University of Gondar

College of Social Sciences and the Humanities

Department of Social Anthropology

Reading Material for Third Year Social Anthropology Students

Course: Project Design and Management

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April, 2020

Gondar, Ethiopia

Chapter One: Introduction to Project and Project Management

The project cycle

The process of planning and managing projects can be drawn as a cycle. Each phase of the project leads to the next.

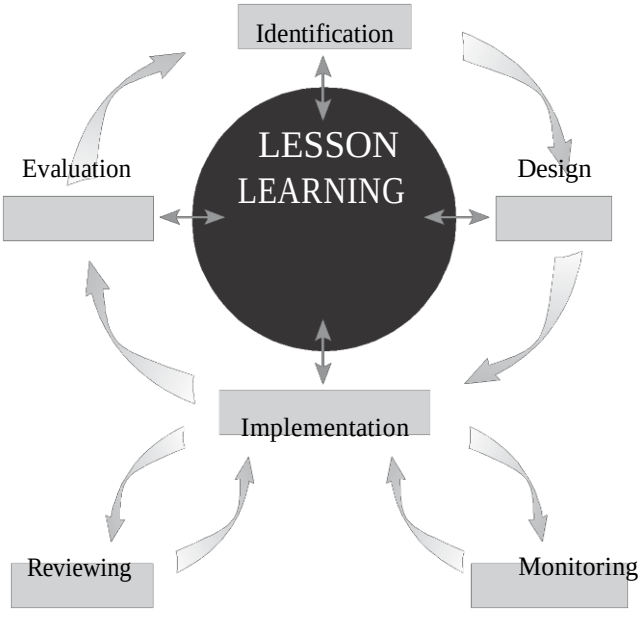
IDENTIFICATION To identify what a project will focus on, we need to find out who should benefit and what their needs are. A 'needs assessment' will give an overview of community problems. A 'capacity assessment' will help identify which problem the project should address.

DESIGN Once it is decided to go ahead with the project, we can start to think about the detail. This involves carrying out further research into the people affected by a problem and how they are affected by it. We also need to consider the risks to the project and how we will measure the project's performance.

IMPLEMENTATION During the implementation of the project it is important to monitor and review the progress of the project and any outside changes that affect it. The project plans should be adjusted where necessary.

EVALUATION Evaluation should be carried out at or after project completion. Evaluation could be carried out a few months or years after the project has finished in order to assess its long- term impact and sustainability.

LESSON LEARNING While the project cycle is a useful way of outlining the stages of a project, it has one drawback: it makes it look as though one tool follows another. In fact, many of the planning tools can be used at any stage of the project. They should be repeated throughout the project's life to ensure that any changes that might affect project success are accounted for. Findings should also be used for organizational learning and to improve other projects.



Definition of projects and Project Management

Project management is applied to projects and it is important to understand what a project is.
A project can be either, a physical structure or a process, therefore may include a plant, process, system or software. A project can be either large or small.
A project therefore defined as;
‘’Temporary endeavors undertaken to create unique products, services or results’ Temporary means that every project has a definite beginning and end. Temporary does not typically apply to the product, service, or result created by the project. Unique means that the product or service is different in some distinguishing way from all similar products or services.”

Project management defined as ‘the application of knowledge, skills, tools and techniques to project activities, to meet specific scope, time, cost and quality goals of projects’. The application of PCM as an approach to project management has the potential to address one of the main challenges facing local administrators; ‘a lack of a systematic and formalized approach to project management leading to persistent project failure’.

Project management can applied to many areas. Project management applies to many different disciplines (Social sciences, Engineering, IT, construction, finance, sports, event planning, etc.)

There are soft and hard projects. Hard projects are those in which the final result is a relatively tangible product such as building, software, and Soft projects are those in which the final result is not in itself a tangible asset.

One mistake made by inexperienced project managers is to plan the project for the team. The first rule of project management is that the people who must do the work should help plan it. The role of the project manager is that of an enabler. “Leadership is the art of getting others to want to do something that you believe should be done.” One of the common misconceptions about project management is that it is just scheduling. There should be a tendency is to give people the project and expect them to learn how to do it with training.

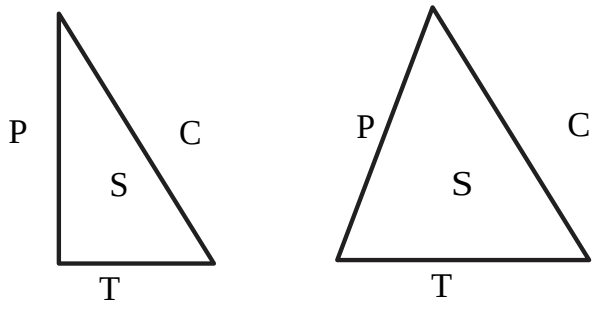
The Triple Constraint
One of the common causes of project failures is that the project sponsor demands that the project manager must finish the job by a certain time, within budget, and at a given magnitude or scope, while achieving specific performance levels.

The relationship among the PCTS constraints can be written as follows:
P = f(C, T, S) In words, this says, “Performance is a function of Cost, Time, and Scope.”
- Scope goals: What is the project trying to accomplish?
- Time goals: How long should it take to complete?
- Cost goals: What should it cost?

It is the project manager’s duty to balance these three often competing goals.
The sponsor can assign values to any three variables, but the project manager must determine the remaining one. If the sponsor says they can afford lower cost, then you can

offer to reduce the scope. If the sponsor says they can afford lower cost without reducing the scope the project will take a big fall later on.

Figure 1. Triangles showing the relationship between P, C, T, and S.



Project Management Knowledge Areas

1. Project Integration Management

Ensures that the project is properly planned, executed, and controlled.

2. Project Scope Management

Includes authorizing the job, developing a scope statement that will define the boundaries of the project, subdividing the work into manageable components with deliverables.

3. Project Time Management

Specifically refers to developing a schedule that can be met, then controlling work to ensure that this happens!

4. Project Cost Management

Involves estimating the cost of resources, including people, equipment, materials, and such things as travel and others.

5. Project Quality Management

Includes both quality assurance (planning to meet quality requirements) and quality control (steps taken to monitor results to see if they conform to requirements).

6. Project Human Resources Management

Involves identifying the people needed to do the job; defining their roles, responsibilities, and reporting relationships; and then managing them.

7. Project Communications Management

Involves planning, executing, and controlling the acquisition and dissemination of all information relevant to the needs of all project stakeholders. This information might include project status, accomplishments, and events that may affect other stakeholders or projects.

8. Project Risk Management

Is the systematic process of identifying, quantifying, analyzing, and responding to project risk.

9. Project Procurement Management

Procurement of necessary goods and services for the project is the logistics aspect of managing a job. This include issuing requests for bids, selecting vendors, administering contracts.

Project Management Knowledge Areas Functions

The four core knowledge areas (scope, time, cost, and quality) lead to specific project objectives

The four facilitating knowledge areas (human resources, communication, risk, and procurement management) are the means through which the project objectives are

achieved. The one knowledge area (project integration management) affects and is affected by all of the other knowledge areas.

Project Management Tools and Techniques

Project management tools and techniques assist project managers and their teams in various aspects of project management.

Some specific ones include;

- Project Charter, scope statement, and WBS (work breakdown structure) (scope)
- Gantt charts, network diagrams, critical path analysis, critical chain scheduling (time)
- Cost estimates and earned value management (cost)

A **Work Breakdown Structure** (WBS) is a hierarchical (from general to specific) tree structure of deliverables and tasks that need to be performed to complete a project. The Work Breakdown Structure is the foundation. **Gantt Chart**- each task's start and finish date are shown on the right using a calendar timescale. **Network Diagram**- Each box is a project task. Arrows show dependencies between tasks. The bolded tasks are on the critical path. If any tasks on the critical path take longer than planned, the whole project will slip. **Enterprise Project Management Tool** - In recent years, organizations have been taking advantage of software to help manage their projects throughout the enterprise.

Measuring project success or failure

Projects are said to have failed because they do not meet 5 criteria or success conditions which are used to judge their success ; (i) Efficiency (ii) Effectiveness (iii) Feasibility (iv) Viability (v) Sustainability.

(i) Efficiency-Are the planned resources necessary and sufficient in quantity and quality to implement the activities?

(ii) Effectiveness-Have the planned results and purpose indeed been achieved?

(iii) Feasibility-Considering the context of the intervention, will the planned activities indeed lead to the expected results (in quantity and quality) and is it possible to implement these activities?

(iv) Sustainability- Will the intervention be able to generate benefits over a more or less extended period for the beneficiaries after completion of external assistance?

PCM involves regulating and supervising the various activities undertaken in each phase of the project cycle to ensure that projects are; ·

- ❖ Relevant to beneficiaries
- ❖ Supportive of policies of the sponsor
- ❖ Feasible and effective

The quality of projects is therefore not measured on arbitrary standards, but through objective criteria listed above. The most significant is 'effectiveness', because this criteria measures whether the ultimate objective of a project has been met i.e. did the project deliver expected results? ; did the conditions of beneficiaries improve? LAs therefore, need to focus on PCM, because this approach introduces tools and approaches that promote the success of projects.

Why Projects Can Fail

- not linked to broader program or policy framework
- set rigid targets and processes (inflexible)
- set optimistic goals to attract finance - false expectations
- can encourage authoritarian style of interaction

- end abruptly and usually too short term
- 'driven' by aid professionals and not locally owned
- induce insecure state of 'project culture'
- force relationships to be contractual
- do not encourage experiential learning - through trial and error

Benefits of PCM

PCM is an important function of project management and can assist local authorities to learn from past experiences, improve decision making and streamline communication between various departments. PCM should not be considered as a purely technical method with a number of instruments & stages to be applied mechanically. On the contrary, it should be seen as a management method to achieve more effective and efficient communication within departments, with stakeholders, beneficiaries, financiers and sponsors, with information feeding backwards and forwards at every project stage.
PCM has an instrumental role in improving the level and quality of planning, improved ways of working and ultimately, through improved service delivery, benefits to communities and citizens will be realized. The application of PCM is dependent upon the relative size, complexity, urgency, importance, novelty and interdependence of other projects. This means that small projects with nominal costs, may not be programmed through a formal project cycle; for example buying of school desks, or issuing a bursary may not require PCM, but the construction of a school does.

When PCM is applied effectively, the following benefits can be realized;

- **Goal/Objective oriented:** Implementation of projects will be in accordance with predetermined objectives and not on the whims of individuals
- Coordinated project management: Project execution will be coordinated and overseen by appointed project managers, and not by those randomly picked without proper consideration
- **Sound & objective appraisal:** The project will be designed and appraised based on sound research and feasibility criteria, and not on voting and consensus which does not capture the viability issues
- **Good management & governance:** The Local Authority will pursue good management practice including risk assessment, good planning and prioritizing, assessment of progress through monitoring, and use of monitoring feedback to guide corrective action. Such management promotes good governance and professionalizes the project management process
- **Long term planning:** PCM improves long-term planning because the 'policy setting' stage includes strategic review of long term goals and objectives ·Increased accountability. There will be increased accountability for results because individuals and teams will be assigned specific results that they must deliver
- **Standard methods and procedures:** As opposed to a mixed up process of managing a project, the PCM approach introduces a standard method and procedures for running projects stage by stage, which provides officials and stakeholders with a road map of expected results, at each stage of the process
- **Stakeholder ownership:** This is enhanced because PCM is a participatory process .

- ❖ **Increased efficiency in planning and use of resources:** Through the PCM method, project resources are planned for before the project is executed, and adjustments are made during project implementation.
- ❖ **Formal documentation:** PCM requires documentation of procedures, processes and results. This ensures that there is an accurate record of information for every project step
- ❖ **Enhanced monitoring and evaluation:** PCM sets in place a process of monitoring based on agreed milestones. Without PCM, it is hard to create an effective monitoring framework and results are hard to establish.

Characteristics of the project life cycle

- The project is divided into several distinct phases or stages
- Each stage is marked by a number of deliverables or phase outputs
- Usually one phase consists of several sub-phases or activities
- The stages are progressive – each stage should have 'phase exits' or completion points that allow the next stage to be tackled with success
- Common terminology is used to describe a project cycle. For example: programming, identification, formulation, financing and evaluation; (words used to describe various stages may differ slightly but the way of thinking remains the same)
- A technical review should be carried out at the end of each phase, to review if all the phase outputs have been achieved. This way, a project manager can monitor the application of PCM in a sequential manner

Projects differ in size, scope cost and time, but all have the following characteristics:

- ✓ A **start** and a **finish**
- ✓ A **life cycle** involving a series of phases in between the beginning and end
- ✓ A **budget**
- ✓ A set of **activities** which are sequential, unique and non-repetitive
- ✓ Use of **resources** which may require coordinating
- ✓ Centralised **responsibilities** for management and implementation
- ✓ Defined **roles** and **relationships** for participants in the project

Chapter Two

The Programming, Planning and Identification Phase

Programming refers to the development "negotiation" process undertaken at a governmental level, and is multi-annual and indicative. The output of the programming process is an agreed multi-annual Indicative Programme. During the Programming phase, the situation at national and sectoral level is analyzed to identify problems, constraints and opportunities which co-operation could address. This involves a review of socio-economic indicators, and of national and donor priorities. The purpose is to identify the main objectives and sectoral priorities for co-operation, and thus to provide a relevant and feasible programming framework within which projects can be identified and prepared. For each of these priorities, strategies that take account of the lessons of past experience will be formulated.

The multi-annual programming document is often called a Country Strategy Paper (or CSP). While the programming phase is not directly relevant to individual projects, it is important for projects to be aware of the high level strategy which sets out the framework of support. Donor question in concerning projects is: What are the partner's development priorities and what is the donor's focus for assistance?

Programing and Policy setting includes the strategic planning process whereby the long term direction of the Local Authority is established and the Local Authority establishment ensures that all systems and budgets support that strategic direction. The strategic plan therefore is considered a long-term plan and is often inspired the council's own mandate for service delivery, and also by the national policy framework, and national poverty reduction goals.

Planning

Almost every study finds that failures are caused primarily by poor project management, especially the failure to plan properly. There is a phrase 'If you fail to plan, you plan to fail.' Planning is where you're going and how you're going to get there. Planning helps to control projects. Control is exercised by comparing where you are to where you are supposed to be so that corrective action can be taken when there is a deviation. Therefore, no plan, no control!

There are many reasons why planning is a good idea. Planning helps to:

- think ahead and prepare for the future
- ensure the right direction
- identify issues that will need to be addressed
- consider whether a project is possible
- ensure smooth running of projects
- establish the reason for doing something
- allocate resources and responsibilities
- motivate staff
- choose between options
- achieve the best results.
- make the best use of resources
- clarify goals and develop vision
- obtain funds and other resources
- guide implementation of projects

There are many barriers to planning. These include:

- Lack of time, or not making time to plan
- Not knowing how to plan
- Difficulty in getting the right people together
- finding it difficult to plan because the future is so uncertain
- wanting to do things immediately because the need is urgent, rather than think about them.

