LEARNING & DEVELOPMENT

ACFID
Introduction to Project Management
August 2012

L e a r n i n g 4 D e v e l o p m e n t : B e l i n d a L u c a s & J o T h o m s o n

Workshop Agenda

Session # Ref.	Indicative Time	Session
	9.30am	**Commence workshop**
	9.30 – 9.45am	Welcome and Introductions
	9.45 – 10.00 am	Overview of workshop objectives and agenda
1	10.00-10.30 am	Context for Project Management – ACFID Code and AusAID Accreditation
2	10.30-11.00 am	Overview of the Project Cycle and roles of stakeholders
	11.00 -11.30.am	**Morning tea**
3	11.30 – 12.20pm	Project Design Process and Documentation
4	12.20 – 1.30pm	Project Appraisal – What is its purpose? Why is it important? Who should be involved? How is it done?
	1.30 – 2.00pm	**Lunch**
5	2.30 – 3.00pm	Project Implementation – project agreements, budget management, project files, risk management
7	3.00 - 3.30pm	Managing Performance: Monitoring, Reporting and Evaluation - definitions/differences, purposes of each
	3.30 – 4.00pm	**Afternoon tea**
7	4.00 – 5.00pm	Managing Performance: Monitoring, Reporting and Evaluation continued
	5.00pm	**Day concludes**

Session 1: Context for Project Management

Overview

The project management cycle is central to the work of most international development NGOs. It is well documented that the key to effective development projects is good planning, good risk management and the close involvement of primary stakeholders. A central value of project cycle management is that aspects of a project are reconsidered throughout the project cycle to ensure that the approach is sound, plans are adapted as required, and risk is managed appropriately. As a result, projects are more likely to be successful and sustainable.

In Australia, there are a number of expectations set within the sector for good development practice. The expectation for any organization that has tax deductibility, is a signatory to the ACFID Code of Conduct, and/or is accredited with AusAID is that the Australian NGO plays an active role throughout the life of a project – in other words, the Australian organization plays a deeper, engaged, and qualitative role with respect to the project that extends far beyond the provision of financial support.

The various phases of the project management cycle will be covered in the next session in some detail and the role of the Australian organization within each phase will be the focus of the rest of this workshop.

In this session, we look at some of the expectations that exist in the sector to place the relevance of the workshop in context.

OAGDS

Organisations seeking or who already have tax deductibility are expected to be more than just a fundraising arm of its overseas partners. Organisations applying for tax deductibility need to demonstrate a track record of successfully carrying out development and/or relief activities for a minimum of one and preferably two years. In assessing an organisation's professional competence in aid activities, AusAID looks at the capacities and experience of the organisation in relation to the full project cycle. This includes their involvement and experience in project design, appraisal, implementation, monitoring and evaluation.

AusAID/ANCP

ANCP is a funding program for Australian NGOs that have been accredited with AusAID. Under the ANCP, AusAID partners with Australian professional development NGOs, which have met rigorous accreditation standards, to implement their own development and poverty alleviation programs overseas.

To become accredited, agencies are required to undergo a rigorous assessment of their organisational structure, systems and philosophies. There are two levels of accreditation for NGOs: Base and Full.

In total, there are twenty accreditation criteria – six of which relate directly to the project management cycle.

ACFID Code of Conduct

The code sets out standards in three areas of accountability:

- program principles, including obligations for effectiveness in aid and development activities, human rights and working with partner agencies
- public engagement, including obligations to be ethical and transparent in marketing, fundraising and reporting
- organisation, including obligations for governance, management, financial controls, treatment of staff and volunteers, and complaints

This workshop looks particularly at how the program principles within the Code of Conduct can be achieved within the program cycle.

Section	Principle	Obligation
B.1.1	Accountability to primary stakeholders	The Code requires signatories to work toward involving local people in all stages of the project cycle in an authentic way. This involves information sharing, listening to their views, involving them in decisions, reporting back and making changes where required to ensure that the activities match their expressed needs.
B.1.2	Quality approach	Signatory organisations will apply a quality approach to the design, implementation, monitoring and evaluation of aid and development activity that emphasises relationships, learning, adaptation and impact.
B.1.3	Consistency with vision, purpose and values	Signatory organisations will ensure that their aid and development activities are clearly aligned with the vision, purpose and values of their organisation and that these are clearly communicated in their relationships with all stakeholders.
B.1.4	Addressing gender	Signatory organisations will ensure that an appropriate focus is given to understanding and addressing gender issues in their aid and development program design, implementation, monitoring and evaluation cycles.
B.1.5	Non-development activity	Signatory organisations will have clear separation – through policy or guidelines – between aid and development and non-aid and development objectives and activities based on the definitions of aid and development and non-aid and development activity contained in Section F (Definitions) of the Code.
B.1.6	Environmental sustainability	Signatory organisations are conscious of the environment and local community's interaction with it, and will do

what is possible to implement aid and development activity with a consideration of its impact on the environment.

B.2.1	Mutual respect and support (with partners)	Signatory organisations will focus on building and maintaining strong, honest and robust relationships with their partners in development, the local people and organisations with which they work.
B.2.2	Clarity in roles and responsibilities (with partners)	Signatory organisations are expected at a minimum to document their partner agreements and to work toward having written agreements with their partners.
B.2.3	Control of funds and resources (with partners)	Appropriate control and risk management mechanisms are in place to mitigate the risk of misappropriation or improper use of the funds or resources once disbursed. The signatory organisation should be able to demonstrate that it can monitor and evaluate the third party's progress with the agreed development activity. This may include financial reports, progress reports, and/or evaluation reports.
B.3.1	Human rights in aid and development	The Code Obligations ask signatories to ensure that they provide an appropriate commitment to human rights principles within their organisation and that their aid and development activities are consistent with human rights principles.
B.3.2	Rights of vulnerable and marginalised people	The rights of vulnerable and marginalised groups are required to be addressed in signatory aid and development activity, with specific mention made of children and people with a disability.
B.3.3	Working with people with a disability	Promote and enable active participation and contributions by people with disability through the whole project cycle.
B.3.4	Protection of children	Signatory organisations will have taken all necessary measures to ensure the protection, safety and wellbeing of children.

Key Points

- Project management is central to the work of most international development NGOs.

- The sector has established standards and expectations of good practice within program management.

- The principles outlined in the ACFID Code of Conduct rely on project management to achieve their application.

- AusAID NGO accreditation and Overseas Aid Deductibility Status are premised on Australian organisations playing an active role in project management of aid activities.

Add your own notes here………

Session 2: Overview of Project Cycle and Roles of Stakeholders

Overview

This Session introduces the project cycle, describes its phases and explains its role in the management of aid and development projects. It presents an overview of the rationale and principles of Project Cycle Management, and a brief description of how the project cycle typically operates within NGOs.

In the development aid sector, we more commonly talk about Project Cycle Management (PCM) although this term is often used interchangeably with Project Management and even program management. PCM could be seen as a more holistic version of project management. Our sector has its own language and ways of doing business that differs a little from mainstream or commercial project management language and approaches.

International development projects are responsible not only for delivering outputs, but also for delivering outcomes that promote social change and behaviour change that lead to improvements in the well-being of the people involved. Project Management as a discipline deals with the planning and management of resources (people, money etc) to bring about the successful completion of a specific project's outcomes and outputs. Project Cycle Management deals with the whole life cycle of a project which can include everything from building relationships with partners and communities to budget management to activity schedules to learning and reflection. In other words it needs to deal with and manage the "soft" and the "hard" aspects and systems of projects. In aid and development projects, the process is as important as the product.

