Introduction to Results Based Management

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Purpose

This session will

- ❖ **Offer a summary presentation** of RBM key concepts.

- ❖ It will **link** to relevant Mongolian laws and resolutions

- ❖ **Clarify** how it is used to develop and implement policies and action plans.

Why use the RBM approach?

Historically,

program/project management has been focused more on:

- **inputs** (what was spent)
- **activities**/actions (what was done)
- **outputs** (what was produced)

Outputs were considered as final results of a project or program. RBM is used to look beyond activities and outputs to focus during the planning and implementation stages on actual longer term results.

What is Results Based Management?

Results-based management (RBM)

"is an <u>approach</u> to program or project management that integrates strategy, resources, processes and measurements to improve decision making, transparency and accountability."
Global Affairs Canada

Law of Mongolia on Development Policy and Planning and Its Management

*Article 4.1.6. "Five-year development guideline of Mongolia" means a mid-term **integrated** planning document with activities, quantity and quality indicators towards **implementing** the long-term development policy of Mongolia, aligning with the Development Target Program, ensuring national, sector, intersectoral, regional and local coherence and planning goals, objectives, expected results and **source** of finance in a greater detail.*

RBM Focuses On

➢ defining and achieving <u>realistic results</u> (outcomes)

➢ implementing <u>measurement systems</u> to monitor progress using effective indicators and report on achievement of expected results

➢ identifying and <u>managing risks</u> to achieving the desired results

➢ integrating <u>lessons learned</u> to improve organizational decision making, efficiency, and effectiveness

Introduction to Defining Results

A *result (or outcome/objective) is*

---a describable or measurable *change* resulting from a   *cause-and–effect* relationship

"If…, then…"

In Mongolia:

- Article 4.1.16. "policy impact" means a positive **change** within the scope of human development, society, environment, economy and governance as a **result of policy implementation**.

Some value added features of RBM

❑ Focuses M&E system on changes and actual long term results …..not activities

❑ Contributes to greater overall government transparency and accountability

❑ Able to make more evidence based decisions and manage unexpected risks

❑ Increases operational effectiveness and efficiency

❑ Enables leadership to better manage change in their organization

❑ Lessons learned allow management to make needed adjustments or improvements during a policy's life cycle or plan the next statement.

❑ Valuable time saved with more concise and results focused M&E reports

RBM Toolbox

1. Defining realistic desired OUTCOMES …
   What differences should our work make?

2. Identifying STAKEHOLDERS and their interests
   Who do we serve? Who benefits from our work?

3. Establishing a RESULTS CHAIN
   Will our resources and activity lead to desired results?

4. Identifying and managing RISKS
   What could interfere with our progress?
   How can we reduce this risk?

5. MONITORING progress

How can we tell we are progressing toward our desired results within our resources?

6. REPORTING on the results achieved and resources involved

How can we communicate what is happening outside our division?

7. Integrating LEARNING

How can we use information gathered to improve organizational decision-making, efficiency and effectiveness?

First Step: Theory of Change

Theory of Change: Theory and practice

- A **theory of change** is a set of assumptions (based on if and then logic), risks, and external factors that describes how and why the program [or project] is intended to work. This theory connects the program's [or project's] activities with its [expected ultimate outcome]. It is inherent in the program [or project] design and is often based on knowledge and experience of the program [or project design team], research, evaluations, best practices and lessons learned.

- Theory of change is a rigorous yet participatory process whereby groups and stakeholders in a planning process articulate their long-term goals and identify the conditions they believe have to unfold for those goals to be met. These conditions are modeled as desired outcomes, arranged graphically in a causal framework, i.e. the different types of logical models.

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What benefits can emerge from a solid ToC?

"Realizing broad, ambitious social change is a complex undertaking that can take a long time. There is too much at stake to be unclear, vague or random in the pursuit of a better and more equitable society or a healthy planet. Though it can be challenging to make visible collective thinking about what is expected to change — along with when, how and why it will change — many organizations, teams and partnerships have benefitted from engaging in this effort. Theory of change development can help groups to:

➢ experience significant breakthroughs in their thinking;

➢ increase their agreement and alignment about how change will happen;

➢ better acknowledge and address power differences between those involved;

➢ promote equity in their pursuit of goals;

➢ better understand the roles and expectations of different contributors;

➢ better understand where to invest time and resources; and

➢ better measure their strategies."

Source: The Annie E. Casey Foundation. Developing a Theory of Change: Practical Guidance. Part 1.

Second Step: From the top to bottom

A results (or outcome) statement

*outlines what a policy, program, or initiative is **expected** to achieve or contribute to.