The following examples show lack of planning:

■ Someone from another country imports forks because he sees people eating with their fingers. However, in that country people usually eat with their fingers. This project does not address a real need.

■ A sanitation project is started because people are dying of diarrhea. People believe that diarrhea is caused by evil spirits, so they have difficulty in understanding the relevance of the project.

■ A fisheries project digs ponds, but they do not hold enough water because the soil does not contain enough clay. Not enough technical information was obtained.

Planning is answering the following questions;

- ❖ What must be done?
- ❖ Who will do it?
- ❖ How will it be done?
- ❖ When must it be done?
- ❖ How much will it cost?
- ❖ What do we need to do it?

There is disadvantages of the manager planning a project alone. Disadvantages are, narrow scope, unknown to outside domain, lack of sense of ownership, lack of multi dimensionality.

Plan Ingredients

Following are the minimum ingredients that should be contained in a project plan.

- o Problem statement.
- o Project mission statement.
- o Project objectives.
- o Project work requirements, including a list of all deliverables. It is a good idea to have a deliverable at each major project milestone so that progress can be measured more easily.
- o Exit criteria. Each milestone should have criteria established that will be used to determine whether the preceding phase of work is actually finished. If no deliverable is provided at a milestone, exit criteria become very important.
- o End-item specifications to be met.
- o Work breakdown structure (WBS). This is an identification of all of the tasks that must be performed in order to achieve project objectives. A WBS is also a good graphic portrayal of project scope.
- o Schedules (both milestone and working schedules should be provided.
- o Required resources (people, equipment, materials, and facilities). These must be specified in conjunction with the schedule.
- o Control system.
- o Major contributors.
- o Risk areas with contingencies when possible.

Changing the Plan

It would be nice to think that a plan, once developed, would never change. However, that is unrealistic. The important thing is to make changes in an orderly way, following a standard change procedure. If no change control is exercised, the project may wind up over budget,

behind schedule, and hopelessly inadequate, with no warning until it is too late. Here are suggestions for handling changes to the plan:

- Changes should be made only when a significant deviation occurs. A significant change is usually specified in terms of percent tolerances relative to the original targets.
- Change control is necessary to protect everyone from the effects of scope creep—changes to the project that result in additional work.
- Causes of changes should be documented for reference in planning future projects.

Project Identification

1. Defining the Problem

It is hard to agree on a problem. The way you define a problem determines how you will solve it. If you have the wrong definition, you may come up with the right solution—to the wrong problem!

The way you define a problem determines how you will solve it. A person may say, "I have a problem. It is important to distinguish between the basic or core problem and those at another level. People sometimes define a problem as a goal. A goal in itself is not a problem. A problem is a gap between where you are and where you want to be, with obstacles existing that prevent easy movement to close the gap.

2. Needs and Capacity assessment

Another step in the project cycle is to identify an issue that a project could address. This usually involves a 'needs assessment' which finds out what community needs are and whom they affect. Only when we know what people really want can we develop an effective project.

The needs assessment is followed by a 'capacity assessment' to see what strengths the community has which it can use to address its problems. The project should seek to strengthen any weaknesses. Some people prefer to use 'appreciative enquiry' instead of needs assessment and capacity assessment. This, in effect, starts with a capacity assessment by asking community members to identify the resources they have and then asks them how they want to use them in the future. The tools on the following pages can be used or adapted to help community members identify their vision. The project can then aim to help the community achieve part of its vision.

Analyzing the present actual situation can be 'problem based' or 'opportunity based'. It concerns identifying the priority problems/ opportunities and their main causes, and identifying the causes that can be addressed by the project intervention. It is essential to understand the resources within the community or from others that are relevant to tackling the problems. It is important therefore that all citizens and stakeholder groups get the chance to express the problems they experience and recommend solutions. Discussions, opinions and clarifications by the problem 'owners' should be respected. This ensures that 'ownership' which is part of the project pre-feasibility is established from people's needs and requirements.

Needs assessment

We might already have a good idea of local needs. They might be quite obvious, or we might have become aware of them during a past project. On the other hand, we might have no idea what a community's needs are. It is important to carry out a needs assessment before planning development work, whether we think we know what the needs are or not.

Why we need 'Needs assessment'

■ The project should come out of what people say they want and not from assumptions that we make.

■ Sometimes the needs are not immediately clear or cannot be easily understood.

■ By talking to different people, we will be able to understand how problems affect people differently. For example, poor access to clean water may affect women more than men because women have to walk a long way to fetch water.

■ Circumstances change:

- There may be new people in the community.
- There may be new needs.
- Old needs might have been addressed.
- Problems might be affecting people differently.

■ Needs assessment gives people an opportunity to prioritize their needs, which leads to a more sustainable development project.

The time spent carrying out a needs assessment may vary according to the contact we have had with a community in the past. In general, needs assessment is done fairly quickly. At this stage, we are trying to gain an impression of needs and who the project beneficiaries might be. We are not looking for too much detail. Further research into stakeholders and causes and effects of the problem is carried out during the design phase of the project cycle.

Try to talk to a variety of people, such as key community members or representatives of community groups. Or use methods that can draw out the views of many people in a short space of time, such as community mapping. We do not want to be raising expectations or wasting people's time. Make sure that the people we talk to include women, men, girls, boys, the elderly, people with disabilities etc.

There are many tools that enable communities to identify their needs. A few tools are outlined below as examples of some of the options available. These tools can be adapted for the capacity assessment.

TOOL 1

Listening

By listening for the issues about which people have the strongest feelings, it is possible to identify the issues that they most want addressed and projects which they are most likely to participate in. A team of people (development workers or village members) ask a community or group questions to find out what people are worried, sad, happy, fearful, hopeful or angry about.

TOOL 2

Interviewing

This tool helps us to gain greater understanding of the issues. It involves talking to key people in the community in order to discuss their knowledge, experience and understanding of the issues. These people might already be involved in community development activities, they might be people that the community turn to in times of crisis or those who are seen as the heart of the community. Key people include health workers, traders, religious leaders, village chiefs, pastors and teachers. When choosing people to interview, make sure their views and

opinions are likely to represent those of others in the community. Take care not only to interview the powerful, but also to interview those whose views are not usually heard. To explore people's answers, questions normally begin with one of the six 'helping words': What? When? Where? Who? Why? How?

Use open-ended questions such as:

- What are the main problems you face in your area of work?
- What are the main pressures that people in the community face?
- What simple things could be done to improve the situation?

TOOL 3

Focus groups

This tool is used with a group of 10 –20 people. It helps them to understand and voice some of the problems they face and the needs they have. A focus group enables people with different views to discuss their differences, challenge assumptions and come to a collective understanding of the needs of the community. By exploring issues together from the start, communities start to own the development intervention.

Questions to stimulate discussion could include the following:

- What are the main pressures that people in the community are facing?
- What simple things could be done to improve the situation?
- If you could change one thing in this community, what would it be? Why?

TOOL 4

Community mapping

This tool involves community members drawing a map of their community to tell their story together. They draw either on paper or outside on the ground, using whatever resources are available. They are given little guidance of what to include. The important point of the exercise is to discuss what people have drawn. The map might show the natural and physical resources in the area – forests, rivers, roads, houses, wells. It might show important people and organizations.

Once the map has been drawn, encourage discussion by asking questions such as:

- How did you decide what to include? What was excluded?
- What was emphasized? Which are the most important parts?
- What was difficult to represent?
- What were the areas of disagreement?
- What can we learn from the map about the needs of the community?

To gain greater understanding of the issues facing different groups within the community, the groups should work separately. A map by young people may show very different information from that of older women.

Questions for discussion could include:

- What differences are there between the maps?
- Why are there differences?
- How does the information from each map help to make a more complete picture of the community?

Agreeing priority needs

Once the needs have been identified, community members should be given the opportunity to say which needs they feel are a priority. Ask them to group their needs into general issues such as water, health, land and food. It does not necessarily matter how they are grouped, but it is important that people can see how their concerns have been included.

Once the needs have been grouped, community members can decide which of the issues should be given priority. Write all of the issues onto separate pieces of paper. Community members then place them in order in a line from the most important to the least important. Encourage them to discuss and negotiate with each other and to move the pieces of paper around until they all agree.

Alternatively, write or draw the needs on separate paper bags. Give each person six seeds, stones or beads to use as counters. Each person in turn is invited to put their counters in the relevant bags, according to their priorities. They should put three counters for their first priority, two for their second and one for their third priority. The counters in each bag are then counted and the results announced. The needs are ranked according to the results.

This tool should help to identify the main issue to address. There may be more than one priority issue to start with and the group will have to choose whether to take all priority issues at once or focus on one at a time.

Through the assessment, the following is achieved:

- ✓ Identification of structural and root causes of a problem
- ✓ Understanding of the situation in its geographic and cultural context
- ✓ identification of opportunities, vulnerabilities, capacities, resources, and personnel

Needs assessments usually reveal as many as four types of needs in a community. They help give one an overall picture of the needs.

Felt needs – Are usually indicated by beneficiaries in answer to the question: "what do you need?"

-Thoughtful questioning, including questions about existing services and resources

Expressed needs – Relate to what goods, services, knowledge, and skills people are willing to use, seek, or buy in real life

Normative needs – Are indicated by "expert" opinion, and usually reflect more objective standards or policy

Comparative/relative needs – Relate to the level of need in a given project area compared to other communities

INFORMATION NEEDED

- When conducting needs assessment, we need to collect information on:

✓ Population:
✓ Infrastructure
✓ Health
✓ Education
✓ Social beliefs, customs, religion, ethnicity, gender issue, marriage and family structure
✓ Economics
✓ Material and human resources
✓ Opinions
✓ Knowledge
✓ Others…

The main formal information sources of project ideas are like to be:

- Need and capacity assessment
- Policy reviews and development plans made by central government ministries
- Sectoral surveys by technical ministries.
- Survey conducted by local government (district and regional) and other regional organization.
- Formal problem diagnosis and analysis exercises.
- Environmental and natural resource surveys.
- Reviews and evaluations of past projects.

Capacity assessment

Communities should be encouraged to use their own capacities and resources to address the problems they face. It is therefore important to carry out a capacity assessment after needs assessment to identify strengths that the community could use to address the problems they identified earlier. The project, if needed, should focus on strengthening the community's capacities to address their problems. By doing this, we are facilitating the community to address their problems rather than addressing their problems for them.

Capacity assessment involves six types of assets:

HUMAN These enable people to make use of their other resources. They include skills, knowledge, ability to work and good health.

SOCIAL These are based on relationships and include organizations and groups within the community, political structures and informal networks.

NATURAL These form the local environment and include land, trees, water, air, climate and minerals.

PHYSICAL These are man-made, such as building, transport, water supply and sanitation services, energy sources and telecommunications.

ECONOMIC These are things that people can use to sustain their livelihoods, such as money and savings, grain stores, livestock, tools and equipment.

Using participatory techniques, such as those used for the needs assessment, ask community members to identify their capacities. Remember to ask a range of community members, as different people have different perspectives.

Write the capacities onto a large piece of paper and ask community members to identify how they could be used to address the problems identified during the needs assessment. Then ask

community members to think about which capacities should be strengthened so that they can start to address their priority problems themselves. This is what the project should focus on.

Decide whether it is realistic for our organization to strengthen the community's capacity to meet the priority need:

- Does meeting the need fit in with our mission?
- Does meeting the need agree with our values?
- Does meeting the need fit into our strategy?
- Will meeting the need be too risky?
- Do we have enough experience?
- Do we have enough resources?

EXAMPLE of a Capacity Assessment chart

Asset type	Capacities
Human	Construction skills, Strong self-help tradition Women make local handicrafts
Social	Community centre, Local primary school
Natural	There is a river X km from the village that is seasonal
Physical	Good access to city centre, Internet café nearby, Water standpipes
Economic	Revolving fund, Income from trading in city centre Community groups make use of a revolving fund

Concept note

Once a need has been identified which a project can address, write a concept note. A concept note outlines the project idea. It does not have to contain a lot of detail and may only be about two pages in length. The reason for writing a concept note before a full proposal is so that our organization's leadership or a donor can gain an idea of what we hope to do. They can ensure it fits with strategy, check its relevance and quality and give feedback before a lot of time, effort and resources are spent planning the project. If an organization does not have a process for checking projects at this stage, it should consider setting one up.

The purpose of the concept notes is to,

- Provide all the background information regarding a project (Detailed design report)
- Justify the project by defining the goal
- Describing who will benefit from the project and how they will benefit
- Outline the work plan and project deliverables
- Outline consultants duties and fee scales
- Outline reporting requirements and approvals
- Outline indicators of performance and key milestones to be monitored
- Outline the project human, technical and financial resources

or in short concept note includes

- Background information

- Why the project is necessary
- Who will benefit from the project
- How they will benefit
- an estimate of both the total budget and the resources needed for design.

Sources of project ideas

At the macro level, project ideas emerge from

- ✓ National policies, strategies and priorities
- ✓ National, sectoral, sub-sectoral, or regional plans strategies
- ✓ General surveys, resource potential surveys, master plans, and statistical publications
- ✓ Constraints on the development process
- ✓ Government decision to correct social and regional inequalities satisfy basic needs
- ✓ A possible external threat
- ✓ Unusual events such as droughts, floods, earth quakes, hostilities, etc
- ✓ Multilateral or bilateral development agencies
- ✓ Development experiences of other countries

PCM and managing 'Calls for Proposals'

'Calls for Proposals' (CfPs) are usually used under thematic budget lines (such as for Human Rights, Gender, Environment, Food Security and CoFinancing with NGOs) to provide grant funds, particularly to non-state actors. The use of CfPs is now the general rule when dealing with non-state actors. The primary distinction between using CfPs and using 'direct arrangements' with partner governments relates to the management responsibilities of the EC at different stages of the project cycle. For example, under a CfP approach, the EC establishes the broad objectives it wishes to achieve, the scope of projects it is willing to fund, application and assessment procedures and a set of eligibility criteria for applicants. The EC maintains a more direct role and responsibility for managing the identification and formulation steps in the cycle.

Chapter Three: Project design

Once a priority community need has been identified we can start to think about how it can be addressed. Project design consists of: stakeholder analysis, research, problem analysis, log frame, risk analysis, action planning, and budgeting.

Note that the analyses – stakeholder, problem and risk – can be carried out before the design stage. Stakeholder and risk analyses should be carried out on a regular basis throughout the project cycle.

Stakeholder analysis

'Stakeholders' are:

- people affected by the impact of an activity
- people who can influence the impact of an activity.

Stakeholders can be individuals, groups, a community or an institution.

Stakeholder groups are made up of people who share a common interest, such as an NGO, church leaders and the community. However, such groups often contain many sub-groups. Seeing the community as one stakeholder group can be meaningless because some people may have very different interests from others in the same community. It may be necessary to divide the community into a number of sub-groups according to aspects such as status, age, gender, wealth and ethnicity. These sub-groups may be affected by the project in different ways, and some sub-groups may have a lot more influence on the impact of the project than others.

It might also be unwise to view the government as one stakeholder group. It may be necessary to list government ministries as different stakeholder groups if they have different, and even conflicting, opinions about a development proposal. Government at national, state and local levels may also have very different interests.