Project management can therefore be seen as a discipline within PCM. For the purposes of this training, we will be taking a PCM approach to project management.

PCM is the responsibility of many stakeholders within a project. You as Project Manager are just one of those. Others include your partners in the field which might be a representative office of your own NGO, a government department, a local NGO or even a small informal community group such as a farmers union of a village development committee.

The way in which projects are planned and carried out follows a sequence that has become known as the project cycle. The cycle starts with the identification of an idea and develops that idea into a working plan that can be implemented and evaluated. It provides a structure to ensure that stakeholders are consulted and relevant information is available, so that informed decisions can be made at key stages in the life of a project. The Project Cycle is a conceptual process which also provides a discipline to ensure as project managers we intentionally proceed through each stage of the project cycle responding to the needs of each stage. Proceeding through each stage will facilitate a better quality process and product - not ensure it but

facilitate it! Moving through these key steps assists in creating effective and accountable projects and facilitates good development process. The project cycle is continuous and may feed back into itself at any stage. It certainly doesn't always flow cleanly from step 1 to step 2 to step 3 and so on with the need for reflection and learning and adaptation always being important.

PCM emerged from our realisation that where aid has performed poorly this can often be linked to the following aspects of project management:
• Poor project planning and preparation
• Projects not relevant to beneficiaries
• Risks were insufficiently taken into account
• Factors affecting the longer-term sustainability of project benefits were ignored
• Lessons from past experience were rarely incorporated into new policy and practice

You will see the project cycle described with various numbers of stages and each agency will approach this and define this slightly differently. It is important that you develop your own unique project cycle language and graphic which best reflects your practices and aspirations for holistic project management and quality processes. For the purposes of this training, we have adopted a generic set of project cycle stages.

A generic project cycle is as follows:
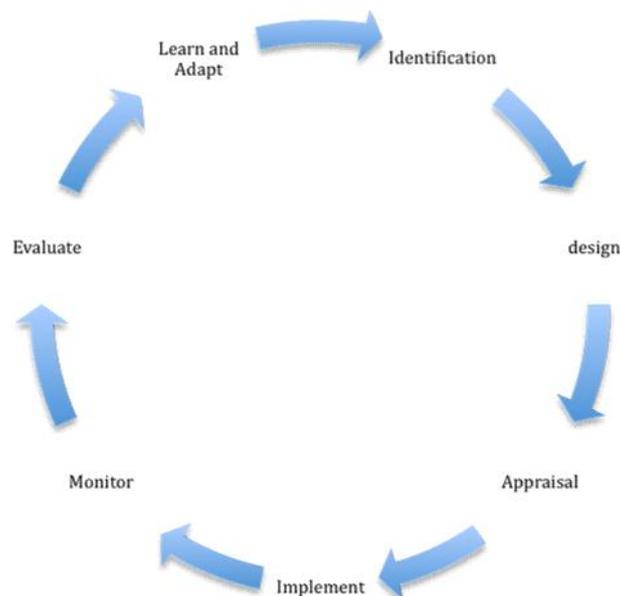
There are a number of stakeholders involved in the project cycle and in ensuring a project is well managed. One of those stakeholders is you or the ANGO. This training will focus our time on those areas within the project cycle that are most likely to be your responsibility as the ANGO as other tasks will probably be the domain of your partners with you acting in more of an oversight or quality assurance role.

Identification:

This stage can involve everything from partner identification and relationship building through to needs analysis and a decision on the focus of a project. To identify what a project will focus on, you may work with partners to focus on a particular community or sector and then undertake a process to understand the situation and desired changes you and your partners hope to support. A needs assessment will give an overview of community assets, strengths and needs. This stage may be undertaken by the ANGO, the in-country partner or both. Often the ANGO responds to a project idea or need which is communicated to them by a partner. We will not focus on this aspect of the project cycle today.

Design:

This stage is also often undertaken by partners with input and critique provided by the ANGO or your NGO may do this independently or with the help of an external consultant. Design involves carrying out further research and analysis into the context and people affected by a development challenge and how they are affected by it. We also need to consider the assumptions underpinning the project, the risks to the project and how we will measure the project's performance. There are many ways to approach the design of a project. The language and the fashions change and evolve or are re-invented. Donors favour different approaches. The most common theme underpinning most of these approaches is the "program logic" approach. This stage in the project cycle would involve you in further analysis to understand the changes that are intended and how these changes might occur, identifying who the human actors are within this change process, the desired changes (objectives, outputs and outcomes) and how these will be achieved (activities and inputs), how you will monitor and assess performance or success (performance indicators or questions), the assumptions underpinning its success, analysing the risks, developing action plans or schedules, and development budgets. The design process and the design documentation are 2 different but interrelated things. The documents should be used as ongoing management tools i.e. budgets, action plans, M&E frameworks and performance indicators. We will spend some time during the training exploring this stage of the project cycle so you are familiar with the language, the concepts and some tools to assist you in your own agencies.

Appraisal:

As the ANGO, this step usually forms an important part of the project cycle for you. Appraisal considers the design concept or full design document against a set of agreed criteria or principles. These usually include: relevance, strategic alignment with your organisation, partner or donor, feasibility, perhaps an assessment that partner capacity is consistent with the scope of the project, consideration of cross cutting issues and how well they have been addressed in the design, the internal integrity of the design logic, an assessment of the M&E arrangements, an assessment of perceived risks and an assessment of sustainability strategies. It can be a pivotal point in the project cycle because it is an opportunity to reflect and make changes before the project has commenced. It also serves the important

purpose of accountability and transparency within your agency. It is a vital step in regards to the AusAID Accreditation process.

Implementation:

Most commonly implementation is the responsibility of your in-country partner. The ANGO generally plays an oversight, support and quality control role. 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. During implementation you should be undertaking the following activities: reviewing progress against activity schedules, reviewing expenditure against the budget, reassessing the risks to the project and providing the necessary resources such as funds, equipment or technical advice. There are a number of key tools that you can use to support this stage of the project cycle such as activity schedules, budgets, M&E frameworks and the risk matrix. We will look in more detail at some of these in this training.

Monitoring and Evaluation:

Once implementation has begun it is very rare for any project to go exactly according to plan. In fact it is not uncommon for a project to take on a direction and a momentum that was completely unanticipated during planning. Project management now has the important and difficult task of establishing sufficient controls over the project to ensure that it stays on track towards the achievement of its objectives whilst still being responsive to changes in the context and unanticipated challenges or opportunities. This is informed by monitoring. The terms monitoring and evaluation are often used in tandem in our sector and while they both contribute to our understanding of project and process performance, they are undertaken differently and have different purposes. In a very general sense, monitoring asks "are we doing the thing right". It can be defined as the systematic and continuous collection, analysis and use of information for management control and decision-making. It tends to assess implementation progress and continues throughout the life of the project. Evaluation on the other hand asks "are we doing the right thing". Evaluations are undertaken as discreet events either during the life of a project (formative evaluation) at the end of a project (summative evaluation) or a few years down the track (impact evaluation).

Reflection, learning and adaptation:

This is a stage in the project cycle that many organisations do not do well. We have learnt that it is vital to allocate resources and schedule time for this activity. It will not happen without an intentional investment of time and resources. This step provides the opportunity for you to step out of the day-to-day business of implementation and ask bigger questions about the relevance, efficiency, effectiveness and sustainability of your projects. It is ideally undertaken in cooperation with partners and even beneficiaries. The purpose is to learn and apply lessons to ongoing or new projects. More and more NGOs are dedicating time and resources to this on an annual basis.