--Activities are ACTIONS

--Results are **CHANGES**

An Outcome Statement

Focuses on …

- **DIRECTION OF CHANGE:** *e.g. increased, improved, reduced etc.*

- **WHAT?** *Describe the type of change expected e.g. ability, behavior, practice, state, conditions, etc.*

- **WHO?** *Name who will experience the change e.g. individual, group, division, sector*

- **WHERE?** *Identify the location where the result will occur*

Let's offer a few illustrations

Direction	What	Who	Where
Reduced	Impact of a very contagious virus	On urban vulnerable segments of population	In five main cities in Mongolia
Improved	Delivery of relevant health services	To mother and child	In selected soums of aimag X
Increased	Community mobilization to control mining activities	Through leadership involvement	In aimag Y
Increased	exportation	by small- and medium-sized enterprises, especially those led by women	In three border aimags

Third Step: Mobilizing = participation

Stakeholders: what they are and why they matter

➢ **What is a stakeholder?**

• A person, group, partner organization inside or outside the organization which could benefit or otherwise be affected by the project/program.

➢ **Why do stakeholders matter?**

• In RBM you develop desired outcomes and other aspects considering all stakeholders and ideally in dialogue with stakeholders in order to develop meaningful plans and design effective processes.

• In order to collect relevant information, stakeholder analysis is an operational component of RBM.

The eight steps of a stakeholder analysis

- Step 1: Planning the Process: To maximize effectiveness and efficiency, it is vital to coordinate planning of its stakeholder analyses to make sure all members of the organization are able to identify and gather the information they require.

- Step 2: Defining the Mission and Purpose Statements: This step in conducting a stakeholder analysis is to define the purpose of the analysis, identify the potential users of the information, and devise a plan for using the information through sharing and comparing information

- Step 3: Identifying Key Stakeholders: Develop a list of all possible stakeholders; determine if they are primary or secondary stakeholders :

- Step 4: Adapting the Tools: Information (data or qualitative knowledge) on stakeholders is the main objective of the analysis, so it is vital for tools be adjusted to these needs.

The eight steps of a stakeholder analysis (continued)

- Step 5: Collecting and Recording the Information: Establish the logistics: set appointments; face-to-face interview, Skype, Zoom?; make sure you are meeting the right person.

- Step 6: Filling in the Stakeholder Table: This step's objective is to summarize with precision and accuracy the notes from the interviews to be inserted in the stakeholder analysis matrix (next slide).

- Step 7: Analyzing the Stakeholder Table: The analysis should focus on comparing information and developing conclusions about the stakeholders' relative importance, knowledge, interests, positions, and possible allies regarding the sector and interventions.

- Step 8: Using the Information: Stakeholder analysis has the potential to be useful in many ways: expanding the organizations's network; create a critical mass of support and leverage during negotiations; enhance credibility among less supportive stakeholders; increase the chances of outcomes of implemented interventions; create a solid base for planning of new interventions and their outcomes; serve as a database for an evaluation.

Fourth Step: Managing risks

What is Risk & Risk Management?

A Risk is a potential event that generally is seen as having a negative effect on the achievement of desired outcomes.

Risk management involves a systematic approach to setting the best course of action under uncertainty by identifying, assessing, understanding, making decisions on, and communicating risk issues.

Integrated risk management is a continuous, proactive and systematic process to understand, manage, and communicate risk across an organization. The process requires making strategic decisions that contribute to the achievement of an organization's overall outcomes.

Unless an intervention is of the level of complexity of a large program, risk analysis should be kept simple, but effective.

Risk Management Cycle

Monitor, Update and Report

- Implementing a robust monitoring system, Producing transparent reports, and
- Adjust the risk analysis to a changing context

- Mitigate and prevent negative effects on the outcome achievement.

Fifth Step: Monitoring

"At the heart of RBM is performance measurement"

➢ What is monitoring? "A continuing process that involves the systematic collection or collation of data (on specified indicators or other types of information). Provides the management and other stakeholders of an intervention with indications of the extent of implementation progress, achievement of intended results, occurrence of unintended results, use of allocated funds and other important intervention and context-related information." OECD Glossary

➢ A continuous process of collecting and analyzing information on key indicators and comparing actual results with expected results in order to measure how well a project, program or policy is being implemented

➢ Performance measurement presents a valuable opportunity to learn and adjust so that the desired results can be achieved

Monitoring Strategies

- If monitoring is an ongoing process or system to collect and report on a regular basis to determine the progress to achieving results, then it must be planned from a management perspective by assessing the three important factors: time, cost, and methodological challenges.

- Relevant questions:

- **Time**: will the system inform in a timely manner stakeholders on the success or lacunas of the project?

- **Costs**: will the cost of gathering the data surpass the benefits it will yield to the information system?

- **Complexity**: Is the staff capable of producing the reliable data?

A monitoring system must be scaled to budgets and capabilities to inform decision making.

Definition: Indicator

There are multiple definitions of indicators

An indicator is a means of measuring or assessing actual outcomes and outputs. It can be qualitative or quantitative, and is composed of a unit of measure, a unit of analysis and a context.

Indicators are neutral; they neither indicate a direction of change, nor embed a target.