Stakeholders include:

- **USER GROUPS** – people who use the resources or services in an area
- **INTEREST GROUPS** – people who have an interest in, an opinion about, or who can affect the use of, a resource or service
- **BENEFICIARIES** of the project
- **DECISION-MAKERS**
- **THOSE OFTEN EXCLUDED** from the decision-making process.

Stakeholders could belong to one or more of these groups. Stakeholders are not only those who shout the loudest. Those who are often excluded from the decision-making process due to age, gender or ethnicity are those who are most likely to lose out if they are not included in the project planning. What methods could be used to ensure these stakeholders are involved?

Stakeholders include the winners and the losers as a result of the project. While most stakeholders will benefit from the project, there may be others who will be negatively affected by the action taken.

Stakeholders can be divided into two main types:

- **PRIMARY STAKEHOLDERS** who benefit from, or are adversely affected by, an activity. This term describes people whose well-being may be dependent on a resource or service or area (e.g. a forest) that the project addresses. Usually they live in the area or very near the resources in question.

They often have few options when faced with change, so they have difficulty adapting. Primary stakeholders are usually vulnerable. They are the reason why a project is carried out – the end users.

- **SECONDARY STAKEHOLDERS** include all other people and institutions with an interest in the resources or area being considered. They are the means by which project objectives can be met, rather than an end in themselves.

If stakeholders are not identified at the project planning stage, the project is at risk of failure. This is because the project cannot take into account the needs and aims of those who will come into contact with it.

About stakeholder analysis

Stakeholder analysis is a useful tool for identifying stakeholders and describing the nature of their stake, roles and interests. Stakeholder analysis helps to:

- improve the project's understanding of the needs of those affected by a problem
- reveal how little we know as outsiders, which encourages those who do know to participate
- identify potential winners and losers as a result of the project
- reduce, or hopefully remove, potential negative project impacts
- identify those who have the rights, interests, resources, skills and abilities to take part in, or influence the course of, the project
- identify who should be encouraged to take part in the project planning and implementation
- identify useful alliances which can be built upon
- identify and reduce risks which might involve identifying possible conflicts of interest and expectation among stakeholders so that conflict is avoided.

Stakeholder analysis should be done when possible projects are identified. It should be reviewed at later stages of the project cycle to check that the needs of the stakeholders are being adequately addressed.

It is important to be aware that there are risks in doing a stakeholder analysis:

- The analysis is only as good as the information used. Sometimes it is difficult to get the necessary information, and many assumptions will have to be made.
- Tables can oversimplify complex situations.

There are a number of ways of doing stakeholder analysis. The method provided below is just one approach. The approach taken will vary depending on the type of project that is being proposed. For example, for an advocacy project we would need to consider different aspects of stakeholders than we would for a development project. The method given below is quite general and can be adapted to whatever type of project is being proposed.

Ideally, stakeholder analysis should be carried out with representatives of as many stakeholder groups as possible. It might not always be practical to do so if the stakeholders are widely spread. However, if there is a danger that important stakeholders might be excluded, more time and resources should be invested in doing the stakeholder analysis to make sure they are included.

METHOD OF CARRYING OUT STAKEHOLDER ANALYSIS

STEP 1 **Stakeholder table**

Stakeholders	Interests	Likely impact of the project	Priority
Primary			
Secondary			

- List all the possible stakeholders in the project. Divide these into primary stakeholders and secondary stakeholders. Remember to include supporters and opponents, user groups, vulnerable groups and sub-groups that are relevant to the project.
- In the second column, write down the interests of each stakeholder in relation to the project and its objectives. These interests might be obvious. However, there might be some hidden interests, so assumptions might need to be made about what these are likely to be. Remember that each stakeholder might have several interests.
- In the third column, write down the likely impact of the project on each stakeholder's interests. This will enable us to know how to approach the different stakeholders throughout the course of the project. Use symbols as follows:

  \+ Potential positive impact on interest
  – Potential negative impact on interest
  +/– Possible positive and negative impact on interest
  ? Uncertain

- In the fourth column, indicate the priority that the project should give to each stakeholder in meeting their interests. Use the scale 1 to 5, where 1 is the highest priority.

EXAMPLE A community identified their priority need as improved access to safe water and produced the following table.

Stakeholders	Interests	Likely impact of the project	Priority
Primary			
Local community	Better health	+	1
Women	Better health	+	1
	Walk less far to collect water	+	
	Opportunity to socialise	–	
	Safety while collecting water	+	
Children	Better health	+	1
	Walk less far to collect water	+	
	Time to play	+	
Secondary			
Water sellers	Income	–	2
Community health workers	Reduced workload	+	2
	Income	–	
Local church	Involvement of church workers in project	+	3
Health NGOs	Better health Achievement	+	3
Ministry of Health	of targets Effective	+	4
Donors	spending of funds	+	4
	Achievement of health objectives	+	

STEP 2 **Table showing influence and importance of stakeholders**

Some stakeholders will have more influence on the project than others. While some are in a position to influence the project so that it is successful, there might be others who feel threatened by it. Consider how to approach those whose interests will be negatively affected in order to avoid conflict and possible failure of the project. While the primary stakeholders usually have the highest priority, the table will help identify which stakeholders time will need to be spent on – either those who are allies of the project, or those who might cause problems for the project. It is important that we do not neglect the primary stakeholders, even if we think they have low influence. The table combines the influence and importance of stakeholders so that we can see their position in relation to each other.

INFLUENCE is the power that stakeholders have over the project.

IMPORTANCE is the priority given by the project to satisfying the needs of each stakeholder.

Go through the list of stakeholders on the stakeholder table completed in STEP 1. Think about the amount of influence they have and the extent to which they are important to the project. Give each stakeholder a number and put the number in the place on the table above where the stakeholder falls. If they have high influence, place them towards the right of the table. If they are of high importance to the project, move the number upwards towards the top of the table.

The table can be analyzed as follows:

Boxes A, B, C and D are the key stakeholders of the project. They can significantly influence the project or are most important if project objectives are to be met.

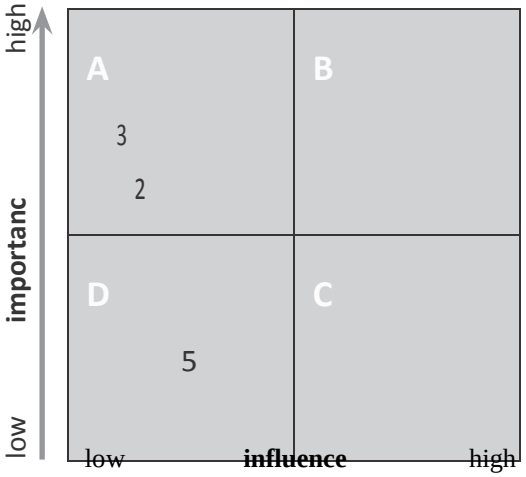
BOX A Stakeholders of high importance to the project, but with low influence. They need special initiatives to ensure their interests are protected.

BOX B Stakeholders of high importance to the project, who can also influence its success. It is important to develop good working relationships with these stakeholders to ensure adequate support for the project.

BOX C Stakeholders with high influence who can affect the project impact, but whose interests are not the target of the project. These stakeholders may be a source of risk. Relationships with these stakeholders are important and will need careful monitoring. These stakeholders may be able to cause problems for the project and it may be too risky to go ahead with the project at all.

BOX D Stakeholders of low priority but who may need limited monitoring and evaluation to check that they have not become high priority.

EXAMPLE The community identified their priority need as improved access to safe water, and produced the following table.



Primary stakeholders

1 Local community
2 Women
3 Children

Secondary stakeholders

4 Water sellers
5 Community health workers
6 Local church
7 Health NGOs
8 Ministry of Health
9 Donors

STEP 3 **Identify appropriate stakeholder participation**

Participation is essential in development work, but in practice it is a concept that has been misused. Participation means different things to different people in different situations. In its widest sense, participation is the involvement of people in development projects. For example, someone can be said to participate by:

- attending a meeting, even though they do not say anything
- taking part in the decision-making process
- contributing materials, money or labour
- providing information
- answering questions for a survey.

Often, so-called participatory projects do not actively involve stakeholders (especially primary stakeholders) in decision-making and project implementation. This can lead to unsuccessful development projects. Stakeholder participation in decision-making throughout the whole project cycle (project planning, implementation, monitoring and evaluation) is likely to result in:

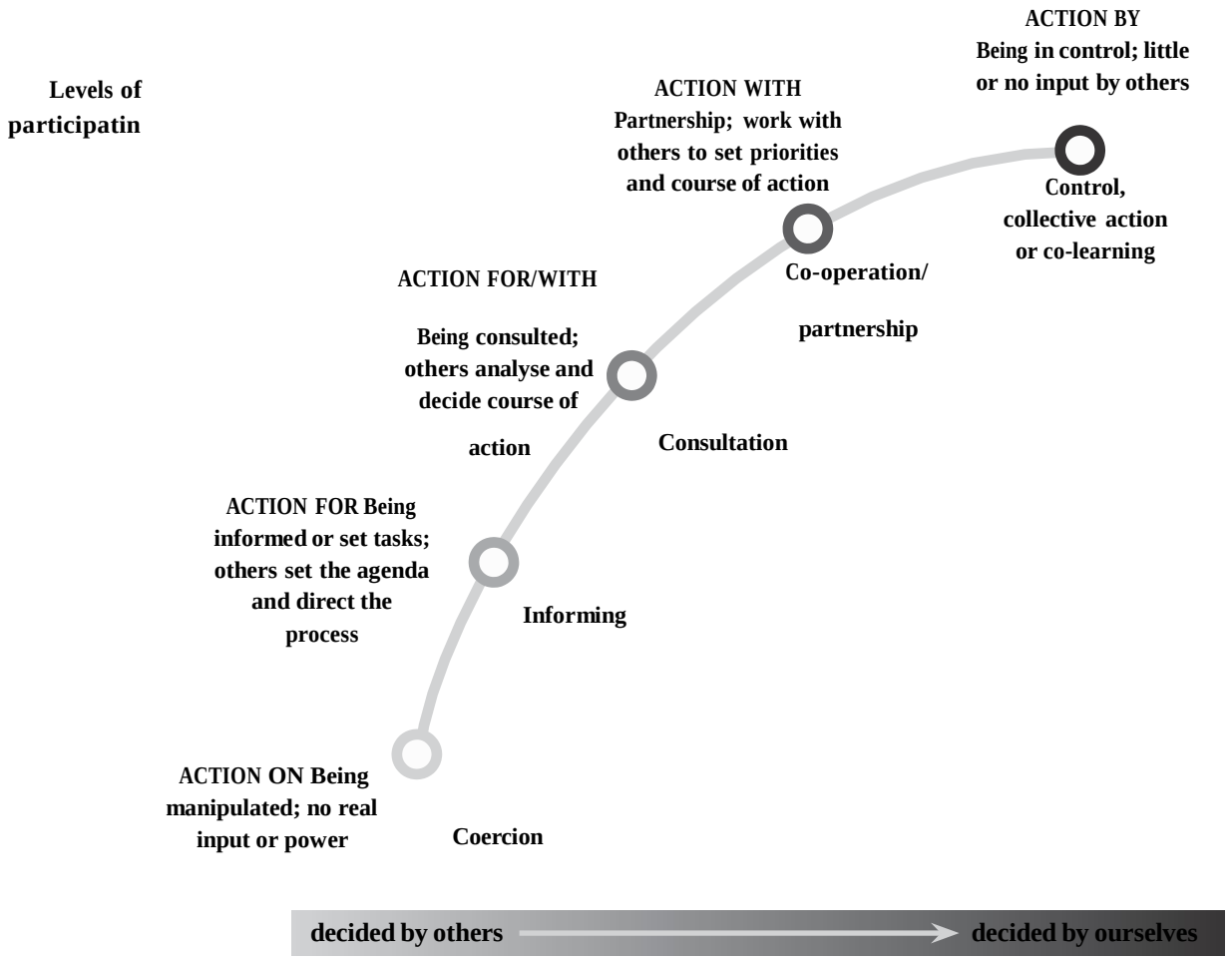
- **IMPROVED EFFECTIVENESS** Participation increases the sense of **ownership** of the project by beneficiaries, which increases the likelihood of project objectives being achieved.
- **ENHANCED RESPONSIVENESS** If people participate at the planning stage, the project is more likely to target effort and inputs at perceived needs.
- **IMPROVED EFFICIENCY** If local knowledge and skills are drawn on, the project is more likely to be good quality, stay within budget and finish on time. Mistakes can be avoided and disagreements minimised.
- **IMPROVED SUSTAINABILITY AND SUSTAINABLE IMPACT** More people are committed to carrying on the activity after outside support has stopped.
- **EMPOWERMENT AND INCREASED SELF-RELIANCE** Active participation helps to develop skills and confidence amongst beneficiaries.
- **IMPROVED TRANSPARENCY AND ACCOUNTABILITY**, because stakeholders are given information and decision-making power.
- **IMPROVED EQUITY** if the needs, interests and abilities of all stakeholders are taken into account.

Active participation is likely to have many benefits, although it is not a guarantee of project success. Achieving full participation is not easy. It can also take a lot of time, and conflicting interests are likely to come to the surface.

The diagram opposite outlines the different levels of participation. The lowest level may be better described as involvement rather than participation. The higher up the diagram, the greater the level of participation. Organisations need to decide what level of participation is best. Different levels of participation will be appropriate for different stakeholders at different stages of the project cycle.

REFLECTION

- **In what circumstances might the highest level of participation not be appropriate?**
- **Some people would say that near the bottom of the levels there is community involvement but not participation. What is the difference between involvement and participation? When does involvement start to become participation?**
- **In what circumstances might the lower levels of participation be appropriate?**



Partnership is the type of participation in which two or more stakeholders share in decision-making and the management of the activity. Ideally this is partnership between project staff and the beneficiaries. However, achieving partnership with primary stakeholders can be challenging. A number of problems can arise:

- Participation may be seen by primary stakeholders as too costly in time and money when compared with the benefits expected.
- Primary stakeholders may lack appropriate information for effective decision-making.
- Some primary stakeholder groups may challenge the right of other groups to participate. For example, women may be excluded from participating in a village water committee.
- Organisations or churches may have a management structure or way of working that does not encourage primary stakeholder participation.

REFLECTION ■ **Is partnership easy? How might the challenges of partnership be overcome**

To identify what level of participation is appropriate for different stakeholders, draw a summary participation matrix similar to the one below. The columns represent the levels of participation on the diagram on the previous page. The rows represent the stages of the project cycle. Work through the list of stakeholders in the stakeholder matrix. Think about the extent to which they should participate for each stage of the project cycle. Consider the amount of interest or influence they have. There may be ways that we can involve them in the project which help to increase their interest or influence. Ensure that primary stakeholders participate as fully as possible to encourage ownership of the project.

