources 1996-97 use data from World Conservation Monitoring Centre

Indicator Definition Nationally protected areas combine natural areas in five World Conservation Union management categories, including totally and partially protected areas of at least 1,000 hectares Categories include (1) scientific reserves, (2) national and provincial parks, (3) natural monuments, (4) managed natural reserves and wildlife sanctuaries, and (5) protected landscapes and seascapes They do not include locally or provicially protected sites or privately owned areas

Performance Goal Rate of growth of net emissions of greenhouse gases slowed

Indicator· Carbon dioxide emissions, average annual rate of growth

Justification Carbon dioxide emissions from industrial processes– burning fossil fuels and manufacture of cement– are the largest source of greenhouse gases associated with global warming Data are relatively easily available in timeseries (Estimates are also available on carbon dioxide emissions from land use change, i e , deforestation) In regions in transition, CO2 emissions are leveling off after a dramatic drop in the early 1990s Several rapidly industrializing countries are experiencing steep emissions growth – Brazil, India and Indonesia increased emissions 20, 28 and 40 percent, respectively between 1990 and 1995 Developing country carbon emissions are expected to equal those of industrial countries by 2020 at the current rate of increase

USAID together with its partners will strive to slow the rate of growth of carbon dioxide emissions over the next decade

While other gases also contribute to the greenhouse effect (e g , methane, CFCs, sulfur, nitrogen), they are less important, more difficult to estimate and are for the most part not readily available from international sources

Indicator Source World Resources Institute, World Resources 1996-97, data from the Carbon Dioxide Information Analysis Center (CDIAC), FAO and other sources The CDIAC sponsored by the U S Department of Energy calculates annual anthropogenic emissions of CO2 World Bank, World Development Indicators 1997 also has data on CO2 emissions from industrial processes (Table 3 5)

Indicator Definition Carbon dioxide (CO2) emissions from industrial processes (in 000 metric tons) consists of total CO2 produced during the consumption of solid, liquid, and gas fuels and from gas flaring and the manufacture of cement Data are available for all countries in timeseries from CDIAC Carbon dioxide emissions from land use change are also available (in 000 metric tons) from FAO

Performance Goal Urban population's access to adequate environmental services increased

Indicators Percent of urban population with access to safe drinking water, percent of urban population with access to sanitation services

Justification The goal of the Global Environment Urban Program is to provide access to urban environmental services, which include the provision of water, shelter and sanitation services to the poor and disadvantaged populations in the developing world Access to these services has shown to decrease the incidence of diarrheal and other infectious water related diseases, thereby improving the general health and quality of life of these communities These two global indicators are measures used by development agencies such as the World Bank and WHO to plan and measure the overall impact of their urban environmental infrastructure investment programs

In the past decade, rapid population growth in urban areas has made more difficult the task of providing adequate urban environmental services In the next few years, the world will become more than 50 percent urbanized According to the World Resources Institute, "The International Drinking Water and Sanitation Decade of the 1980s fell far short of meeting its goal of water and sanitation for all " Nevertheless, progress has been made in most countries On average, in low income countries (excluding China and India), the percent of the urban population with access to safe water increased from 64 percent to 71 percent and access to sanitation services increased from 43 percent to 67 percent from 1985 to 1993 USAID, in collaboration with its development partners, will seek to increase access even more in the decade ahead

A drawback to using these indicators is poor data quality and coverage, with missing or outdated data for many countries, as well as concerns with reliability and cross-country comparability

Indicator Source World Resources Institute, World Resources 1996-97, data from WHO Also, data on sanitation available from World Bank, World Development Indicators 1997 (Table 3 6)

Indicator Definition Reasonable access to safe drinking water in an urban area is defined by WHO as access to piped water or a public standpipe within 200 meters of a dwelling or housing unit Urban areas with access to sanitation services are defined as urban populations served by connections to public sewers or household systems such as pit privies, pour flush latrines, septic tanks, communal toilets or other such facilities The WHO data were collected from national governments, and definitions of urban populations and services may vary and might not be strictly comparable

Performance Goal Energy conserved through increased efficiency and reliance on renewable sources

Indicators GDP per unit of energy use, percent of energy production from renewable sources

Justification While energy is a critical factor of production, it is also – through its generation – a major source of pressure on the environment Efficiency of energy use and reliance on renewable sources are therefore critical for achieving environmentally sustainable development

The ratio of real GDP to energy use provides a measure of energy efficiency However, over time this ratio is influenced by structural changes in the economy as well as changes in energy efficiency of productive sectors and differences in fuel mix The rapid rise in energy use as countries industrialize and increase automobile ownership is a major negative factor influencing this ratio of GDP per unit of energy use Offsetting this tendency, as countries modernize, is the growth of the less energy intensive service sector Technological changes in energy-intensive industries help increase overall energy efficiency Shifts to thermodynamically efficient fuels can also help The collective impact of these trends on the ratio of GDP per unit of energy use is hard to predict, both at the country level and for groups of countries

Low income countries as a group increased GDP per unit of energy use somewhat, from 0 9 to 1 1 in the period between 1980 and 1994 However, low income countries, excluding China and India, experienced decreases in per unit of energy use (from 3 3 to 2 7) Middle-income countries together experienced a slight decrease in GDP per

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unit of energy, from 1 3 to 1 2 Lower middle income countries have stayed about the same (1 0 and 1 0), while upper middle income countries have experienced a decrease (2 2 and 1 6) for the same period Developing countries as a whole (low and middle income) experienced a slight decrease in GDP per unit of energy from 1 2 to 1 1

Renewable energy is defined here as combination of geothermal, wind and hydro (as solar becomes more prevalent, it could be added later to this combination) The manufacture of photovoltaic cells has grown by 14percent to 15 percent per year recently and is particularly important for remote areas in developing countries, but at 700 MW of installed capacity, it is still a small part of overall global energy production and use) Worldwide and in developing countries, geothermal energy production increased by 5 5 percent in 1996 Globally, wind generation grew by 26 percent in 1996 By comparison, oil, coal and gas grew by 2 3, 1 8 and 4 5 percent, respectively, in 1996 However, renewable energy was only 3 7 percent of overall energy production

USAID will work collaboratively with partners to conserve energy, by promoting use of renewable energy sources where feasible and by increasing energy efficiency

Indicator Source World Bank, World Development Indicators 1997 (Table 3 5), data from International Energy Agency's Energy Statistics and Balances of Non-OECD Countries
World Resources 1996-97, for renewable energy by country, for the period 1973-1993

Indicator Definition GDP per unit of energy use is the U S dollar estimate of real GDP (at 1987 prices) per kilogram of oil equivalent of commercial energy use

Percent of energy production from renewable sources is defined as a combination of geothermal, wind and hydro sources It is measured in petajoules (1,000,000,000,000,000 joules) and can be calculated as a percentage of overall energy production in petajoules

Performance Goal Loss of forest area slowed

Indicators Annual change in total forest area (percent change and in hectares), annual change in natural forest area (percent change and in hectares), annual change in plantation forest area (percent change and in hectares)

Justification Loss of the world s forests is a major environmental problem, and thus monitoring changes in forest cover is important Permanent conversion of natural forests (tropical and temperate) to other uses reduces biological diversity and the possibility of sustainable management of forest resources Reforestation, or plantation replantings, while helpful, are not yet in most countries keeping pace Nor can plantation replantings necessarily replace the biodiversity lost from destroying old forests Unfortunately, the vast majority of the world's forests - 94 percent have no official protection from expanding pressures of human activities

According to Vital Signs 1997, between 1991 and 1995 the world lost an average of 11 3 million hectares of forest area annually Total forest area, not including woodlands, now (in 1995) amounts to some 3 5 billion hectares Most of this deforestation during 1991 95 occurred in tropical forest loss, which averaged 12 6 million hectares a year Despite public attention to the issue of tropical forest loss, the damage has continued unabated from the 1980s, the average annual loss then was 12 8 million hectares In developing countries, natural forest area (that is, old forests -- not including plantations) during 1991-95 declined by 13 7 million hectares annually, of which 12 9 million were tropical forests

USAID will work, along with its development partners, to slow this loss of natural forests in developing countries, especially the loss of tropical forests

Indicator Source World Resources Institute, World Resources 1996-97 (Table 9 2) and also World Bank, World Development Indicators 1997 (Table 3 1) reports on FOA surveys conducted in

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1980 and 1990 Estimates of more recent trends are available in FAO State of the World's Forests, 1997

Indicator Definition Annual change in total forest area includes changes in both natural forest and plantation area Annual change is expressed both in hectares and as a percent change from a base year Negative numbers indicate a net loss of forest land while positive numbers indicate a net gain The change in natural forests include the permanent conversion of natural forest area to other uses, including shifting cultivation, permanent agriculture, ranching, settlements or infrastructure development Deforested areas do not include areas logged but intended for regeneration or areas degraded by fuelwood gathering, acid precipitation or forest fires Thus, these data do not reflect the full extent of forest and biodiversity losses through degradation Plantation refers to forest stands established artificially by reforestation for industrial and non-industrial uses Forests are also classified as either temperate or tropical forests FAO data may be particularly unreliable due to differing definitions and reporting systems

USAID Goal: Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established

Performance Goal Crude mortality rate for refugee populations returned to normal range within six months of onset of the emergency situation

Indicator Crude mortality rate (CMR) in emergency situations

Justification The CMR baseline from refugees is compared to that of country of origin with the CMR of the refugee/displaced population to indicate deviations from the mean As most emergencies experience a sharp increase in death rates in the very early phases of an emergency, USAID would monitor the rate of decline of the CMR over the first six months as a composite average of emergencies declared

The major reported causes of death in refugee and internally displaced populations have been those same diseases that cause high death rates in normal populations in developing countries – malnutrition, diarrheal diseases, acute respiratory infections, measles and malaria Between 60 percent to 95 percent of all reported causes of death in non displaced populations account for these diseases In cases where malnutrition was not classified as an immediate cause of death, it played a major role in accounting for deaths from communicable diseases The synergism between malnutrition and increased incidence of communicable disease explains much of the high rates of mortality in displaced populations (Ref CDC report, 1997)

Longitudinal studies have shown that undernourished persons, especially children, are at higher risk for mortality, and that the immediate cause of death reported is most commonly a communicable disease The population groups most at risk during non-famine and peaceful times — young children, women of child bearing age, the elderly and the poor – are the same groups most at risk during a crisis or famine The movement of displaced persons into crowded and unsanitary camp conditions, violence, fear and dependency exacerbate the health problems experienced by displaced populations

Crude mortality data should be used for comparative purposes in emergencies Rates of decline of crude mortality rates over the first six months immediately following a crisis are the most sensitive CMR generally return to the CMR baseline of the population's country of origin within six to 12 months

Indicator Sources Crude mortality rate WHO, U S Census Bureau (BUCEN), refugee crude mortality rates UNHCR, ACC/SCN, Centers for Disease Control

Indicator Definition Crude mortality rate is expressed as deaths/1,000/year/total population x 10,000

CMR is usually defined as "deaths/10,000/day" during the acute phase of a refugee emergency (one

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to six months) During the acute phase, rates may change quite a bit, sometimes on a daily basis, but certainly on a weekly basis Because the number of deaths is often very high, using a denominator of 10,000 smooths out these fluctuations Data is aggregated for a week and then presented as the formula above

Calculation as follows

1 Total the number of deaths for a given number of days (e g , 7)

2 Divide the total by the number of days (avg number of deaths/day)

3 Divide this number by the size of the refugee population

4 Multiply by 10,000, Benchmarks for interpretation of mortality rates (as per MSF, widely accepted in the UN/NGO community) CMR (deaths/10,000/day)0 5 = 's "normal rate" for developing countries (e g , most sub-Saharan African countries have a CMR of 15/1000/year, which is a rate of 0 4/10,000/day)

<1	refugee situation under control
1 2	very serious situation
>2	out of control
>5	major catastrophe

Note CMRs >5/10,000/day are very common In Goma in 1994, the rate was about 25/10,000/day during the first three weeks

Cutoffs for the interpretation of under 5 mortality are approximately double those of the above CMR cutoffs

Later, CMR is expressed as "deaths/1,000/month" There is no problem extrapolating between the two formulas Summary data for Ministry of Health, UN, etc compilations are usually given as "deaths/1,000/year"

Performance Goal Nutritional status of children 5 and under populations made vulnerable by emergencies maintained or improved

Indicator Proportion of children under 59 months who are wasted (weight for- height)

Justification Child nutritional status in refugee and displaced populations is a key barometer of the health and nutrition situation of the overall displaced population in crises There is a close correlation between malnutrition prevalence and crude morality (all ages) during a relief operation, as demonstrated by statistics on for example, Somali refugees in Eastern Ethiopia from 1988 to 1989

Indicator Sources The principal sources of information for nutritional status in refugee and displaced populations are derived from surveys conducted by private voluntary and non-governmental organizations and UNHCR These data are reported on a regular basis by ACC/SCN

Indicator Definition The anthropometric index, weight-for-height, representing nutritional wasting, is defined as a percentage of children under 6 (six to 59 months) who are wasted The cutoff for wasting is under 2 standard deviations weight-for-height derived from a normalized international reference population defined by NCHS/CDC/WHO and children 5 and under with edema Children aged 6 months or younger are generally not included in rapid nutrition surveys

Background Note This performance goal was selected as a reasonable proxy for effective targeting of acute need and efficient delivery of services to vulnerable populations in emergency situations After consideration of a more comprehensive performance goal that included health, it was decided that this would lend itself to difficult subjective judgments and measurement difficulties Limiting the performance goal to changes in, or maintenance of, nutritional status will require agreement from a wide number of cooperating entities to standardize data collection, which can not be accomplished before FY 1999 This will be

an iterative process expanding coverage by BHR operating units, cooperators and their programs in the out years Pilot studies are being carried out in FY 1997 and 1998 to test the methodology and capacity to collect this information for FY 1999 A second issue is assessing which cohort(s) of the population will be representative of targeted assistance and USAID resources attributable to results The current thinking is to use the under 5 population as the most viable statistically representative cohort of our targeted assistance to report on performance measurement Progress in expanding coverage by USAID s Office of Foreign Disataster Assistance (OFDA) and the agency's Food for Peace program in reporting changes or maintenance of nutritional status will be monitored and factored into Agency's Annual Performance Plans

Performance Goal Conditions for Social and economic development in post conflict situations improved

Indicator Number of people displaced by open conflict

Justification Direct measures of improved social and economic conditions on a country by-country basis would require both technically difficult composite measure or indices that would be subjective in design such as the Human Development Index (HDI)and in some cases be difficult to obtain reliable and consistent data A simpler and indirect gross measure of improved social and economic conditions is the decline of numbers displaced by open conflict The trend would be more significant than actual point estimates as unusually large events such as Rwanda would cause extreme gyrations in the year to year reporting The data in and of themselves are a good proxy indicating changes in economic and social conditions in post-conflict situations They are the metaphor for conflict When economic and social conditions improve, these groups tend to go home and/or become productive citizens again, given the political will of government to do so This data is regularly available and for refugees generally reliable This is not necessarily the case, however, with internally displaced persons (IDPs) Governments tend not to recognize or count precisely this grouping within their own borders

Performance Goal Freedom of movement, expression and assembly, and economic freedom in post conflict situations increased

Indicators Changes in the number and classification of designated post-conflict countries classified by Freedom House as free/partly free/not free Economic Freedom Composite Index

Justification Freedom House classifies countries each year into broad categories of free, partly free and not free These relative measures can be used to gauge the success of post-conflict transitions programs and interventions The ratings measure the extent to which individuals participate fully in economic and political life against internationally accepted standards Freedom encompasses two set of characteristics divided into political rights and civil liberties Heritage Foundation's Index of Economic Freedom measures how well countries score on a list of economic factors While coverage is more limited, the extent to which market oriented trade of goods and services in post conflict situations is re-established is a measure of success of an economic transition

Indicator Sources Freedom House, Freedom in the World The Annual Survey of Political Rights and Civil Liberties, Heritage Foundation, Index of Economic Freedom

Indicator Definition The Freedom House survey team classifies countries in the above-mentioned categories based upon ratings of political rights and civil liberties scored separately on a sliding scale (1 representing most free and 7 least free) Subjective judgments are made based on a checklist of questions and values assigned

The Heritage Economic Freedom Index uses a variety of factors in constructing weighted index Factors of importance for post-conflict transitions would be property rights, black market and government intervention into the economy

USAID S Management Goal USAID remains a premier bilateral development agency

Performance Goal Time to deploy effective development and disaster relief resources overseas reduced

Indicators Percent of critical positions vacant, time to procure development services reduced

Justification Achieving sustainable development results requires skilled human resources, the timely procurement and delivery of development services, and accurate results and financial reporting mechanisms The latter are the subject of a separate performance goal described below

Improving response time is essential in achieving worldwide strategic development objectives as well as supporting rapid humanitarian assistance interventions Vacant critical positions are a proxy measure of the Agency's skills level and the ability to design and monitor the results of high-quality development services

Procurement of development services is a proxy indicator that addresses the Agency s responsiveness, effectiveness and efficiency in delivering development resources Although "procure" implies the contracting process, it also includes the Agency s planning and budgeting processes, as well as activity management roles embedded in its team structures, all of which impact on delivery of development resources

Indicator Sources Staffing vacancy reports, direct-hire workforce assessment reports, New Management System (NMS) for procurement information

Indicator Definition Critical positions are those necessary to ensure full and complete financial, managerial and technical accountability for USAID-managed resources Vacancies in these positions increase USAID's vulnerability to waste and mismanagement

Procurement includes those actions through which USAID acquires the goods and/or services necessary to deliver its assistance, i e , contracts, cooperative agreements and grants

Performance Goal Level of USAID-managed development assistance channeled through strengthened U S -based and local non-governmental organizations increased

Indicator Percent of USAID-managed development assistance overseen by U S and local private voluntary organizations

Justification The USAID partnership with private voluntary organizations (PVOs) and non governmental organizations (NGOs) has been strengthened through a number of measures in recent years USAID has revised its policy guidance, streamlined procurement principles and commissioned a study on the state of the partnership

A measure of the strength of the partnership is the increase in the amount of USAID funds channeled through PVOs and NGOs Since 1993, this amount has increased by approximately 3 percentage points each year for U S PVOs

Indicator Sources Management Bureau calculations (U S PVO data), PVO reporting (on PVO/local NGO partnerships), NMS reporting

Indicator Definition Total funding for Development Assistance, the Development Fund for Africa, International Disaster Assistance and other disaster funding divided into the sum total of USAID funding from these accounts for PVO programs including cooperatives

Performance Goal Coordination among U S government agencies contributing to sustainable development increased

Indicator Statements at the objective level across the strategic plans of U S government executive agencies concerned with sustainable development are consistent, duplication of activities at the

USAID program approach level across U S government agencies concerned with sustainable development eliminated

Justification This performance goal is consistent with the intent of the Government Performance and Results Act that federal managers work from clearly articulated goals and objectives and the expressed interest of the Congress in reducing or eliminating competing U S G activities The International Affairs Strategic Plan (IASP) identifies an initial set of U S national interests and strategies related to sustainable development, but there are redundancies within IASP and it was not readily available to concerned agencies as they developed their own strategic plans to ensure full coordination and complementarity It is anticipated that interagency discussions around the IASP will begin in October 1997 USAID expects to participate fully in these discussions Its goal will be to increase the harmonization of activities at the USAID approach level among U S government agencies concerned with sustainable development

Indicator Source PPC/SPG assessments

Indicator Definition Objectives statements are defined as the next statement of purpose below the statement of goals in the IASP, Objectives statements answer the question of what an agency is doing or plans to do to address the IASP goal Consistency of objectives statements is defined as agreement, across agencies, on how the objective is to be stated in each of their strategic plans This is an interim, process-oriented indicator measuring consensus among agencies

Approaches are defined as the next level below objectives They are "through" statements and address what the agency will do to achieve the objective Typically, there is usually more than one approach to achieving an objective, which permits specialization rather than competition among agencies contributing to a single objective The goal is to not have more than one agency pursuing the same approach(es) in the same country

Objectives statements and approaches are defined to various degrees in the strategic plans agencies will submit to the Congress on September 30, 1997 These plans provide baselines against which performance can be assessed

Performance Goal OECD agenda of agreed development priorities expanded

Indicators Resource flows by major development goals, DAC consensus on strategies to reduce poverty

Justification DAC donors forged agreement in 1996 on a new strategic blueprint for development cooperation partnerships in the post-Cold War era The blueprint, titled "Shaping the 21st Century," included quantified targets to be achieved by 2015 on major development goals reduced poverty, universal primary education, gender equality in primary and secondary education, reduced child and maternal mortality, access for all to reproductive health services, and reversing the loss of environmental resources Donors recognized that attaining these quantified goals requires the evolution of more stable, safe, participatory and just societies They agreed that reaching the targets depended on progress in the qualitative factors of democracy, rule of law and human rights Donors are working to implement this new strategic vision by refining development cooperation policies and programs

Sets of consensus indicators for measuring developing country progress in reaching the targets are now being worked out in the DAC In addition, DAC is developing new systems for collecting statistics on donor flows according to key development cooperation policy objectives For the first time, comprehensive data will be available for all DAC donors and recipient countries This data should be available initially next year and will make it possible to gauge the relationship of aid flows to development progress

To implement their general agreement on aid policies, donors will need to review their strategic approaches for supporting development objectives, such as what works best to reduce poverty

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Indicator Source DAC statistics on aid flows and progress reporting by donors to DAC on implementing the "Shaping the 21st Century" partnership strategy

Indicator Definition Measurements by policy objectives of aid flows and developing country progress in reaching key development targets Comparison of these measurements will indicate both the degree to which donors are concentrating resources on agreed objectives and the relationship of aid flows to host country development progress

Performance Goal Capacity to report results and allocate resources on the basis of performance improved

Indicator Financial and program results information readily available

Justification Financial and program results information are critical inputs to the Agency's decision making USAID, through its managing for results reforms, has committed itself to basing resource allocation decisions on the performance of its programs, U S national interests and the recipient's commitment to sustainable development The absence of performance information undermines the Agency's efforts to manage for results

Indicator Source Annual results reviews as reported as a part of the annual R4 process, CFO financial reporting

Indicator Definition Results are defined as a change in the condition of a customer or a change in the host country condition which has a relationship to the customer A result is brought about by the intervention of USAID in concert with its development partners Results are linked by causal relationships, i e , a result is achieved because related, interdependent results were achieved. Strategic objectives are the highest level result for which an operating unit is held accountable, intermediate results are those results that contribute to the achievement of a strategic objective

Financial information is that information which links strategic objectives to resource allocations, indicating how much has been obligated for and expended on achieving a particular result

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT
ANNUAL PERFORMANCE PLAN
FY 1999

I. Introduction: strategic planning and reporting

The mission of the United States Agency for International Development (USAID) is to contribute to U S national interests by supporting the people of developing and transitional countries in their efforts to achieve enduring economic and social progress and to participate more fully in resolving the problems of their countries and the world

USAID pursues its mission through six strategic goals in development and humanitarian assistance and one management goal The Agency's goals are identified in the Agency Strategic Plan and are summarized graphically in Annex 1 of the Strategic Plan [1] Agency goals are broad statements of the results that USAID, in concert with its development partners, seeks to accomplish over the next decade. The Agency's approach to accomplishing those goals is described more fully in the Strategic Plan The relationship between the Agency's Strategic Plan, this Annual Performance Plan, the Agency's Annual Performance Report, and the activities and plans of specific operating units is detailed below

USAID's Strategic Plan selected a limited number of performance goals for each of the seven Agency goal areas Performance Goals translate the Agency's goals into specific targets and trends to be achieved by the end of the decade Where possible, the performance goals are explicit targets -- planned levels of results to be achieved by the end of the ten-year timeframe Where this was not feasible, performance goals were couched in terms of trends - desired directional changes sought

The Annual Performance Plan (APP) identifies annual performance benchmarks The APP for FY 1999 presents the benchmarks to be met by the end of 1999 Meeting benchmarks, or the planned levels of achievement for a given year, are considered important steps towards ultimately achieving the ten year performance goals identified in the Strategic Plan The annual benchmarks are either derived from trendlines, where possible, or are based on expert technical judgements The APP discusses why and how the different magnitudes of achievement (or impact) were

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[1] U S. Agency for International Development, Strategic Plan, Washington, DC September 1997

selected, and what the quantitative and qualitative indicators associated with each benchmark are intending to measure It also estimates the resources needed to reach the performance targets for FY 1999

The Agency's Annual Performance Report (APR) for FY 1999, to be submitted in FY 2000, will report on whether the benchmarks in this APP were reached In doing so, the APR will identify and analyze key factors associated with the Agency's performance.