Key Points

- International development projects are complex and are implemented in complex contexts. This demands a holistic approach to Project Management called Project Cycle Management.
- Project management as a discipline deals with the planning and management of resources (people, money etc) to bring about the successful completion of a specific project's outcomes and outputs.
- Project Cycle Management deals with the whole life cycle of a project managing the "soft" and the "hard" aspects and systems of projects.
- In aid and development projects, the process of project management is as important as the product.

Add your own notes here………

Session 3: Project Design Process

This session will introduce you to the language, key processes and key pieces of documentation commonly used by the donor and NDGO sector for project design and to assist you to manage this stage in the project cycle.

The design stage of the project cycle is commonly undertaken in the field by partners, with technical input and appraisal provided by the ANGO. Alternatively your NGO may undertake this stage themselves or with the help of an external consultant.

The design stage can be roughly broken down into two components. The first is the <u>design process</u> and the second is the preparation of the <u>design documentation</u>.

The Language of Project Design
Different donors and NGOs use the language of project design a little differently but there are common features and principles.

This training session will use the following generic terms.

<u>Objectives</u> – the broad development aims of the project. Your project will most likely only contribute to the achievement of an objective.

<u>Outcomes</u> – longer term and lasting changes to people lives. Your project will most likely only contribute to the achievement of outcomes. These are variously referred to as intermediate and long term outcomes. Also referred to as results.

<u>Outputs</u> – the tangible products produced by undertaking activities. Your project should directly achieve outputs.
<u>Activities</u> – specific tasks undertaken which will lead directly to outputs. Your project should directly achieve activities.

<u>Inputs</u> – resources, funds, equipment etc

Inputs	Activities	Outputs	Outcomes	Objectives

Your Planned Work   Your
Intended Results
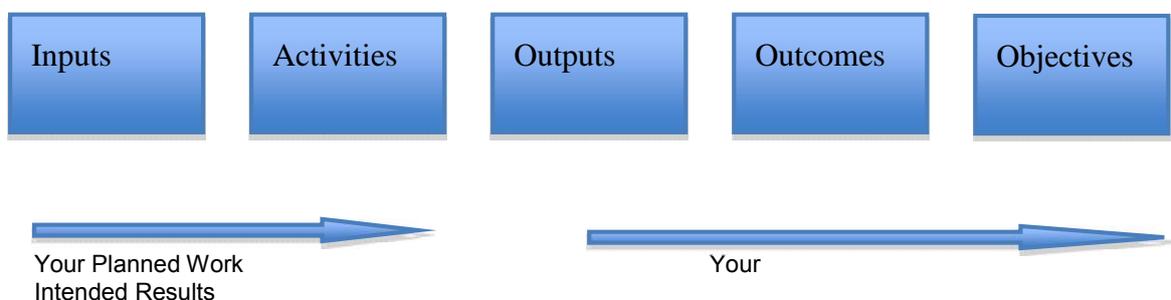
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The Design Process

Your partners and where possible beneficiaries should be closely involved in this component. Facilitating the design process in a way which ensures this participation will increase the level of ownership by project participants. The design process involves carrying out further research and analysis into the context, the people affected by a development challenge and how they are affected by it. There are many well established and documented approaches and tools which you can utilise to assist in the research and analysis process such as PRA (Participatory Rural Appraisal), Stakeholder Analysis, Needs Analysis, Strengths Based Asset Analysis, etc.

There are a number of ways to approach the design of a project. The language and the preferences change and evolve. Different donors favour different approaches and different approaches suit different situations. A few you may of heard of are: the Theory of Change Approach, the Logic Model, the Organic Approach, the Results Based Approach, the Logical Framework Approach, the Strengths Based approach etc.

Common to many of these approaches is the process of understanding "program logic". This refers to the causal logic or links between the changes you are hoping to achieve and how you intend to bring about those changes - understanding the human actors within the change process, the desired changes (objectives, outputs and outcomes) and how these will be achieved (outputs, activities and inputs). It will also include consideration of the assumptions underpinning your hypothesis, the risks which could jeopardise the project and how you will understand and measure the project's performance (performance indicators). Put simply, the program logic provides a road map for your project.

The terms listed above (objectives, outputs, activities etc) link together in a causal chain or network. This can be represented as a hierarchy where as you work down or along from "objective" to "output" for example, each step becomes more focused and specific. It is important to remember however that this is rarely a simple or linear causal chain. The context for community development projects is complex and involves human actors and social change. One input would rarely cleanly result in one output which in turn could be linked to one outcome etc.

To test your causal logic you should be able to apply the "if – then" principle if your assumptions hold true:

- IF resources are delivered, AND assumptions hold true, THEN the project activities will be achieved …
- If you accomplish your planned activities, then you will hopefully achieve the planned outputs…..
- If you accomplish your planned outputs, then your participants will benefit in certain ways…..and
- If these benefits to participants are achieved, then certain changes in organizations, communities, or systems might be expected to occur.

For example:

- If we train members of the community to maintain and repair hand pumps (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 (outcome).
- If access to safe water is improved (outcome) and incidence of diarrhoeal disease is due to unsafe water (assumption), then the incidence and impact of diarrhoeal disease will decrease (impact or objective).

Design Documentation

As you are progressing through the design process, the preparation of the design documentation will commence.

Some NGOs prefer to start with a Design Concept paper to avoid a big investment into a full project design document that may not succeed in being approved by their agency. Many ANGOs would firstly appraise (assess) a design concept paper and if successful, then proceed with the additional investment required to prepare a full project design. A Design Concept is simply a summary of the proposed project. As an example, design concept notes should include as a minimum:

- Background information
- Why the project is necessary
- Who will benefit from the project
- How they will benefit
- An outline of the proposed design process – i.e. who will be involved and how, budget for design process

Design documentation may serve a number of purposes - it could serve as a funding proposal to a donor or to an ANGO or it could be used purely for internal purposes by an NGO to be used as a management tool. The presentation of the design documentation can also be done in a number of different ways. It can be presented using a narrative, as a visual representation, a mixture of both or as a matrix. Some partners and NGOs still prefer to use the Log Frame Matrix; some use a Theory of Change approach that tends to include a visual representation of the causal logic while many NGOs simply use a Project Proposal or Plan. Using a Project Proposal or plan is fine as long as it includes enough detail to enable its ongoing use as a management tool. The project design is a living document which will be adjusted as you progress through implementation and learn through monitoring and evaluation.

Once you have developed and documented the causal logic of your project i.e. the project design, you can develop the various management tools to support its implementation. These tools are vital to how you will manage the project through implementation, monitoring and continual improvement and include:

- Monitoring and evaluation plan
- Activity plan/schedule
- Risk management plan
- Budget

Further explanation and some useful examples for you to try will be covered under the Project Implementation session of this training.

Within NGOs, Project Designs or Proposals usually contain information such as:

Project Proposal	
Project Name	
Project Location	
Project Duration: Start date and completion date	
General Background: Information on historical, political, economic, social and environmental situation in the region	
Statement of Development Needs: The problem(s) which the project sets out to address, information on the process by which the problem was identified	
Contextual Analysis	
Project Description or Summary	
Project Goal: The broad overall aim of the project	
Development Objectives and Expected Outcomes:	
Expected Outputs - What the project intends to achieve as a direct result of project activities.	
Key Activities and Schedule	
Beneficiaries: identification and their role/contribution	
Project Cross-Cutting issues: eg. HIV/AIDS, Gender, Advocacy, Environment, Disability and Child Protection	
Statement on Sustainability and a proposed Exit Strategy	
Risk identification and risk management strategy	
Monitoring and Evaluation Framework	
Detailed Budget	

Add your own notes here………

Activities

The Tonga Healthy Mothers Healthy Babies Project

1. Refer to the list of project descriptors below. Each of the bullet points on the page represents an objective, an outcome, an output, an activity, an input, or an assumption from a real project. They have been muddled up.