It is important to keep revising this table. During the project cycle we might find that stakeholders, who we thought should participate to a great extent, are actually not interested in participating. Or we might find that to be responsive to how the project is going, we want to encourage some stakeholders to participate more. When the table is completed, think about how participation of stakeholders might actually happen. The community should select members who will represent them in the project committee.

EXAMPLE The rural community identified their priority need as improved access to safe water, and filled in a matrix table with the following information.

		TYPE OF PARTICIPATION			
		Inform	**Consult**	**Partnership**	**Control**
STAGE IN PROJECT	**Identification**		Health NGOs Donor	Cross section of community	
	Design	Donor	Community Women Children Water sellers Health workers	Health NGOs Ministry of Health Local church	Project staff
	Implementation and Monitoring	Donor		Women, children Water sellers Local church Health workers	Project staff
	Reviewing	Donor		Women, children Water sellers Local church Health workers	
	Evaluation	Donor		Ministry of Health Health NGOs Community	

Research

All development work should be based on accurate, reliable and sufficient information. Good information is important in order to:

- understand the context in which the project is taking place
- understand the causes and effects of the issue that is being addressed
- understand what others are doing in order to avoid duplication and to work together if appropriate

- ensure that the response takes into account all factors and is the most appropriate and effective for the situation
- understand how the context is changing so the response can address potential future needs or prevent problems from arising
- justify the course of action to our organization, beneficiaries, donors and others we are working with
- learn from past successes and mistakes
- provide good evidence for the response.

Research enables us to find out the facts about the need. This will help us to know how best to address it. Research involves talking to people or accessing written information.

Thorough research we should look at social, technical, economic, environmental and political factors. This might help to identify new stakeholders and risks to the project. Consider:

- the area's history
- geography, climate, environment, e.g. main features, map, communication, area, seasonal problems
- population – numbers, age and sex profile
- social systems and structures – religious divisions, status of women, social institutions
- politics – local political hierarchies; effects of central government, e.g. stability, policies on food prices
- religion and world view – religious beliefs, groups and churches
- culture – norms and practices, other cultural groups in the area, languages
- living conditions – types of housing, water and sanitation
- economics – sources of income, crops, landholding, average daily wage
- education – schools, literacy rates
- health – mortality rates, causes of death and illness, local health services
- services and development programmes – government or NGO, community's previous experience.

The information collected can be used as a baseline against which progress during the course of the project can be compared.

Use a mixture of secondary and primary information to ensure that what we are told is valid. For example, if community members say that their children do not attend school because they cannot afford school uniforms, it might be a good idea to check with the local authorities that children actually need to wear uniforms.

There are many different ways of collecting information.

Review secondary information

This includes books, academic research papers, government publications, internet and media. Some information can be misleading.

- are the facts are accurate? Are they supported by evidence? Is the information up-to-date?
- Why is the organization providing the information? Can the source be trusted?

TRANSECT WALKS Instead of being shown the 'best farms' and the 'best clinics', plan a transect walk to provide a good picture of the area. Walk through the community with key informants, observing, listening and asking. Try walking in a fairly straight line through the area, making a careful note of whatever is relevant, e.g. the soils, agriculture, water sources and activities. Draw the findings onto a diagram like the one below.

SEASONAL CALENDARS are used to show month by month changes of subjects like rainfall, labour, diet, sickness and prices. Ask community members when their year starts, the names of the months and seasons and choose which to use. Mark the units subject is being discussed. For example, allow them to place up to ten beans for each subject for each month. Encourage people to discuss until they are in agreement. Ask questions about why the numbers vary. The example shows that income is very low between February and April. By asking questions, such as 'Why do incomes increase in May?' we can find out a lot of useful information.

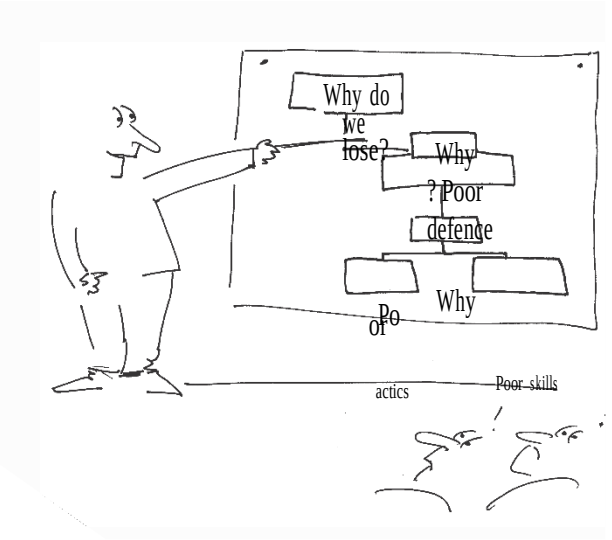
	Ill-health	Income	Farmwork
Jan	6	5	4
Feb	2	1	6
Ma	3	1	9
Apr	3	1	8
Ma	7	3	1
Jun	8	4	1
Jul	3	5	3
Aug	2	8	7
Sep	2	3	4
Oct	2	2	3
Nov	3	5	1
Dec	7	9	1

TIMELINE A timeline is used to show major local events, ecological change, disease and population trends. Agree how many years the timeline should cover. Draw a horizontal line on a large piece of paper and write the years along it. Ask community members to discuss key events and to write them in. The example below is a timeline of well-being, which is used to reflect on the well-being of the community in recent years. Events that influenced well-being are included.

VENN DIAGRAMS These use circles to represent people, groups and institutions. The larger the circle, the more important they are. The way the circles overlap shows what the relationships between them are.

MATRIX SCORING Draw a matrix and use seeds or stones to confirm the values, categories, choices and priorities of local people; for example, trees, soil conservation methods, varieties of crop or animal. In this example people are comparing the work they can do in the market.

Problem analysis



Before we can start to design the project, we need to analyse the problem identified during project identification.

Problem analysis helps primary stake-

holders to identify the causes and effects of the problems they face. It involves drawing a problem tree, from which project objectives can be identified. Use the stakeholder analysis to identify those who should help to construct the problem tree, making sure there is a mix of people from the community with local knowledge, technical knowledge and so on.

Problem analysis can be carried out with different stakeholder groups in order to see how their perspectives vary. To help stakeholders think through all the causes and effects, check that they have considered social, environmental, political, economic and technical factors. The problem tree should help to reinforce our findings during the research phase of the planning. It might also raise new issues that we had not previously considered.

Problem trees enable stakeholders to get to the root of their priority need and to investigate the effects of the problem.

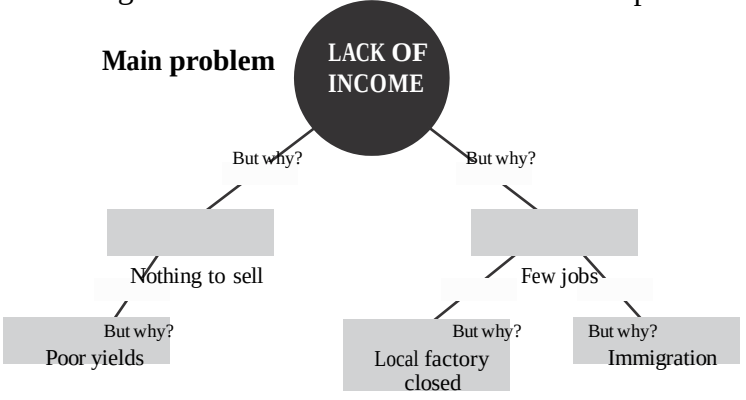
METHOD OF CONSTRUCTING A PROBLEM TREE

STEP 1 Agree on the **main problem**, usually the one identified during project identification.

Write it on a post-it note or piece of card and place it in the middle of the wall or floor.

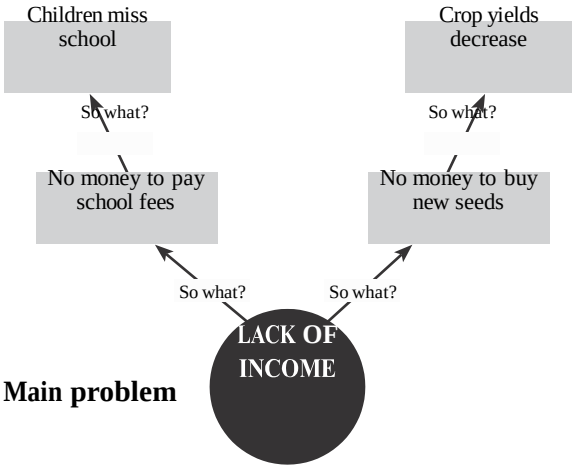
STEP 2 Identify the **causes** of the main problem by asking 'But why?' until we can go no further. Write each cause on a separate post-it note or piece of card. Some problems might have more than one cause. For example:

Developing a problem tree **(CAUSES)**



STEP 3 Identify the **effects** of the main problem by asking 'So what?' until we can go no further. Write each effect on a separate post-it note or piece of card. Some problems might have more than one effect. For example:

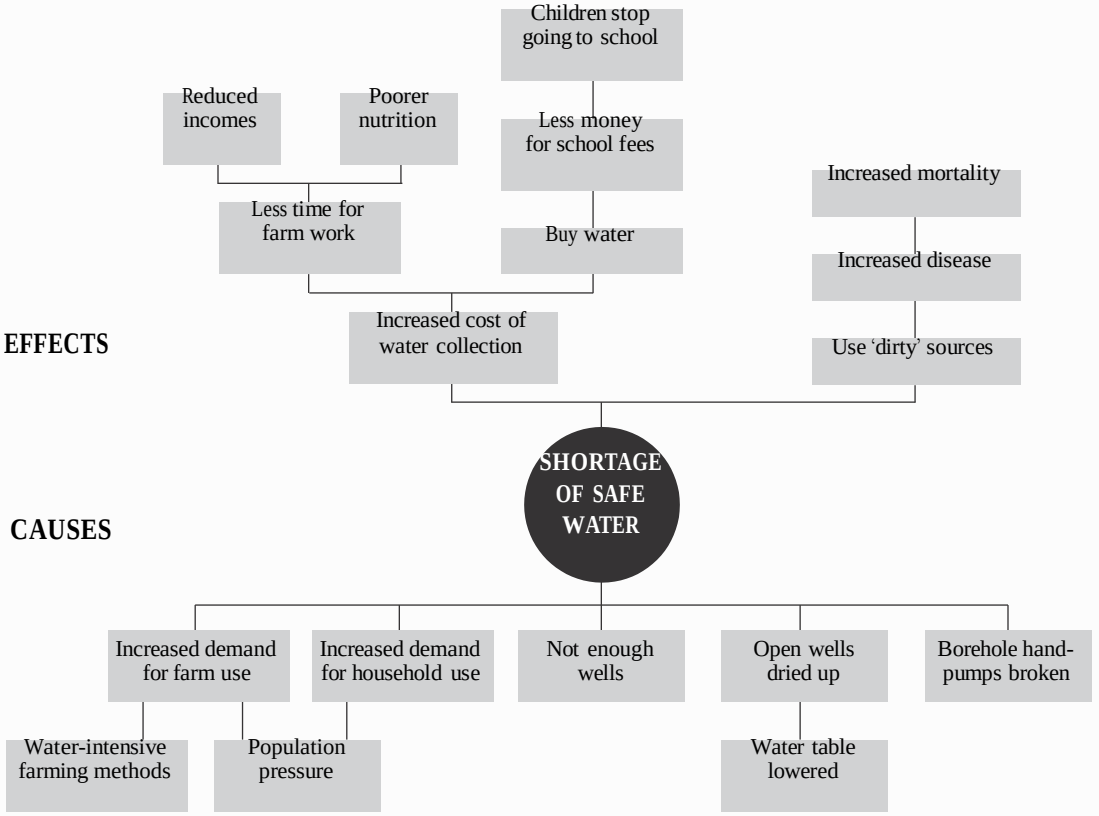
Developing a problem tree **(EFFECTS)**



Encourage discussion and ensure that participants feel able to move the post-it notes or cards around. Check through the problem tree to make sure that each problem logically leads to the next.

STEP 4 Copy the problem tree onto a sheet of paper. Draw in vertical links to show the relationship between the causes or effects. Draw horizontal lines to show where there are joint causes and combined effects.

EXAMPLE of a simple problem tree



Objectives tree

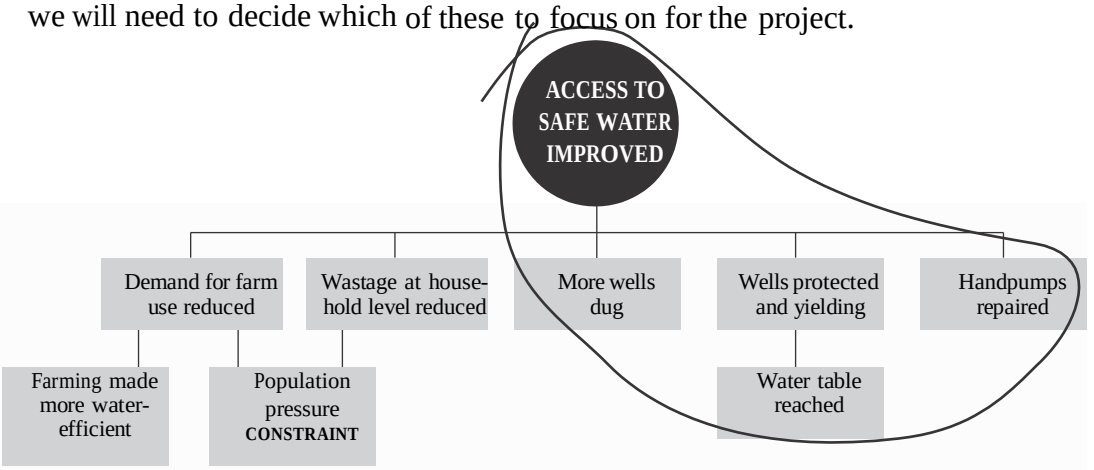
An objectives tree is similar to a problem tree, except that it looks at objectives rather than problems. An objectives tree can be developed without first identifying problems, but the easiest way to develop an objectives tree is to convert a problem tree. To do this, turn each of the causes in the problem tree into positive statements. For example, 'poor yields' would become 'yields increased'. This will result in an objectives tree. Check the logic. Will one layer of objectives achieve the next? Add, delete or change objectives if necessary.

There might be some causes near the bottom of the tree that are very general. They cannot be turned into objectives that could easily be addressed in a project. Instead they act as constraints on the project that need to be considered during risk assessment. We might later decide to focus a project or programme on that issue by developing a problem tree with the issue as the main problem.

Focusing the project

If we try to address all of the objectives we have identified, we will find we have a very expensive and lengthy project. It is therefore necessary to focus on one or a few areas of the objectives tree. If more than one objectives tree has been drawn, we will need to decide which of these to focus on for the project.

EXAMPLE of an objectives tree with focus on one area



Ask the following questions:

- Which objectives should we address?
- Which combination of objectives are most likely to bring about the most positive change?

Issues to consider are: cost, benefits to primary stakeholders, likelihood of achieving the objectives, risks, whether other organisations are already addressing the problem, sustainability, env'tal impact.