Finally, this is the first APP prepared by USAID.[2] Additional refinements and improvements can be expected as our ability to measure performance improves, and as we integrate this new document into our management system The next section highlights what is in the APP, how it was prepared, and how it might evolve. The final section presents the annual performance benchmarks by Agency goal area.

II. Measuring Results: performance goals, benchmarks and indicators

The Government Performance and Results Act (GPRA) of 1993 requires U S. government agencies to establish performance goals to define the level of performance to be achieved by their program activities, express such goals in objective, measurable form; and identify indicators which can be used to assess the results of their program activities

Performance Goals

The Agency has identified 31 long-term performance goals. Table 1 arrays these performance goals against the seven Agency goals. Where possible, USAID's performance goals are consistent with those endorsed by the United States as a member of the Development Assistance Committee of the Organization for Economic Cooperation and Development (DAC/OECD) This choice reflects the conclusion that these goals are feasible and worthy. Their attainment would support the achievement of the associated Agency performance goal, and hence the associated U S. national interests, as articulated in the Strategic Plan for International Affairs (SPIA).[3] Finally, it reflects USAID's commitment to work collaboratively with its development partners. These performance

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[2]USAID's Office of Inspector General will submit a separate performance plan independent of this document

[3]USAID's Strategic Plan directly supports the U.S Strategic Plan for International Affairs (SPIA) Segments of the SPIA were prepared with input from USAID

goals can not be achieved by USAID alone However, through collaborative relationships with host governments, other donors, and a broad array of U S and local non-governmental actors, USAID expects to be able to influence their achievement significantly

Each performance goal spans a ten-year time horizon This reflects the long-term and inherently complex nature of the changes USAID seeks to help bring about Political, economic, social or cultural changes are seldom linear and often do not affect different societies at the same time or rate In some cases, change can seem dramatic and rapid, such as the fall of the Berlin Wall More typically, change is slow and incremental, such as the gradual deterioration of a highly centralized system of economic and political control Similarly, the change to a sound, market-based economy or to a stable, pluralistic democracy is typically a slow process USAID expects that the 10 year time frame will be sufficient to observe meaningful change

Performance Indicators and Data

The APP describes the indicators that the Agency will use to measure and assess progress against each performance goal. Identifying a manageable set of good performance indicators is technically challenging. Where the development hypotheses are less well understood or where data are less reliable, USAID selected a greater percentage of proxy indicators or qualitative measures. This was the case for the Agency's democracy and governance, environment, and humanitarian assistance goals. Where there is greater agreement on the development hypotheses and quality data exist, USAID selected a greater number of direct and quantitative measures This tended to be the case for USAID's economic growth and agricultural development, population and health, and human capacity goals In time, however, more rigorous and direct measures that better capture results in all Agency performance goal areas can be expected The present context, significance and importance of each indicator are discussed below.

At this point in time, the Agency will be tracking a relatively large number of indicators However, since USAID is drawing upon existing sources of information, it constitutes a cost-effective approach to collecting performance data The World Development Indicators, the Freedom House surveys, United Nations publications and annual performance reports from USAID's operating units were among the existing reports used Over time, USAID expects general agreement on the most useful indicators to increase

The data sources for each performance indicator, and, where appropriate, what USAID will do to improve the quality of

indicators are noted In cases where the selected indicators together may not provide sufficient information to adequately assess performance on a goal, USAID will supplement them with specific additional analyses and research USAID's evaluation plans for FY 1999, included in the APP, provide an indication of the supplementary work being planned

Improving the timeliness and quality of data for the indicators will remain a challenge Many data sources simply do not report results promptly at the end of a reporting period Likewise, the quality of data collection and reporting systems vary. The result is that data are often not available for a year or more afterwards and, at times, are adjusted significantly after publication Thus, any report on performance for a year just ending will contain information drawn from one or more prior years USAID will note the years for which the data are available and any concerns on data quality

USAID has already collected and created a data base containing the selected indicators It includes time series data for each of its indicators for the 31 performance goals for all developing and transitional countries. This data base will facilitate analyses and the rapid sharing of information.

Benchmarks

Setting annual performance benchmarks for FY 1999 proved to be as challenging as selecting performance indicators. The benchmarks are in keeping with USAID's approach to setting long-term performance goals They permit the Agency to assess whether it is on the right track towards achieving its long-term performance goals (See Figure 1 for a graphic illustration of these relationships between annual benchmarks, ten-year performance goals, and Agency goals.)

The Agency has stretched its knowledge and understanding of development as well as the quality of the data available to establish the annual performance benchmarks Some benchmarks may appear to be more definitive than one might expect, given the level of knowledge and understanding about development or the quality of data available However, the Agency chose to adopt such benchmarks as a means to not only assess performance, but also to challenge ourselves to continually improve our understanding of development and enhance program effectiveness. These latter factors are believed to make the risk of establishing challenging benchmarks worth taking USAID will monitor this decision to see if it indeed proves to be motivating or distorting The decision to use this approach will be revisited next year after further experience is gained

In some cases, the annual benchmarks are based on data from one specific year or are derived from trendlines of three to five

years in duration In other cases, the Agency has used the considered judgements of technical experts, both inside and outside the Agency, to establish the annual performance benchmarks This occurred in the goal areas of democracy and governance and of humanitarian assistance, where long-term trends can be favorable, but annual progress is more episodic In all cases, the chosen benchmarks reflect extensive discussion and analysis

To examine differences that would be masked by a single aggregate for the world and to facilitate understanding, the Agency has subdivided its performance benchmarks by geographic regions And, within these regions, USAID has based its expectations primarily on the performance in those countries directly assisted by USAID

Other non-geographically-based groupings of countries will be used where this would provide more substantial insight on results and program effectiveness This could mean, for example, a focus on countries that have USAID-assisted population programs when assessing total fertility rate declines and comparing trends in these countries to those in which USAID has a less significant presence Such comparisons could increase the Agency's understanding of the broad development trends it seeks to influence as well as the relative effectiveness or impacts of its various program approaches. Analysis might also focus on differences in development trends among groups of countries where USAID assistance programs are focused on sustainable development versus transitions, or are based on different sources of funding (e g ESF, DA, PL480)

There will be cases where USAID will examine all developing and transitional countries, regardless of whether they have relevant USAID-assisted programs or not This is because the benefits of certain USAID's investments cross many borders For example, a new technology developed with USAID's backing can generate benefits in all countries where it is applied, regardless of whether the country has a specific on-going USAID activity. Two more recent examples include USAID's support for the development of Norplant, which has provided millions world-wide with an alternative method of family planning, or the development of new heat-sensitive labels for vaccine bottles, which provide all developing countries with a cost-effective early-warning system for detecting potential problems in the storing and handling of vaccines Another oft-cited example concerns the world-wide benefits from USAID's past investments in helping stimulate the Green Revolution

Performance Plans of the Agency and its Operating Units

The relationship between the Agency's Annual Performance Plans and Reports and the performance plans and reports of the USAID

operating units directly implementing programs is based on the concept of "plausible association " That is, while typically there is no direct "roll up" of results from the one level to the next, a plausible case can be made through in-depth analysis and weighing of evidence, that the results reported by operational units indeed do (or do not) influence or contribute to accomplishing the Agency's performance goals

The annual performance goals will enable the Agency to track the performance of the larger development trends USAID seeks to influence directly through its programs and indirectly through increased levels of collaboration with other donors, host governments and partners For example, Agency investments in coordinating its country programs and overall strategies with those of other donors can multiply the effect of an operating unit's program on broader development trends Hence, the performance goals identified in this plan are not those of individual USAID country, regional or global programs

The Agency's individual operating units maintain their own more detailed performance monitoring plans tailored to their specific local conditions and management needs All operating unit plans support the achievement of the Agency's performance goals. This is assured since all operating unit plans are reviewed by the Agency and each plan specifies how its contributes to specific Agency goals The relative performance of these individual programs continues to be assessed annually through the Agency's Results Review and Resource Request (R4) process The Agency Performance Plan does not substitute for the performance monitoring plans maintained by the Agency's individual operating units

Next year, the Agency's Annual Performance Report (for 1998) will contain a section with in-depth analysis of performance at both of these levels, drawing on performance information from various sources including international databases, the R4s, and evaluations It will (a) analyze and report on performance trends and results for Agency goals and objectives, and (b) analyze and summarize performance and results across operating units Finally, it will examine the plausible linkages and contributions that operating units' results may have upon achievement of the broader Agency goals and objectives (See Figure 1)

After a discussion of how the Agency plans to estimate the resources required to achieve the performance targets and Agency goals, the Agency's performance goals and expectations for FY 1999 are described in detail by Agency goal area in the following pages

III. Resources

Over the past several years, the Agency has relied increasingly

upon a system for allocating the resources made available to it which is informed by (1) the performance of its programs, measured in terms of meeting planned benchmarks, (2) factors related to the needs of developing or transitional countries and their commitment to sustainable development, (3) U S national interests and foreign policy considerations, and (4) Congressional and Administration priorities To the extent possible, the Agency also applies its "performance-informed" budgeting system to the resources it manages in collaboration with other agencies, including the Economic Support Fund (ESF), the Support for East European Democracy Act(SEED), the FREEDOM Support Act (FSA), and PL 480 Titles II and III food assistance (requested by the U S Department of Agriculture as part of its budget)

The Agency prepared this performance plan by assuming the Administration will continue to emphasize support for programs in population, environment (especially global climate change), and democracy while the Congress will continue strong support for child survival, HIV/AIDS, infectious diseases and basic education. Should these assumptions not hold, or if appropriations vary significantly from the requests, USAID would expect to modify its FY 1999 performance benchmarks

Accordingly, the Agency has requested program resources in the following amounts to achieve its FY 1999 performance benchmarks The requests are presented by Agency goal area

1 Broad-based economic growth and agricultural development encouraged

Development Assistance	- Base Program·	$ 418 million
	- New Initiatives·	45 million
Economic Support Fund		1,985 million[4]
SEED Act		356 million
FREEDOM Support Act		699 million
PL 480 Title III		30 million

2 Democracy and good governance strengthened

Development Assistance	$138 million
Economic Support Fund	193 million
SEED Act	84 million
FREEDOM Support Act	74 million

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[4] Includes a $1,200 million cash transfer to Israel, as well as portions of the ESF assistance to other countries involved in the Middle East peace process, which is programmed to foster economic growth (under the International Affairs Strategic Goal of ensuring regional stability)

3 Human capacity built through education and training[5]

Basic Education·		
Development Assistance	- Base Program	$93 million
	- New Initiative.	5 million
Economic Support Fund		12 million

4. World population stabilized and human health protected.

Development Assistance:	$780 million
Economic Support Fund·	103 million
SEED Act:	6 million
FREEDOM Support Act·	82 million

5 The world's environment protected for long-term sustainability·

Development Assistance	$290 million
Economic Support Fund:	200 million
SEED Act	18 million
FREEDOM Support Act·	70 million

6 Lives saved, suffering associated with natural or man-made disasters reduced, and conditions for political and/or economic development reestablished.

Disaster Assistance.	$160 million
Transition Assistance.	45 million
PL 480 Title II	837 million

In addition, the Agency is also requesting $484 million in operating expenses to carry out its programs

IV. Performance Benchmarks for FY 1999.

USAID's performance benchmarks for FY 1999 are presented by Agency Goal

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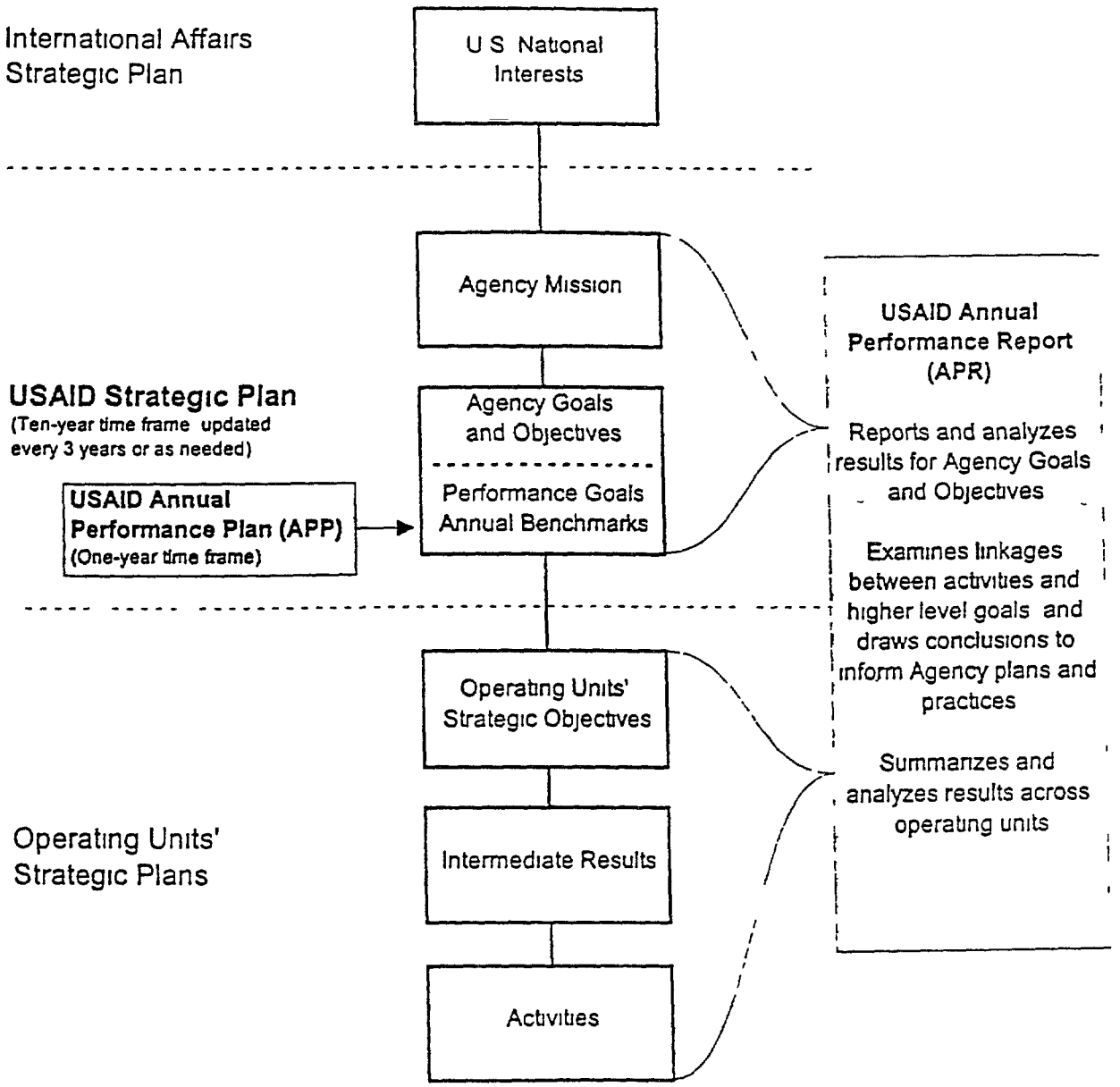
[5]Funding for higher education will be re-budgeted from the economic growth and agricultural development goal area.

Table 1: USAID Strategic and Long-Term Performance Goals

Agency Goal	Broad-based economic growth and agricultural development encouraged
Performance Goals	Average annual growth rates in real per capita income above 1% achieved Average annual growth in agriculture at least as high as population growth achieved in low income countries Proportion of the population in poverty reduced by 25% Openness and greater reliance on private markets increased Reliance on concessional foreign aid decreased in advanced countries
Agency Goal	Democracy and good governance strengthened
Performance Goal	Level of freedom and participation improved
Agency Goal	Human capacity built through education and training
Performance Goals	Countries increase primary enrollment ratios fast enough to attain full primary enrollment by 2015 Gross primary enrollment rates for girls and boys differ by no more than 5% Primary school completion rates improved Responsiveness of in-country institutions of higher education to local and national development needs enhanced
Agency Goal	World population stabilized and human health protected
Performance Goals	Fertility rate reduced by 20% Mortality rates for infants and children under the age of five reduced by 25% Maternal mortality ratio reduced by 10% Rate of increase of new HIV infections slowed Proportion of underweight children under five reduced
Agency Goal	The world s environment protected for long term sustainability
Performance Goals	Host government commitment to sound national and international environmental programs Conservation of biologically significant habitat improved Rate of growth of net emissions of greenhouse gases slowed Urban population s access to adequate environmental services increased Energy conserved through increased efficiency and reliance on renewal sources Deforestation rat in tropical forests reduced and management of natural forests and tree systems improved Loss of forest area slowed
Agency Goal	Lives saved suffering reduced and conditions for political and/or economic development re-established
Performance Goals	Crude mortality ratio for refugee populations returned to normal range within six months of onset of the emergency situation Nutritional status of children five years old and under made vulnerable by emergencies maintained or improved Conditions for social and economic development improved in conflict, post-conflict and rapid transition countries Political rights and civil liberties in post-conflict situations increased
Agency Goal	USAID remains a premier bilateral development agency
Performance Goals	Time to deploy effective development and disaster relief resources overseas reduced Level of USAID-managed development assistance channeled through strengthened U S -based and local non governmental organizations increased Coordination among U S government agencies contributing to sustainable development increased OECD agenda of agreed development priorities expanded Capa y to report results and allocate resources on the basis of performance improved

Figure 1. The Relationship between Agency Strategic Planning and Reporting



USAID GOAL: Broad-based economic growth and agricultural development encouraged

In support of this goal, USAID undertakes programs to expand and strengthen critical private markets, encourage more rapid and enhanced agricultural development and food security, and expand and make more equitable access to economic opportunity for the rural and urban poor USAID programs in other goal areas also contribute to economic growth In FY 1999, USAID will contribute to broad-based economic growth and agricultural development through 115 operational strategic objectives in 72 countries and 8 global strategic objectives

INDICATORS:

- GNP/GDP per capita average annual growth rate (in constant prices)
- Difference between average annual growth rate of agriculture and average annual growth rate of population
- Percent of population below poverty line
- Merchandise trade average annual growth rate
- Foreign direct investment
- Economic Freedom Index (Heritage Foundation)
- Aid as % of GNP

PERFORMANCE GOALS AND REGIONAL EXPECTATIONS·

1. Average annual growth rates in real per capita income above 1 per cent achieved

Sub-Saharan Africa (AFR). Between 1992-96, eight of twenty-two African countries surpassed the 1% benchmark (using the most recent GDP data from the IMF) Growth accelerated clearly in eight other countries that did not reach the overall benchmark For the 1995-99 period, we expect two-thirds of the USAID recipients in Africa to surpass the benchmark, assuming no increase in the prevalence of crisis

Asia and the Near East (ANE): For the period 1992-1996, per capita economic growth for USAID assisted countries in the Asia and Near East region averaged 2 7%. All countries were above the 1% benchmark with the exception of Egypt (0 2%); Mongolia (-2 3%), and Morocco (-0 3%). (Data for West Bank/Gaza are not generally available) In each of the three countries that fell

short of the benchmark, economic growth has accelerated in recent years, to rates sufficient to meet the target For 1995-99, we expect economic growth to exceed the 1% benchmark for almost all countries in the region

Agency Strategic Goal Broad-based economic growth and agricultural development encouraged				
Indicators GNP/GDP capita average annual growth rate (in constant prices)				
Sources: (a) World Development Indicators (Table 1 3) (b) World Economic Outlook (Table A6) (c) USAID calculations				
Performance Goal 1 Average annual growth rates in real per capita income greater than 1%	YEAR		Base	1999
	PLANNED			>1%
	ACTUAL			
Percentage of countries meeting performance goal.	AFR	PLN		66%
		ACT	36%	
	ANE	PLN		90%
		ACT	79%	
	LAC	PLN		90%
		ACT	43%	
	ENI	PLN		66%
		ACT	30%	
Comment(s) The baseline represents the unweighted average of annual country growth rates for the five-year period 1992-1996 The 1999 benchmark represents the average annual growth rate for the five-year period ending in 1999				

Latin America and the Caribbean (LAC): Per capita economic growth over the 1992-96 period (using GDP data) averaged 1 3% on a simple average basis. Of 14 recipients, Haiti, Jamaica, Honduras, Paraguay, Nicaragua, and Mexico fell below the 1% benchmark. However, in Nicaragua and Mexico trends over the period were positive. For the 1995-99 period, we expect per capita economic growth to exceed the 1% benchmark for at least 80% of the countries in the region.