2. Read through the whole list and think about the differences in language and intent. Using the empty table below, rearrange them into each category or type i.e. Objective, Outcome, Output, Activity, Input, and Assumption.

3. Now apply the IF –THEN principle and see if it works in this example. Where it doesn't work, what additional information would you need to complete the program logic?

The Tonga Healthy Mothers Healthy Babies Project

- Recruit new staff
- Pregnant & nursing mothers able to access cash to pay for treatment.
- Rehabilitate staff housing
- Quality & efficiency of secondary healthcare improved.
- Rehabilitate/replace mobile clinic vehicles & equipment
- Design & implement mobile clinic program
- Department of Health maintains level of funding at pre-project levels in real terms.
- Recruit & train village birth attendants.
- Health status of pregnant & nursing mothers, infants & babies improved.
- Suitably qualified staff willing to work in rural areas
- Design & implement new procedures for: • Personnel management • Vehicle & equipment maintenance • Drug storage & control
- Functioning primary healthcare service established at district level.
- Design & implement staff training program for: Patient care, Hygiene maintenance, Basic accounting, Data collection & analysis
- Infant & maternal mortality rates reduced
- Department of Health implements Decentralisation Act to enable Provincial Health Office to rationalise staffing levels.
- Mothers will be willing to attend clinics
- Household nutrition improved through increased seasonal availability of high protein foods, & increased proportion of breast-fed babies.

	Program Logic	If-Then principle – does it work? If not what additional info is required?
Objectives		
Outcomes		
Outputs		
Activities		

Inputs		
Assumptions		

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Activities cont.……if time permits

The Vanuatu Healthy Communities Project

1. Refer to the project descriptors below. Each of the bullet points represents an objective, an outcome, an output, an activity or an input from a real project. They have been muddled up.

2. Read through the whole list and think about the differences in language and intent. Using the empty table in your work book, rearrange them into each category or type i.e. Objective, Outcome, Output, Activity or Input,

3. No Assumptions have been listed for this project. Once you have reordered the items in your program logic, add 6 assumptions which might underpin the program logic.

The Vanuatu Healthy Communities Project

- Decreased incidence and impact of diarrheal disease
- Improved access to, and use of, safe water in diocese
- Participatory management systems set up for needs identification, planning and monitoring
- Improved sources of safe water
- Raised community awareness of good hygiene practices
- Establish water user committees (WUCs)
- Provide training for WUC members in surveying, planning, monitoring and proposal writing
- Communities carry out baseline and monitoring surveys of water use and needs and submit proposals
- Hold joint Diocese, District Water Department and WUC regional planning meetings
- WUCs select Community Water Workers (CWWs) and agree incentives
- Train CWWs to dig and cover wells and to maintain and repair hand pumps
- Upgrade current wells and establish new wells
- Arrange for District Water Department to test water quality
- CWWs repair and maintain hand pumps
- Train existing Community Health Promoters (CHPs) to increase their knowledge of diarrheal disease and the need for good hygiene practice
- Community Health Promoters train men, women and children in good hygiene practice

	Program Logic	Assumptions
Objectives		
Outcomes		
Outputs		
Activities		

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Inputs		

Activities contd……if time permits

The Sri Lanka Community Training and Development Centre Project

1. Refer to the project description on the next page. The Village Development Committee has sent your NGO a plea for help. They have sent a bunch of information about the context, the development problem, their needs etc.

2. Read through the letter and organise the information by thinking through the possible program logic. Using the empty table in your work book, rearrange the relevant information into each category or type i.e. Objective, Outcome, Output, Activity, Input and Assumption.

The Sri Lanka Community Training and Development Centre Project

Dear Kind NGO,

Please help us. We are a community in Sri Lanka with lots of challenges. Lets us tell you about our story. We need your help to plan a good project.

We live in town of Jahmba which is 70km north of Anurahapura in the North Central province of Sri Lanka. There is a lack of employment and high levels of poverty which are key factors in high levels of youth crime and human trafficking. The roads are very poor. Materials for new vocational training activities are needed. We have an existing 'Community Training and Development Centre' – it is open to mostly underprivileged youth from within the local community who lack skills, employment and income opportunities. It is very hard for youth to find employment. Most of the youth who are being trained at the Centre have undertaken occasional work in carpet and other factories, but the conditions are very poor and work is highly unreliable. Some of them receive a small income from their factory work or other manual labour, but it is very difficult for them to survive on this irregular and low income. The Centre currently provides training in computing, English language, computing and incense making. There are now over 110 students. Lack of quality education, training facilities, infrastructure and employment opportunities are key issues. And did I mention we have poor roads. There is also a bad attitude towards our youth and we have found it very difficult to change this attitude. Discriminative attitudes towards the poor and vulnerable youth the Centre is training will limit their opportunities to generate income through business or employment. The main thing the youth need and this project must do is to increase their sense of confidence, personal achievement and motivation to take responsibility for their lives.
We would like to expand these programs at the Centre to include jewellery making, sewing, hairdressing, and furniture making or anything else that the local community requests and which is deemed feasible in generating income and helping students become employable and self-sufficient in the future. The project will seek to raise awareness in the community which will overcome existing discriminations. In addition, a support system for the youth will be provided through the Centre. We need wages for 2 new vocational trainers. There are 50 underprivileged youth who need to attend courses at the Centre. The project will increase the level of skills which can be used to gain reliable, stable employment and income. We don't know about curriculum development so we a local consultant to develop curriculum please. It is dream from the project that students will move on to reliable employment resulting in improved standard of living and regular income for their future. We lack room now so need the construction of 2 new rooms to accommodate new students. The duration of this project will be for two years initially. If only we could increase economic self-reliance for underprivileged youth in the town of Jahmba. Oh and our roads are quite poor.

Thanking you. President of Village Development Committee.

	Program Logic	Assumptions
Objectives		
Outcomes		
Outputs		
Activities		

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Inputs		
Assumptions		

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Session 4: Project Appraisal Process

Overview

This Session introduces the project appraisal process during different phases of the project cycle and explains its role in strategic management, compliance, and aid effectiveness. It presents an overview of the rationale and principles of project appraisal, and examples of project appraisal processes in practice.

Why?

Activities, projects or programmes are funded from scarce funds. Therefore, the decision to support a programme needs to be guided by a framework that reflects the organisation's principles and priorities.

Overall, appraisals are carried out as a quality assurance and accountability mechanism which enables an organisation to decide whether to support a project or not, provide input in the design and/or identify capacity building needs of the partner.

What?

The appraisal of projects is an essential task of project managers. It equips project managers to make good decisions about the types of projects that an organisation supports and the type of support that the organisation will need to provide to support project implementation.

Formal Appraisal is the critical assessment of a project proposal, against pre-defined project appraisal criteria. This appraisal process has the objective of ensuring quality project proposals are developed before implementation or approval for funding. The process seeks to gather information and, where necessary, seeks clarification and recommends improved project design.

In general, project appraisal is carried out for:

1.   New activities or project proposals received
2.   New phase or extension of an existing activity
3.   Existing project, but whose design is significantly adapted in size, content/activities, approach, budget, etc.