Look at the objectives tree and identify the branches that the project could address. For example, for the objectives tree above, it might be decided to address the right-hand branch (circled). It is a good idea to come back to the objectives tree later when starting to think of project assumptions. All the objectives that are left in the objectives tree can be viewed as constraints which could affect project success.

Chapter Four
Logical frameworks (log frames)

Now that the project has been identified and detailed information has been collected, we can start to plan exactly **how** the project will function. A useful way of doing this may be to use a logical framework (log frame). The process of completing the log frame helps to think through all the factors that should be considered for planning a successful project. Even if people are not planning to develop a log frame, it may help to use the tools included in the log frame approach when planning projects.

What is a log frame?

The log frame is a tool used to help strengthen project design, implementation and evaluation. Although it is constructed during the planning stage of a project, the log frame is a living document, which should be consulted and altered throughout the project's life cycle.

The log frame is a table of four rows and four columns, where all the key parts of a project can be inserted as a clear set of statements: the project goal, purpose, outputs and activities, with their indicators, evidence and assumptions. It shows the project's structure and describes the project logically. The log frame does not show every detail of the project. It is an overview of the key factors. Details can be given in other documents, such as the proposal, budget and activity schedule, which accompany the log frame.

Log frame

	Summary	Indicators	Evidence	Assumptions
Goal				
Purpose				
Outputs				
Activities				

Most donors use the log frame format above. However, some turn log frames on their side so that the objectives run across the top of the table with the summary, indicators, evidence and assumptions down the side. Having carried out a stakeholder analysis and done research, we can answer the question, 'Where are we now?'

The log frame asks a series of further questions:

- Where do we want to be? (**GOAL, PURPOSE**)
- How will we get there? (**OUTPUTS, ACTIVITIES**)
- How will we know when we have got there? (**INDICATORS**)
- What will show us we have got there? (**EVIDENCE**)
- What are the potential problems along the way? (**ASSUMPTIONS**)

Why use a log frame?

Log frames are useful because they:

- help people to organize their thinking
- help people to think logically
- help identify weaknesses in project design
- ensure key indicators are identified from the start of the project so that monitoring and evaluation are easier
- ensure that people involved in the project use the same terminology
- help people to summarize a project plan on a few sides of paper. This helps them to communicate their plan simply with others, although a log frame is no substitute for writing a full plan.

However, the log frame approach does have limitations:

- Project management can become rigid unless the log frame is continually checked and adjusted.
- As the approach involves participation by a number of different stakeholders, good leadership and facilitation skills are needed to ensure stakeholders understand the approach and actively participate in it.
- Since the approach builds on analysis of a problem, it might not be viewed as appropriate in cultures where people do not openly discuss problems.
- The terminology used can be threatening to some stakeholders. The approach itself can be very difficult to understand in some cultures.

Who should complete the log frame?

Where possible, the primary stakeholders should be involved in developing the log frame.
It should be developed by the people most closely involved in project implementation. It is possible that the concept of the log frame will not be easily understood by primary stakeholders. However, as the process is as important as the end product, participatory processes could be used to guide stakeholders through the questions and help them to identify some of the project components. Then the log frame table could later be completed by project staff.

Terminology

Different organizations use different terms for the components of the log frame. We explain the terms simply below. The terms will be explained further in the section about completing a log frame.

Summary (Intervention logic)

The Summary outlines the project's objectives: what it hopes to achieve and how. There are many different words that describe different types of objectives. We use the term 'objective' as a general term for a desired change. In the log frame, the summary separates out the different levels of objectives to form a 'hierarchy of objectives' and uses special terms to refer to each level.

Goal The Goal refers to the overall problem we are trying to address. It is sometimes referred to as the wider development objective. This might be improved incomes, improved access to water or reduced crime. *Example:* Improved farm productivity by small farmers.

Purpose The Purpose is the specific change that we want the project to make to contribute to the achievement of the goal. It is sometimes called the Immediate Project Objective. *Example:* Improved farming methods and varieties of rice adopted by small farmers.

Outputs The Outputs are what we want to see as a result of our activities, in order to fulfil the purpose. *Example:* Improved crop varieties acceptable to users made available and distributed.

Activities The Activities describe the tasks we will carry out. *Example:* Farmer participatory research into crop varieties.

Indicators (Measurable/ Objectively Verifiable Indicators – OVIs)	Indicators answer the question 'How do we know when we have got there?' They are signs which measure project performance against objectives and play an important part in monitoring and evaluation. *Example:* 75% of small farmers in the diocese have adopted new rice varieties by the end of year 3.
Evidence (Means of Verification – MoVs)	Evidence refers to the source of the information needed to measure performance, who will be responsible for collecting it, and how often. *Example:* Sample survey carried out by project staff at the end of year

Assumptions Assumptions refer to the conditions that could affect progress, success or long-term sustainability of the project. There may be external factors which cannot be controlled or which we choose not to control. It may be possible to reduce the project's vulnerability to factors which cannot be controlled. These could include climatic change, price changes and government policies.

Completing a log frame

- The key to completing a log frame is to fill in the hierarchy of objectives by working down the **Summary** column
- then work upwards through the **Assumptions** column
- then work across each row to identify the **Indicators** and **Evidence** for each objective.

By completing the log frame this way, we avoid getting too involved in the detail before the project structure has been developed.

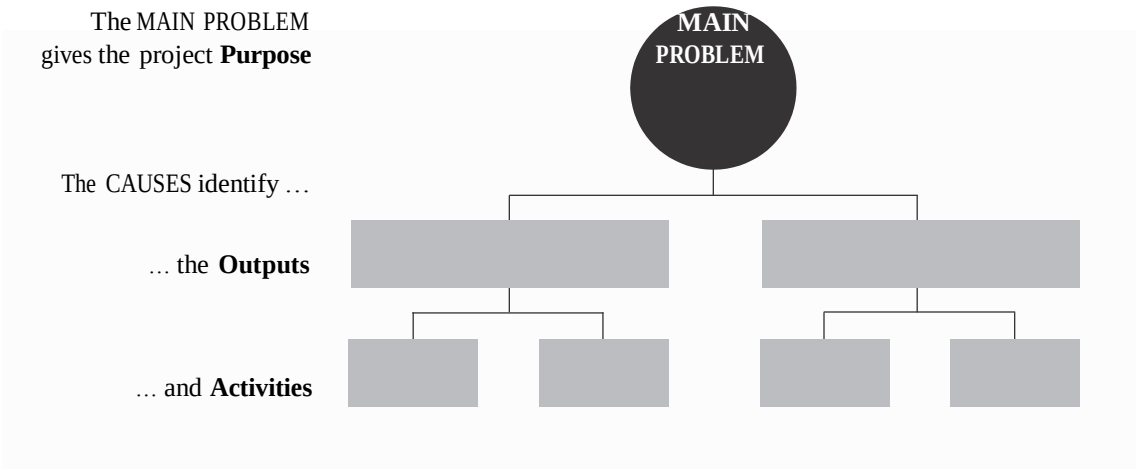
The best way to construct a log frame is to use several large sheets of paper and a pencil or post-it notes. This means that changes can be made to the log frame during the course of discussions without making it look untidy.

STAGE 1 **SUMMARY OF OBJECTIVES**

Work down the summary column of the log frame, giving a brief statement of the objectives at each level. To do this, refer to the objectives tree developed earlier.

Hierarchy of objectives

Each layer of objectives in the branch circled on the objectives tree relates to the levels in the hierarchy of objectives.



We will need to identify a **Goal**, and at this stage of arranging the objectives for the project, we might decide we want to change some of them or add new ones.

Explanation Of objectives

GOAL This is the wider, long-term development goal. It is a desired state where a need or problem no longer exists or is significantly improved. The project will contribute towards this long-term impact, but will not achieve it itself. The goal could be the same for a number of projects and for a number of organizations. The goal might be a government objective or United Nations Millennium Development Goal.

Examples:
- Improved health in children.
- Decreased incidence and impact of diarrhoeal disease.

PURPOSE What change or benefit do we want the project to achieve? Try to include both material benefits and positive social change in the purpose statement.

There should be only one purpose. If we have more than one purpose, the project will be difficult to manage, so we should consider having separate projects. Each should have a separate log frame but will share the same goal.

Examples:
- Increased immunisation in the project area.
- Increased access to, and use of, safe water in the diocese.

OUTPUTS What outputs are needed to achieve the purpose? In other words, what will the project deliver? Outputs are what the project team has control over. Typically there may be three to six outputs.

Examples:
- Team of healthcare workers strengthened and functioning.
- Improved sources of safe water.

ACTIVITIES How will we deliver the outputs? It is likely that there will be a long list of activities to carry out. However, the log frame should not include too much detail. A detailed outline of the activities should be given in a separate activity schedule.

The activity statements should start with an active verb.

Examples:
- Recruit healthcare workers.
- Upgrade current wells and establish new wells.

It is not necessary to set targets (quantity or quality) at this stage. This can be done when column 2 (indicators) is filled in. Use numbering to ensure that the activities are linked to their output.

The 'If-Then' test When we have filled in the objectives for each level, we must make sure the statements are logically linked to each other. To do this, use the 'If-Then' test:

- Look at the activities. If we carry out all of the activities, then will they result in the outputs?
- Look at the outputs. If the outputs are produced, then will they achieve the purpose?
- If the purpose is achieved, then will it contribute towards the goal?

For example:

- **If** we train members of the community to maintain and repair handpumps (activities), **then** sources of safe water will be improved (output).
- **If** sources of safe water are improved (output), **then** access to safe water will be improved (purpose).
- **If** access to safe water is improved (purpose), **then** the incidence and impact of diarrhoeal disease will decrease (goal).

We might find we need to adjust the wording of the objectives or add new ones. We might decide that some objectives are not relevant and so delete them.

STAGE 2 **ASSUMPTIONS**

We have checked that each objective should lead to the one above using the 'If-Then' test. However, we can never be 100% sure that each objective will lead to the next because there will always be a risk that external factors will affect the link. Most projects fail, not because of bad project design, but because of lack of attention to these factors that are either outside the control of the project or which are too difficult or costly to control. In the log frame we need to show that we have thought about what these factors might be.

To complete the assumptions column of the log frame, first consider the risks linked to the project.

Risk assessment

Risk is the potential for unwanted happenings. Every activity involves risks. If they happen, some risks will affect the activity more than others. Risk assessment helps to identify them and consider the likelihood of them happening and their likely impact. The risks can then be managed by changing the project plans to ensure the risks are minimised.

Possible risks include:

- climatic – rainfall
- human – labour strikes, beneficiaries unwilling to try new techniques, project staff leaving the organisation
- economic – crop prices being unstable
- political – government policies
- projects by other agencies not remaining on schedule.

METHOD OF RISK ASSESSMENT

Start with some large sheets of paper.

STEP 1 Identify the risks by:

- looking at the various analyses that have been carried out, for example, stakeholder, economic, environmental, social, problem
- going back to the objectives tree and considering the constraints

■ looking at each objective in the log frame and brainstorming the assumptions that have to be made in order for the higher objective to be achieved. A useful series of questions to ask is:

- If we do these activities, what can stop us from delivering these outputs?
- If we are successful in delivering these outputs, what can stop us from achieving this purpose?
- If the purpose is achieved, what would stop it contributing to the goal?

STEP 2 Use an Impact/Probability matrix to evaluate the risks.

List all the risks and number them. Then consider how likely it is that each one will happen (probability) and what the impact of each risk happening might be. Think of the impact on project success and also the impact on the beneficiaries. Place the numbers in the matrix.

For example, in a project to improve yields, the first risk identified is that farmers might not adopt new varieties of seed. The **probability** of this happening is considered to be **medium** and the **impact** on the project if this risk happens is **high**. So a '1' is placed in the relevant box.

Impact/Probability matrix

		Impact		
		LOW	MEDIUM	HIGH
Probability	LOW			
	MEDIUM			**1**
	HIGH			**2**

1 Farmers might not adopt new varieties of seed
2 Rains may fail

STEP 3 Think about measures that will reduce or eliminate the risks. We may want to pay less attention to the risks that are low probability and low impact, although simple steps might reduce these. It is important to pay attention to the risks towards the bottom right-hand corner of the Impact/Probability matrix (high probability and high impact) as these in particular threaten the success of the project. If these risks cannot be reduced, it might be necessary to cancel the project.

For example, the risk that farmers will not adopt new varieties of seed is quite important. A measure to reduce the risk could be to ensure farmer participation in choosing the new varieties. If the rains fail, the project could fail. Irrigation might need to be considered as a project objective.

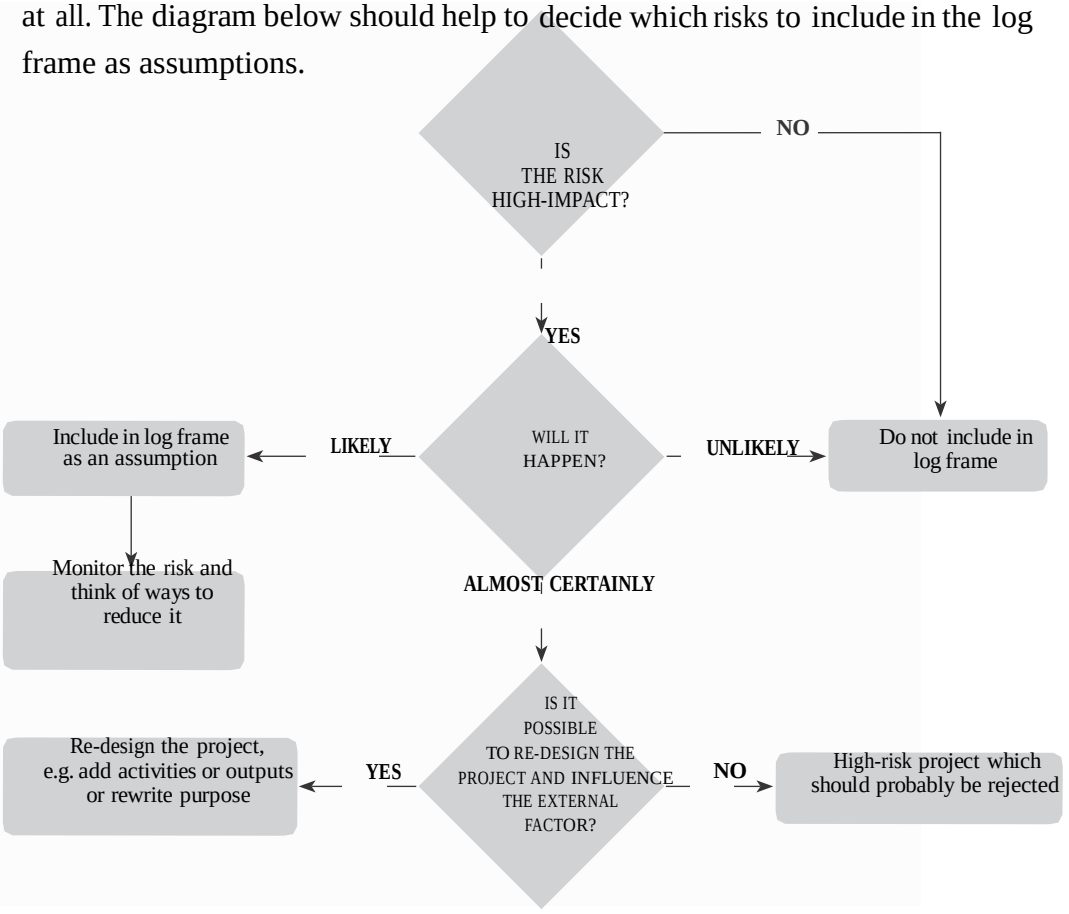
Remember to add these risk-reducing measures to the project objectives. In terms of the log frame, this will involve adding more activities and possibly outputs.