Europe and the New Independent States (ENI): Looking at the 1992-96 period, only eight countries out of 27 managed to achieve growth above the 1% benchmark. In contrast, 16 countries experienced steep declines in measured per capita income, and in others, growth over the period was negligible On the positive side, there was a clear, often dramatic improving trend over the

course of the 1992-96 period for almost all countries that did not achieve the 1% benchmark Eight of these countries achieved clearly positive growth in per capita income in 1996 For the 1995-99 period we expect two-thirds of the countries in the region to surpass the 1% benchmark

2. Average annual growth in agriculture at least as high as population growth achieved in low-income countries.

Sub-Saharan Africa: In this region, "low-income" includes all countries except South Africa and Namibia For the 1990-95 period, agricultural growth exceeded population growth in only four countries and was about the same as population growth in three others In most of the remaining countries agricultural growth was positive, but slower than population growth Only in Angola, Rwanda, and Burundi were there clear declines in agricultural production For the 1995-99 period we expect about half of the low-income aid recipients in Africa to have agricultural growth at least as high as population growth, again assuming no increase in the prevalence of crisis

Asia and the Near East: While economic growth in most of the seven low-income countries in the region was fairly rapid, only India, Sri Lanka, and Vietnam managed agricultural growth above population growth for the 1990-95 period For the 1995-99 period we expect agricultural growth to be close to or well above population growth for most low income countries in the region; most are expected to gain additional access to food through imports, as a result of growing foreign exchange earnings

Latin America and the Caribbean: In the region, Guyana, Honduras, Haiti, and Nicaragua qualify as low-income using the IBRD threshold of 1996 per capita income below $785. For 1990-95 Honduras barely met the performance goal; Nicaragua and Haiti fell well below, and data for Guyana are incomplete. For the 1995-99 period we expect Nicaragua and Honduras to surpass the benchmark

Europe and the New Independent States: Looking at the 1990-1995 period, out of seven low-income countries in the region, only Albania (7 6% growth in agriculture), surpassed the benchmark Elsewhere, agricultural production declined, including drastically in Georgia (Agricultural data are not available for Azerbaijan) On the basis of encouraging trends for countries with data, we expect five of the region's low-income countries to achieve agricultural growth rates at least as high as population growth rates for 1995-1999

Agency Strategic Goal	Broad-based economic growth and agricultural development encouraged			
Indicators	Difference between average annual growth rate of agriculture and average annual growth rate of population			
Source:	World Development Indicators (Table 1, 2 1), USAID calculations			
Performance Goal 2: Average annual growth in agriculture at least as high as population growth in low income countries	YEAR		Base	1999
	PLANNED			
	ACTUAL			
Percentage of countries meeting performance goal	AFR	PLN		50%
		ACT	33%	
	ANE	PLN		70%
		ACT	43%	
	LAC	PLN		50%
		ACT	33%	
	ENI	PLN		70%
		ACT	14%	
Comment(s): The base period is the five-year period 1990-1995 The 1999 benchmark is the average for the five-year period ending in 1998				

3. Proportion of the population in poverty reduced by 25%.

Note: Data on poverty appear sporadically. The data on growth and poverty suggest that average annual growth in per capita income at 1 to 2% annually is sufficient to achieve the poverty target, provided growth is not narrowly based.

Sub-Saharan Africa: We expect that a majority of the countries in the region will achieve growth over the 1995-1999 period that is sufficient to meet the poverty goal Thus, progress towards the poverty target in Africa will be significant, but by no means universal.

Asia and Near East: Growth in per capita income in most of the countries of this region has surpassed two percent in recent years In the others (Egypt, Mongolia, Morocco, and Philippines) recent trends are encouraging. In view of expected growth performance, we expect poverty data that appear between now and 1999 to confirm satisfactory progress towards the 25% poverty reduction goal for most countries in the region

Latin America and Caribbean: In Latin America, income distribution tends to be highly skewed, so that growth needs to be somewhat more rapid (around two percent) to have large impacts on poverty For FY 1995-1999 we expect a majority of the countries in the region to achieve the sort of growth required to achieve satisfactory progress towards the Agency's poverty reduction goal

Europe and the New Independent States: In most ENI countries, average incomes are higher, and poverty is less severe and widespread, compared with low-income developing countries A reduction in the incidence of poverty is expected to result from USAID's primary goals of achieving economic and political transitions in the countries of this region In the early stages of such transitions, however, we have seen that poverty is likely to increase sharply Reforms put in place to achieve the transition have often coincided with, if not contributed to, both a dramatic initial drop in overall income and significant increase in income inequalities and poverty This is due to the nature of existing obsolete institutions and the extent of the transformation necessary to shift from autocratic command systems to pluralistic, private sector-based, growth-oriented societies.

Agency Strategic Goal: Broad-based economic growth and agricultural development encouraged				
Indicators Percent of population below poverty line				
Source World Development Indicators (Table 2 5), USAID calculations				
Performance Goal 3 Proportion of the population in poverty reduced by 25%	YEAR		Base	1999
	PLANNED			
	ACTUAL			
Percentage of countries achieving performance goal	AFR	PLN		50%
		ACT	33%	
	ANE	PLN		80%
		ACT	43%	
	LAC	PLN		60%
		ACT	33%	
	ENI	PLN		50%
		ACT	n/a	
Comment(s) - Due to infrequent reporting of poverty data, analysis is based on economic growth performance The base period is the average for the five-year period 1992-1996 The 1999 benchmark is the average for the five-year period ending with 1999				

Monitoring trends in social conditions, including the incidence of poverty, is an important means of assessing the sustainability of both political and economic reforms However, the scarcity of data and analysis on poverty issues means that USAID has no firm basis at this time on which to set goals and targets or to predict expected performance in reducing poverty in the countries of the region As in other regions, trends in poverty in ENI are likely to mirror trends in economic growth

4. Openness and reliance on private markets increased.

Sub-Saharan Africa:

Economic Freedom· From 1995 to 1997, scores for Economic Freedom clearly improved for seven countries in the region (with the largest improvements for Mali, Mozambique, Tanzania, and Madagascar), were substantially unchanged for five others; and clearly declined in three countries (Guinea, Malawi, and Zimbabwe). Altogether there was a modest, 3% improvement in the average score for the fifteen covered countries. From 1997 to 1999 we expect a further modest improvement in the average score, with clear improvements for one-half of the countries covered, assuming no increase in the prevalence of crisis

Trade During the 1990-95 period only eight countries in Africa achieved positive real growth in merchandise exports, while imports grew in real terms in only ten countries For 1995-99 we expect positive real growth in exports and imports for a clear majority of countries in the region assuming no increase in the prevalence of crisis

Direct Foreign Investment (Net) Leaving aside countries without data (Liberia, Somalia, Eritrea), average direct foreign investment (DFI) in USAID recipients increased from about $30 million in 1990 to $90 million in 1995, with considerable variation in levels and trends among countries Much of the increase was attributable to a huge swing in DFI in Angola, from -$335 million to +$400 million There were also major increases in DFI in Ghana, Tanzania, and Uganda; and notable declines in Senegal, Zambia, and to a lesser extent Kenya Overall DFI increased by non-negligible amounts in thirteen of the twenty-one countries with data. For the 1995-1999 period we expect DFI to increase significantly in three-fourths of the countries, assuming no increase in the prevalence of crisis

Asia and Near East:

Economic Freedom From 1995 to 1997 scores for Economic Freedom improved for every country in the region except in Nepal, Cambodia, Lebanon, and West Bank/Gaza, for all of which there are

no 1995 scores, and in India and Vietnam, where there was no change From 1997 to 1999 we expect a further improvement of 7 percentage points in the average score, with improvements for 80% of USAID recipients covered by the survey

Trade During the first half of the 1990's merchandise exports from the region grew on average by nearly 11% annually in "real" or "volume" terms, while imports increased by nearly 8% annually on average These figures are well above GDP growth rates, both on average and for most countries. Trade stagnated only in Egypt and Morocco Import growth was slow in India, less than 3% Data are not available for Cambodia, Mongolia, Vietnam, and West Bank/Gaza For the second half of the 1990's, we expect export growth for USAID recipients in the region to average around 9% annually, depending critically on continued expansion in the industrialized countries, and, import growth to average around 8%

Direct Foreign Investment Direct foreign investment in 1995 averaged $750 million, compared with $215 million in 1990 Most of the investment, and most of the increase, were accounted for by Indonesia, India, Vietnam, and Philippines (There were no data for Israel and West Bank/Gaza). Only in Egypt was there a significant decline in DFI For 1999 we expect DFI to increase in almost all countries of the region (compared with 1995), with average investment doubling.

Latin America and Caribbean:

Economic Freedom From 1995 to 1997, scores for Economic Freedom improved for most countries in the region. In Honduras and Paraguay scores were unchanged, in Brazil and Dominican Republic there were slight declines, and in Mexico there was a more significant, 10% decline From 1997 to 1999 we expect a further 4% improvement in the average score, with improvements in 75% of USAID recipients

Trade During the first half of the 1990's, merchandise exports from the region grew on average by over 4% in "real" or "volume" terms, while imports increased by over 10% on average There was considerable variation in export growth, including declines in Bolivia, Dominican Republic, Haiti, Nicaragua, and Paraguay, and double-digit growth in Panama, El Salvador, Honduras, Mexico and Peru Import growth was more uniformly positive and high, with the exception of Haiti For 1995-1999 we expect growth in imports to average around 8%, and growth in exports to average around 5% The widening trade deficit implied by these statistics reflects the anticipated increase in foreign investment in the region.

Agency Strategic Goal	Broad-based economic growth and agricultural development encouraged			
Indicators	(a) Trade of goods and services, (b) average annual growth rate of foreign direct investment, (c) average annual growth rate, (d) Economic Freedom Index			
Source(s)	World Development Indicators (Tables 4 7, 5 2), Heritage Foundation Annual Surveys of Economic Freedom, USAID calculations			
Performance Goal 4. Openness and reliance on private markets increased	YEAR		Base	1999
Percentage of countries with improved economic freedom scores	AFR	PLN		50%
		ACT	47%	
	ANE	PLN		80%
		ACT	80%	
	LAC	PLN		75%
		ACT	64%	
	ENI	PLN		50%
		ACT	45%	
Percentage of countries with positive real growth in exports and imports (AFR and ENI) or average annual growth in exports and imports (ANE and LAC)	AFR	PLN		75%
		ACT	36%	
	ANE	PLN		8%
		ACT	9 5%	
	LAC	PLN		6%
		ACT	7%	
	ENI	PLN		75%
		ACT	n/a	
Percentage of countries in which direct foreign investment clearly increases	AFR	PLN		80%
		ACT	62%	
	ANE	PLN		95%
		ACT	92%	
	LAC	PLN		95%
		ACT	92%	
	ENI	PLN		75%
		ACT	n/a	
Comment The base represents the three-year period from 1995-1997 The benchmark for 1999 represents the score for the three-year period ending in 1999				

Direct Foreign Investment Direct foreign investment (DFI) in 1995 averaged $1172 million, compared with $307 million in 1990 Most of the investment and the increase were accounted for by Brazil and Mexico, and to a lesser extent Peru and Guatemala. Only in Haiti was DFI lower in 1995 than in 1990 For 1999 we expect DFI to increase in almost all countries in the region, with average investment double that of 1995 levels

Europe and the New Independent States:

Economic Freedom From 1995 to 1997 scores for Economic Freedom clearly improved for nine countries in the region, were essentially unchanged for five countries, clearly worsened in six countries, and were not estimated for seven countries Altogether, the average score for the region showed a slight improvement. From 1997 to 1999 we expect improvements for roughly half of the countries in the region

Trade Merchandise trade data covering the first half of the 1990's are available for only five countries in the region. We expect data for the second half of the 1990's to be generally available, and to show positive growth in real terms in both imports and exports for at least 80% of the countries, assuming no increase in the prevalence of crisis The magnitudes are extremely uncertain

Net Direct Foreign Investment Net direct foreign investment in 1995 averaged $654 million, not counting Bosnia, Cyprus, and Ireland All of the remaining countries experienced net inflows except Georgia, where the figure was zero. Four countries accounted for the bulk of net DFI in 1995, Hungary, Poland, the Czech Republic, and Russia For 1999 we expect net DFI to increase in most countries of the region, assuming no increase in crisis prevalence The magnitude of the increase is uncertain.

5. Reliance on concessional foreign aid decreased in advanced countries.

Sub-Saharan Africa: Only South Africa and Namibia are candidates for advanced status Between now and 1999, we expect the ratio of concessional aid to GNP to remain low in South Africa, though possibly showing a rising trend from the 1994 figure of 0 2%; and, to continue falling in Namibia from the 1994 figure of 4 7%.

Asia and the Near East. For Indonesia, Philippines, and Morocco, the average ratio of aid to GNP declined from 2 9% in 1990 to 1 6% in 1994. The corresponding figures for Jordan were 24.6% in 1990 and 6 5% in 1994 By 1999 we expect the ratio of aid to GNP to fall below 1 per cent for Indonesia, Philippines, and Morocco, and below 4% for Lebanon The ratio is expected to increase somewhat for Jordan.

Latin America and the Caribbean: For Brazil, Dominican Republic, Ecuador, Mexico, Panama, Paraguay and Peru, the ratio of aid to GNP fell from 1.1% to 7% on average from 1990-94, with the largest declines coming in Panama and Dominican Republic In Jamaica, where aid dependency is unusually high reflecting mainly the small size of the country, the decline was from 7.3% to 2.9% over the same period Between 1995-1999 we expect aid dependency to fall further in these countries, by several tenths of a percentage point on average

Europe and the New Independent States: Many of the region's assistance recipients were already "advanced" in developmental terms when aid commenced. The essential task is one of changing from one set of institutions to another (i.e , transition) rather than raising per capita income and improving indicators of human resource development Where per capita income is concerned, seven of the countries in the region are clearly in the World Bank's low-income group, per capita income in 1995 below $750. Another seven have per capita incomes below $1500. In the remaining countries with data, the ratio of ODA to GNP in 1994 ranged from 0.1% for Turkey, and presumably near zero for Ireland, to 2 per cent for Poland For FY 1999 we expect the ODA to GNP ratio to be under 1 5% for all countries Apart from this, trends are very uncertain.

Agency Strategic Goal: Broad-based economic growth and agricultural development encouraged				
Indicators Aid as percent of GNP				
Source World Development Indicators (Table 6 10), USAID calculations				
Performance Goal 5 Reliance on concessional foreign aid decreased in advanced countries	YEAR		Base	1999
	PLANNED			
	ACTUAL			
Percentage of countries achieving performance goal	AFR	PLN		50%
		ACT	50%	
	ANE	PLN		80%
		ACT	100%	
	LAC	PLN		100%
		ACT	100%	
	ENI	PLN		50%
		ACT	n/a	
Comment				

USAID GOAL: Democracy and Good Governance Strengthened.

USAID's goal for building sustainable democracies supports the transition to and consolidation of democratic regimes throughout the world To achieve the broad goals of democracy, USAID supports programs that strengthen democratic institutions and practices, foster a vibrant civic society, and encourage pluralism, inclusion, and peaceful conflict resolution Throughout our programming, special attention is given to constraints to gender equity In FY 1999, USAID will contribute to the strengthening of democracy and good governance through 114 strategic objectives in 71 countries and 5 global strategic objectives.

INDICATORS:

→ Percentage of countries classified as free/partly free/not free

The two indicators identified in the Agency's Strategic Plan for this strategic goal, Democracy and Governance Strengthened, have been consolidated into the indicator noted above. The Freedom House Survey, the source for both of the original indicators, places countries and territories into a tripartite division by averaging scores they have received for political and civil liberties Recombining indicators split in the Agency's strategic plan returns to the original structure of the measure which serves as a more reliable and valid composite measure of freedom and participation in a country.

PERFORMANCE GOALS AND REGIONAL EXPECTATIONS:

1. Level of freedom and participation improved.

Sub-Saharan Africa. In some countries, such as Benin, Malawi, Mozambique, Namibia, South Africa and Tanzania, gains in political development have been consolidated and enhanced. Other countries, such as Angola, Guinea, Liberia, and Zambia, have experienced instability, but retain their representative political systems thus far In the last two years, there have also been setbacks in Niger, Sierra Leone, and the Democratic Republic of the Congo (formerly Zaire)

One of the most noticeable and encouraging changes over the past few years, and likely to be one of the more difficult to reverse, is the increasing capacity and vibrancy of African civil society. From community to national and even Pan-African levels, civil society organizations are growing rapidly in membership and influence They are serving as bulwarks against further political deterioration, even in difficult political environments

such as in Kenya and Nigeria With continued high investments in civil society programming, for the period 1997-1999, USAID expects further improvements in civil society's institutional capacity and its ability to advocate for citizen interests at the local and national levels

Future programming will complement existing civil society activities by focusing on related areas such as improved governance, political and economic decentralization, and strengthening the capacity of government institutions to respond to the overtures of civil society actors. Rule of law activities will strengthen the link between democratic governance and economic growth by promoting legal reforms that encourage foreign and private investment and trade. By focusing on cross-sectoral synergies in the health, education, and environment sectors, the impact of USAID's democracy and governance activities will be maximized Finally, USAID's involvement in multilateral activities, such as the Denver Summit Group of Eight Africa Initiative, will reinforce our programmatic goals through greater donor coordination on democratic governance issues

Of the 27 African nations in which USAID implements programs, there has been a decrease in the number of "not free" status countries from 15 (55%) in 1993 to 11 (40%) in 1996. The number of countries classified as "free" increased from 4 (15%) in 1993 to 5 (19%) in 1996 with Malawi joining the ranks. South Africa transitioned from "partly free" to "free" status Angola, Guinea, Kenya, Liberia, Nigeria, Rwanda, and Somalia maintained the classification "not free." By the end of FY 1999, we expect a decrease in the number of countries classified as "not free "

The Near East, South and East Asia: As measured by Freedom House's 1996 survey, overall freedom in the region has declined. Nevertheless, in some countries national-level impacts are beginning to appear on some of the characteristics Freedom House looks at in its ratings Among the highest performing democracy programs in the ANE region, based on USAID's performance monitoring reports, are those in the Philippines and Mongolia. Both programs, one mature and one new, are devoted to increasing the participation of key civil society groups. USAID's civil society activities in the region support the participation of NGOs in the areas of human rights, civic education, gender, and community self-help NGO activities that affect political change and public policy are key to expanding political space and improving basic human rights This is especially important in authoritarian states where it is often difficult to work with governmental institutions. In addition, USAID's governance activities, including work with legislatures and line ministries, often focus on making government more transparent to the general public, and officials more accountable for the work they carry out.

In a survey of 54 countries, the 1996 Transparency International Corruption Perception Index[6] found six Asian countries among the eleven USAID-assisted countries in the South Asian and East Asia region to have been perceived as corrupt Three of these countries, Philippines, Indonesia, and China, experienced rapid growth, others, India, Bangladesh, and Pakistan, face continuing barriers to trade and growth In FY 1998-1999, we will consider the possibility of a regional activity to address specific problems of accountability and transparency in state economic transactions

Of 14 countries in the Near East, South Asia and East Asia in which USAID implements programs, there has been an increase in the "not free" status countries from 4 (29%) in 1993 to 6 (43%) in 1996 Lebanon and Cambodia joined Indonesia, Vietnam, West Bank and Gaza, and Egypt in the "not free" category. The number of countries classified as "free" increased with the Philippines joining Mongolia By the end of FY 1999, with the probable addition of democracy activities in several countries without USAID missions, there will be a net increase in the number of "not free" countries However, we expect a slight improvement in overall country status in the region among countries where USAID had programs in 1996.

Latin America and the Caribbean: While democratic electoral processes and rule of law are improving, many citizens in Latin America and the Caribbean cannot yet effectively participate in their political systems Indigenous groups in Guatemala, southern Mexico, and the Andean region are still largely excluded from political life. Democracy has become the common guiding principle for economic growth and social development in the region A major regional trend toward decentralization has strengthened the potential role of local governments in promoting government responsiveness and civic participation While non-democratic pressures persist in many areas, over the next year, USAID expects to build on the success of justice and administrative policy reforms and civil society activities. These activities will contribute to improved effectiveness, efficiency, and access to the justice systems in a number of countries in the region

The recent signing of the peace accords in Guatemala marked a triumphant event for the country and the international community.

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[6]Developed for Transparency International, a not-for-profit, non-governmental organization, the Corruption Perception Index is based on seven international surveys of business people, political analysts and the general public It reflects their perception of corruption in 52 countries The seven international surveys are Gallup International, the World Competitiveness Yearbook, Political & Economic Risk Consultancy in Hong Kong, DRI/McGraw Hill Global Risk Service, Political Risk Services in Syracuse, USA, and data gathered from internet sources

The signing of the accords not only ends nearly four decades of armed conflict, but also commits the nation to an ambitious program of development, democracy, social integration, and political renovation USAID played a leadership role among donors to support this effort and expects to continue implementing programs that will enhance democracy and governance in the region USAID also intends to support priority initiatives approved at the Miami Summit of the Americas and the Santiago Summit of 1998.