With the realisation that the effectiveness of a development intervention depends not only on the program design but also upon the capacity of the partner organisation, most organizations have two systems for appraisal - a *Project/Program Appraisal* and a *Partner Appraisal*. Sometimes the project appraisal includes assessment of the capacity of a partner, but this is usually supplemented by a stand-alone process for partner assessment.

There are usually five key elements to appraisal:

1. Strategic – is the proposed project relevant to the organisation's mission, vision and focus?
2. Program theory/logic – is the actual design well considered and sound?
3. Quality – are the planned approaches considered to reflect good practice?
4. Management – are the management approach sufficient to achieve good outcomes?
5. Financial – is the budget reasonable and reflect value for money?

When?
Organisations sometimes receive project designs directly from overseas partners but many are also engaged in the identification and development of project designs in collaboration with overseas partners. Where this is the case, there are usually two points of the project cycle when appraisal takes place:

- after initial identification or receiving a proposal from a partner, when a decision needs to be made about whether a project is eligible for further consideration (this is sometimes called an 'initial appraisal' or 'pre-appraisal'). This appraisal generally assesses proposals or ideas against the NGOs' Vision/Mission, its alignment with the NGO's strategic plan and priorities, availability of resources, and general compliance with donor requirements. It is important to note that some organisations do this informally, without checklists or templates, whereas others formalise this level of appraisal. (refer to example)

- after project design, when the organisations wants to make a decision about whether a project should be supported (this is generally referred to as 'project appraisal' or 'formal appraisal')

Who?
Appraisal is usually undertaken by someone within the organization, but there may be a need for external or supplementary expertise to assist with technical aspects of an appraisal. Some organizations form peer review panels within the organization to test assumptions and draw on the range of technical expertise within the organization. Some organizations also rely on third parties who may not be directly implementing the program/project.

Where?
Usually, the appraisal takes place in the organisation's head office. Sometimes a site visit is required and face - to- face discussions are held with key stakeholders such as community members, local implementing staff and/or the partner organisation. On occasions where a visit is not feasible, independent external consultants may be used. If the project design is with a new partner, the organization will usually undertake a *Partner Appraisal* at around the same time it is undertaking a project appraisal.

How?

Most organisations provide guidelines for program/project appraisal. The level of detail between organisations varies considerably, but most document appraisal criteria in a 'Project Appraisal template'. Sometimes, additional criteria apply to programs/projects involving technical areas such as HIV/AIDS, water systems development, or construction.

As the Project Appraisal template can only accommodate limited information, a separate set of guidelines often exists to assist staff in assessing whether the design is appropriately addressing gender equity issues, environmental issues, or child protection risks.

The appraisal template allows the organisation to identify weaker areas or gaps in the design that may need further development and serves as a base document for ongoing monitoring. Any issues or weaknesses identified should be discussed with the relevant partner to reach some agreement regarding how issues or weaknesses will be addressed. Significant issues or concerns should be resolved prior to funding approval and the signing of a Program Agreement.

Key Points

- Appraisal is a quality assurance mechanism which seeks to ensure that project designs are sound.

- Appraisal seeks to ensure that a project is strategically aligned with the vision of the organisation, tests whether it has been well thought out and designed, checks that it is complaint with any donor requirements, and assesses its value for money.

- Appraisal provides a basis for identifying areas in which areas a partner may need particular support to implement a project.

- Appraisal is an opportunity to communicate constructively with a partner on project enhancements and capacity building needs.

- Appraisal should not be a tick the box exercise - it is a critical process that informs good organisational decision-making and planning.

Add your own notes here………

Activity

1. Refer to Project Proposal on the next page. Read the 'Sinhala Jambha Community Training and Development Centre' project proposal.

2. Now, in groups of 3 or 4, undertake an appraisal of the project proposal using the 'Project Appraisal Template'. Make a note of what additional information you might need to complete the appraisal.

3. Would you recommend funding the 'Sinhala Jambha Community Training and Development Centre'? If yes, are there any conditions? If no, what are your key reasons?

4. How would you improve the project appraisal template for use in your organisation?

Project Proposal Form

Partner	Good News Inc
Funding Required	AUD$100,000.00
Project Name	Sinhala Jambha Community Training and Development Centre
Project Location	The town of Jahmba is located 70km north of Anurahapura in the North Central province of Sri Lanka

Project Background

The 'Community Training and Development Centre' is open to predominantly underprivileged youth from within the local community who lack skills, employment and income opportunities. Most of the youth who are being trained at the Centre have undertaken occasional work in carpet and other factories, but the conditions are very poor and work is highly unreliable. Some of them receive a small income from their factory work or other manual labour, but it is very difficult for them to survive on this irregular and low income. Lack of quality education, training facilities, infrastructure and employment opportunities are key issues. Lack of employment and high levels of poverty are key factors in high levels of youth crime and human trafficking.

The Centre currently provides training in computing, sewing, English language, computing and incense making. Training courses in English language, computers and sewing are each of 6 months duration and handicrafts training varies in duration depending on the course. There are now over 110 students. The Centre is planning on expanding these programs to include things like jewellery making or anything else that the local community requests and which is deemed feasible in generating income and helping students become employable and self-sufficient in the future.

Full Project Details

Project Objective:

Project Outputs:

Project

Project Objective:
To increase economic self-reliance for underprivileged youth in the town of Jahmba.

Project Outputs:
50 underprivileged youth attend courses at the Centre

Project Outcomes:
-    increased level of skills which can be used to gain reliable,

Outcomes:	stable employment and income
	- increased sense of confidence, personal achievement and
Project Impact:	motivation to take responsibility for their lives

Project Duration:	Project Impact:
	Students move on to reliable employment resulting in improved
Project costs:	standard of living and regular income for their future.

Project Duration:
The duration of this project will be for two years initially.

Project costs:
- construction of 2 new rooms to accommodate new students
- wages for 2 new vocational trainers
- local consultant to develop curriculum
- materials for new vocational training activities

Risk	Attitudinal change is the most difficult change to implement. There is a potential risk that discriminative attitudes towards the poor and vulnerable youth the Centre is training will limit their opportunities to generate income through business or employment. However, the project will seek to raise awareness in the community. In addition, a support system for the youth will be provided through the Centre.
Sustainability	Good News Inc has already been working with the community for three years in providing training programs and has planned the expansion of the project with the active participation of the community. It has established good relations with most of the relevant local authorities and with some other local NGOs. Over time, Good News Inc aims to make this project self-sustainable through the sale of handicrafts developed within the training programs.
Monitoring, Evaluation and Reporting	Good News Inc will be responsible for monitoring and evaluating the project and its partner's involvement in line with the project objectives and agreement. It will involve twice weekly field visits to the project site and a monthly face to face meeting with all staff and trainers at the project site. Good News Inc will also undertake a quarterly review of expenses, student progress, review of courses, materials, teaching methods and facilities and any suggested changes. Bi-annually, Good News Inc will prepare a progress report for presentation to local authorities and donors.