Including risks in the log frame

Now return to the log frame and write the key risks as assumptions in column 4. These are the risks that could actually make the project fail if they happen. Some risks might be considered so critical that we decide not to go ahead with the project at all. The diagram below should help to decide which risks to include in the log frame as assumptions.

Risk decision tree

Adapted from AusGUIDElines (2002) *AusAID*, page 25



Risks and assumption

Once we have considered the risks, we can turn them into assumptions.

Risks are negative statements about what might go wrong. Assumptions turn risks into positive statements. They are the conditions that need to be met if the project is to continue.

For example, consider a risk in an agricultural extension project. By rewording the sentence to make it positive rather than negative, the risk can be changed into an assumption:

RISK Farmers might not be willing to try out new varieties of rice.

ASSUMPTION Farmers are willing to try out new varieties of rice.

It is usual to write assumptions rather than risks in column 4. Avoid mixing risks and assumptions. There will normally be fewer key assumptions at activity level, and the degree of uncertainty will increase for the higher objectives. This is because we have less control over higher levels. It is easier to change activities or add new ones to reduce the risk. It is harder to take action against some of the risks that threaten the use of outputs to achieve the purpose, or the way in which the purpose contributes to the goal.

Consider an agricultural extension project

- 'Provide rice seed and advice' might be an activity. 'Training programme designed and delivered' may be an output. These are the responsibility of the project manager. If these services are not provided, then the manager can be held accountable for the failure of the project. If they are provided, he or she can be praised for the project's success.
- The project purpose might be 'increased average rice yields of farmers in the project area'. The project manager might not be fully responsible if this fails. For example, clients may not apply the training they have received.
- There are steps that could be taken to reduce the risk, such as ensuring that farmers are involved in the project at an early stage in order to increase ownership and identify training needs. But we will still have less control over the achievement of the purpose than the outputs and activities.

The 'If-And-Then' test

For each objective in the log frame, consider what assumptions need to be made in order for that objective to lead to the objective at the next level. Test the logic using the 'If-And-Then' test:

	Summary	Indicators	Evidence	Assumptions
Goal				
Purpose				
Outputs	**THEN**			
Activities	**IF**			**AND**

For example:

- **If** we train members of the community to maintain and repair handpumps (activities), **and** an effective supply chain for spare parts exists (assumption), **then** sources of safe water will be improved (output).
- **If** sources of safe water are improved (output), **and** an adequate quantity of water is available (assumption), **then** access to safe water will be improved (purpose).
- **If** access to safe water is improved (purpose) **and** incidence of diarrhoeal disease is due to unsafe water (assumption), **then** the incidence and impact of diarrhoeal disease will decrease (goal).

As external conditions may change, it is vital that we carry out further risk assessments throughout the course of the project to ensure that we take account of all threats to its success.

Critical conditions or conditions

Some log frames may require completion of an additional box labelled Critical Pre-conditions.

Log frame

	Summary	Indicators	Evidence	Assumptions
Goal				
Purpose				
Outputs				
Activities				
				Critical conditions

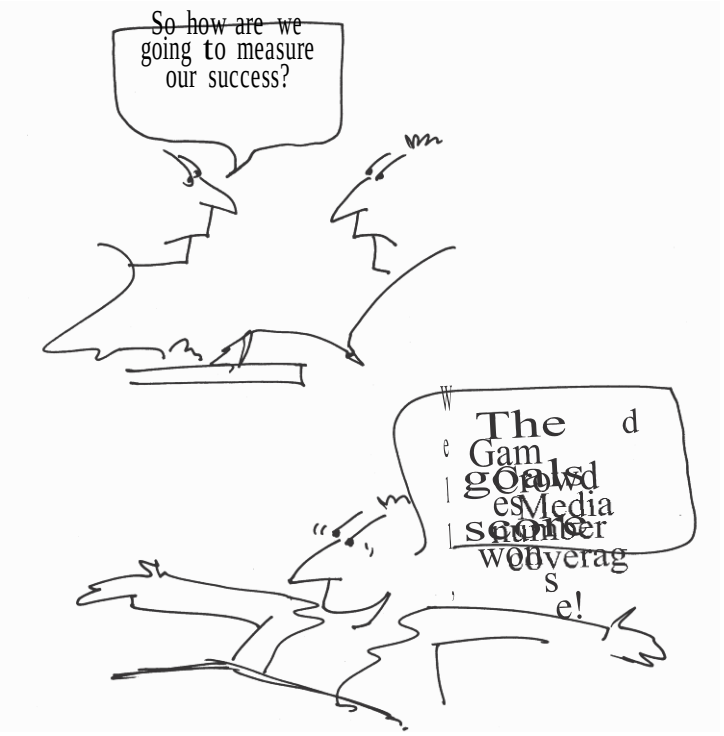
These refer to things that must happen before the project can start. Ask questions like:

- Will we be able to find qualified staff at the salaries being offered?
- If resources are to be supplied by other agencies or government, when will they be available?
- Will essential supplies or funding be available at the time we want the project to start?

STAGE 3 **INDICATORS AND EVIDENCE**

Indicators (column 2 of log frame)

Indicators are targets that show progress towards achieving objectives. They answer the question 'How do we know whether or not what we planned is happening, or has happened?' Indicators help us to monitor, review and evaluate the project. They enable us to know whether the project plans need adjusting. They help us to learn lessons from a project in order to avoid making the same mistakes in other projects.



Log frames sometimes call indicators 'Objectively Verifiable Indicators'. The term 'objectively' is used because indicators should not depend on the point of view of the person measuring them. It should not matter who measures them – the same result should be reached. So it is better to ask two people to measure attendance at a meeting by counting the number of people there, than to ask them to grade attendance on a scale of very poor, poor, adequate, good or very good. One person might think attendance is very good while another might think it is only adequate. This would depend on their past experience of meetings and their own expectations of how many people might attend this one.

It is important to think about who should identify and measure the indicators. Primary stakeholders should have an opportunity to set indicators because:

- it enhances the ownership and transparency of the project
- primary stakeholders might be able to think of appropriate indicators that project staff based outside the community would not have considered
- some things are most easily measured by the primary stakeholders themselves
- primary stakeholders can be encouraged and empowered by the progress of the project.

Types of indicators

There are many different types of indicators to consider. Try to be creative and use a mixture in order to ensure that the objectives can be measured effectively and that monitoring and evaluation needs can be met.

- **FORMATIVE** indicators (also called Milestones) are used during an activity, phase or project to show whether progress is on track.
  SUMMATIVE indicators are used at the end of the project for evaluation.

- **DIRECT** indicators measure the objective directly, such as the number of children attending school.

INDIRECT indicators (also called Proxy indicators) are used if direct indicators are not appropriate or possible if, for example:

- results cannot be measured directly, such as quality of life
- direct indicators are too expensive to measure
- direct indicators can only be measured after the project has ended.

For example, to measure an increase in literacy it might be difficult or costly to interview children, but the number of books borrowed from the school library might give you an indication of whether or not literacy has increased.

It can be very difficult to measure people's incomes without offending them. Instead, we could look at changes in household expenditure. This might involve choosing a list of items that a household might have, including a few luxury items, and see how expenditure changes over time. We could also look at sales figures of local shops and services as these are likely to be affected by changes in the incomes of the local population.

It is easier to measure behaviour than feelings because behaviour can be observed. So if we want to measure whether people feel more confident, we could observe how often they speak in community meetings.

QUANTITATIVE indicators can be analysed in numerical form – who, what, when, where, how much, how many, how often? This might include:

- how often things happen
- number of people involved or affected
- growth rates
- uptake, for example, school enrolment, visits to clinic, adoption of new seed varieties.

QUALITATIVE indicators measure things that cannot be counted, like:

- satisfaction, opinions
- decision-making ability
- changes in attitude.

Try to use a mixture of quantitative and qualitative indicators so that we can be sure to capture the real progress and impact of the project.

Imagination is very important when setting indicators. It can help to ask a group of stakeholders setting indicators to close their eyes and imagine how the situation will be improved by the end of the project. What do they hear, see, touch, feel and smell that will be different when the main problem has been addressed? If we are aiming for holistic development, then our impact on spiritual well-being should be as great as that on physical well-being. Spiritual indicators are particularly difficult to set. Indirect indicators might have to be used.

EXAMPLES of basic indicators

- **ECONOMIC** Yield per hectare, production per labourer, eggs per day, production of handicraft items per month, average income, land area per household, cattle per household, percentage of people with bank accounts, percentage of people above or below the poverty line, percentage of people without land, rate of migration.
- **SOCIAL** Infant mortality rate, number of deaths, literacy rate, average years in formal schooling, number of students entering secondary education, difference between male and female wages, percentage of women receiving training, percentage of people attending meetings, representation of disadvantaged groups on committees.
- **ENVIRONMENTAL** Fish harvested per year, length of fallow, forest cleared each year, water availability in soil, erosion, percentage of households practising composting, average time to collect fuel wood each day.
- **SPIRITUAL** Crime rate, divorce rate, church membership, attendance at church meetings.

Setting good indicators

Indicators should be:

- **RELEVANT** Is the indicator relevant to the objective it is measuring? For example, if an objective is 'to increase handpump use', measuring the number of handpumps produced would not a good indicator because it does not measure how many are actually being used.
- **SUFFICIENT** Is more than one indicator needed?
- **SPECIFIC** Quality, quantity, time
- **MEASURABLE** Can the indicator realistically be measured?
- **SENSITIVE TO THE CHANGES** that will be happening as a result of the project or programme
  – if the planned changes happen, will the indicator still be appropriate and measurable?
- **COST-EFFECTIVE** Can the indicators be measured with reasonable cost and effort? Is the cost of measuring the indicators proportionate to the total project cost?
- **AVAILABLE** Can the indicator be measured at the planned time? For example, consider seasonal climatic change.

QQT

The term QQT is often used to ensure that indicators are specific. QQT stands for:

- **QUANTITY** – the extent of the change – by how much, how many
- **QUALITY** – the kind of change
- **TIME** – by when the change should take place.

Example 1

Step 1 **BASIC INDICATOR** *Health strategic plans developed*
Step 2 **ADD QUANTITY** *75% of health committees* have documented strategic plans
Step 3 **ADD QUALITY** 75% of health committees have documented strategic plans *approved by primary stakeholders, including community representative*
Step 4 **ADD TIME** 75% of health committees have documented strategic plans approved by primary stakeholders, including community representatives, *by the end of year 2*

Example 2

Objective: Improved access to regional markets

Step 1 **BASIC INDICATOR** *Average journey time to the nearest market is reduced*

Step 2 **ADD QUANTITY** Average journey time to the nearest market is reduced *by 30%*

Step 3 **ADD QUALITY** Average journey time to the nearest market is reduced by 30% *during the wet season*

Step 4 **ADD TIME** Average journey time to the nearest market is reduced by 30% during the wet season *by year 3*

Exercise

Select some examples of basic indicators that may be used in an integrated rural development project which includes a health clinic, a farmer training programme and an evangelism programme. Select QQT indicators that measure:

- economic impact (production, output, income, ownership, access to capital and credit, poverty, etc)
- social impact (health status, education, gender, leadership, equity, participation, etc)
- environmental impact (sustainability, habitats, soil condition, waste, fuel, etc)
- spiritual impact.

METHOD FOR SETTING INDICATORS

Work horizontally across the log frame, brainstorming indicators that will measure each objective. This could involve referring back to the problem tree (page 36). The effects in the problem tree can be turned into indicators.

- If there is a long list of possible indicators for one particular objective, try to reduce the list so that only the essential ones are included. We need enough to be able confidently to measure the achievement of the objective, but not so many that we will waste time and money.
- Make sure the indicators are good (QQT) and there is a good selection – quantitative and qualitative, formative and summative.

Remember that the log frame is a living document that needs to be looked at and revised regularly. Some of the indicators might need to be changed during the project if they are inadequate or too difficult or expensive to measure.

Goal level indicators

Since the project contributes towards the goal but cannot be wholly responsible for achieving the goal, the indicators at goal level may reach beyond the end of the project. They might not be measured by our organisation, but be included in government statistics some months after the project has ended. Of course, one problem of using such an indicator is that it will not tell us how much of the progress is due to our project and how much of it is a result of projects by other organisations. As much as possible, goal level indicators should measure change during the lifetime of the project.

Purpose level indicators

Indicators can be difficult to identify at purpose level. This is because the purpose objective often defines a change in behaviour, which can be difficult to measure. Some creative thinking is needed for setting indicators at this level.

Output indicators

Output indicators should be easier to measure than higher level objectives, because we have more control over these objectives. The output indicators can be transferred to the terms of reference for the member of staff or consultant that is responsible for delivering the outputs.

Activity indicators

The indicators at activity level usually include a summary of the inputs or budget. The clearest indication of whether activities have happened successfully is if the outputs have been delivered. However, for complex outputs it can be useful to include activity level indicators that show progress towards completing the outputs.

Evidence (column 3 of log frame)

Evidence is called 'Means of Verification' in some log frames. It describes the sources of information we will use to measure the indicator. For example, body temperature is an indicator of health. A thermometer provides the evidence.

For the log frame, consider:

- the type of data needed, such as a survey
- the source of the data – whether secondary (collected by someone else) or primary (collected by our organisation)
- who will collect and document the data
- frequency and dates of data collection. For example, monthly, quarterly, annually.

When appropriate evidence for each indicator has been identified, consider whether it is:

- **AVAILABLE** If we want to use secondary data, will we be able to gain permission to access it? Will it be reliable?
- **LOW-COST** Will the information be too expensive to collect?
- **TIMELY** Will we be able to collect the information when we need it? Consider seasonal variations in climate. If we want to use secondary data, will it have been collected at the right time? Sometimes government statistics are not released until some months after the data was collected because it takes time for them to be analysed.

If the evidence is not available at low cost at the right time, the indicator should be changed to one which can be measured more effectively.

EXAMPLES of evidence

- reports
- newspaper articles
- minutes of meetings
- user survey
- participatory evaluation
- certificate
- maintenance log
- accounts
- official statistics

Try to build on existing systems and sources of information before establishing new ones. But make sure the information used can be trusted. If primary data needs to be collected, make sure this is added to the activity objectives and to the activity list and budget.