Compared to the 1993 survey that classified only Haiti as a "not free" country in which USAID implements programs, the 1996 survey did not identify any USAID-assisted country in the region as "not free " Four countries (Bolivia, Guyana, Jamaica, and Panama) were classified as "free," 11 were "partly free," and 0 were not free From 1997 to 1999, we expect a continued increase in the number of countries classified as "free," corresponding to improvements in political rights and civil liberties

Eastern Europe and the New Independent States: USAID assistance in Central and Eastern Europe (CEE) will decline in the near future Programs in the Czech Republic and Slovenia were closed in FY 1997 Hungary, Latvia, Lithuania, Poland and Slovakia are candidates for close-out in the upcoming years The phase-out process in the northern tier of the CEE region provides opportunities for increasing efforts in the southern tier where progress is slower. There are notable accomplishments in the NIS region in terms of increased numbers of contested elections, NGO strengthening, and independent media development Nevertheless, these accomplishments must be balanced against a background of increased government corruption and occasional authoritarian political reversals In Belarus, media, labor NGOs, the parliament and judiciary are being undermined by actions of the executive branch. Much of Central Asia continues to lag behind other parts of the ENI region Flawed presidential elections in Armenia have contributed to the President's forced resignation in February, 1998; implementation of the upcoming elections in Armenia remains uncertain Overall, political and civil rights have taken impressive steps forward in the region, even as economic and social rights have either suffered retreats or not kept pace

There is increasing emphasis on local level approaches through NGOs, local government, and small and medium enterprises In Bulgaria, Hungary, Poland, Russia and the Central Asian Republics, USAID will continue to focus resources on a bottom-up approach as a means of deepening democratic commitment and strengthening decentralization. In Kazakstan, Kyrgyzstan, and Uzbekistan, NGO development will continue to be emphasized

Agency Strategic Goal: Democracy and good governance strengthened					
Indicator: Number of countries classified as free/partly free/not free					
Source Freedom in the World The Annual Survey of Political Rights and Civil Liberties, Freedom House					
Performance Goal 1 Level of freedom and participation improved "+1" indicates an expected positive movement in category in one country	YEAR		1993 B	1996	1999
	PLANNED				net▲
	ACTUAL		14 F 42 P 26 N	18 F 40 P 24 N	
F = Free P = Partly Free N = Not Free B = Baseline net ▲ = net change	Africa	PLN			+1
		ACT	4 F 8 P 15 N	5 F 11 P 11 N	
	The Near East, South and East Asia	PLN			+1
		ACT	1 F 9 P 4 N	2 F 6 P 6 N	
	Latin America and the Caribbean	PLN			0
		ACT	4 F 10 P 1 N	4 F 11 P 0 N	
	Europe and the Newly Independent States	PLN			+1
		ACT	5 F 15 P 6 N	7 F 12 P 7 N	

Comment(s) FY 1999 benchmarks are only for countries where USAID had programs in 1996

As stated in the introduction, development hypotheses for measuring progress in the democracy sector are not well advanced As a result, USAID has chosen to state its goals in terms of improvements in the levels of freedom We continue, however, to work on increasing our understanding of the factors affecting program results and our ability to assess performance in the democracy sector

Although democracy is a multi-faceted construct, with no simple, universally accepted measure, USAID uses Freedom House Survey scores as proxies in calculating the state of freedom in countries around the world The Freedom House Survey's definition of freedom is broad and the characteristics it estimates under each of the two sub-indices, political rights and civil liberties, correlate theoretically with the changes that USAID is attempting to support in its democracy and governance programs In seeking a universally available measure of democracy, USAID exhaustively reviewed the literature and found that the Freedom House index was the only uniform and comparative measure across countries and time available thus far The Survey places countries and territories into a tripartite division by averaging the scores received for political rights and civil liberties Those whose category numbers average 1-2 5 are considered "free," 3-5 5 "partly free," and 5 5-7 "not free " The "free," "partly free," and "not free" labels are highly simplified terms Each cover a broad third of the available raw points.

While it is clear that an index of political rights and civil liberties are not direct measures of 'democracy', research on democracy consistently uses the composite Freedom House index, and/or its component parts to assess the state of democratic development in countries This is not unreasonable, since democratic development is clearly closely correlated with political rights and civil liberties as defined and measured by Freedom House

It should be noted that the designation "free" does not mean that a country has perfect freedom or lacks serious problems, similarly, in no way does an improvement in a country's rating mean that democratic campaigns should cease

Out of 26 countries in which USAID implements programs, there has been an increase in "not free" status countries from 6 (23%) in 1993 to 7 (27%) in 1996 Countries classified as "not free" in 1996 include Azerbaijan, Belarus, Kazakstan, Serbia and Montenegro ("Yugoslavia"), Tajikistan, Turkmenistan, and Uzbekistan On the other hand, the number of countries classified as "free" increased from 5 (19%) in 1993 to 7 (27%) in 1996 with Romania and Latvia enjoying improvements in status We expect one or two additional ENI countries to be classified as "free" by the end of FY 1999

USAID GOAL: **Human capacity built through education and training.**

To achieve this strategic goal, USAID will emphasize expanding access to high quality basic education, especially for girls and women In addition, USAID will facilitate the responsiveness of in-country institutions of higher education through means such as international institutional partnerships. While not explicitly identified in performance goals, the contribution of comprehensive, high quality training and the powerful tools of information and communication technologies -- such as radio-facilitated teaching and Internet-based global discussions -- are important in the attainment of this and all other USAID goals. These efforts, together with encouragement of equitable enrollment policies, will serve to enhance the ability of in-country institutions of higher education to respond to local and national development needs. In FY 1999, USAID will contribute to human capacity development, particularly basic education for children and higher education partnerships through 12 strategic objectives in 12 countries and 10 global strategic objectives.

NOTE: Because this is one of the most recently articulated USAID goals, performance goals and indicators within it continue to be established and refined.

INDICATORS:

- Net primary enrollment ratio
- Difference between girls' and boys' gross primary enrollment ratio
- Percentage of cohort reaching grade five
- Number of inter-institutional partnerships formed

PERFORMANCE GOALS AND REGIONAL EXPECTATIONS:

1. **Countries increase primary enrollment ratios fast enough to attain full primary enrollment by 2015.** The goal reflects USG commitment to the DAC target of full primary enrollment by 2015 Regional performance is assessed on the basis of whether countries are increasing primary enrollment ratios fast enough to meet this goal, if growth in enrollment ratios continues at the current rate through 2015 Analysis indicates that improvements are likely in each region, but that several countries in each will still fall short of the DAC target

Sub-Saharan Africa: Half of the primary school-aged children in

Sub-Saharan Africa are not enrolled in school. In many countries, figures on net enrollments are not available, gross enrollment ratios include both over- and under-age children in the numerator Enrollment rates vary widely among countries in the region In terms of access, the primary enrollment rate in Mali and Ethiopia is under 30% It is 81% in Ghana and 59% in Benin. Most countries in the region would need to accelerate the growth of enrollment considerably to reach the DAC goals by 2015. Since 1987, USAID has focused its basic education investments in a limited set of African countries (originally 12, now reduced to 9) where the need was great and where governments were committed to necessary macroeconomic and educational reforms. The countries are Benin, Ethiopia, Ghana, Guinea, Malawi, Mali, Namibia, South Africa, and Uganda USAID devotes about 60% of its basic education budget to Africa.

Asia and the Near East: USAID assisted countries in Asia and the Near East offer a mixed picture in primary school enrollments. The Philippines has achieved universal primary enrollment, while Indonesia and Turkey are very close to this goal. However, primary enrollments for Bangladesh, India, Morocco and Nepal remain low. USAID funds basic education activities in Egypt, India, Morocco, and Nepal. Nearly all USAID assistance in ANE focuses on girls and women

Latin American and the Caribbean: Latin America has made substantial strides in educational access over several decades. Primary enrollment for the region as a whole exceeds 90% These high enrollment figures mask problems of quality and repetition Only 21 percent of LAC school children complete sixth grade Furthermore, several countries in Latin America -- notably Guatemala and Haiti -- suffer low primary enrollment figures. USAID programs in basic education operate in Guatemala, Honduras, El Salvador, Jamaica, Nicaragua, Haiti, Ecuador and Peru

Europe and the New Independent States: The data on primary education in the states of the former Soviet Union have become less reliable UNICEF reports "As an ex-super power that traditionally reported high enrollment rates, low disparity, and no gender gap, there is now a dearth of available data, which makes a real assessment of the education situation in countries assistance in countries difficult " USAID is proposing limited basic education assistance to only one country in the region, Tajikistan.

Agency Strategic Goal	Human capacity built through education and training			
Indicator	Net primary enrollment ratio			
Source	UNESCO Statistical Yearbook 1997			
Performance Goal 1 Countries increase primary enrollment ratios fast enough to attain full primary enrollment by 2015	YEAR		Base	1999
	PLANNED			
	ACTUAL			
Percentage of countries increasing primary enrollment ratio at or above the rate of increase needed to attain full primary-school enrollment by 2015, starting from 1992 base	AFR	PLN		31%
		ACT	29%	
	ANE	PLN		86%
		ACT	75%	
	LAC	PLN		92%
		ACT	88%	
	ENI	PLN		81%
		ACT	n a	
Comment(s): Data in table are provided for USAID-assisted countries for which data are available Baseline period is 1985-92 or 1985-93, as available The 1999 benchmark represents performance over a period ending in 1999 and beginning in 1992-95, as available For each country, the rate of increase in primary enrollment needed to reach full enrollment by 2015 was calculated, based on actual enrollment ratios in 1992 or 1993, as available For each region, the statistic shown represents the percentage of countries increasing primary enrollment at least this fast over the period cited Data are sparse for all regions The changes shown partly reflect the increased number of countries reporting net enrollment data over the period Eastern Europe and the New Independent States reported too few data for the base period to provide a meaningful comparison				

2. The difference between girls' and boys' primary enrollment ratio is virtually eliminated. The second performance goal also flows from the USG commitment to the DAC targets Regional performance is assessed on the basis of the share of countries in each region that either have or are projected to bring the gender gap in gross primary enrollment ratios under 5% by 1999

Sub-Saharan Africa: Recent trends suggest that 8 out of 19 countries with relevant data are likely to reduce the gender gap in primary enrollments to below 5% by 1999, compared with 6 out of 19 in 1993 In many other cases, the current gender gap is too large to expect the goal to be reached by the end of the assessment period

Asia and the Near East. Among the 12 countries in the region reporting the necessary data, 6 have gender gaps in gross primary enrollment already at or below 5%, while the remaining 6 have gaps considerably larger than this Although gaps are expected to narrow in several of the latter, none of the high-gap countries are expected to make the dramatic progress necessary to meet the target by 1999

Europe and the New Independent States: Gender gaps at the primary level are small in almost all countries in the region By 1999, all countries in the region are expected to fall below the 5% threshold.

Latin America and the Caribbean: With the exception of Guatemala, gender gaps in gross primary enrollment ratios tend to be quite small in the region This situation is expected to remain largely unchanged through 1999

Agency Strategic Goal: Human capacity built through education and training				
Indicator Difference between gross primary enrollment ratios for girls and for boys				
Source UNESCO Statistical Yearbook 1997				
Performance Goal 2: Gross primary enrollment rates for girls and boys differ by no more than 5%	YEAR		Base	1999
	PLANNED			
	ACTUAL			
Percentage of countries meeting performance goal	AFR	PLN		42%
		ACT	32%	
	ANE	PLN		50%
		ACT	50%	
	LAC	PLN		89%
		ACT	89%	
	ENI	PLN		100%
		ACT	92%	
Comment(s): Data in table are provided for USAID-assisted countries for which data are available The baseline and 1999 observations are for 1993 and 1999, respectively. Data are sparse in all regions except Europe and the New Independent States, changes in country coverage could affect measured regional averages in 1999				

3. **Primary school completion rates improved.** Primary school completion rates provide indirect information on the quality

of schooling, low completion rates typically indicate high rates of repetition and dropout in response to low-quality education Country performance is assessed on the basis of the proportion of children who eventually reach the fifth grade, and regional performance on the basis of the average rate for the countries in that region

Sub-Saharan Africa: Recent trends suggest a modest increase in primary school completion rates in the countries for which data are available

Asia and the Near East: Average completion rates are projected to increase by about 6% by 1999 Recent data are missing for several of the largest countries in the region, including Bangladesh The current financial crisis in Asia creates some uncertainty for near-term trends in Indonesia

Agency Strategic Goal: Human capacity built through education and training				
Indicator Percentage of cohort enrolling in grade five				
Source: UNESCO Statistical Yearbook 1997				
Performance Goal 3 Primary school completion rates improved	YEAR		Base	1999
	PLANNED			
	ACTUAL			
	AFR	PLN		71%
		ACT	68%	
	ANE	PLN		84%
		ACT	78%	
	LAC	PLN		72%
		ACT	66%	
	ENI	PLN		89%
		ACT	83%	
Comment(s) Data in table are provided for USAID-assisted countries for which data are available Baseline shows most recent available observation 1992-1994, 1999 column shows data for 1999 Data are sparse in all regions, changes in country coverage could affect measured regional averages in 1999				

Latin America and the Caribbean: Poor educational quality in many of the poorer countries in the region leads to high rates of repetition and attrition Reducing high repetition is essential to increasing completion rates We expect a 6% increase in the share of children reaching fifth grade by 1999

Europe and the New Independent States: Primary completion rates are high in most countries in the region; recent data are missing for several We expect persistence to the fifth grade to increase about 6% by 1999, compared with the baseline period

4. Number of inter-institutional higher education partnerships formed.

Higher education institutions can play a critical role in a country's development USAID has found that partnerships between in-country institutions of higher education and U.S. higher education institutions, community-based organizations and/or private sector organizations are effective in enhancing the responsiveness of in-country schools to local and national needs. Partnerships between higher education institutions, Ministries of Education and Labor, business, and NGOs have been fostered through a series of USAID-sponsored conferences on best practices in workforce development held in Peru, Namibia, Egypt and India.

Sub-Saharan Africa: USAID funds the University Linkages Development Program which partners U S and African institutions. This program is designed to build institutional capacity and provide faculty exchanges New regional networks of higher education institutions will be launched over the next three years

Latin America and the Caribbean: USAID, through the Association Liaison Office for University Cooperation in Development, is promoting networks among institutions of higher education in the United States, Mexico, and other countries in Latin America, to promote economic and social development.

Asia and the Near East: USAID invests in institutions of higher education in Egypt and Lebanon so as to provide technical cooperation that focuses on solving development problems In Egypt, USAID is sponsoring applied research at Egyptian universities through partnerships between faculty members in Egypt and the U S These partnerships in research will focus on important development issues in Egypt.

In Lebanon, USAID is working closely with the Lebanese American University in promoting business outreach and expanded economic opportunity, and with the American University in Beirut to identify and address environmental problems, and to assist public and private sector linkages for finding solutions to development

issues

Europe and the New Independent States: USAID supports institutions of higher education in this region so as to facilitate transition, economic growth and democracy. For example, USAID is helping to form partnerships between higher education institutions and private sector in the Carpathian region, to enhance the ability of the local colleges to provide local and national development services in support of USAID's strategic objectives

Agency Strategic Goal Human capacity built through education and training				
Indicators Number of inter-institutional higher education partnerships formed				
Source USAID				
Performance Goal 4 Enhanced responsiveness of in-country institutions of higher education to local and national development needs	YEAR		Base	1999
	PLANNED			25*
	ACTUAL		8*	
Inter-institutional higher education partnerships are formed that facilitate enhanced responsiveness	AFR	PLN		5
		ACT	1	
	ANE	PLN		5
		ACT	1	
	LAC	PLN		4
		ACT	0	
	ENI	PLN		11
		ACT	6	
Comment(s) Source USAID R4s Figures include partnerships facilitated through the Historically Black Colleges and University initiative, the University Development Linkages Project, the cooperative agreement with the Association Liaison Office for University Cooperation in Development, and programs sponsored by the ENI Bureau *The figures indicate new starts in 1997 (base) and in 1999				

Eleven U S universities have partnered with fourteen local institutions of higher education in a geographical area covering nine countries from the Baltic States to Albania The partnerships have been important in legitimizing MBA training and degrees in the region In Poland, for example, the capacity to train entrepreneurs in business skills has been strengthened by establishing seven Polish management training institutions

For the FY 97-99 period we expect an increase in the number and type of indigenous self-sustaining business training centers The demand for the services of those who have completed course work in business management training has significantly increased

One component of the Partnership for Freedom initiative includes the establishment of partnerships between and among academic and non-academic institutions in the U.S. and the NIS, as well as possibly in Central and Eastern Europe. Estimates are that at least nine partnerships will be developed in FY 99.

USAID GOAL: World population stabilized and human health protected.

To achieve this goal, USAID focuses on interventions that contribute directly and in an integrated fashion to achieving both stabilization of the world's population and protection of human health To this end, USAID will support programs which (1) reduce unintended and mistimed pregnancies, (2) improve infant and child health and nutrition and reduce mortality, (3) reduce deaths, nutrition insecurity, and adverse health outcomes to women of pregnancy and child birth, (4) reduce HIV transmission and the impact of the HIV/AIDS pandemic; and (5) reduce the threat of infectious diseases of major public health importance. USAID expects to contribute to the stabilization of world population and protection of human health through 48 strategic objectives in 43 countries and through 5 global strategic objectives.

INDICATORS:

- Total fertility rate
- Under 5 mortality rate
- Prevalence of underweight children under five
- Early Neonatal mortality rate (proxy for maternal mortality rate)
- HIV seroprevalence rate in 15-49 year olds

PERFORMANCE GOALS AND REGIONAL EXPECTATIONS:

1. Fertility rate reduced by 20 percent by 2007.

USAID's in-country programs to reduce fertility through increased use, demand and access to high quality family planning and other reproductive health programs have contributed to reductions in fertility rates worldwide due in part to application of USAID-supported research for new and improved contraceptive methods and improved programmatic innovations While such research is a long term investment, progress will be made over this performance period For example, in FY 1999, promising contraceptive leads, e.g , Femcap and a new spermicide/microbicide preparation, will move to the next stage of development. Methodologies for determining and evaluating the cost of family planning programs will be explored further and be used for establishing more cost effective programs While the 10 year benchmark for fertility decline is 20% from current averages, we expect to see on average a reduction of 5% in total fertility rates by 1999.

Sub-Saharan Africa Africa's population is growing faster than any other region in the world On average, Africa has the highest fertility rates Several countries in East and Southern Africa are entering a demographic transition where birth rates are declining steadily along with death rates Fertility rates in Kenya have declined 20% in four years, and declined by 33% in Zimbabwe over the last 10 years Between 1997 and 1999, total fertility rates in East and Southern African countries can be expected to continue declines of similar magnitude. In West Africa, however, declines will be less due to constraints to date on program implementation and persistent social traditions that support higher fertility

Asia and the Near East: Asia has 60% of the world's population As such, changes in average fertility rates have a tremendous impact on the size of the world's population On average, the total fertility rate for regional countries in 1996 was 3.5, excluding China This represents a 23% reduction from the average TFR of 4 3 in 1990. Over this period, USAID has made significant investments in family planning and health programs as well as other development efforts, making a major contribution to this decline Contraceptive prevalence has increased sharply in these countries over this period, and now averages 45% across the region In most of these countries that still have relatively high fertility rates, USAID will continue to make these investments over the coming year As such, regional contraceptive prevalence is expected to increase by at least another 10% between 1996 and 1999, leading to a decline in TFR from 3.6 to 3 4 by the end of FY 1999

Latin America and the Caribbean: On average over the last 10 years, the region's total fertility rate declined by 32% between 1987 and 1997, from 4 5 to 3 4 births per woman. This included significant recent declines in countries such as Bolivia, which demonstrated a 20% decrease in the total fertility rate (from 6.0 to 4 8) between 1989 and 1996 Further reductions in fertility in the region by at least another 5% are anticipated by the end of 1999.