Project Appraisal Template

Title of Project:

Implementing Organisation:

Project Location:

Duration of Project:

Amount Requested:

Criteria	Yes/No	Comments
Strategic Issues		
The project is consistent with the NGO's strategic plan		
The project is consistent with the AusAID Country Strategy		
The project does not exclude anyone from participation by virtue of church membership, religion, gender, or race		
Project Issues		
The project addresses the causes of poverty in a direct way		
The project promotes local empowerment		
Primary stakeholders been involved in the identification of needs that the project will address		
The design is clear about the issues and needs that the project will address, and the impact and results it will deliver		
The objectives are measurable, clear, realistic and time-bound		
The project has an achievable timeline and process of implementation		
There is appropriate base-line data to support the objectives		
The project has a strategy to ensure that the outcomes will be sustainable		
The project specifically addresses the social and economic needs of both men and		

women and seek to increase opportunities for women particularly		
The project make specific provision for the inclusion of people with a disability		
The project adequately addresses any environmental issues		
The project uses appropriate technology and training		
Management Issues		
The project refers to appropriate coordination with government agencies, other NGOs, local officials and leaders		
There is evidence of the distinct roles and contributions of all stakeholders in the planning, implementation, monitoring and evaluation of the project		
The project adequately identifies and addresses risk		
The project dos not include any welfare, evangelical or partisan political activity		
There is a clear monitoring and evaluation plan in place		
The implementing partner has been assessed to have the capacity to implement this project		
The costs outlined are necessary and appropriate for the outcomes being delivered		

Feedback to Partner/ Follow up
Identify possible areas which might need more investigation/follow-up/attention.

Recommendation

Session 5: Project Implementation

Overview

This session will introduce you to the project management responsibilities commonly undertaken by the ANGO throughout project implementation. The direct implementation of project activities and day-to-day monitoring is often undertaken by in-country staff or partners. The role of the ANGO more commonly focuses on the following activities:

- Establishing project and partnership agreements/contracts
- Managing budgets and acquittals
- Monitoring project progress through review of progress reports and field trips (this will be addressed in Session 6)
- Managing project documentation and files
- Monitoring and managing risk

Project Agreements

To ensure you and your partners have a shared understanding of roles and responsibilities, project expectations, accountabilities, policy compliance requirements etc the ANGO should have documented agreements in place with all partners and for all projects. The agreements may be formalised in MoUs, annual project contracts, exchanges of letters or other documents covering the partnership and specific projects. Whatever form your agreements take, if your agency is utilising AusAID funds, your agreements must reflect the contractual obligations of your organisation under its head agreement with AusAID and embody reasonable project management practices such as progress and financial reporting requirements, budget management, M&E requirements etc.

A recommended approach is to develop and sign a broad Partnership Agreement with your partner which covers issues such as shared values, approaches to development, principles of partnership, and important policies but does not focus on project specifics. This agreement could extend for up to 3-5 years. In addition to this you should then develop project specific agreements. These project agreements would contain project details and expectations, roles and responsibilities of all parties, project management expectations such as reporting requirements and policy compliance requirements. Their duration could be annual or multi year depending on the project. If AusAID funding is to be used in the project, the agreement must cover all the obligations under the Head Agreement with particular emphasis on child protection, counter terrorism and anti fraud amongst other things.

Budgets

Whether your project is utilising donor funds or using your agencies own funds it is important to develop a budget for the project. A budget is necessary for transparent financial management and will ensure you and your partner have a shared understanding of projected costs and scheduling of cash flow. Donors such as AusAID do not usually require detailed budgets. The ANCP budget template for example is quite brief. However a detailed budget (perhaps just for your internal use) should be

used as a management tool throughout the project's implementation with funds requests and expenditure reports being checked back against the budget. It is not uncommon for a detailed budget which allocates funds against specific activities to end up as one of the key implementation management tools. Detailed budgeting is useful for good financial management and accountability as it enables us to manage cash flow, the timely transfer of funds, tracking of expenditure and monitoring of activities.

To undertake detailed planning, start with the list of activities from your project design and allocate a cost estimate (based on field research) for each activity. Undertaking this process will also enable you to budget across a time schedule which will inform your cash flow and funds transfer decisions.

Payments

Project payments to development projects are usually made in a number of allotments or tranches. Once a project commences an initial payment or tranche can be transferred to the partner's nominated bank account. Subsequent tranche payments are usually dependent on receipt of progress or annual reports and acquittals from the implementing partner. Funds may be withheld if reports are not received or if deemed unsatisfactory. This management response and the frequency of tranches is an important part of risk management.

Acquittals

Within many NGOs, the Accountant will oversee the transfer of approved payment requests however it is the responsibility of the Project Manager to ensure that expenditure reports being received from the field are properly acquitted and are analysed against the budget. Actual expenditure by line item should be analysed against the agreed budget line items. Variations exceeded 10% should be noted and followed up with partners.

Information Management

Management of information, which may be electronic or in hard copy, is a vital function of the project manager. A large volume of documentation and electronic communication is generated for even the smallest of projects. Key documents must be kept in an organised manner for easy retrieval and reference. Seemingly less important information such as email chains which reflect information flow and decision making are also important and should be maintained in an organised manner. Their importance becomes particularly evident for NGOs seeking AusAID accreditation as verification of management processes.

While project information will be primarily generated and used by the Project Managers on a day-to-day basis, is also important to other areas of your NGO. Systematic filing will facilitate this information sharing. To ensure that information from the field is provided in a consistent manner, it is recommended that standard templates and guidelines be used for project proposals, project reporting, project monitoring, agreements, payments and other program management processes.

All project files should have as a minimum the following information clearly filed:
- Program Design/Proposal and Budget
- Project Appraisal and formal approval
- Partnership Agreement
- Project Agreement
- Partner Capacity Assessment
- Progress Reports
- Records of key discussions or consultations with partners
- Key correspondence with partners and other stakeholders
- Field Trip Monitoring reports
- Record of all Project Payments

Risk Management

All projects will be affected by risks throughout their implementation. The goal of risk management is to eliminate or avoid risks where possible or mitigate or minimize the impacts through management responses. It is the responsibility of the Project Manager to understand the existing and potential risks, analyse the level of risk each presents and determine a management response. Risks should have been identified and analysed during the design process and documented as part of the design documentation in a risk framework or matrix or equivalent. The Project Manager should regularly revisit the Risk Matrix to reflect on new or emerging risks, to reassess known existing risks and reassess the proposed management response.

Risks are different for each project and should be managed accordingly - avoid a generic list of risks. Risks also change as a project progresses so risk analysis and documentation should be regularly reviewed. NGOs often invest heavily in the risk analysis process during the design phase and prior to the commencement of the project and then fail to revisit this through monitoring and management during the projects implementation or use the risk analysis documentation as an ongoing management tool. Risk identification is an ongoing function of project management.

Examples of some risks to projects in the international development project context are:
- Changes in or lack of supporting government policy or regulations
- Migration of community members to find employment
- Natural disasters or extreme weather such as flooding or drought
- Changes in security situation
- Retention of training project participants or staff

Risk is monitored and managed during the project cycle through a number of practises and systems:
- Appraisal of Partner capacity including ensuring compliance with important policies such as child protection, counter terrorism and anti fraud;
- Project Appraisal

- Program/Partnership Agreements
- Activity accountability, including monitoring, reporting and acquittals
- Program and partnership reviews
- Financial system and internal control of partner organisation
- Monitoring risks and risk management strategy during project implementation
- Identifying issues that arise in implementation through reports, regular communication and field visits
- Monitoring implementation of recommendations/adaptations that may arise out of program visits, reviews or evaluations
- Assessment of macro factors in country – socio-political context and general economic movement

Risk Management Documentation

Donors and NGOs commonly use a Risk Assessment Matrix as the key risk management document. Approaches and templates vary somewhat but most use a system of determining <u>risk</u> level by combining a ranking of the <u>likelihood</u> of the risk occurring with the <u>consequence</u> or impact on the project should the risk occur. Some agencies use a visual traffic light system of green, amber and red while others use a numerical ranking system. A risk analysis document should also include a description of the risk itself, a description of the impact it would have on the project, the management response or strategy for mitigation and management responsibility. The tables below provide an example of a risk assessment table and the matrix to determine the risk level.