EXAMPLE of completed columns 2 and 3 of log frame

	Summary	Indicators	Evidence	Assumptions
Goal	Decreased incidence and impact of diarrhoeal disease	Mortality rate due to diarrhoeal disease reduced by 5% by end of year 3 Incidence of diarrhoeal disease in diocese reduced by 50% by end of year 3	Government statistics Local health centre statistics	
Purpose	Improved access to, and use of, safe water in diocese	All households accessing at least 15 litres water per person per day by end of year 3 Average distance of households to nearest safe water less than 500m by end of year 3	Household survey report Household survey report	Healthcare does not decline Diarrhoeal disease is due to unsafe water and hygiene practices
Outputs	**1** Participatory management systems set up for needs identification, planning and monitoring	Diocese and community joint plans and budgets in place by end of month 9 At least 90% of WUCs raise local contributions by end of year 1	Plans and budgets WUC logbooks	Adequate quantity of water available People are not excluded from accessing improved sources Access not for potentially polluting uses Hygiene practices are culturally acceptable
	2 Improved sources of safe water	At least 90 improved or new sources of safe water established and in operation by end of year 2	WUC logbooks Water quality test reports	
	3 Raised community awareness of good hygiene practices	Number of people washing hands after defecating increased to 75% of target population by end of month 30	Survey of knowledge, attitudes and practice	
Activities	**1.1** Establish water user committees (WUCs)	30 WUCs established in five diocesan regions by end of month 3 Once established, WUC meetings held once a month	Constitutions of WUCs Minutes of meetings Membership list	Groundwater is free of arsenic Communities have confidence that water sources can be improved Committee members will take responsibility to work for community Water user committees continue to function in everyone's interests Community prepared to work with WUCs
	1.2 Provide training for WUC members in surveying, planning, monitoring and proposal writing	All WUC members trained by end of month 5	Training records	
	1.3 Communities carry out baseline and monitoring surveys of water use and needs and submit proposals	All WUCs complete baseline surveys and submit proposals by month 7	Survey reports and proposals	
	1.4 Hold joint Diocese, District Water Department and WUC regional planning meetings	Agreement reached with Water Department and all WUCs by end of month 9	Minutes of meetings Letters of agreement	

continued **EXAMPLE** of completed columns 2 and 3 of log frame

	Summary	Indicators	Evidence	Assumptions
Activities	2.1 WUCs select Community Water Workers (CWWs) and agree incentives	Two CWWs selected by each community by end of month 9	Minutes of meetings	Incentive arrangements for CWWs are sufficient and sustained Effective supply chain for spare parts District Water Department continues to be allocated enough resources to carry out water testing; alternative testing possible if not
	2.2 Train CWWs to dig and cover wells and to maintain and repair handpumps	All CWWs attend training by end of year 1	Training reports including participants' evaluation	
	2.3 Upgrade current wells and establish new wells	Sixty current wells deepened, covered and functioning at end of month 21 Thirty news wells established and in operation by end of month 21	Field survey WUC logbooks	
	2.4 Arrange for District Water Department to test water quality	All sources tested before use	Field survey WUC logbooks	
	2.5 CWWs repair and maintain handpumps	97% of handpumps in diocese function at end of year 2	Field survey WUC logbooks	
	3.1 Train existing Community Health Promoters (CHPs) to increase their knowledge of diarrhoeal disease and the need for good hygiene practice	Three CHPs per community attend training and score at least 90% in a post-training test by end of year 1	Attendance records Test results	Community members apply the training they have received
	3.2 Community Health Promoters train men, women and children in good hygiene practice	80% of community members trained by end of year 2	Attendance records	

Final check of log frame

When the log frame has been filled in, recheck it to make sure it is logical. Ensure that:

- objectives are stated clearly and logically linked to the higher objective
- the project has only one purpose
- all key assumptions have been made and the project is likely to be a success
- indicators and evidence are reliable and accessible
- the indicators can measure the progress and impact of the objectives
- the indicators are QQT
- the activities include actions needed for gathering evidence
- the indicators and evidence can be used for monitoring and evaluation.

When the log frame is logical and complete, write it up onto a few sheets of A4 paper. Use reference numbers to help the reader through the log frame, particularly when it covers more than one page. Reference numbers should link each of the activities with their related outputs.

They will also provide a reference point for linking the proposal, activity schedule and budget to the log frame.

Proposal

A proposal is a written explanation of the project plans. It enables us to put all the information about the project into one document, including:

- the needs assessment
- the stakeholder analysis
- the research – social, technical, environmental, economic and political
- risk analysis
- more detail about the contents of the log frame.
- Budget

A proposal should be written so that the organization's staff leadership have full details about the project. It acts as a reference point during the project.

Action planning

Once the log frame has been developed, think about the details of how the project will take shape in terms of timing, resources, budgeting and personnel.

Like the log frame, the action plan should be viewed as a flexible document in which changes can be made later.

Activity planning worksheet

The activity planning worksheet is used to help us consider:

- **who** will do **what**
- **when** this will happen
- **what** types of inputs, besides people, will be needed.

A separate sheet should be used for each output. The activities related to the output are set out, together with the resources needed, the total cost of these and the name of the person or people who will be responsible for that activity.

EXAMPLE 1 Output: 100 women engaged in a range of income-generating activities by end of year 3.

Activity	**Starting and completion dates**	**Personnel needed** (How many people for how long?)	**Materials needed**	**Person responsible**	**Assumptions**

1 Train 20 women in jam making	August 15 for five days	One chef for seven days (including preparation time)	• 20 pans • 500 jars • sugar • fruit • kerosene	Mrs Jabra	oranges are cheap this year
2 Etc					

Monitoring and reviewing systems

Remember to include monitoring and reviewing in the activity planning worksheet. Think about who will collect the evidence for the indicators and who will analyses it. Identify who will be responsible for making decisions about changing the project design as a result of lessons learnt. Ensure that stakeholders are involved in this process.

If the information gathered during project identification and research is not enough to give baseline data for the indicators that have been identified, then a baseline survey should be carried out before the project implementation starts. This means that there will be data to compare progress against. For example, an indicator is 'attendance by girls at the primary school increased by 50%'. For the baseline survey, the number of girls attending the primary school should be counted. When progress is monitored later on, the number of girls attending school can be counted and then compared with the figures in the baseline survey.

Activity schedule (known as a Gantt chart)

The activity schedule enables us to consider when our activities will happen and for how long. This will help us to think about when would be appropriate to carry out the different activities. Timing will depend on things such as:

- seasonal weather patterns
- availability of trainers
- availability of materials.

The activity schedule helps us to look at the sequencing of activities because some activities will depend on others being completed first.

Use the activity schedule during the project to monitor progress. Ask questions like:

- Why are these activities not happening to schedule?
- What will be the effect of this on other project activities?

■ How can we catch up?

The activity schedule should be viewed as a flexible document and can be altered if new circumstances arise. The lines in the chart indicate the time span for each activity. Make some lines thicker if the activity is intense, and so avoid planning too many intense activities at the same time. Put the initials of the member of the team who is responsible for the activity above each line. The chart format can be altered if we want to indicate activities on a week-by-week basis.

Budgets

Whether we are seeking donor funding or using funds we already have, it is important to write a budget for the project. A budget is necessary for transparent financial management. The donor needs to see a budget before approving the funds. Likewise, the leadership or board committee of our organization should see a budget before releasing funds. They can then hold us accountable for spending the money in the way we say we will.

This means that we must budget very carefully. If we do not consider all the things we will need to spend money on, then we will find we are unable to carry out some of the activities, and the project may fail. If we budget too much for some things, the donor may question it and be unwilling to fund the project.

Detailed budget

A detailed budget is usually for internal use only. Donors require only a summary. However, a detailed budget is useful for:

■ GOOD FINANCIAL MANAGEMENT AND ACCOUNTABILITY It shows that we are not spending money unnecessarily.

■ MONITORING OUR ACTIVITIES We will know if we have completed each activity if the money has been spent.

■ LEARNING By keeping a record of our budget (and later, what we actually spend), we will know what is realistic for future projects.

We provide a template for a detailed budget below, with the boxes filled in as an example.

Detailed budget template

Output – 100 women engaged in a range of income-generating activities by end of year 3						
Description	**Quantity 1**	**Unit**	**Quantity 2**	**Unit**	**Unit price**	**Total** = Quantity 1 x Quantity 2 x Unit price
ACTIVITY: Training	1	Trainer	7	Days	$100 per trainer day	$700
	20	Women	25	Jars	$0.20 per jar	$100
Etc						

- A separate budget template should be completed for each output.
- If the same activities are needed for more than one output, create a separate table for those activities, noting all the relevant outputs in the output box.
- If our project will last longer than one year, complete a separate budget for each year. The activities may vary each year – refer to the activity planning worksheet and activity schedule.
- Refer to the activity planning worksheet for a list of materials and personnel required for each activity.
- Remember to include contributions made by beneficiaries, such as labour and time.
- Link the outputs and activities to those in the log frame using reference numbers.
- Make sure the budget includes only the costs of activities we specified in the proposal. We should spend only what we say we will.
- Itemize stationery if it costs a significant amount. For example, 30 notepads for those carrying out surveys. General stationery can be included as administration costs in the overall project budget.
- Remember, particularly for projects longer than a year, that costs might increase due to inflation and other price increases (e.g. fuel). To find a realistic cost if prices are fluctuating, either find an average rate of increase over the last two to three years or use the maximum price.

Constructing Project budget Table

To fill in each row, go back to the detailed budget tables and compile the information. For example, look through all the budget tables for transport costs, add up the costs and insert them into the relevant row of the project budget. Remember vehicle depreciation, tax and insurance in transport costs, as well as fuel and maintenance.

Make sure large costs are noted separately. For example, as staff costs tend to be expensive, list all the roles separately. Only budget for the time staff members will actually spend working on the project. For example, this might be only one quarter of their time. Ensure that the cost of social security and pension contributions are included where appropriate. Remember to include the staff costs of those who will oversee the project, but will not necessarily have been included in the detailed budget tables for each output. All of the costs in the detailed budget should now have been included in the project budget. If there are any that have not been included, there is often a row for other costs in the budget where they can be included.

Remember to include general administration costs in the project budget, such as telephone calls, office stationery and postage costs. Use experience from other projects to estimate the administration costs. Some organizations charge a percentage of project costs for these overheads. If it is necessary to spend a lot of money on a specific item, such as renting a photocopier, write this separately.

Sometimes donors include a row in the project budget for contingency money to cover unforeseen events. This might be a percentage of total project costs. However, try to avoid contingency, because the need to use contingency money is more likely to be due to poor

budgeting than price fluctuations. If something unexpected does arise, extra money can normally be negotiated with the donor anyway.

Project Budget

Running costs	Year 1	Year 2	Year 3
Staff/salaries			
Premises			
Administration			
Activity -			
Transport			
Staff training			
Other			
TOTAL			

Chapter Five

Implementation, Monitoring and Evaluation

Project Implementation

To implement a project means to carry out activities proposed in the application form with the aim to achieve project objectives and deliver results and outputs. Its success depends on many internal and external factors. Some of the most important ones are a very well organized project team and effective monitoring of project progress and related expenditures.

Overall management has to be taken over by the lead partner and project manager, who is often employed or engaged by the lead partner. The project management has to have an efficient management system and always has to be flexible to current needs and changed situations, as the project is rarely implemented exactly according to the initial plan. Nevertheless, the partnership should aim to deliver quality results and outputs.

Project Implementation Plan: Annual Work Plan (AWP)

An effective AWP preparation process is essential for establishing a shared vision and consensus among the extended project team of what needs to be achieved during the year — and why. The process will help participants understand implementation challenges, and how to address them to achieve project results. Involving your partners in the process will ensure common understanding and enforce commitment of all relevant parties. The following briefly describes the minimal steps you should take to develop your AWP:

1) Formation of the annual planning team: Led by the Project Manager; a team of 3 to 5 people representing project management plus a member from each partner organization is sufficient. (Note: the number of team members may increase depending on the size and structure of the project and the number of partners.)

2) Documents review: a detailed review for the following documents is essential to build common understanding:

A. Log Frame: The log frame provides a "snapshot" of the logic inherent in the solution to the problem that the project is tackling. The AWP process provides an opportunity to challenge and propose an update for the log frame, and to build consensus around the results chain and the log frame's vertical/horizontal logic. You may need to address some (or all) of the following key questions:

i. Has the problem or important relevant external conditions changed since the log frame was produced or since the last annual work plan?

ii. Is the overall logic in the proposed solution still valid?

iii. Are the expected outcomes, outputs, impact still valid and achievable?

iv. Are there unmanageable problems measuring the project performance indicators? Are any changes proposed?

v. Is the risk analysis still valid?

B. Life Of Project – Work-Plan (LOP-WP): Reviewing the LOP-WP is essential to ensure that the proposed activities for the year are in line with the overall project planned activities. The document review may result in a need for a change in the LOP-WP due to inconsistency, or to enhance the plan's clarity, change of the time frame or review the inefficiency and effectiveness of the planned activities based on implementation experience. In such cases, you will need to highlight proposed changes to the LOP-WP in the AWP narrative document, with justification for approval, along with a new version of the LOP-WP. You may need to address some or all of the following key questions:

i. Are the proposed LOP activities still able to produce the desired outputs?

ii. Are the current project resources sufficient to complete these activities?

iii. Is the proposed timeframe still realistic?

C. Last progress report: The latest progress report, if the project has already begun reporting to the donor, provides the necessary updated information for the development of the AWP. It is highly recommended that the AWP development team thoroughly reads and comprehends the following sections of the progress report:

i. Actual results against targets (as presented in the Log Frame and the Project Monitoring Framework). The comparison of targets and actual results, both for the period and for the project to date, will highlight any gaps that the planners need to address in the coming period,

ii. Narrative description that provides analysis and explains the results indicated.

iii. Change in the operating environment.

iv. Risks, assumptions and environment analysis including external events that have an impact on the project.

3) Decide on management activities: Management activities are an essential part of implementation, especially in the first and last years of the project life. While it might be difficult to link some activities to specific project outcomes, outcomes are considered to be a foundation for executing many of the project's conventional activities. Due to this level of importance, along with some of the activities' substantial cost and time implications, the planning team has to make critical decisions linked to the project's implementation stage. Examples of management activities include:

a. General / ongoing activities:

i. Project management committee meetings i.e. steering committee

ii. Field monitoring trips, reporting, and planning / progress review

iii. Communication activities i.e. website, newsletters, "lessons learned" workshop

iv. Staff capacity building

v. Financial audits, both for the project and partners' books

vi. Monitoring financial performance, burn rate, etc.

vii. Inventory / physical count viii. Periodic reflective practice exercise, which could include use of the Project Standards Measurement Instrument (PSMI)

b. Project startup activities:

i. Setting up offices

ii. Staff recruitment, job descriptions, induction, staff deployment, building capacity

iii. Project resources mobilization

i.e. procurement of new assets, maintenance of existing /used assets, community/ stakeholders contributions

iv. Partners' Memorandum of Understanding (MOUs) development, negotiations and signing

v. Authorities' approval at the national and field level

vi. Designing information and communication systems

vii. Establishing a baseline (initial survey of outcome and impact-level indicators)

c. Project closeout activities:

i. Final report (project closeout report), layout, data collection and analysis, and writing

ii. Final project evaluation (Refer to the CI Evaluation Policy)

iii. Documentation and dissemination of lessons learned

iv. Final audit v. Fulfillment of exit strategy activities

vi. Evolution of interventions vii. Maintaining human resources capacity viii. Reviewing project assets, status, future use / disposal

4) Decide on Monitoring and Evaluation activities: The AWP should include the activities planned as part of the Monitoring and Evaluation plan.