Europe and the New Independent States: With the exception of several of the Central Asian Republics, high fertility rates are not a severe problem in the region. There is considerable variation in total fertility rates as well, ranging from 1 3 in Russia to 3 4 in Turkmenistan and 3.7 in Tajikistan Increased access to and quality of family planning and reproductive health services has had a significant impact, in Russia for example, contraceptive use increased from 19% in 1990 to 24% in 1994 At the same time, the number of abortions per 1000 women declined from 109 to 76 Continued increase in access to family planning and reproductive health services is expected to result in reductions in fertility rates in the Central Asian Republics as

well as contribute to reductions in rates of abortion and in maternal mortality rates

Agency Strategic Goal: World Population Stabilized and Human Health Protected				
Indicators Total fertility rate				
Source: World Development Indicators 1997 (Table 2 2)				
Performance Goal 1 Fertility rate reduced by 20 percent by 2007	YEAR		1997	1999
	PLANNED			4 2
	ACTUAL		4 4	
Percent decline in TFR	AFR	PLN		5 1
		ACT	5 4	
	ANE	PLN		3 4
		ACT	3 6	
	LAC	PLN		3 2
		ACT	3.4	
	ENI	PLN		1 94
		ACT	2 04	
Comment(s) TFR measures only one aspect of the goals of this program In addition to reducing overall fertility rates, reductions in unintended pregnancies through increased access, use and quality of family planning and reproductive health programs contribute to improved maternal and child health For ENI reductions in TFR are counted only for the Central Asian Republics In other countries, these programs contribute to reduced incidence of abortion and reduced maternal mortality With a 10 year benchmark for fertility reduction of 20% from baseline levels, we expect to see a 5% reduction by 1999				

2. Mortality rates for infants and children under the age of five reduced by 25 percent.

USAID's programs will contribute to improved infant and child health and reduced mortality by improving child health and nutrition practices and services and strengthening the systems that deliver them In addition to specific results in country programs, in FY 1999, USAID will continue to intensify its effort to eliminate vitamin A deficiency; vitamin A deficiency affects more than 250 million children under 5 worldwide and significantly impacts on child mortality USAID will also contribute to the global effort to eradicate polio by the year 2000, effectively institute programs to social market impregnated bednets for the prevention of malaria in at least two countries; advance development of malaria diagnostics and unijects for

tetanus toxoid and hepatitis B vaccines, and improve the planning, and procurement of vaccine supply in at least five countries In coordination with WHO, UNICEF and other partners, USAID will continue reaching greater numbers of children with basic child survival interventions, aimed at the major killers of children, including immunizations and prevention and treatment of diarrheal diseases, pneumonia and nutrition Additional efforts will target increasing the use, quality and sustainability of these interventions

Sub-Saharan Africa: In the last ten years, under five mortality rates in Africa have declined by more than 20% to 124.7 death per 1,000 live births Similarly, infant mortality has declined to 95 deaths per 1000 live births in 1996 Continued investments in health systems and key interventions to address infant and child mortality are expected to result in continued declines in infant and under five mortality. In countries with severe levels of HIV infection, however, major declines in child survival rates will be unlikely and some increases unfortunately may occur

Asia and the Near East: On average, regional infant mortality was 61 deaths per 1000 live births, and under five child mortality rates have declined by 70% from 96 3 in 1987 to 59 8 in 1997 In many countries, impressive improvements have been made in reducing infant and child mortality, including Nepal, where under-five child mortality declined from 165 deaths per 1000 live births in 1991 to 118 in 1996; the Philippines, where under five mortality has been almost cut in half, and Morocco, where U5MR declined from 216 in 1960 to 61 in 1992. However, infant and child mortality rates in many other countries in the region are still disturbingly high Primary killers of children are diarrheal disease, acute respiratory infections, and vaccine preventable disease such as measles. This region also has the highest prevalence of child undernutrition, as well as high prevalence of vitamin A deficiency; these facts make vitamin A and other nutrition interventions key to achieving further reductions in child mortality. Continued investments in addressing these and other related problems are expected to result in at least a 7% decline in infant and under-five mortality rates in the region between 1997 and 1999

Latin America and the Caribbean: Average infant mortality and under five mortality rates in Latin America have also continued to decline, between 1987 and 1997 under-five child mortality declined dramatically from 77.4 deaths per 1,000 live births to 44 deaths per 1000 births Infant mortality has also declined significantly, in 1996, the infant mortality rate was 40 deaths per 1000 live births This decline is due to sustained progress in building effective health systems that can deliver appropriate services on a routine basis. Vaccination coverage improved over 1995 levels across the region. Among eight child survival emphasis countries, 3 achieved 90% coverage of all program

antigens, and two others had achieved at least 80% coverage Infant and child mortality in Latin America is expected to decline to roughly 41 by 1999

Europe and the New Independent States: Key problems within the region related to child health and mortality have to do with breakdowns in the health care system, resulting in poor access to and availability of appropriate basic health care services Breakdowns in immunization coverage for example, have resulted in outbreaks of diphtheria and other preventable childhood diseases Infant and under-five mortality rates vary widely across the region. In 1996, infant mortality rates were as high as 46 deaths per 1,000 live births in Turkmenistan, but 14/1000 in Ukraine. Similarly, under-five mortality rates were 85/1000 in Turkmenistan, 79/1000 in Tajikistan, but 26 in Georgia and 24 in Ukraine Strengthening of basic health care systems is expected to result in decreases of infant and child mortality rates of 5-10% in countries in the Central Asian Republics where the mortality rates are relatively high

Agency Strategic Goal World Population Stabilized and Human Health Protected				
Indicators Under 5 mortality rate				
Source World Development Indicators (Table 2 14), USAID calculations				
Performance Goal 2 Mortality rates for infants and children under the age of 5 reduced by 25 percent by 2007	YEAR		1997	1999
	PLANNED			82
	ACTUAL		88 1	
Percent reduction in under-five mortality rates on a regional basis	AFR	PLN		116
		ACT	124 7	
	ANE	PLN		55 6
		ACT	59 8	
	LAC	PLN		41
		ACT	44 1	
	ENI	PLN		47
		ACT	50 7	
Comment(s) Planned reductions for ENI countries are for the Central Asian Republics only, where under-five mortality is still fairly high With a 10 year target of reducing under five mortality by 25%, we expect to see a 7% decline by 1999				

3. Maternal mortality ratio reduced by 10 percent.

High maternal mortality rates are a devastating problem in the developing world Research has recently indicated that community interventions can be very effective in addressing maternal mortality; further research, and expansion of such interventions will be undertaken in FY 1999 in addition to in-country programs. The impact of global iron supplementation programs directed at pregnant women, based on improved distribution of supplements and motivation for compliance will also be determined. Using an approach which empowers women and meets the needs of mothers and infants, NGOs in partnership with USAID, will continue to expand geographic access and promote technical excellence in antenatal care, safe birthing practices, treatment of obstetrical complications, and postpartum, post-abortion and newborn care.

Sub-Saharan Africa: Data on maternal mortality is notoriously poor However, we do know that most maternal deaths are due to obstetric emergencies, hemorrhage, poor nutrition for pregnant women, and complications from abortion The estimated proportion of deaths to women due to pregnancy and childbirth complications in sub-Saharan Africa is the highest in the world, averaging 980 deaths per 100,000 live births, ranging from 1,800 in Sierra Leone to 50 in Mauritius and 230 in South Africa. Given the poor quality of the data, we will not be able to measure a change in maternal mortality over this reporting period However, by the end of FY 1999, increases in the proportion of births attended by trained providers, increased use of contraception, and improved nutrition for pregnant women in a number of countries will result in a reduction in maternal mortality over the next ten years by 10%

Asia and the Near East: Many countries have very high maternal mortality ratios, due to the low status of women, lack of trained birth attendants, poor nutrition, and mistimed and unwanted pregnancies In recent years, expanded attention to maternal health has resulted in an increase in the proportion of births attended by trained providers Increased use of contraceptives has improved child spacing and impacted on the use of abortion, thereby reducing the number of complications These investments will continue, and neonatal mortality rates, as a proxy for maternal mortality, are expected to decline by 2% between 1997 and 1999

Latin America and the Caribbean: Reduction in maternal mortality continues to be a priority in the region as a whole, as estimated maternal mortality ratios on average are 140/100,000 live births, but range from 27 in some countries in the Caribbean to 650 in Bolivia and 1,000 in Haiti However, targeted program interventions have demonstrated that considerable progress is possible in reducing maternal mortality, and during this reporting period, results from community-level actions throughout

Agency Strategic Goal: World Population Stabilized and Human Health Protected				
Indicators: Early neonatal mortality rate				
Source Demographic and Health Survey				
Performance Goal 3 Maternal mortality ratio reduced by 10 percent by 2007	YEAR		1997	1999
	PLANNED			19 3
	ACTUAL		19 7	
Percent reduction in neonatal mortality rate on a regional basis	AFR	PLN		22 7
		ACT	23 2	
	ANE	PLN		18 3
		ACT	18 7	
	LAC	PLN		13.7
		ACT	14 0	
	ENI *	PLN		
		ACT		

Comment(s): Annual change is marked primarily by progress at the intervention level, notably by increases in the proportion of births attended by trained providers, a key factor in reducing maternal mortality While not shown in this table, this proportion is expected to increase by 1% per year in a USAID assisted countries, contributing to the planned reduction in maternal mortality by the end of the strategic plan period

As a proxy for maternal mortality, neonatal mortality rates are expected to decline by 2% on average by 1999 as a benchmark toward the 2007 targets of a 10% decline

* Neonatal mortality rate is not used as a proxy measure for countries in the ENI region, as high rates of mortality are due largely to high rates of abortion, and neonatal mortality is therefore not an sensitive measure of progress in reducing maternal mortality in the region Progress is measured by maternal mortality ratios in specific countries

the region will contribute to a decline in maternal mortality over the next ten years In at least 11 countries, there will be at least a 1% annual increase in the proportion of births attended by trained providers This key intervention will directly contribute to overall reductions in maternal mortality. Another key factor in reducing maternal mortality is political commitment to recognizing and addressing the problem at the community as well as the national level During this reporting period, there will be at least a five percent increase in the percentage of districts that have made a clear commitment and taken action to address maternal mortality. At national levels,

there is growing political interest in maternal health programs in the region, especially by the First Ladies

Europe and the New Independent States: While data is not very reliable, estimated maternal mortality ratios range from 180 maternal deaths per 100,000 live births in Turkey, to 130 in Tajikistan to 66 in Romania, and 7 in Ukraine However, adequate access to appropriate family planning and reproductive health services is a problem, and has resulted in poor reproductive health and high rates of abortion and maternal mortality in many countries Continued increase in access to family planning and reproductive health services is expected to result in reductions in maternal mortality rates by 10% over the strategic plan period

4. Number of new HIV infections slowed.

In addition to country programs designed to foster prevention of HIV transmission and mitigate the impact of the HIV/AIDS pandemic, USAID will support key research efforts designed to improve the efficacy of HIV/AIDS programs. USAID is also a key contributor to the United Nations Progamme on HIV/AIDS (UNAIDS).

Sub-Saharan Africa: By 2000, HIV/AIDS in Africa is projected to be responsible for a significant increase in crude death rates and child mortality rates in Africa. However, recent data indicate that there may be some progress in slowing the spread of HIV/AIDS on a limited basis in countries such as Uganda that have taken an aggressive stance in addressing the epidemic, including fostering increased use of condoms Over the performance period, this data is expected to be validated, and if appropriate these successful approaches will be replicated in other countries.

Asia and the Near East: Asia is the region where the HIV/AIDS epidemic is expected to explode in the next several years, particularly in south and south east Asia. In 1996, Asia surpassed Africa as the region with the greatest number of new HIV/infections, particularly in countries with high risk factors (Cambodia, India and Vietnam). However, there are encouraging trends where HIV prevalence continues to be low in some countries that have mounted aggressive HIV/AIDS prevention programs early on such as Thailand. Over the performance period, the numbers of new HIV infections in the region are expected to increase at a lower rate

LAC: There are striking differences in levels of HIV/AIDS prevalence across Latin America and the Caribbean HIV rates in the general population range from less than 1 percent in Ecuador to 9 and 10 percent in Haiti In 1996, Brazil had the second highest number of reported AIDS cases in the world, with an estimated 500,000 Brazilians infected with HIV. The HIV/AIDS epidemic is spreading rapidly in Central America between 1988

and 1992, the annual number of AIDS cases rose by 190% It is estimated that more than 200,000 people in the region had been infected with HIV as of 1996 However, HIV/AIDS prevention programs in Central America, Brazil, and in the Caribbean countries are expected to result in a reduction in the number of new HIV infections in those regions between 1996 and 1999

Agency Strategic Goal World Population Stabilized and Human Health Protected				
Indicators: Number of new HIV infections				
Source: UNAIDS				
Performance Goal 4. Number of new HIV infections slowed.	YEAR		1997	1999
	PLANNED			
	ACTUAL		5,826	
Number in 000's	AFR	PLN		
		ACT	4,000	
	ANE	PLN		
		ACT	1,670	
	LAC	PLN		
		ACT	227	
	ENI	PLN		
		ACT	100	
Comment(s) While data on numbers of new infections will only be available every three or four years, on an annual basis, USAID tracks progress against these goals by looking at tracking program level indicators, including rate of reporting condom use, % decrease in reported prevalence of selected sexually transmitted infections, and volume of USAID condoms shipped to HIV emphasis countries				

Europe and the New Independent States: While data are very poor, numbers of HIV infections have rapidly increased in several of the countries in the region, most notably Ukraine and Russia With the increase in drug abuse and commercial sex after the fall of the Soviet Union, there was a dramatic increase in new HIV infections. Presently there are between 10,000 and 100,000 HIV infected persons in Russia with between 800,000 to 1,000,000 infections projected by the year 2000 The potential exists for the epidemic to grow rapidly in other countries in the region given the low levels of knowledge of HIV/AIDS and use of appropriate safe sex practices as well as a need for greater access to condoms

5 Proportion of underweight children under five in developing countries reduced.

Sub-Saharan Africa: While there have been slight declines in the proportion of underweight children in sub-Saharan Africa on average, of critical concern are increases in malnutrition that seem to be occurring in several countries in the region Over this reporting period, USAID will support analytical work in these countries to determine why malnutrition is increasing, and work with in-country partners to implement appropriate responses. In five countries initially, USAID has launched targeted nutrition interventions. It is expected that these interventions will result in a 5% reduction in malnourished children in these countries In the next reporting period, this package will be introduced in additional countries In East Africa, a salt-iodization program supported by USAID will contribute to a 10% reduction in iodine deficiency in countries in the Horn of Africa Planned vitamin A programs could have a significant impact on child survival.

Asia and the Near East: As growth in per capita income increases, and increased use of nutrition interventions through health programs continues, including reduction of micro-nutrient deficiencies, the proportion of children undernourished will continue to decline In this region in 1996, the average proportion of underweight children was 24 4% This represents a 4% decline from 1990 The average proportion of underweight children is expected to decline by at least 5% between 1997 and 1999

Latin America and the Caribbean: Latin America has better nutritional status, on average, than the other regions in which USAID works However, there are several countries where the percentage of underweight children is high and on a par with some countries in Africa and Asia. In 1997, the percentage of children under five underweight in Latin America averaged 17 9%, a decline from an average of 19.3% in 1987. The proportion of children undernourished is expected to decline by at least 5% between 1997 and 1999 Good progress has been made especially in Central America in food-fortification with vitamin A, contributing to reductions in child mortality

Agency Strategic Goal World Population Stabilized and Human Health Protected				
Indicators Proportion of children under age 5 years who are underweight				
Source: World Development Indicators, USAID calculations				
Performance Goal 5 Proportion of underweight children under 5 reduced	YEAR		1997	1999
	PLANNED			29 3
	ACTUAL		30 8	
Percent reduction in proportion of children under five underweight	AFR	PLN		36 6
		ACT	38 5	
	ANE	PLN		23 2
		ACT	24.4	
	LAC	PLN		17
		ACT	17.9	
Comment(s):				

6. Reduced threat of infectious disease

In FY 1998, USAID adopted a new strategic objective designed to reduce the threat of infectious diseases of major public health importance This expands on USAID's existing efforts in child survival and in reducing the spread of HIV/AIDS and other sexually transmitted diseases Under this strategy, USAID will focus on slowing the emergence and spread of anti-microbial resistance; testing and improving options for controlling tuberculosis; expanding the control of malaria, dengue and other major infectious diseases, and strengthening disease surveillance and response capacity

In FY 1999, USAID will have established and begun collecting information against key performance targets, and key program interventions will be in place in each region

USAID GOAL: THE WORLD'S ENVIRONMENT PROTECTED FOR LONG-TERM SUSTAINABILITY

To achieve this strategic goal, USAID supports programs which reduce the threat of global climate change, conserve biological diversity, promote sustainable urbanization including pollution management, increase the use of environmentally sound energy services, and encourage the sustainable management of natural resources

In FY 1999, USAID will contribute to environment goals and objectives through 88 operational strategic objectives in 63 countries (and 16 regional and central objectives)

INDICATORS:

- Host government commitment to environmental sustainability (National environmental management strategies, participation in international environment treaties);
- Nationally important natural resources placed under improved management(in hectares and as percent of total land area).
- Carbon dioxide emissions, average annual rate of growth.
- Percent of urban population with access to safe drinking water.
- Percent of urban population with access to sanitation services.
- GDP per unit of energy use.
- Percent of energy production from renewable sources
- Percent change in forested land area (in hectares).

PERFORMANCE GOALS AND REGIONAL EXPECTATIONS·

1. **Overall environment: Host government commitment to sound national and international environmental programs.**

An index is developed which includes the following indicators: national environmental management strategies and participation in international environmental treaties

This goal is an expression of general government commitment to national environmental programs addressing biodiversity conservation, climate change, natural resource management, pollution, and sustainable development in general. Part of this

measure is an index which includes the following indicators national conservation strategies, national environmental action plans (NEAPs), and country environmental profiles Another indication of a country's commitment is whether it has signed or ratified international treaties, including the UN Framework Convention on Climate Change, the Vienna Convention for the Protection of the Ozone, the Montreal Protocol for CFC Control, the Law of the Sea, and the Convention on International Trade in Endangered Species of Wild Flora and Fauna

Sub-Saharan Africa: According to this indicator, six governments have relatively high levels of commitment to the environment; and nine have a medium level of commitment Angola, Eritrea, and the Democratic Republic of the Congo have a low level of commitment. In addition to the formal plans and agreements, trends seem to indicate that governments are working in closer partnership with the population, particularly those in the rural regions. Countries such as Botswana, Madagascar, Guinea, and Niger have shown progress in this regard. In Uganda, rural district environmental advisors will increase from 19 districts today, to 30 in FY 1999, while the USAID-supported National Management Authority will have prepared Uganda's new National Environmental Action Plan.

Asia and the Near East: Commitment in the region ranges from the Philippines, with an almost perfect score to Cambodia, Morocco, and the West Bank/Gaza with low levels of commitment

Europe and the New Independent States: According to this measure, commitment in this region ranges from medium to low, but with many governments actively developing environmental plans Poland, Russian Federation, and Romania have a medium level of commitment. Albania, Armenia, Georgia, Lithuania, Kyrgyz Republic, Moldova, Turkmenistan, Ukraine, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan currently fall in the low range

With USAID assistance, Armenia, Azerbaijan, Georgia and Uzbekistan will complete National Environmental Action Plans (NEAPs) in FY 1998. USAID has already assisted Albania, Bulgaria, the Czech Republic, Hungary, Kazakstan, the Kyrgyz Republic, Poland, Romania, and the Slovak Republic with the completion of their NEAPS Rather than NEAPs, Regional Environmental Action Plans are being developed in Russia with USAID support Bulgaria's National Biological Diversity Conservation Strategy was one of the first national-level strategies to be completed following the adoption of the UN Convention on Biological Diversity in Rio de Janeiro in 1992

Latin America and the Caribbean: Trend data are not available for this indicator, however available information on plans and treaty participation can serve as benchmark Accordingly,

Agency Strategic Goal The World's Environment Protected for Long-Term Sustainability

Indicators: National environmental management strategies and international treaties

Source: World Development Indicators (Table 3 9), USAID calculations

Performance Goal 1: National environmental management strategies prepared and international treaties participation (see comments below)	YEAR		1997*	1999**
	PLANNED			10 6
	ACTUAL		10 4	
	AFR	PLN		12 4
		ACT	12 2	
	ANE	PLN		11 5
		ACT	11 3	
	LAC	PLN		13.2
		ACT	12 9	
	ENI	PLN		7.9
		ACT	7 7	

Comment(s) A 19-point scale was developed to assess a government's commitment to the environment A low level of commitment was considered to be 0-7, a medium level of commitment 7 5-14, and a high level 14 5-19 The information was compiled and averaged for USAID-assisted countries in four regions The scale was based on whether a country had prepared any of four types of national environmental management strategies or whether it had participated in any of five major international environmental treaties This scale does not indicate the degree to which an environmental strategy has been carried out or an international treaty was followed Averaging this scale across regions serves only to give a general idea of political commitment to environmental issues The strategies and treaties include

-National Environmental Action Plans
-National Conservation Strategies
-Country Environmental Profiles
-Biological Diversity Profiles
-Frequency of reporting on trade in endangered species
-Convention on International Trade of Endangered Species (CITES)
-Framework Convention on Climate Change
-Vienna Convention on the Protection of the Ozone Layer
-Montreal Protocol for CFC Control
-Law of the Sea

* Data are current through 1997 as per World Development Indicators (Table 3 9) and other sources

** For the sake of demonstrating a trend, a one percent per year increase (two percent over two years) is given for 1999

Ecuador and Nicaragua have relatively high levels of government commitment to the environment All of the other USAID-assisted countries in LAC with environmental programs have a medium level of commitment

2. Biodiversity: Conservation of biologically significant habitat improved.

USAID has improved conservation of biodiversity in over 40 million hectares USAID's overall biodiversity conservation goal is to increase this area to 75 million hectares over a ten-year period in USAID assisted countries This means that an additional 3 5 million hectares per year will be added to the Agency's biodiversity portfolio An analysis must be made on a regional basis of where the Agency needs to focus its efforts in the future

USAID works with host countries and partners to improve the management of biologically significant areas both within and outside of officially protected areas Both qualitative and quantitative measures should be looked at, however, no existing international database provides these data on an annual basis.

Sub-Saharan Africa: USAID-assisted countries most important for biodiversity conservation in sub-Saharan Africa include Madagascar, Tanzania and Uganda, and the Central Africa Region. A proxy indicator for this performance goal is the percentage of total land area protected For example, in FY 1999 Madagascar is expected to increase its number of hectares under protected status by 620,000 ha, to 1 8 million ha, or 10 percent of all forested areas in Madagascar This is a significant increase from the 1 18 million ha currently (1997) under protected status

Asia and the Near East: The Agency's draft Strategy for Biodiversity Conservation identified critical habitat globally important for biodiversity in Cambodia, India, Indonesia, Nepal, the Philippines, and Sri Lanka.

In FY 1999, the only remaining large program in forestry and protected areas in this region is in Indonesia As USAID reduces missions in the region, lack of staff to manage biodiversity programs will have a direct impact on contributions to these objectives However, significant strides will continue to be made in biodiversity conservation through the Agency's established endowment funds such as Indonesia Biodiversity Foundation (or KEHATI), which is now a successful, self-sustaining fund

Latin America and the Caribbean: The following biogeographic regions in Latin America and the Caribbean are considered to be globally important for biodiversity, according to the Agency's draft Strategy for Biological Diversity Central America,

Insular Caribbean (primarily Jamaica), the Northern and Central Andes (i e , Ecuador, Peru), Amazonia, (i e , Brazil), and Northern Mexico The region also harbors globally important coral reefs and marine ecosystems in the Caribbean and the Galapagos USAID-assisted countries important for biodiversity conservation in LAC include all those in Central America plus Bolivia, Brazil, Ecuador, Jamaica, Mexico and Peru

Agency Strategic Goal The World's Environment Protected for Long-Term Sustainability				
Indicators: Nationally protected area (in thousands of square kilometers and as percent of total land area)				
Source: World Development Indicators and World Resources Institute based on data from the World Conservation Monitoring Center				
Performance Goal 2 Conservation of biologically significant habitat improved	YEAR		1994 (km²x1000) (%)	1999* (km²x1000) (%)
	PLANNED			3308km² 5 7%
	ACTUAL		3,007km² 5.18%	
Note Top figure is thousands of square kilometers of terrestrial-based protected areas according to the World Conservation Monitoring Center Protected areas include 5 World Conservation Union (IUCN) categories (national parks, managed natural reserves, etc) Bottom figure is same area as a percentage of total land area This indicator is for USAID-assisted countries only Since the most recently available information is from 1994 (and is usually updated annually), projecting this to 1999 is difficult at best A nominal one percent per year increase over five years of the total area is given for 1999 For example if the protected area coverage in 1994 is 100 km² or 10%, the 1999 figures would be 105 km² or 10 5%	AFR	PLN		948km² 6.3%
		ACT	862 km² 5 81%	
	ANE	PLN		524km² 5.4%
		ACT	476 km² 4 9%	
	LAC	PLN		908km² 7.1%
		ACT	829 km² 6 45%	
	ENI	PLN		924km 4.8%
		ACT	840 km² 4 33%	
Comment(s) *If current data reporting remains the same, actual 1999 figures would not be available until 2004				

FY 1999 funds will lead to significant improvement in the conservation and management of globally-important biodiversity areas in the region, covering over 27 million hectares

Conservation of Central America's "Meso-American Biological Corridor" will be improved such that over 20 of the parks and reserves along that route will be sustainably managed FY 1999 funds will provide the final push to graduate 28 protected areas (covering 20 million acres) from USAID support via the Parks in Peril program Other key successes will include (a) the last remaining 100,000 hectare fragment of Ecuador's Choco forest will be protected and most of the local indigenous groups will have land tenure rights over the area, (b) the Panama Canal watershed will be conserved to guarantee that the Canal receives adequate water while conserving important wildlife there, and (c) Bolivia's 2 million hectare dry forest in the Choco will be sustainably managed by the indigenous people found there. It is worth noting that efforts to conserve biodiversity in the region's tropical forests also contribute to the Agency's efforts to reduce climate change (see above)

Europe and the New Independent States ENI countries contain rare species, such as the Siberian Tiger, and unique habitats, such as Russia's Lake Baikal. In FY 1999, biodiversity programs will continue to be active in Russia, the Ukraine, and Bulgaria The Russian Far East Sustainable Natural Resources Management project provides technical assistance, support for managing protected areas, monitoring habitats, and the means to combat poaching Protected areas are also supported in the Ukraine through the Ukraine Biodiversity Conservation program The USAID/GEF Bulgarian Biodiversity Project supports the implementation of Bulgaria's National Biological Diversity Conservation Strategy.