Example of a Risk Management Matrix

Risk Area/ Event	Source of Risk	Potential impact(s) on project	L	C	R	Strategy for Mitigation	Responsibility	Timing

Example of a risk analysis framework

Likelihood	Consequences				
	Negligible	**Minor**	**Moderate**	**Major**	**Severe**
Almost Certain	Moderate	Moderate	High	Very High	Very High
Likely	Moderate	Moderate	High	High	Very High
Possible	Low	Moderate	High	High	High
Unlikely	Low	Low	Moderate	Moderate	High
Rare	Low	Low	Moderate	Moderate	High

Add your own notes here…..

Activity

1. Refer to the handouts provided. You have already done some work on these projects to understand their program logic. You are now going to identify the risks specific to these projects.

2. Choose one of the projects you have worked on earlier today. Using the Risk Management Matrix template, list the risks that you have identified in the right hand column i.e. Risk Area/ Event. Then complete the next 2 columns i.e. Source of Risk and Potential impact(s) on project for each risk you identify.

3. Now use your Risk Analysis Framework to determine the Likelihood (L), the consequence (C) and then calculate the Risk (R) for each risk.

4. If time permits repeat the exercise for another project.

Risk Area/ Event	Source of Risk	Potential impact(s) on project	L	C	R	Strategy for Mitigation

Risk Area/ Event	Source of Risk	Potential impact(s) on project	L	C	R	Strategy for Mitigation

Learning4Development: Introduction to Project Management

Session 6: Performance Management and Learning

Overview

In this session, we are looking at the functions of monitoring and evaluation in a project cycle and the role of a project manager in these phases. This session does not explore in any great detail the development or use of project indicators as this should be a product of the project design phase.

Why do we monitor and evaluate projects?

There are two main reasons for measuring project performance:

- Accountability - We need to show those who give us resources and those who benefit from our work that we are using the resources wisely.

- Learning - By reflecting on project performance, we can learn lessons that will enable us to either change our project plans or change our approach to other projects.

The difference between monitoring and evaluation
The terms are often interchanged or grouped together, but there is a significant difference between each term. The key difference is that they are carried out at different stages of the project:

- Monitoring is undertaken throughout the project cycle to ensure that the project is on track.
- Evaluation is usually undertaken at the end of the project or a point in time to assess a project's achievements.

Key Principles
In the international development sector, there are some key principles that should guide all monitoring and evaluation activities. Principles that are generally accepted as good practice include:

- M&E should be conducted in cooperation with partners, engaging primary stakeholders, using participatory methods and not be imposed
- M&E processes should not concentrate on simply extracting data from partners to meet reporting requirements to the organisation and its supporters, but seek to strengthen partner systems and staff capacities in M&E
- M&E should be designed to meet the information needs of primary stakeholders as well as the information needs of donors.
- M&E should provide an opportunity for partners to learn and develop good practice and to improve future project design

Part A - Monitoring

Monitoring is an integral element of the project cycle. It has two important functions – one, it ensures programs are being effectively implemented by partners, and two, it provides a regular opportunity to discuss and review future program directions with partners. The Australian NGO's involvement in monitoring is part of its commitment to partners and is both an opportunity for two way exchange of learning and a means of verifying program progress against the objectives and anticipated outcomes of the project design. It is also an opportunity to assess the organisational health and capacity of partners.

Monitoring is typically undertaken throughout the project cycle through:
- day to day monitoring by the partner at the field level,
- the assessment of reports submitted by partners,
- regular dialogue on project progress with partners,
- scheduled field visits, and
- participation in review, reflection and planning workshops with partners and other project stakeholders

Reporting on Programs

Partners are usually required to submit progress reports against project objectives and financial reports outlining project expenditure. The frequency of reporting differs depending on the size and complexity of a project, the capacity of the partner, and the relationship between the Australian NGO and its partner - projects typically require annual, half-yearly or quarterly reporting. Most organisations have a policy that the submission of satisfactory reports is required for ongoing funding.

Most organisations have reporting formats and guidelines to assist partners in preparing progress or final reports. Because partners report to multiple donors, however, some organisations accept flexibility in project reporting formats as long as reports meet the minimum requirements outlined in the organisation's guidelines.

The role of the Australian organisation is to assess project reports to determine:
- Progress of project against agreed objectives or progress towards expected outcomes
- Any challenges arising during implementation and the process for overcoming these;
- Incorporation of cross-cutting issues at implementation e.g. gender, environment, HIV/AIDS, Disability and Child Protection.
- Implementation of planned risk management and any other risks that have become apparent
- Issues of sustainability
- Expenditure of budget against identified activities

All reports received from partners should be acknowledged, even if they do not require any follow-up action. If there are any issues emerging from the report, the Australian organisation would discuss these with the partner and take follow-up action. If there are problems in the integrity of monitoring by partners, the Australian organisation would normally look at options to provide further training or coaching support to improve the capacity of the partner to undertake this task. In some cases, reporting requirements may be tailored to better suit the capacity of the partner.

Partners are required to submit regular reports providing comparisons between budget and actual performance, with commentaries on reasons for variances in figures. The regularity of these reports depends on the project and the partnership.

Monitoring of Programs in the Field

Some organisations are represented overseas through in-country offices, where they are able to support and monitor partners regularly. Where organisations are not represented overseas, they usually have a policy on the frequency by which an Australian staff member will undertake field monitoring. This is variable and depends on the size of projects, the nature of projects, and the performance and capacity of partners. Usually, projects funded under the Australian NGO Cooperation Program (ANCP) scheme are monitored at least once yearly. Other large donor funded projects such are monitored more frequently. Programs may be monitored more regularly than this if deemed necessary or beneficial. Usually, the project manager responsible for project oversight will undertake the majority of monitoring, however, other skilled staff in the agency and external consultants may be used at various times to provide a broader reflection and input into projects.

There are usually multiple objectives of a field trip – the weighting on the objectives will be determined by the nature of the project and the partnership. :

1. To confirm the accuracy of the program reports and/or collect and analyse relevant program documentation and information to make an assessment of progress towards project objectives. This includes reviewing the financial management systems to verify that funds have been used for the purposes specified in the Program Agreements.

2. To consider preliminary response by targeted community members to project activities and identify reasons for any unexpected or adverse response by the target groups.

3. To follow up issues or concerns that have been identified earlier, and monitor implementation of mutually agreed recommendations/adaptations, where appropriate.

4. *To assess the capacity of partners and community organisations in both managing the current project and in sustaining (long term) impacts after the project completion.*

5. *To assess risks and the partner's risk management approach during implementation, and where appropriate, recommend other measures to manage those risks.*

Prior to undertaking a monitoring visit, the project manager would normally prepare a TOR for the visit in consultation with the partner prior to departure. This ensures a participatory M&E process and increases the likelihood that findings will be integrated into the project. Preparation for the visit would also include deciding with the partner on the tools that will be used in the monitoring activity. The structure of a typical monitoring visit would include the following:

- discussion with senior staff on broad partnership, project and contextual issues
- visit project sites to assess progress towards project objectives
- meeting with local government authorities to discuss coordination
- meet with other key stakeholders such as NGOs, Australian Embassy staff, etc

Some organisations also include a financial spot check during field monitoring visits. This check is designed to provide the organisation with confidence that its partner has the appropriate financial systems in place to manage the project and is managing project funds appropriately.

Most organisations have a monitoring report format which is used to report on the outcomes of the visit. Some organisations also have a checklist as an overall guide to ensure that all the core aspects of project monitoring are covered during a field visit.