5) Consider key questions /considerations/challenges:

a. Timing and quality of progress report

b. What are the trends in the project context that might have an impact on the plan for the coming year?

c. How will successes and shortcomings of the last year's performance influence or shape the plan for the coming year?

6) Communicate the approved plan: The approved plan should be widely communicated and explained to project staff and partners. This communication process will mark the beginning of individual plans, and inspire educated regular performance monitoring and reporting.

Monitoring and Evaluation

M&E is a process of continual gathering of information and assessment of it in order to determine whether progress is being made towards pre-specified goals and objectives, and to highlight whether there are any unintended (positive or negative) effects from a project and its activities. It is an integral part of the project cycle and of good management practice.

Monitoring is the continuous collection of data on specified indicators in relation to activity schedules and expenditure of allocated funds, and its progress and achievements in relation to its objectives.

Evaluation is the periodic assessment of the design, implementation, outcomes and impact of a development intervention. It should assess the relevance and achievement of objectives, implementation performance in terms of effectiveness and efficiency, and the nature, distribution and sustainability of impacts.

The Difference between Monitoring, Reviewing and Evaluation

The main difference is that they are carried out at different stages of the project:

- Monitoring is done continuously to make sure the project is on track, for example, every month.
- Reviewing is done occasionally to see whether each level of objectives leads to the next one and whether any changes need to be made to the project plans, for example, every six months.
- Evaluation is usually done at the end of the project to assess its impact.

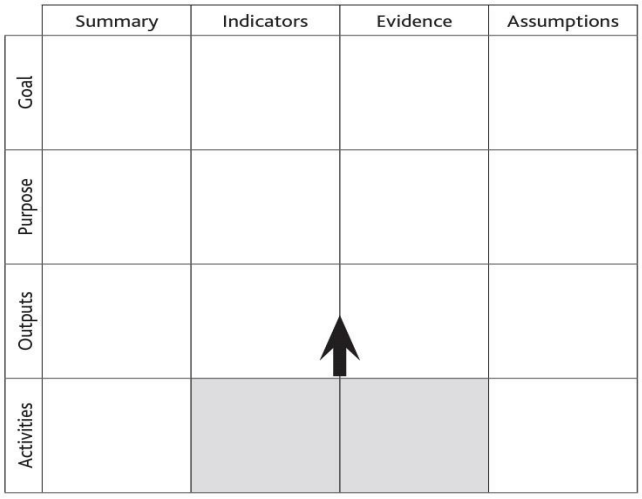
The table below looks at some other differences between the three terms.

	Monitoring	Reviewing	Evaluation
When is it done?	**Continuously** – throughout life of a project	**Occasionally** – in the middle or at the end of the project	**Occasionally** – at the end or beyond the phase or project
What is measured?	**Efficiency** – use of inputs, activities, outputs, assumptions	**Effectiveness, relevance and immediate impact** – achievement of purpose	**Longer-term impact and sustainability** – achievement of purpose and goal and unplanned change
Who is involved?	**Staff within the organisation**	**Staff and people from outside the organisation**	**People from outside the organisation**

What sources of information are used?	**Internal documents** e.g. monthly or quarterly reports, work and travel logs, minutes of meetings	**Internal and external documents** e.g. annual reports, consultants' reports	**Internal and external documents** e.g. consultants' reports, national statistics, impact assessment reports
Who uses the results?	**Managers and project staff**	**Managers, staff, donors, beneficiaries**	**Managers, staff, donors, beneficiaries, other organisations**
How are the results used?	**To make minor changes**	**Changes in policies, strategy and future work**	**Major changes in policy, strategy and future work**

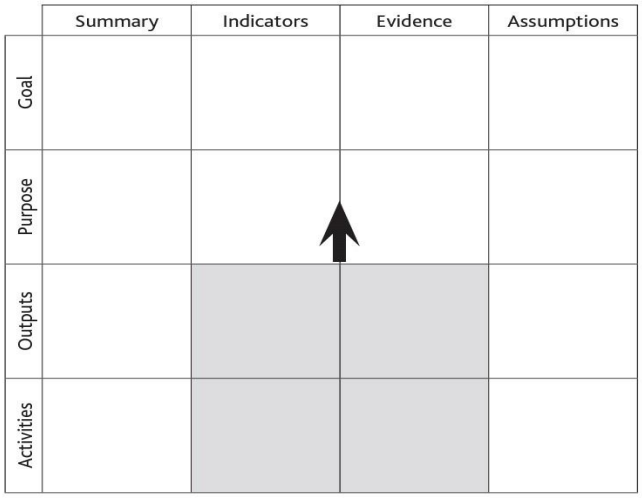
Monitoring, reviewing and evaluation each assess indicators at different levels in the hierarchy of objectives as the log frames shown below.

monitoring



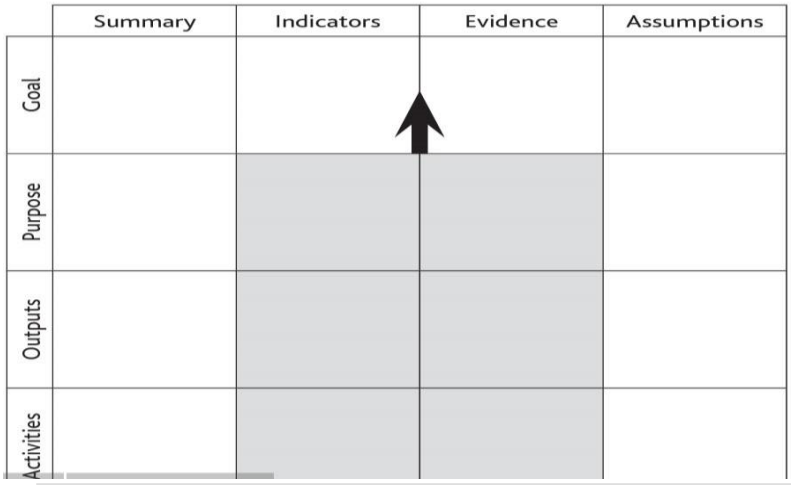
reviewing

Also called **Output-to-Purpose Reviews**



evaluation

Also called **Purpose-to-Goal Reviews**



Where possible, primary stakeholders should take part in monitoring, reviewing and evaluation. This is to ensure that they have strong ownership of the project so that benefits are achieved and sustained.

Purposes of Carrying out M&E

Monitoring systems provide managers and other stakeholders with regular information on progress relative to targets and outcomes. This enables managers to keep track of progress, identify any problems, alter operations to take account of experience, and develop any budgetary requests and justify them. This enables the early identification of problems so that solutions can be proposed. It is considered to be a critical part of good management.

Periodic evaluation can be used to investigate and analyses why targets are or are not being achieved. It looks at the cause and effect of situations and trends which are recorded within monitoring.

Periodic and formal evaluation are vital for internal reporting and auditing, and are also requested by funding agencies – often as mid-term and final evaluations. External stakeholders and funding agencies who are accountable to donors or are part of the public sector, need to see results and demonstrable impacts.

However, it should be recognized that ongoing or 'informal' evaluation should always be available as a tool to managers, not only to meet the requirements of governments and donors, but also as a means of understanding when and why things are going right or wrong during project implementation.

M&E is also important for incorporating the views of stakeholders, particularly the target population and can be a further mechanism to encourage participation and increased ownership of a project.

Thus, the key reasons for M&E can be summarized under four headings.

(1) For accountability: demonstrating to donors, taxpayers, beneficiaries and implementing partners that expenditure, actions and results are as agreed or can reasonably be expected in the situation.

(2) For operational management: provision of the information needed to co-ordinate the human, financial and physical resources committed to the project and to improve performance

(3) For strategic management: provision of information to inform setting and adjustment of objectives and strategies.

(4) For capacity building: building the capacity, self-reliance and confidence of beneficiaries and implementing staff and partners to effectively initiate and implement development initiatives.

(5) Lesson learning: By measuring, analyzing and reflecting on our performance, we can learn lessons that will enable us to either change our project plans or change our approach to other projects.

How initial Project Design Influences M&E

As we can see, project planning sets the crucial foundation for project M&E, and these can significantly affect the success or failure of an M&E process. Unintentionally, M&E is often set up to fail during the initial project design. Initial project design fundamentally influences M&E through five key design weaknesses.

First, during project implementation, the effectiveness of M&E will be greatly influenced by the attitude and commitment of local people and partners involved in the project and how they relate and communicate with each other. A poorly planned project will in most cases not generate positive relationships.

The second design fault is when project lacks logic in its strategy of has unrealistic objectives, making good M&E almost impossible. This is because the evaluation questions and indicators often become quite meaningless and will not produce useful information. Furthermore if you don't know clearly where you are heading then you will not know how best to use any information that might be produced.

The third is when the design team does not allocate enough resources to the M&E system. Critical resources include: funding for information management, participatory monitoring activities, field visits, etc time for a start-up phase that is long enough to establish the M&E and monitor and reflect, and expertise, such as a consultant to support M&E development.

The fourth factor is the rigidity of a project design. It became more difficult to the project team to adjust it as a result of change in the context and understanding of interim impacts.

Fifth, most project plans do not pay sufficient attention to M&E planning, with the result that M&E is "tagged on" as an afterthought.

Put simply, effective project planning is absolutely critical to the success of an M&E process, and an effective M&E process is a crucial component of successful projects!

Steps in planning a project M&E system

The logical framework approach does not always provide much detailed guidance on what information is useful to track. Only two columns are suggested in which to summarize M&E: a column for indicators and one for evidence. To make M&E operational you need much more detail, which in itself can help the project design in the logframe. This requires implementing the following steps.

Step1 *Establish the purpose and scope* – Why do we need M&E and how comprehensive should the M&E be? Should the M&E process be participatory?

Step 2 *Identifying information needs and indicators*

Step 3 *Knowing what baseline information you need (Evidence)* A baseline serves as a point of comparison. You have two options.

1. Compare the situation "before the project started" of for example, a community, household or organization with the situation "after it started".

2. Compare differences between similar groups – one that has been working with the project and a so-called control group that is not within project influences.

Step 4 *Which data collection methods to use, by whom and how often* (methods that are more qualitative or more quantitative, more or less participatory, and more or less resource intensive)

Step 5 *Identifying the necessary practical support for information gathering* consider if and how you need to:

Step 6: *Planning the Reporting, Communication and Use of M&E Data* Consider how the generated information can be used to check progress and make improvement as the project proceeds.

Purpose and scope	Indicator	Baseline Information	Data Methods	Implementation Support	Reporting \Communication

Probably the biggest complaint of project M&E staff is that monitoring many indicators gets in the way of the "real" work of implementation. It is very important to reduce data collection to the minimum necessary to meet key management, learning and reporting needs. Trying to monitor too much can ruin the entire M&E system. Keep the M&E plan – summarized by the matrix – as simple and practical as possible!

External Project Reflection: Evaluations

In addition to internal project reflection activities and processes, development projects also require external reflection processes. These provide the opportunity for formalized assessment and information gathering by those who are not directly engaged in the Project, in order to elicit an "objective" position, or to solicit expert opinion on the project. Most projects deal with the following types of external events:

♣ *Supervision missions* – annual, sometimes with one follow-up visit after six months.

♣ *Mid-term reviews and /or evaluations* – halfway through the project's lifetime;

♣ *Interim evaluations* – prior to completion to draw out key lessons and prepare a possible second phase;

♣ *End of Project, or Completion evaluation* – after project closure.

When external reviews or evaluations work well, project stakeholders will feel that the external reviewers have:

- Provided independent and constructive criticisms that helps them reflect on and identify lessons learned that can only improve action;
- Given a fair judgement of project progress and areas that needs improvement;
- Helped identify priorities for the remaining time of the project to support the rational use of resources (both human and material);
- Help unite diverse stakeholder perspective

Types of Evaluation

Evaluations can therefore take place at the following points in the project cycle:

When the project is still under way, and such interim evaluations are usually under-taken at mid-term (mid-term evaluation or review), to review progress and propose alterations to project design during the remaining period of implementation.

At the end of a project (final or end-of-project evaluation), to document the re-sources used, results and progress towards objectives. The objective is to generate lessons about the project, which can be used to improve future designs.

A number of years **after completion of the project** (ex post evaluation), often focusing on assessing the impact of development projects, which take place some period after its completion.

To measure evaluation, we need to address:

RELEVANCE Does the project address needs?
EFFICIENCY Are we using the available resources wisely?
EFFECTIVENESS Are the desired outputs being achieved?
IMPACT Has the wider goal been achieved? What changes have occurred that help beneficiaries?
SUSTAINABILITY Will the impact be sustainable?

To complete the summary reports of Evaluation

- Copy the summary and indicators from the log frame into the first two columns.
- Report against each indicator in the progress column. Add any unplanned activities that have been carried out underneath.
- Comment against each indicator and make recommendations where appropriate. Note unexpected outcomes in the comments and recommendations column and the extent to which the assumptions are being met.
- In the ratings column, place a number to show whether, at the current time, the objective is likely to be achieved or not.

The table below show the summary report of evaluation. However, to build the summary report of monitoring, we should only replace **purpose** and **goal** of the summary report of evaluation by **activities** and **output**. As well, for reviewing we should only replace purpose and goal of the summary report of evaluation by **outputs** and **purpose**.

EVALUATION Summary Report

Project title _____

Country _____ Period covered _____ Date prepared _____ Prepared by _____

PROJECT STRUCTURE	INDICATORS OF ACHIEVEMENT	PROGRESS	COMMENTS AND RECOMMENDATIONS	RATING *
Purpose				
Goal				

***RATINGS** **1** Likely to be achieved **2** Likely to be largely achieved **3** Likely to be partially achieved **4** Likely to be achieved to a very limited extent **5** Unlikely to be achieved **X** Too early to judge the extent of achievement

Financial reporting Report on project spending at set intervals, usually alongside monitoring, reviewing and evaluation reports. Below is a template for doing this.

Description	Budget		Actual spending	Variance	
administration costs					
transport costs					

■ The variance is the difference between the Budget and Actual Spending, expressed as a percentage. To calculate the variance, use the sum below:

$$\text{Variance} = \frac{(\text{Budget} - \text{Actual})}{\text{Budget}} \times 100$$

The variance can be positive or negative. If the variance is high – for example, above plus or minus 15% – explain why. If the variance is positive, say 'We have not spent the budget because …' If the variance is negative, say 'We have overspent because …'

Celebrating success

Give stakeholders and project staff an opportunity to look back and compare what things are like now with what they were like before. It is important to reflect on these and learn from them in order to improve projects in the future. It is also important to share our learning with others, such as the community, local authorities, donors and other agencies.