3. Global Climate Change: Rate of growth in net emissions of greenhouse gases slowed.

The Agency's Climate Change Initiative is to focus on reducing greenhouse gas emissions while augmenting naturally occurring greenhouse gas storage and sinks Activities will focus on energy and industry, forestry and natural resources, and sustainable agriculture. (Seventy-five percent of USAID forestry activities are considered to be part of the Climate Change Initiative)

Sub-Saharan Africa: The five-country region of the Congo basin -- Cameroon, Central African Republic, Congo, Gabon and Zaire -- is a priority in USAID's Climate Change Initiative. The Central Africa region is important as a sink for carbon dioxide because of its extensive forests USAID activities will include remote sensing and geographic information system analysis to improve forest cover data, coordination with scientists studying biomass and developing carbon inventories for various forest types, testing predictive models of forest degradation and deforestation, and identifying policies that improve forest management

The Republic of South Africa was recently added as a priority country in USAID's Climate Change Initiative USAID will begin to identify opportunities to engage South African partners in reducing greenhouse gas emissions, especially emissions related to the country's reliance on coal for power generation Performance targets will be developed prior to FY 1999

Asia and the Near East: India, Indonesia, and the Philippines are priority countries in USAID's Climate Change Initiative Since energy consumption in all three of these countries is growing rapidly, the thrust of USAID's approach to reducing greenhouse gas (GHG) emissions is and will continue to be in the energy sector Activities in sustainable forestry management (such as reduced impact harvesting, fire management, rehabilitation of degraded lands) also reduce net emissions of GHGs through the sequestration of carbon, and USAID is continuing its work in this area. See the discussion of Natural Resource Management below The main areas targeted by the Agency are restructuring the power sector, improving electricity generation efficiency, and expanding renewable energy commercialization. These efforts are reducing the emissions of carbon dioxide as well as local pollutants such as sulphur oxides, and saving energy due to increased sector efficiency, which also reduces emissions.

In India, plans for mitigating global climate change are expected to result in the direct reduction of four million metric tons of carbon dioxide emitted per year In Indonesia, USAID activities in energy efficiency are expected to save 140,000 megawatt-hours (MWh) of energy in 1998 and 210,000 MWh in 1999 Agency plans to develop the Philippines' extensive natural gas reserves, plus renewable energy and energy efficiency measures, are expected to reduce GHG emissions by 1 8 million metric tons in 1998 and 2 million metric tons in 1999 However, the Agency is reducing its environmental staff in Indonesia and the Philippines as these missions prepare for close-out around 2005 Reduced staff to manage global climate change programs will make it increasingly difficult to reach the Agency goals for reducing GHG emissions in these countries.

Europe and the New Independent States: USAID's Climate Change Initiative focuses on the Central Asian Republics, Poland, Russia, and the Ukraine The Initiative will use a variety of tools, including policy reform, institution capacity building, education, and outreach, information collection and dissemination, technology cooperation, partnerships with the private sector, coordination with other donors, and the use of credit instruments to achieve these objectives. The ENI and Global Bureaus are exploring possible application of USAID's new Development Credit Authority (DCA) to guarantee commercially financed activities aimed at reducing CO2 emissions in Poland and the Russian Far East Energy sector reform involving

restructuring, privatization and independent regulation will lead to greater efficiencies in energy supply systems and have a positive impact on greenhouse gas emissions See Performance Goal 5 on Environmentally sound energy services.

Latin America and the Caribbean: USAID's environmental programs in Brazil, Mexico, and the Central American region are designed to reduce the growth rate of carbon dioxide emissions by reducing tropical deforestation (increasing carbon sinks), and, promoting the use of "clean" energy technologies, which reduce fossil fuel burning

Agency Strategic Goal The World's Environment Protected for Long-Term Sustainability				
Indicators Carbon dioxide emissions, average annual rate of growth				
Source: World Development Indicators (Table 3 5) based on Oak Ridge National laboratory, CDIAC database, USAID calculations				
Performance Goal 3 Rate of growth of net emissions of greenhouse gases slowed	YEAR		1998-1995 (%/yr)	1999* (%/yr)
	PLANNED			1 46
	ACTUAL		-1 40	
Average annual percent change in the rate of growth of carbon dioxide emissions **Note** Carbon dioxide (CO2) emissions from industrial processes are those stemming from the burning of fossil fuels, manufacture of cement, and gas flaring Data are reported in thousand metric tons of carbon (in the CO2 emitted) Growth rates are calculated for the period 1988-1995 using the least squares method Since the most recently available information is from 1995, projecting this to 1999 is difficult at best A nominal one percent per year increase over four years of the growth rate is given for 1999 For example, if the carbon emission growth rate is 10 in 1995, the 1999 figure would be 9 6%	AFR	PLN		99
		ACT	1 03	
	ANE	PLN		6 59
		ACT	6 86	
	LAC	PLN		3 40
		ACT	3 53	
	ENI	PLN		-5 90
		ACT	-5 67	
Comment(s) *If current data reporting remains the same, actual 1999 figures would not be available until 2003 Baseline rate is the 1988-1995 period				

Our Brazil program will protect forests covering an area larger than Israel It will produce 200 megawatts of energy from renewable sources while saving an additional 300 megawatts by increasing industrial efficiency The program will also disseminate successful pilot activities in reduced impact harvesting to private sector concessionaires logging 500,000 hectares This latter program will leverage tens of millions of dollars from the G-7 Pilot Program to Conserve the Brazilian Amazon.

In Mexico, our programs will reduce deforestation rates by 33 percent to 50 percent on lands equivalent in size to the Carolinas, and will prevent over 350,000 tons of carbon dioxide emissions through our renewable energy and energy efficiency programs, many of which will likely be replicated with Government of Mexico and World Bank funds

In Central America, the program will start supporting (a) the establishment of climate change offices in each Central American nation, (b) the development of a region-wide monitoring system to increase the flow of public and private resources to effective GCC mitigations, (c) the demonstration and dissemination of models to sequester methane from landfills; (d) the establishment of a regional carbon credit system for trading carbon emissions on the open market in the U.S ; and, (f) the development, replication, and "main-streaming" of additional energy generation capacity from renewable sources.

4. Sustainable Urbanization: Urban population's access to adequate environmental services improved.

In the past decade, rapid population growth in urban areas has made the task of providing adequate urban environmental services, particular safe drinking water more difficult The Agency's goal is to improve and increase services in the area of water and sanitation

Sub-Sahara Africa: USAID's strategy in the region has been to focus its support on environmental and natural resource management issues (rather than sustainable urbanization). However, USAID is currently reassessing its strategy in Africa through a study on water, sanitation and urban issues in the region. USAID may be able to approach urbanization issues through support of NEAPs, trade and investment initiatives, or environmental education, for example

Asia and the Near East: The Agency has significant water resources management programs in Jordan, Egypt, Morocco, and the West Bank/Gaza, where the degradation and depletion of water resources pose the most critical challenges to environment, social, and economic development USAID activities in the water

sector are focused on increasing the use and management of fresh water supplies, and improving the volume and quality of treated waste water

In Jordan, the volume of fresh water saved through preserving water quality and improving efficiency and storage is predicted to be 57 million m^3 in 1998 and 84 million m^3 in 1999. The volume of waste water treated to levels safe for irrigation is estimated to increase from none in 1996 to 53 million m^3 in 1998 and 60 million m^3 in 1999 In Egypt, 9 million and 9 6 million people in 1998 and 1999, respectively, will be served by USAID-funded waste water conveyance and treatment facilities in urban centers In both 1998 and 1999, it is predicted that over 1 billion liters of water per day will be treated to design standards USAID activities in Morocco are predicted to result in water savings of 30 million m^3 and 70 million m^3 per year in 1998 and 1999 respectively USAID support there is also connecting poor, urban households to sewerage and potable water, with an added 26% of households connected by 1998 and 41% by 1999, compared to 1994

USAID efforts in the West Bank and Gaza have been stymied by political obstacles, but progress in the water sector has been and is continuing to be made USAID assistance will lead to the upgrading of waste water services to 60% of the households in Gaza by 1999. Also in the next two years, USAID will provide support to expand the Gaza Waste Water Treatment Plant to handle an additional 18,000 cubic meters per day of effluent, providing relief from the sewage overflow problem in Gaza USAID efforts to increase the potable water supply will improve transmission and delivery for approximately 720,000 West Bank residents, and expand the water supply system to another 170,000 people by 1999 or 2000

Europe and the New Independent States: USAID's FY 1999 programs focus on the municipal-level services throughout the region

Increased Access To Sanitation Services Countries reporting in this area show that 80 to 95 percent of their urban population had access to sanitation services While access to sanitation services appears to be adequate, a number of issues remain problematic, including the quality of treatment of collected sewage, processing and handling of waste, the mixing of domestic and industrial wastes, and high maintenance sewage processing. Furthermore, the transfer of sanitation services from central to local jurisdictions has been hampered by insufficient fee collection systems

Increased Access to Safe Drinking Water The Agency considers improvements in the reliability, quality and quantity of potable water to be of paramount importance to populations affected by

the Aral Sea disaster Trends indicate that the focus is on regional cooperation in the regulation and use of the Aral Sea Basin resources While data indicate 90-100 percent of the urban population have access to drinking water, the availability of safe drinking water when required remains an issue In many areas of ENI, drinking water is available for only a few hours a day and frequently in insufficient volumes. Pockets of unsafe drinking water exist around industrial, agricultural and urban areas. Systems are not in place to address the economic utilization of safe drinking water, which was formerly a free or nearly free commodity.

Agency Strategic Goal: The World's Environment Protected for Long-Term Sustainability				
Indicators. (a) Percent of urban population with access to safe drinking water, (b) Percent of urban population with access to sanitation services				
Source: World Development Indicators (Table 3 6), USAID calculations				
Performance Goal 4: Urban population s access to adequate environmental services increased	YEAR		1993	1999*
	PLANNED			88.5% 65 4%
	ACTUAL		83 5% (Water) 61 7% (Sanita)	
Note The top figure in the cell represents the percent of urban population with access to safe drinking water, the bottom figure represents the percent of urban population with access to sanitation services Since the most recently available information is from 1993, projecting this to 1999 is difficult at best A nominal one percent per year increase over six years of the growth rate is given for 1999 For example, if access to safe water is 90% in 1993, the 1999 figure would be 95 4%.	LAC	PLN		96 7% 83 0%
		ACT	91 2% 78 3%	
	ENI	PLN		100 % 75.3%
		ACT	98% 71%	
Comment(s) *If current data reporting remains the same, actual 1999 figures would not be available until 2005				

Latin America and the Caribbean: The most important USAID sustainable urbanization programs in the region are in Peru and Jamaica FY 1999 funds will allow for an increased percentage of

solid waste in Lima being disposed of properly in sanitary landfills, from 38 percent to 53 percent of the waste will be properly disposed In Jamaica, three water treatment plants will be operated and maintained by the private sector in urban areas

The Agency supports related work in Peru and Jamaica to reduce pollution from industrial sources FY 1999 funds will promote industries, adoption of pollution prevention technologies and approaches -- those that reduce contamination in cost-effective ways In Peru, we will increase by over 10 percent the number of key industries using pollution prevention technologies, and in Jamaica, 14 additional tourism-enterprises in key areas (e g., Montego Bay) will achieve international certification for having adequate environmental operations

5. Environmentally sound energy services. Energy conserved through increased efficiency and reliance on renewable sources.

Energy is a critical factor of production as well as a major source of pressure on the environment Efficiency of energy use and reliance on renewable sources are therefore critical for achieving environmentally sustainable development.

Europe and the New Independent States USAID supports energy programs in Armenia, Bulgaria, Georgia, Hungary, Kazakstan, Kyrgyzstan, Latvia, Lithuania, Poland, Romania, Russian Federation, and the Ukraine, with smaller programs in Bosnia, Czech Republic, Macedonia, Turkmenistan, and Uzbekistan USAID emphasizes energy sector market reform, with programs supporting competitive markets, privatization, rational prizing, and appropriate legal regulatory frameworks USAID has supported power sector restructuring in Ukraine, Moldova, Georgia, Armenia, Kazakstan, Kyrgyzstan and Hungary. Regulatory frameworks and organizations are being established in Ukraine, Russia, Moldova, Georgia, Armenia, Kyrgyzstan, Poland, Latvia and Lithuania FY 1999 plans include further development of independent regulatory bodies, initiation of power restructuring in Lithuania, Bulgaria and Romania, and gas reform in Ukraine, and initiation of energy sector privatization in Moldova, Ukraine, Georgia, Armenia and Kyrgyz Republic

Agency Strategic Goal The World's Environment Protected for Long-Term Sustainability				
Indicators: (a) GDP per unit of energy use (b) percent of energy production from renewable sources				
Source: World Development Indicators (Table 3 5), USAID calculations				
Performance Goal 5: Energy conserved through increased efficiency and reliance on renewable sources	YEAR		1994	1999*
	PLANNED			3 7
	ACTUAL		3 5	
Note: Since the most recently available information is from 1994, projecting this to 1999 is difficult at best A nominal one percent per year increase over five years of the energy efficiency ratio is given for 1999 For example, if the carbon emission growth rate is 10 0 in 1994, the 1999 figure would be 10 5 *If current data reporting remains the same, actual 1999 figures would not be available until 2004	AFR	PLN		7 0
		ACT	6 7	
	ANE	PLN		2 1
		ACT	2 8	
	LAC	PLN		3.2
			3 0	
	ENI	PLN		0 95
		ACT	0 9	
Comment(s): Energy Efficiency The energy efficiency indicator is a measure of GDP per unit of energy use, defined as the U S dollar estimate of real GDP (at 1987 prices) per kilogram of oil equivalent of commercial energy use The larger this ratio is, the greater the energy efficiency Energy efficiency data are not particularly reliable in the Central Asia-Eastern Europe region, but energy efficiency is relatively low, so there is room for improvement. The economies of Armenia and the Russian Federation had decreasing energy efficiency during the 1980-1994 period (4 3-2 6, and 0 6-0 5 respectively) Increasing efficiency trends are noted in Bulgaria, Hungary, Poland, and Romania Other ENI countries do not have energy efficiency data for the period. The most recent ratios on energy efficiency will serve as benchmarks for future trends When trends are established, USAID will be in better position to plan in this performance goal area				

6. Natural resource management: Deforestation rate in tropical forests reduced and management of natural forests and tree systems improved.

Loss of the world's forests is a major environmental problem The Agency will focus on slowing the rate of deforestation and improving the management of forested areas Activities will include utilization of reduced impact harvesting; rehabilitation of degraded forest land and participation in community forest management

Sub-Saharan Africa: USAID supports natural resource management in the Central African region (Cameroon, Central African Republic, Congo, Gabon and Zaire), Guinea, Madagascar, Malawi, Mali, Namibia, Senegal, Tanzania, Uganda, Zambia, and Zimbabwe The Agency supports community-based natural resources management programs in Africa to build basic capacity In Zimbabwe, FY 1999 revenues from wildlife-based enterprises are expected to be triple present levels in participating rural district councils and in Uganda, households adopting improved soil conservation practices will increase from 1,685 today to 2,550 in FY 1999

USAID is assisting the government of Madagascar in establishing the Masoala National Park to preserve its largest rain forest. The park will cover 840 square miles and includes delicate ecosystems and some of the world's rarest animals Our new Madagascar strategy will directly address development and conservation through the suitable use of natural resources in broader landscapes Efforts to help households in peripheral zones find alternatives to destructive practices are well underway, with preliminary results in one zone showing household participation at 19% Targets of 50% household participation are expected to be met or exceeded by 1999 Targets of increased percentage of off-season crop production and total kilometers of rehabilitated roads are expected to be met or exceeded.

Asia and the Near East: USAID has significant natural resource management programs in Indonesia, Nepal, the Philippines, and Sri Lanka In Indonesia, USAID-assisted parks, protected areas, and community based forest and coastal resources that are stabilized or improved as a result of USAID intervention are projected to be 260,000 hectares in 1998 and 345,000 hectares in 1999 A measure of USAID's success in strengthening community organizations and local institutions can be made from the number of site-specific management plans agreed upon by stakeholder groups and the government of Indonesia, with sufficient resources allocated to implement them The number of such sites is predicted to increase from six in 1994 to 36 in 1998 and 56 in 1999

In Nepal, USAID has developed a market-led approach to encourage farmers to switch from traditional grain to sustainable production of the forest and high-value commodities from the forest Annual sales of forest and high-value agricultural commodities are predicted to be $20 55 million in 1998 and $25 06 million in 1999, up from less than $5 million just three years ago USAID management plans have led to the formation of community forest user groups, which are highly effective in increasing the production of forest biomass These groups are estimated to number 1150 in 1998 and 1338 in 1999, up from 586 in 1995 The number of hectares officially turned over to these groups is projected to be 92,469 in 1998 and 108,469 in 1999.

USAID is working with the Government of the Philippines to

transfer management responsibility and user rights to communities that border or are located within public forest lands In return for protecting and managing the forests, the communities are given the right to harvest some forest products within the limits of an approved management plan These "social fences" have already significantly reduced the incidence of slash and burn agriculture and fire in areas under management Under this program, an estimated 10% (500,000 hectares) of the country's remaining forests will be under sustainable management in 1999.

Latin America and the Caribbean: USAID focuses on natural resource management in Bolivia, Jamaica, Haiti, El Salvador, Honduras, Panama, and the Central America region USAID strategically concentrates its efforts in sustainable forestry management to those countries which possess the largest extent of intact forests not found in protected areas: Bolivia and Honduras With FY 1999 funds, it is expected that the pilot projects in reduced impact management and certified community forestry management will become economically self-sustaining. These examples will be disseminated throughout Bolivia. In Honduras, FY 1999 funds will enable over 100,000 hectares of pine forests to be managed in an environmentally and economically sustainable manner.