Keep in mind for strong indicators

❖ **Validity**: *Does it measure what it is intended to measure?*

❖ **Reliability**: *Will it be consistent over time?*

❖ *Sensitivity: Will it measure changes as they happen?*

❖ *Simplicity: How easy will it be to collect the data?*

❖ *Usefulness: Will the information collected be useful for decision-making?*

❖ *Affordability: Do you have the resources to collect data?*

Common misconception: Indicators and Targets

Indicators	Targets
An indicator is a means of measuring or assessing actual outcomes and outputs. It can be qualitative or quantitative, and is composed of a unit of measure, a unit of analysis and a context. Indicators are neutral; they neither indicate a direction of change, nor embed a target.	A target specifies a particular value, or range of values, that decision makers would like to see in relation to one performance indicator by a specific date in the future. Together, targets measured and validated by the chosen indicators will help determine the level of achievement of outcomes.

Indicators measure, targets set the goals

Performance Measurement Framework

- The Performance Measurement Framework is defined as:

- The process and systems of selection, development and on-going use of performance measures [indicators] to guide decision-making.

- The PMF, in many cases, is the final tool used by managers to monitor in a very decision-making focused the success (or lack of) of project and program. If logframes are more adapted to use in projects, the PMF could be built for use in monitoring programs.

- The most important element to remember is that managers need the best, most timely information /data to make the appropriate decisions.

Template Performance Measurement Framework

Narratives or statements	Indicators	Baseline data	Targets	Data sources	Data collection methods	Frequency	Respon-sibility
From higher to lower levels	Appropriate indicators for each level: SMART	Different sources: national or project related	Realistic and according to date	Accessible, diversified, credible, and reliable	How will the data be gathered?	According to reporting require-ments	Who will collect? and does the entity have the capacities?

Sixth Step: Evaluation

Definitions of Evaluation

OECD-DAC 2002 definition:

The systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, development efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors.

Evaluation also refers to the process of determining the worth or significance of an activity, policy or program. An assessment, as systematic and objective as possible, of a planned, on-going, or completed development intervention.
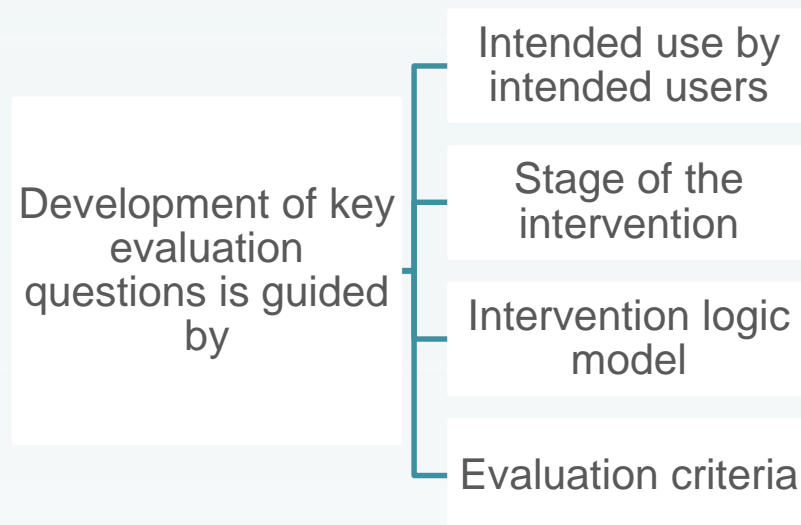
Government of Mongolia. Resolution 206:

An assessment of the organization's activities, the purpose of the policy document, and the analysis of whether the implementation of the objectives has reached the planned target level.

Monitoring and Evaluation Compared

	Monitoring	Evaluation
Use	Continuous, routine task	**Periodically, special occasion**
Objective	Controls implementation process	**Puts goals, objectives, program theory into question**
Method	Descriptive data collection according to program indicators	**Advanced methods, causal-impact analysis**
Result	Process control	**Strategic control**
Key question	Are we moving forward and doing things right?	**Are we doing right things?**
Definition	The continuous process of collecting and analyzing information on key indicators and comparing actual results with expected results in order to measure how well a project, program or policy is being implemented.	**The systematic and objective assessment of an on-going or completed project [or part of], programme or policy, its design, implementation and results. A periodic evaluation to assess the actual achievement of results usually at the mid term or end of a project.**

Key evaluation questions

- Key evaluation questions are central to the evaluation process. All other components of the evaluation process are guided by these questions.

- Evaluation questions form the boundary and scope of evaluation and serve to communicate to others what the evaluation will and won't attend to.

Development of key evaluation questions is guided by
- Intended use by intended users
- Stage of the intervention
- Intervention logic model
- Evaluation criteria

"Гялайлаа"

MERIT
A CESO AND WUSC PROGRAM

Mongolia:
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Institutional Transformation

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