The remainder of the USAID natural resource management efforts in region emphasize sustainable agriculture and coastal zone management Key examples include. (a) in Haiti, FY 1999 funds will be used to promote sustainable small-farmer agriculture and will increase the country's total area under sustainable, agro-forestry systems to 150,000 hectares, (b) in Jamaica, we anticipate improved coastal water quality for around 400,000 tourists in key coastal areas, thereby helping local economic development, (c) in El Salvador, we will initiate a cross-sectoral effort to improve access to clean water in four poverty-stricken municipalities We will improve both water delivery systems, downstream watersheds, and reduce pollutants which tarnish the water system

Europe and the New Independent States: USAID supports natural resource management efforts in Albania and the Russian Far East. The Albanian Private Forestry Development Project (APFDP) provides policy advice and demonstration management projects that will inculcate sustainable forest management practices at the local and national level. Through an inter-agency agreement with the Peace Corps, APFDP promotes private, on-farm agroforestry development through the Peace Corps' Private Farm Forestry Project, complementing a broader World Bank effort to develop a formal agricultural extension system In the Russian Far East, USAID supports sustainable forestry to promote alternatives to unfinished wood export. In general, acreage of managed land has been increased and forestry practices improved

Agency Strategic Goal	The World s Environment Protected for Long-Term Sustainability			
Indicators	(a) *Average annual change in total forest area (percent change and in square kilometers), (b)*** Avg annual change in natural forest area, (c)*** Avg annual change in plantation forest area			
Source	FAO, State of the Worlds Forests, 1997, World Development Indicators (Table 3 1), USAID calculations			
Performance Goal 6 Loss of forest area slowed	YEAR		1995 % change km²	1999* % change km²
	PLANNED			-0.35% -36 720
	ACTUAL		-0.36% -38,250	
Note Total forest area includes both natural forest and plantation area The change in natural forest include the permanent conversion of natural forest area to other uses, including shifting cultivation, permanent agriculture, ranching, settlements, or infrastructure Deforested areas do not include areas logged but intended for regeneration or areas degraded by fuelwood gathering, acid precipitation, or forest fires Thus, these data do not reflect the full extent of forest and biodiversity losses through degradation FAO data may be particularly unreliable due to differing national definitions and reporting systems Data on total forest area change is based on 1990 and 1995 figures, and is expressed in square kilometers lost or gained	AFR	PLN		-0 76 -8,730
		ACT	-0 79% -9,090	
	ANE	PLN		-0 64 -26 460
		ACT	-0 67% -27,560	
	LAC	PLN		-0 56 -86 270
		ACT	-0 58% -89 860	
	ENI	PLN		(+0 07) (+300)
		ACT	+0 07% +290	
Comment: **Since the most recently available information is from 1995, projecting this to 1999 is difficult at best A nominal one percent per year increase over four years of the growth rate is given for 1999 For example, if the forest cover loss rate is 10 in 1995, the 1999 figure would be 9 6% If current data reporting remains the same, actual 1999 figures would not be available until 2003 ***Information for indicators (b) and (c) are not readily available for inclusion in the FY 1999 Performance Plan				

USAID GOAL. LIVES SAVED, SUFFERING REDUCED, AND CONDITIONS FOR POLITICAL AND/OR ECONOMIC DEVELOPMENT RE-ESTABLISHED

The emergency assistance component of the foreign aid budget, currently in excess of $ 500 million level, now accounts for approximately 25% of U S development assistance Food aid need is a measure and barometer of emergency conditions and it is therefore important to note the estimate that over 26 million people will require emergency food assistance worldwide in order to maintain minimum nutritional levels Emergency food aid needs worldwide are expected to rise from 4 8 million metric tons in 1996 to between 5 7 million and 6 2 million metric tons by the year 2005 In 1996, there were approximately 13 5 million refugees world-wide and estimates of the number of persons displaced as a result of open conflict ranged from 17 to 20 million. Experience has shown, however, an integrated approach using both humanitarian and development assistance to support economic and political transitions is necessary and critical to safeguard sustainable development in the post Cold-war era

Accordingly, USAID's objectives in support of this goal are to: (1) reduce the potential impact of crises, (2) meet critical needs in times of crisis; and (3) contribute to the re-establishment of personal security and basic institutions which meet critical intermediate needs and protect human rights following crises situations At the operational level, USAID will contribute to the reduction of human suffering and enhanced lives saved through 28 strategic objectives in 18 countries and 3 global strategic objectives

The Agency views transitions as part of a continuum of stages and phases from war to peace and relief to support economic and political transformations towards sustainable development While all the countries in which the Agency operates can be termed transitions as broadly defined, experience suggests three categories as follows conflict (war to peace), post-conflict reconstruction, and former socialist nations emerging towards free market-oriented democracies Under the performance goals and indicators established this year, the Agency will report on progress made, or not, in supporting the efforts of civil society, recipient governments, and the donors to meet the relief, political and, economic needs of transition situations and nations This is not an easy task conceptually or analytically as it in part requires evaluating and relating the impact of U S assistance to prevent and/or mitigate crises and loss of life and suffering

USAID has focussed one performance goal and indicator on changes in the number of refugees and internally displaced people for they are the metaphors, and at times, pawns of crisis and

conflict To the extent that these people vote with hands and feet and return home and are successfully resettled and become with our support productive members of society, this is a measure of success of USAID assistance and programs A new indicator has been chosen for effective and efficient response in times of emergency using reduction in mortality rates The Agency, with other donors, will be exploring the use and a more institutional approach to measure changes in nutritional status of children under five years of age in emergencies and will pilot test several efforts The Agency will also monitor changes in trends of economic and political freedoms in transition countries and situations as these will provide indications of enhanced stability to lessen the potential for crisis and conflict These efforts will be captured under a "watching brief" by the Agency, particularly the G Bureau D/G and EG Centers, to monitor both those countries deemed at risk of falling back from the cusp of sustainable development into crisis and those attempting post conflict reconstruction.

As part of the APP, the Agency will also focus intensely on several post conflict transitions and work strategically with the European Union under the New Transatlantic Agenda (NTA) and selected other donors to support more effective, political and economic transitions. These countries are Bosnia-Herzegovina, Liberia, Congo (Great Lakes), Haiti and Cambodia. These and the countries making up the innovative Greater Horn of Africa Initiative (Ethiopia, Eritrea, Somalia, Sudan, Uganda, Tanzania, Rwanda, Burundi and Kenya) will be the focus of the Agency to work in a more strategic and integrated manner across programs and bureaus and will be a focus of analysis and reporting under the APP for FY 1999 and 2000

The unpredictability, however, of international disasters and complex emergencies, security concerns, and the difficulty of obtaining accurate baseline data in a rapidly changing emergency situation creates special measurement problems To offset these problems, USAID began working with its partners in 1997 to develop and test results and progress indicators appropriate for emergency situations This work will continue through FY 1998 Therefore, it is expected that the indicators and targets set forth below will change and that these changes will be noted and explained in the Agency's FY 1999 Performance Report.

The Agency is making increased use of integrated strategic plans (ISPs) in the Horn of Africa and elsewhere to ensure that all USG resources committed in selected transition countries are contributing to well defined strategic objectives and make tracking results more transparent in FY 1997 Approximately 20 strategic objectives to support transitions were developed in the Sub-saharan region, and 10 to support emergency situations. This included Eastern Africa and the Greater Horn of Africa Initiative (GHAI), the Sahel Region, and several countries in West Africa.

Many of these strategic objectives rely on a combination of development assistance (DA), International Disaster Assistance (IDA), and food aid resources as part the Agency's effort to develop integrated strategies for crisis and conflict prevention, relief and economic and social post-conflict reconstruction.

Under IDA and Food for Peace funding, the Agency expects to provide approximately U.S. $1.3 billion in FY 1999 of which $ 1.1 billion from P.L. 480 and IDA and $ 220 million DA for programs which save lives, reduce suffering and re-establish development conditions in emergency and/or post-conflict situations in FY 1999 This is a narrow transition categorization and includes the following country programs that are DA, or contain elements of DA funded programs East Africa and Great Lakes, Liberia, Angola, Mozambique, Jordan, Vietnam, Guatemala, Haiti, and Bosnia-Herzegovina. If ESF were added to the total and Cambodia, West-Bank Gaza and Lebanon were included, this would add approximately $ 360 million The Agency will refine this list as it develops criteria and definition of these categories during FY 1999

In this context, the Agency is proposing a Presidential Transition Initiative to be undertaken with a modest funding increase in FY 1999 Its objective is to help consolidate peace and facilitate the transition of countries from civil strife to stability and growth Using new programming modes, this approach will support targeted political transitions in combination with other Agency resources. It will enhance the Agency's capacity to operate effectively in conflict prone situations in which timely, catalytic and political interventions are important.

INDICATORS:

- Crude mortality in emergency situations
- Proportion of children under 59 months in emergency situations who are wasted
- Number of people displaced by open conflict
- Changes in the number and classification of designated post-conflict countries classified by Freedom House as free/partly free/not free.

PERFORMANCE GOALS AND REGIONAL EXPECTATIONS:

1. **Crude mortality rate for refugee populations returned to normal range within six months of onset of emergency situation.**

Sub-Saharan Africa: There were approximately 15 million Africans assisted in FY 1996 under emergency programs by USAID The Food for Peace (FFP) program reached about 6 2 million people, 60% of the targeted population The Agency's foreign disaster assistance (OFDA) reached 8 7 million people, but reliable statistics regarding the size of the total needy target population were not available Baselines are being established to report on mortality rates and changes in nutritional status for vulnerable groups in emergencies that will result from the use of FY 1999 funds In those instances where data exists in countries the programs appear to be highly successful

Asia and Near East: USAID emergency programs in Asia assisted 6.9 million persons in 1996 This number represented over half of the estimated need OFDA programs addressed the needs of approximately 43% of this population and FFP served 68%. Baselines are being established to report on indicators for FY 1999.

Latin America and the Caribbean: In Haiti, proxy health targets for 1999 are measles immunization of 63% of children aged 12 to 24 months and reduction of acute malnutrition rates for children under 3 years to 25% or less There is concern about the ability to meet these targets in spite of the fact that the large USAID food aid will double in size in FY 1999 as a USAID/World Bank job creation scheme will come to completion and the economy is showing little sign of recovery

Europe and the New Independent States: The Agency funded anti-diphtheria campaigns in FY 1996 and more recently reached over 22 million people in Armenia, Azerbaijan, Georgia, Moldova, Tajikistan, and Ukraine These coordinated campaigns drastically curtailed the NIS diphtheria outbreak and have saved thousands of lives Many of the most vulnerable of these people, especially in the Caucasus and in Tajikistan are assisted through USAID funded programs In the absence of baseline information on child health in Tajikistan, a proxy USAID performance goal is reduction in the numbers of families reporting difficulty in 1996, 86 percent, in feeding their families. In 1999 that figure is projected to be 40 percent In Armenia, USAID has implemented a program to complete a voluntary nation-wide registration to target vulnerable people This program uses a sophisticated algorithm based on proxies for vulnerability to determine the most vulnerable of the population and is used to apportion humanitarian assistance About 13% of Armenia's total population are classified "most vulnerable". A similar targeting system is planned for Georgia, where programs to assist those populations displaced by the conflict in Abkhazia will continue. New efforts that transition to more developmental programs are planned in Abkhazia

Agency Strategic Goal	Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established		
Indicators:	Crude mortality rate (CMR) in emergency situations		
Source:	WHO, U S Census Bureau, Center for Disease Control, UNHCR		
Performance Goal 1 Crude mortality ratio for refugee populations returned to normal range within six months of onset of the emergency situation	YEAR	Base	1999
	PLANNED*		20
	ACTUAL*		
Comment(s):* These numbers are expressed as the number of deaths per thousand people per year As a baseline, the estimated CMR average for the regions is 10/1000/yr The annual average from emergencies is actually calculated from daily and monthly data collected and is then annualized As a pilot, the Agency will gauge how quickly on average it can return emergency populations to the worldwide average as a indicator of target and delivery effectiveness of assistance The baseline will be established by BUCEN/CDC for FY 1996			

Agency Strategic Goal	Lives Saved, Suffering associated with natural man-made disasters reduced, and conditions necessary for political and/or economic development re-established		
Indicators	Proportion of children under 59 months who are wasted (weight-for-height)		
Source	UNHCR, BUCEN, CDC, Pos and NGOs		
Performance Goal 2 Nutritional status of children 5 and under populations made vulnerable by emergencies maintained or improved	YEAR	BASE	1999
	PLANNED*		65
	ACTUAL		
Comment(s) * There is no international standard or agreement on a rule of thumb on an indicator for an exit strategy for the withdrawal of donor assistance The Agency will use a threshold ratio of the target population reaching 80% weight for height as an indication of a successful intervention As a first approximation, a target of 65% of the vulnerable population worldwide reaching the 80% weight for height threshold will be set for FY 1999 It is important to note that each crisis and emergency is different as to causes and diseases The Agency may adjust these indicators based on pilot experience in five countries and will work with other international institutions, and NGOs and PVOs to develop a more institutionalized data collection system in this area			

2. Nutritional status of children 5-and-under populations made vulnerable by emergencies maintained or improved.

As indicated above, this is a new performance goal for the Agency against which results will be reported, using a pilot approach within the Agency and working with other donors to attempt to standardize information gathering and reporting

3. Conditions For Social and Economic Development In Conflict, Post Conflict and Rapid Transitions Situations Improved.

Sub-Saharan Africa: Conditions for social and economic development were mixed for African countries in conflict and post conflict situations The number of people displaced by open conflict was approximately 11 4 million, in 1996 divided among 3.5 million refugees and 7 9 million internally displaced persons in 1996 There are a number of innovative USAID programs in Southern, Great Lakes and Horn of Africa regions to return and resettle refugees and IDPs. These will serve as benchmarks to indicate trends at the regional level for FY 1999 and beyond.

Asia and Near East: USAID programs are an important resource in the region to support economic and political transitions and peace processes vital to stability and growth. With over 5 million refugees and a range of 10 - 12 million IDPs, the region had over one-third of the total number of people displaced by open conflict in 1996 A large number of those refugees are a result of the West Bank and Gaza conflict USAID is working in the negotiations in the water sector, including well-site placements, as part of conflict prevention and improving economic and social conditions by providing assistance in infrastructure, private sector development and employment creation Factors affecting program performance include closure of industrial zones, linking employment creation to a prudent, but more strategic and prioritized public investment program, and commitment to democratic principles by the Palestinian Authority These will be closely monitored in FY 1999 Sri Lanka and Burma have significant internally displaced populations, one million each respectively and Vietnam has 300,000. USAID plans to have a program start in Vietnam in FY 1999 and, if undertaken, will benefit from lessons learned by the Agency in dealing with earlier post conflict transition situations. The Office of Transition Initiatives completed an initial assessment and analysis of the potential for conflict in Mindanao, which may lead to a re-orientation of the USAID assistance for crisis prevention activities

Latin America and Caribbean: The LAC region has approximately 1.3 million persons that are affected by open conflict covering

five countries of which 65,000 are refugees with the remainder displaced persons. Guatemala has the greatest problem with a reported 35,000 refugees and 200,000 displaced persons Demobilization and integration of ex-combatants is central to the implementation of the Guatemala Peace Accords USAID supports this program Specific numerical targets for these and for resettlement of return of refugees and displaced persons are not yet set

USAID places special emphasis on helping several Central America nations emerge from a cycle of crises and conflict, and on strengthening Haiti's fledgling democracy The programs support economic, social and political transitions In Haiti, following demobilization of armed forces, the democracy goal supports establishment of strong and responsive democratic institutions, particularly for the judicial and law-enforcement functions of government And, as a counterpoint to government, the program supports the emergence of an active civil society In Guatemala, where the United States has pledged $250 million over 1997-2000 to support the Peace Accords, USAID support of implementation of the Accords is focusing initially on demobilization and integration of former combatants, resettlement of refugees, and social stabilization in conflict affected communities. The emergency and transition programs are winding down in Nicaragua and El Salvador and are being replaced by development assistance programs under the Agency's economic growth, democracy and governance, and health goals. In Nicaragua, USAID will continue to support activities promoting greater protection of human rights, efficient and transparent elections, strengthened civil society and a more accountable and responsive government In El Salvador, residual activities under the special objective of assisting in the transition from war to peace are being amalgamated under the economic growth goal to expand access and economic opportunity for the rural poor

Europe and New Independent States: Bosnia-Herzegovina accounts for about 1 million refugees in the CEE and another 1 million IDPs As various reconstruction programs begin to have impact, these numbers will decrease In Croatia, USAID's programs emphasize the settling of people affected by the Erdut Agreement, whose numbers total over 800,000.

In the NIS, the Southern Caucasus region, Armenia, Georgia, and Azerbaijan, has over 1.5 million refugees and displaced people. Tajikistan has a continuing problem which fluctuates based on the current level of conflict between 19,000 to 265,000

Attending to the humanitarian needs of refugees and IDPs in each of these countries, USAID coordinates with other donors In Georgia, approximately 60,000 displaced have returned to the Gali district of Abkhazia, while in Azerbaijan, a similar number has resettled in the Fizuli district While further return and

resettlement are desirable over the next several years, and in Bosnia the USAID rehabilitation program is particularly directed toward that, the uncertainties are too great in each of these to project what numerical decrease in these groups can be expected

Agency Strategic Goal	Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established			
Indicators: Number of people displaced by open conflict				
Source	World Refugee Survey, U S Committee on Refugees			
Performance Goal 3 Conditions for social and economic development improved in conflict, post-conflict and rapid transition countries	YEAR		1996	1999
	PLANNED*			25.5
	ACTUAL*		29 0	
Millions of people displaced	AFR	PLN		10
		ACT	11 4	
	ANE	PLN		8
		ACT	9.3	
	LAC	PLN		1
		ACT	1 3	
	ENI	PLN		6 5
		ACT	7.0	

Comment(s) * Refugee and IDPs are direct consequence of crisis and conflict Increases and decreases in their number are good and direct indication of changing trends of open conflict For this performance goal, the Agency is using the country of origin as the basis for determining the base line for indicators to determine trends To the extent that the Agency working with the Department of State, other donors and regional institutions and governments and civil society is successful in crisis and conflict prevention, promoting economic and social transitions, there should be a noticeable downward trend in refugees and IDP over the next ten years To the extent that the Dayton Peace Accords are successful, there should be, for example, significant drop in those refugee and IDP populations, in the former Yugoslavia West Bank Gaza refugees are included in this total, however, given the political and economic significance of this group, significant repatriation remains in question

4. USAID Performance Goal: Freedom of movement, expression and assembly and economic freedoms in post conflict situations increased

Sub-Saharan Africa. According to a survey of Freedom House indices for political rights and civil liberties, the trend for political rights (4 8) and civil liberties (4 9) has improved slightly in 1996 over years past in SSA As a subset, conflict and post-conflict countries have lower 1996 scores, 5 5 and 5.2 respectively However, in Rwanda, public confidence in the judicial system is being restored with USAID interventions as part of efforts to improve citizen security In Angola, USAID's land mine awareness program has reached an estimated one million people and trained 750 people in mine removal techniques This has significantly reduced the number of land mine accidents, re-opened large areas of the country to commerce and agriculture, and encouraged the return of refugees and displaced persons. The record in Somalia did not improve significantly in FY 1997, and the situation in Liberia remains troubled.

Asia and Near East: The record of post conflict situations and the potential for new crisis in Asia is rather mixed in terms of political rights and civil liberties. The recent forceful government takeover in Cambodia and a poor Freedom House rating there underlie a dangerous trend in some of the region's key USAID sustainable development program countries (Israel Administered Territory Not Free 6,5, Indonesia Not Free 7,5); Morocco (Partly Free 5,5). The administered territories with long-simmering disputes such as East Timor and West Papua (Not Free 7,7), Western Sahara (Not Free 7,6) and Kashmir (Not Free 7,7) are flash points constantly threatening political stability. These situations and USAID's programmatic response to them will be monitored during FY 1999

Agency programs use what is termed the "DG/EG Interface and Transfer of Power Nexus " This approach integrates economic growth strategies and program interventions, including transparency for rules of good governance and public-private sector accountability, with approaches to support more democratic-pluaralistic development These programs are being used to support peace processes such as in West Bank and Gaza. This approach also attempts to temper growth with equity and respect for human rights, governance and rule of law in more traditional regional programs In FY 1999, USAID will consider the possibility of a regional approach to address specific problems of accountability and transparency in State economic transactions affecting both democratic governance and growth in these sustainable development countries As part of this approach, the Agency will use the Heritage Foundation's "Economic Index of Economic Freedom" as a means to measure performance in this area and expand this effort to other regions

Democracy and Governance programs make time limited, discrete investments in both electoral law and civil society to help regularize and legitimize processes which ensure the orderly, accepted transfers of political power These are usually time sensitive windows of opportunity which may be critical in ensuring USAID's success more broadly This is particularly true for countries where elite competition has slowed the establishment of an accepted framework for electoral competition (Cambodia), or where no basis for real electoral competition has been laid (Indonesia), or where there is increasing tension and potential conflict over the impending transfer of power or succession

Latin America and the Caribbean: USAID programs support the establishment of basic political and judicial institutions that can meet critical needs and basic rights in four post conflict countries In Haiti, development of the police force and achievement of significant improvements in several areas of the justice system are uncertain Increased effort may be recommended following a 1998 evaluation of progress and needs. Freedom House rates Haiti overall as partly free with the indicators for political rights and civil liberties at 4 and 5 (1 is the best ranking possible, 7 the worst) Freedom House also rates El Salvador, Guatemala and Nicaragua as partly free. USAID's goal is improvement in ratings for all four by 1999, but, the specific numerical targets are yet to be determined.

Europe and the New Independent States: All countries in the region are undergoing rapid social, economic and political transition USAID programs in these rapid transition countries, in part, are aimed at its defined regional strategic objective of "Reduced human suffering and crisis impact," a sub-set of the Agency's overall goal. Each country operating unit has completed, or will shortly complete, strategic plans that specify how each contributes to the achievement of the Agency's Strategic Plan objectives Maintaining the peace in post conflict Bosnia-Herzegovina is of direct importance to United States' strategic and economic interests in Europe, the USAID program is an integral part of that strategy Ethnic conflicts have compounded the problems of transition in the Caucasus The conflict over Nagorno-Karabakh has resulted in nearly 800,000 refugees and internally displaced persons in Azerbaijan and 300,000 in Armenia and USAID assistance have reduced suffering The emphasis in FY 1999 USAID programs in Armenia and Georgia will be on supporting the transition to democracy and market-oriented economies In Tajikistan, clan-based conflicts have led to warfare, major population displacements, and continuing instability USAID programs in Tajikistan concentrate on humanitarian and transition assistance

In 1996-97, Freedom House rated Bosnia-Herzegovina, Armenia and Georgia as "partly free" (PF) In the same survey, Azerbaijan,

Tajikistan and Serbia and Montenegro (former Yugoslavia) were rated as "not free," (NF)

Agency Strategic Goal	Lives Saved, Suffering associated with natural or man-made disasters reduced, and conditions necessary for political and/or economic development re-established			
Indicators:	Change in the number and classification of designated post conflict countries classified by Freedom House as free/partly free/not free			
Source:	Freedom in the World. The Annual Survey of Political Rights and Civil Liberties			
Performance Goal 4: Political Rights and Civil Liberties in post conflict situations increased	YEAR		1996	1999
	PLANNED			2F 9PF 3NF
	ACTUAL		10PF 4NF	
	AFR	PLN		1F 4PF 3NF
		ACT	5PF 3NF	
	ANE	PLN		1PF
		ACT	1NF	
	LAC	PLN		1F 3PF
		ACT	4PF	
	ENI	PLN		1PF
		ACT	1PF	
Comment(s) F = Free, PF = Partly Free, NF = Not Free During FY 99, the trends in the Freedom House Index will be monitored for ratings and classification of post conflict countries reviewed A further breakdown of political and civil liberties, particularly for post-conflict countries will be reviewed in light of democracy and governance programming Projections and ratings for the out-years will be made in light of reviews on the applicability of this scale and indicators for post conflict country classification Does not include West Bank-Gaza				

USAID GOAL: USAID remains a premier bilateral development agency.

USAID is requesting $484 million in FY 1999 for Operating Expenses which, combined with local currency trust funds and other resources, will provide $542 million to cover the cost of Agency operations. These resources will ensure the efficient management of $6,791 million in program funds and improve management systems within the agency Major expenses include $303 million for salaries and benefits of Agency personnel, including 2,232 U.S. direct hire and 3,317 foreign national and U.S personal service contract employees, $72 million for rents, utilities, and communications costs, $10 million for training activities to improve the skills of agency employees and an estimated $14 million to further improve the operational effectiveness of Agency's New Management System (NMS). More generally, USAID will use FY 1999 Operating Expenses to. (1) develop responsive assistance mechanisms, (2) improve program effectiveness; (3) strengthen the U.S. commitment to sustainable development; and (4) expand the technical and managerial capacities of the Agency and its personnel.

INDICATORS:

- Percent of critical positions vacant.
- Percent of USAID managed development assistance overseen by U S and local private voluntary organizations.
- Statements at the objective level across the strategic plans of U.S.G executive agencies concerned with sustainable development are consistent
- Number of jointly defined OECD development priorities.
- Financial and program results information readily available
- Time to procure development services reduced

PERFORMANCE GOALS:

1. **Time to deploy effective development and disaster relief resources overseas reduced.**

The Agency's progress against this performance goal will be assessed against two proxy indicators, i e , the percent of critical positions vacant, and the time, measured in months, to procure development services

Critical positions are identified on an annual basis by Agency

bureaus as those necessary to ensure full and complete financial, managerial and technical accountability for USAID managed resources Vacancies in such positions increase USAID vulnerability to waste and mismanagement A profile of positions meeting these criteria will be identified annually The Agency's performance target is to fill 90% of its critical positions in FY 1999.

Procurement includes all those actions through which USAID acquires the goods and/or services necessary to deliver its assistance The time it takes the agency to procure development goods and services is a proxy measure of its responsiveness, effectiveness and efficiency. This indicator refers primarily to

Agency Management Goal USAID remains a premier bilateral development agency			
Indicators (a) Percent of critical positions vacant reduced, (b) time to procure development services reduced			
Source(s) (a) Annual assessment of critical positions, direct-hire workforce assessment reports, (b) New Management System reports			
Performance Goal 1: Time to deploy effective development and disaster relief resources overseas reduced.			
Percentage of critical positions filled	Year	Base	1999
	Planned		90%
	Actual		
Percentage of FY 1999 procurements completed in 12 months or less	Planned		90%
	Actual		
Comment (a) Critical positions are defined as those necessary to ensure full and complete financial, managerial and technical accountability for USAID managed resources A profile of critical positions will be established in FY 1998 (b) Procurement includes those actions through which USAID acquired the goods and services necessary to deliver its assistance A procurement cycle of 12 months will represent a 33% reduction over the average procurement time at the end of FY 1996			

USAID's regular sustainable development programs USAID already employs a number of mechanisms to respond quickly to emergencies and urgent requirements. Programs in the Office of Foreign Disaster Assistance (OFDA), the Office of Transition Initiatives (OTI), and the PL 480 Title II emergency program, are tailored to meet short-term, quick response needs and have systems in place to do so However, these programs are time-limited by the emergency nature of their resources The Agency's performance

target is to complete 90% of its FY 1999 procurements within 12 months or less This target represents a 33% percent reduction in the average procurement cycle time at the end of FY 1996, and will begin effective October 1, 1998

2. Level of USAID managed development assistance channeled through strengthened U.S.-based and local non-governmental organizations increased.

In FY 1999, USAID will continue to promote increased channeling of assistance through NGOs and PVOs by (a) ongoing efforts to strengthen the USAID/NGO-PVO partnership, and (b) by holding bureaus and missions accountable for progress through the annual R4 and Bureau-Based Budget Review processes At the end of FY 1995, 30% of the Agency's Development Assistance, the Development Fund for Africa, International Disaster Assistance and other disaster funding resources was managed by qualified NGOs and PVOs. Based on past trends, it is expected that this percent will increase by the end of 1999

USAID Management Goal	USAID remains a premier bilateral development agency		
Indicators	Percentage of USAID-managed development assistance channeled through strengthened U S -based and local non-governmental organizations		
Source	USAID calculations from procurement and financial information reports		
Performance Goal 2 Level of USAID-managed development assistance channeled through Pos increased	YEAR	1995	1999
	PLANNED		>30%
	ACTUAL	30%	
AQZComment(s) For the purpose of this performance goal, qualified NGOs and PVOs are defined as (1) a U S PVO organized in the United States, but not necessarily registered with USAID, (2) A local PVO operating in the country under whose laws it is organized, (3) A third country PVO or international PVO not included in one of the two previous categories, and (4) private associations of persons joined together to achieve a common economic objective otherwise known as a cooperative development organization (CDO) This percentage is calculated as total funding for Development Assistance, the Development Fund for Africa, International Disaster Assistance and other disaster funding divided into the sum total of USAID funding from these accounts for PVO programs including cooperatives			

3 **Coordination among U.S G. agencies contributing to sustainable development increased.**

To achieve progress against this performance goal, the Agency works, under the direction of the Department of State, to ensure greater harmonization of U S policies affecting developing countries Priority is given to particular global issues or programs that directly affect U.S. national interests. The Agency contributes to U S. government policy regarding international development issues including UN reform, the Agenda for Development, the U.S -Japan Common Agenda, the U.S.-EC new Transatlantic Agenda and the application of the DAC 21st Century Report to the multilateral development organizations Senior USAID technical and policy staff ensure that technical issues are fully addressed in U.S government positions in international fora As part of these efforts, USAID disseminates to other USG foreign affairs agencies information that highlights evaluation findings the status of global and regional development issues and progress.

USAID Management Goal: USAID remains a premier bilateral development agency			
Indicators: (a) Statements at the objective level across the strategic plans of U S government agencies concerned with sustainable development are consistent, (b) Coordination of activities at the USAID program approach level across U S government agencies concerned with sustainable development enhanced			
Source USAID and other agency strategic plans, mission performance plans, analytical assessments by USAID's Bureau for Policy and Program Coordination			
Performance Goal 3 Coordination among U S government agencies contributing to sustainable development increased	Year	Base	1999
	Planned		Medium
	Actual		
Percent of shared objective level statements across agencies	PLN		90%
	ACT		
Increased complementarity of goals, strategies, and performance among the U S government agencies at the country level	PLN		Med-High
	ACT	Med	
Comment(s) Baselines for these indicators will be developed from the strategic plans of concerned agencies during FY 1998 1999 performance benchmarks may be changed accordingly			

Expected progress through FY 1999 will result from consultations, began in FY 1998, with other USG foreign affairs agencies, within the framework of The International Affairs Strategic Plan, to

reach agreements on policies and program approaches and better working arrangements and relationships established or supported. While at the end of FY 1997, coordination among the strategic plans of agencies concerned with sustainable development issues was low-medium, USAID expects this level to be medium-high by the end of FY 1999 based on a comparison of the objective statements across agencies.

4. The OECD agenda of agreed development priorities expanded.

Building on established and new bilateral and multilateral relationships with donor development partners, USAID in 1999 will seek consensus on mutual approaches that reinforce and strengthen the common donor effort USAID and the 21 donor countries of the DAC agreed in 1996 to a new strategic blueprint for development cooperation partnerships in the post-Cold War era, Shaping the 21st Century. USAID will actively promote host country ownership of development strategies and will continue to work with donors and host countries to implement this partnership strategy which pledges donors to help achieve by 2015 the following major targets reduce poverty, universal primary education, gender equality in primary and secondary education, reduced child and maternal mortality, access for all to reproductive health services, and reversing the loss of environmental resources. Progress towards these goals requires the evolution of more stable, safe, participatory and just societies USAID will encourage other donors to actively promote and support democracy, rule of law, and human rights.

<table>
<tr><td colspan="4">USAID Management Goal USAID remains a premier bilateral development agency</td></tr>
<tr><td colspan="4">Indicators (a) Resource flows by major development goals,
(b) OECD/Development Assistance Committee (DAC) agreement on strategies to reduce poverty</td></tr>
<tr><td colspan="4">Source (a) DAC statistics on aid flows
(b) Donor reports to DAC on implementing the "Shaping the 21st Century" partnership strategy</td></tr>
<tr><td rowspan="3">Performance Goal 4 OECD agenda of agreed development priorities expanded</td><td>Year</td><td>Base</td><td>1999</td></tr>
<tr><td>Planned</td><td></td><td>Medium/ high</td></tr>
<tr><td>Actual</td><td>Medium</td><td></td></tr>
<tr><td colspan="4">Comment(s) Aid flows by policy objectives defined in the DAC "Shaping the 21st Century" will measure the degree to which donors are concentrating resources on agreed objectives and serve as a proxy measure of donor consensus on development priorities</td></tr>
</table>

Indicators for measuring progress toward the 21st Century targets are now being worked out The DAC is developing new systems for collecting statistics on donor flows according to key development cooperation policy objectives In 1999 comprehensive data will begin to be available for comparing over time the relationship between aid flows and development progress USAID will press other donors to focus assistance on key development challenges

In bilateral contacts and in the multilateral DAC, USAID will work to expand donor consensus on aid approaches that maximize the impact of development cooperation on development targets USAID will seek consensus on poverty reduction strategies and key approaches in other areas such as education

5. Capacity to report results and allocate resources on the basis of performance improved.

Over the course of the past several years, USAID has undertaken a number of initiatives to enhance the effectiveness of its programs. These efforts have focused primarily on increasing the Agency's capacity to assess results and to allocate resources increasingly on the basis of performance Among those changes already working effectively are: (1) strategic planning at the operating unit level, i e , among field missions and Washington offices managing program funds, (2) continuous surveillance of performance by operating units, (3) annual comparisons of actual to planned performance by operating units linked to budget allocations through the Results Review and Resource Request (R4) reports, (4) annual reviews of performance assessments and resource requests from operating units by Washington bureaus and the use of these reviews in the preparation of the Agency's annual budget submission; and (5) evaluation and applied research. Among those changes the Agency is working to improve are (1) sectoral reviews which look at the relative effectiveness of the Agency's approaches in each of its goal areas; (2) cross-sectoral reviews which capture the effects of program integration, e g , the effects of employment or education on fertility or crisis prevention, and (3) the New Management System from which USAID expected too much too soon

Each of these activities helps the Agency focus on the questions of what works and why, or to explore alternate, more effective approaches The Agency has identified two proxy indicators to measure its capacity to enhance program effectiveness These indicators and the Agency's end FY 1999 management improvement benchmarks are identified in the following table However, the Agency's evaluation and applied research agendas merit fuller discussion here because of their special contributions to enhancing program effectiveness.

Evaluation

The Agency evaluation agenda is a two-year planning document that identifies the Agency's proposed analytic agenda. The agenda is designed to assist senior Agency Washington and field managers and technical staff to make programming choices and assure that USAID resources are used most effectively and efficiently to achieve results. Current topics are developed in collaboration

Agency Management Goal USAID remains a premier bilateral development agency			
Indicators: (a) Access to financial information (b) Access to program results information			
Source(s) (a) Agency Chief Financial Officer (CFO) reports (b) Annual results reviews and the "operations module" of the New Management System			
Performance Goal 5 Capacity to report results and allocate resources on the basis of performance improved			
Quality of consolidated financial statements required under the CFO Act	Year	Base	1999
	Planned		Quali-fied
	Actual		
Operating units using an integrated portfolio of information systems for budget, program results and procurement increased	Planned		AID/W only
	Actual		
Comment (a) A "qualified" finding represents the "second tier" assessment in the opinion of the auditors on the condition of our financial statements			

with both geographic and central bureaus, meeting with key individuals and operating units throughout the Agency to elicit priority issues that relate to programming decisions or performance These suggestions are reviewed by Agency senior managers and a final agenda is developed

For Fiscal Years 1998-1999, the Agency's evaluation agenda will continue to look at several broad areas of focus. A primary focus will be a series of studies on countries in transition and USAID's role in rebuilding and reconciling these countries politically, economically and socially Other areas of ongoing evaluations include democratic institutions, food aid, democratic and local governance, and private sector reactivation). CDIE's series on elections in war-torn societies has been discussed with senior officials throughout USAID, relevant U S NGOs, the U N , and officials from the State Department and other U S government agencies The studies have generated a debate and dialogue among

relevant donor institutions involved in these events as to the preconditions and factors necessary for open, fair, and durable elections in post conflict countries Also, the Agency has held a major international conference to review the findings of our analysis of war-torn societies in October 1997

New evaluations have just gotten underway that include community level reconciliation in war-torn societies, emergency assistance, girl's education programs and capital market development. These evaluations were selected because they represented· 1) a priority issue for USAID; 2) a state of the art sector where USAID involvement is relatively recent, and 3) an issue raised by results management under USAID's strategic plan. The Girl's Education Evaluation is an example of an issue raised by AID's managing for results orientation There was disagreement among technical experts as to the strategy and interventions that best increase attendance and quality of education for girls. A recently completed evaluation looked at USAID's experience with Enterprise Funds, both in the former Soviet Union and Eastern European countries as well as in South Africa.

Applied Research and Development

USAID funds applied research, technology development, and technology transfer programs to provide the most up-to-date methods and tools to address specific country problems. It also funds programs to build a capacity among its development partners and customers to undertake their own research and technology development programs and to disseminate the results of these programs throughout the international assistance community. USAID also uses these results to enhance the effectiveness of its own programs and to maintain its role as a leader among international donor organizations

In 1996, USAID received approximately $215 million for applied research and technology development in its strategic goal areas including approximately $67 million for economic growth and agricultural development, $90 million for population and health, $31 million for human capacity development; $24 million for environment and $3 million for democracy and good governance In addition, the Agency requested approximately $3 million for research related to women in development. Some of the results achieved through the Agency's investments in applied research and development include

- Food security is a key part of USAID's integrated, sustainable development program and agricultural research is one of the most effective and sustainable investments. The agricultural research partnerships and technology transfers USAID has developed produce additional food in developing countries which is valued in the billions of dollars per

year

- The threat of global warming has focussed the international community on preventative measures More than 19,000 tons of CO_2 emissions were avoided through USAID activities in FY 1997 to implement energy efficient technologies, practices and policies

- USAID supported the design of UniJect, a prefilled, single-dose, single-use injection system, evaluations in developing countries, and through its cooperating agency, licensed the manufacturing of the product to Becton Dickinson, and is working with international partners such as UNICEF and WHO to ensure timely integration into health and population programs.

- The female condom is an outstanding example of USAID's role in taking a carefully selected, but not yet U.S. Food and Drug Administration (USFDA) approved technology and moving it through clinical testing, approval and then introducing it to field programs

OTHER PERFORMANCE IMPROVEMENTS

Specific management systems are targeted for improvements in FY 1999 include evaluations, assistance and acquisition, administrative management support, performance budgeting, financial systems, human resource planning, and information management. Specific targets with regard to these systems are described below.

Performance-Informed Budgeting:

USAID undertook a comprehensive re-engineering of its programming and implementation process and put it into effect in FY 1996. The new programming system is based upon a planned result known as the Strategic Objective Operating units develop a strategic plan which covers a five to eight year planning period and governs one or more strategic objectives to be achieved within that period. Each strategic objective must contribute to one of the Agency's six development goal areas The operating unit then negotiates a management contract annually with Bureau management which authorizes it to proceed with the implementation of its program The management contract specifies the objective to be achieved, the time period covered, the expected funding level, and the measures and indicators to be used for reporting on progress The management contract embodies all the authorities necessary for field mission managers to implement approved programs

Progress toward achieving the Strategic Objective is reported in the annual Results Review and Resource Request (R4) which is reviewed in Washington each spring Results and non-performance factors are scored, and budgets for the coming two years are informed by those scores

In FY 1999, with worldwide implementation of an information system to track program results, it will be possible to perform analyses of operating unit performance in Washington and make the R4 preparation and review process much less cumbersome by facilitating document preparation and transmittal.

Information Management:

Improvements in information management during 1999 will emphasize three broad areas (1) Preparedness for the Year 2000, (2) Full implementation of the requirements of the Clinger-Cohen Act; and (3) Innovations in information systems and software engineering process.

Preparedness for the Year 2000 (Y2K):

The highest priority information management activity during 1999 will be completion of Year 2000 compliance work for all USAID mission critical systems including NMS While the majority of renovation actions to correct Y2K problems will occur in 1998, a full additional year will be required to complete Y2K renovations for NMS, and to adequately test Y2K changes, particularly those involving the New Management System (NMS - see below) or interfaces with external systems The Y2K program will receive highest priority for allocation of information management resources and will adjust other resource areas as needed to fully support this effort

Implementation of the Clinger-Cohen Act:

The position of Chief Information Officer was established in 1996 This executive remains ultimately responsible for ensuring that information technologies applied to program goals are selected in consideration of the greatest benefit to the mission of USAID The CIO is supported in those decisions by the Capital Investment Review Board (CIRB), a panel of senior USAID executives representing all key program areas and disciplines In 1999, the Board will play a significant role in tracking USAID's performance in implementing Year 2000 changes as well as overseeing further investments in the New Management Systems (NMS) The Board will continue to balance application of resources between those two major initiatives, with Year 2000 requirements receiving first priority.

Both the implementation of the NMS and the requirements of Year 2000 will have a direct impact upon the information systems

architecture of USAID This architecture, which includes the hardware, software and telecommunications necessary to support the information needs of USAID, is in transition from a highly-centralized environment dependent upon mainframe computers to a more decentralized environment where more computing power resides within individual organizations and at the desktop As USAID pursues these initiatives, a long-standing requirement to improve telecommunications support and better serve the information needs of smaller missions will be pursued

Implementation of the New Management System (NMS):

USAID anticipates continuing investment in the New Management System during 1999 after a series of independent reviews establish the lowest risk, most cost effective course of action to improve performance, achieve Year 2000 compliance, provide functionality, and improve internal controls and security in existing applications Resources will be applied to activities which accelerate transition from USAID's legacy systems to Year 2000 compliant information systems that embody re-engineered business processes These systems eventually will allow clear links to be formed between results and resources The agency will implement a continuous software engineering improvement process to insure that new systems are implemented on schedule, within budget and to higher standards of software development.

Procurement Assistance and Acquisition:

The focal point for change in the procurement process will be improvements in procurement planning These improvements will emphasize extensive participation by procurement professionals in the Agency's strategic objective teams to ensure that procurement actions are concisely defined, statements of work or program descriptions well conceived, funding available and appropriate scheduling and priority assigned to the procurement action. There will be continued emphasis on the certification of professional procurement personnel Assistance will also be offered in the specific training required for activity managers and with training in procurement issues for non-procurement personnel Customer standards for responsiveness have already been established Actual performance will be analyzed and compared to these standards. Where standards are not met, determinations as to reasons why they were not met will be made and actions taken to improve performance

Financial Information and Management Systems:

USAID financial management initiatives follow the recommendations of the NPR and the vision statement prepared by the CFO council. USAID's Office of Financial Management has created a vision and strategic plan to move USAID to a more responsive, effective, collaborative, and customer-oriented financial management system

To make this vision a reality, USAID embarked on an ambitious undertaking to replace thirteen disparate financial management systems and applications with a single integrated financial and information management system which is part of the NMS This has proven to be more difficult to achieve than originally expected Using the results of various independent reviews, USAID is now examining various alternatives to best achieve the vision of a single integrated financial and information management system.

Overall the Agency has aligned its primary financial management improvement goal -- making financial and program results information more accurate and readily available for decision-makers -- with those of government-wide initiatives Many improvements, but not all, will be made operational through innovations and investments in financial management systems Ultimately the completion of audited financial statements with a "clean opinion" will signal the success of USAID's many initiatives Successful implementation of a financial management system within NMS is a prerequisite for full achievement of this performance goal target USAID will continue to pursue in FY 1999 integrated financial systems that will meet all customers' reporting, analysis and advice requirements on an interactive, timely and reliable basis Efforts to enhance the Agency's use of modern technology (e.g , the NMS) and business practices will more fully integrate program planning, evaluation, budgeting, procurement and accounting This will greatly improve cross-Agency coordination during program implementation.

Administrative Management:

USAID's Administrative Services include facilities management for Washington employees; records management, and maintenance of administrative systems in field missions, management of the overseas real property funds and administration of the International Cooperative Administrative Support Services System (ICASS) Beginning in FY 1998, all headquarters staff were relocated to one place, the Ronald Reagan Building. This marks the first time in its history that USAID Washington employees are together The built-in efficiencies of this co-location will facilitate all reinvention and performance improvement initiatives planned for USAID/W

In tandem with co-location improvements, USAID will have established a customer service operation which will provide seamless building, delivery, and miscellaneous administrative services to USAID employees Taking advantage of the 50 percent reduction in records and files organization required for the move to the RRB, USAID will conduct training in systems that will implement the updated files plans Substantial gains to efficiency will be realized from reduced commute time between USAID annexes and the easy ability to move documents. USAID will

also complete its Presidentially-mandated Year 2000 review of classified documents over 25 years old, declassifying where possible Real Property funds will have been allocated to projects that will reduce our long-term operating costs. ICASS will have been "real," not "virtual," for a full operating year, which means the Agency should realize an improvement in services and some containment of the costs in providing those services. USAID is working with several missions now to enter into the service provider role in FY 1999 in one or more functions covered by ICASS.

Human Resources:

The USAID direct-hire workforce has been trimmed by hiring freezes, early retirements, and a RIF in 1996. As a result of this smaller workforce, it has become crucial that the Agency's human resources are deployed in a timely and responsive manner. The Agency must identify the critical skills needed to achieve its goals. In a resource scarce environment USAID will find the balance of having an appropriate number of employees with the correct skill mix to be responsive to the long-term workforce needs and to provide rapid humanitarian and development response.

Within this context, the Office of Human Resources has an established strategic goal of providing, "The Right Person, In the Right Place, At the Right Time, Doing the Right Thing," and two Strategic Objectives. (1) A competent core workforce is maintained, and (2) Established service standards are heeded. Strategic Objective One focuses on employing, developing, assigning and sustaining the core workforce. The Agency's special workforce task force has examined issues and changes in workforce planning, and its recommendations are being factored into USAID's long-term planning The second strategic objective focuses on improving basic personnel operations such as assignments, employee evaluations, and the like. A key component of this Strategic Objective is a proposal to procure a new automated HR/PAY system whose status is dependent upon availability of OE resources consistent with the Agency's request

Verification and Validation:

In 1998, the Agency will establish a unit to fix baseline values for all indicators listed above and, in preparing for the FY 2000 Annual Performance Plan, it will undertake an assessment of progress to that date toward achieving the objectives. In addition, the specific sources of Agency management data will be used to validate reporting on achieving performance targets These data are already embedded in specific Agency systems and reporting requirements These include

performance-informed budget process;
annual results review resource request data (R4);
CFO financial reporting,
staffing vacancy reports; and
direct-hire workforce assessment reports