Where findings indicate that problems may be developing or a change in direction may be needed, the Australian organisation should:

- provide initial feedback to those responsible for the project to allow for correction of errors of facts or interpretation
- Submit report to the partner agency or implementing NGO outlining concerns and recommendations for internal discussion
- Discuss any points of clarification and to agree on what actions need to be taken
- Where it is agreed by all concerned that changes are required, the organisation and the partner agency will monitor the program to ensure implementation of the proposed course of action.

Key Points

- Monitoring seeks to assess the progress of project in achieving agreed objectives/targets as well as important innovations and adaptations
- The process of monitoring should seek to develop and strengthen the relationship with a Partner Organisation

- Monitoring also provides an opportunity to follow-up on known issues such as project risk, partner capacity, stakeholder concerns, and cross-cutting policy issues.
- Monitoring can also be used to assess future project needs and where appropriate, support project design.

Add your own notes here…..

Part B - Project Evaluation

Organisations usually evaluate projects according to their size, nature and complexity. Generally, the decision to evaluate a project is guided by the following interests:

- To Improve Projects: to improve organisation and management, for example to identify strengths and weaknesses of a project so as to develop strategies for continuous improvement; where training is required; or where further research is needed. Learnings from a project may improve existing and/or future project planning and design.

- To Evaluating Project Effectiveness: evaluation findings should support decisions around accountability and quality control. In some cases, findings might be used to decide a project's future, determine the likelihood of continued funding, or make decisions about project expansion. In other cases, findings may be used to demonstrate to donors or policy makers how needs can be met as a result of development activities.

- To Promote Public Accountability: by demonstrating how resources have been used and what results they have achieved.

- To Generate New Knowledge: to discover new knowledge about effective practice. Findings can be used to collaborate, share, and learn across projects and initiatives with common themes and principles.

Formal evaluation of small scale programs/projects costing may not always be warranted, but may be undertaken where particular problems or innovations may be involved. If a project has been ongoing for a number of years, it usually requires formal evaluation before it can be recommended for further funding or replication. Evaluation may also be carried out mid-project implementation where deemed necessary.

Planning for Evaluation

- **Budgeting for an Evaluation**

Evaluations often rely heavily on baseline information and further information collected during the course of the project. For this reason, evaluation should be planned at the design stage and allocated for within a project budget.

Conducting an evaluation requires organisations to invest valuable resources, including time and money. Generally, an evaluation costs between 5 and 7 percent of a project's total budget. If there is not provision for evaluation in the project
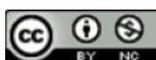
budget at the design stage, it is often very difficult to identify additional resources to meet the costs of an evaluation at the end of a project.

One consideration to be made when budgeting is that qualitative evaluation studies can be very effective at getting inside the program and really understanding how and why it works. However, these studies are often more costly to implement, since they require significant time talking with and observing many people involved with the project.

▪ **Developing a ToR**

It is important that the scope of an evaluation is carefully designed to ensure that the evaluation provides information that will be valuable to all key stakeholders. For this reason, it is imperative that the design of the evaluation is developed in consultation with those key stakeholders – this may involve partners, donors, primary stakeholders, other NGOs, local government. Typically, the scope of an evaluation is documented in a **'Terms of Reference'** (ToR) document which serves as a reference to guide an evaluation. A typical outline for a ToR would look something like this:

1. Background and Rationale
2. Objectives
3. Expected Focus and outcome
4. Participants – (evaluation team)
5. Process/Methodology and workplan
6. Human resource requirements for the evaluation
7. Communication and dissemination of results

We are going to look at two key aspects of the ToR: - the evaluation objectives and evaluation methodology.

▪ **Evaluation Objectives**

It is critical that evaluation objectives or evaluation questions are articulated clearly from the outset of the evaluation. A common framework for evaluation in international development is the assessment of:

Relevance   Does the project address needs?

Efficiency   Are the available resources being used wisely?

Effectiveness   Are the desired outputs being achieved?

Impact   Has the wider goal been achieved?
          What changes have occurred that help primary stakeholders?

Sustainability   Will the impact be sustainable?

This framework should be useful in prompting the specific questions that an evaluation would address.

- **Evaluation Methodology**

Most evaluations deal to some extent with **quantitative** information: things that can be counted and measured. For example, an evaluation may count the number of people involved in a project activity, the number of products or services provided, and the amount of material resources available or required. Other projects may measure the number of infant deaths in a community, the percentage of community board members who are minorities, the percentage of students who drop out of school, or the number of community residents living below the poverty line.

Qualitative information, however, can be used to describe how a project functions and what it may mean to the people involved. A qualitative analysis may hold greater value than quantitative information because it provides a context for the project, and it may mean more to the project director who must make recommendations for improvement. Because qualitative information is full of people's feelings, it may give outside audiences a real understanding of the difference a project actually makes in the lives of people.

Determining the best way to collect data can be difficult. Following is a brief summary of the principal methods for collecting data. It should be noted that there are many variations to these methods, and many other methods also used. The following simply provides an overview of common methods:

Observation
One way to collect information is to observe the activities of project staff and participants. Observation is especially useful when conducting context and implementation evaluation because it may indicate strengths and weaknesses in the operations of your project, and may enable you to offer suggestions for improvement.

Interviewing
Interviewing can serve multiple purposes. It provides a means of cross-checking and complementing the information collected through observations. The inside knowledge gained from interviews can provide an in-depth understanding of hard-to-measure concepts such as community participation, empowerment, and cohesiveness.

An evaluator may choose to interview people individually or in groups. If the evaluator is concerned about maintaining the informants' anonymity or simply wants to make sure that they feel free to express unpopular ideas, it is best to interview people individually. This also allows the evaluator to compare various

perspectives of an event, which is particularly useful when asking about sensitive topics.

One popular technique for conducting collective interviews is the **focus group**, where six to eight individuals meet for an hour or two to discuss a specific topic, such as local health concerns. Unlike a random sampling of the population, the participants in a focus group are generally selected because they share certain characteristics (e.g., they are diabetic, pregnant, or have other specific health concerns) which make their opinions particularly relevant to the study.

Written Questionnaires
A survey or questionnaire is a written document that a group of people is asked to complete. Surveys can be short or long and can be administered in many settings. For example, a patient satisfaction survey with only a few questions could be constructed on a postcard and given to clients as they leave a clinic. More comprehensive responses may require a longer or more detailed survey.

Tests and Assessments
Tests and assessments can also be useful tools to assess change. For example, health assessments can indicate changes in health status or behaviour resulting from project activities – such as an increase in the birth weights of infants born to mothers in a prenatal care project.

Document Review
Internal documents are another source of potentially valuable data for project evaluation. These include mission statements, organizational charts, annual reports, activity schedules, diaries, funding proposals, participant utilization records, promotional literature, etc. Such materials equip an evaluator to learn about the history, philosophy, goals, and outcomes of a particular project, and also provide clues about important shifts in program development or maturation.

- **Selecting an Evaluator**

Evaluations can be conducted by external consultants, other funding partners, or by the Australian organisation itself. The benefits and disadvantages of each should be considered to determine which would be most beneficial to learning about your project.

Add your own notes here……

Activity

1. Review the recent field trip report for the 'Reading For Life' project. The Project Manager has not had time to complete the report. Identify the key issues and determine what the Australian NGO should do in response.

2. Review the project proposal for the 'Sinhala Jambha Community Training and Development Centre'. The project is coming towards the end of its two year term and the donor is considering continuing support for the Centre.

   As the donor, develop evaluation questions for that project and then consider different techniques/methods that could be used in the evaluation. Decide which would be the most relevant for this project and why, what information they would elicit and what information they would not reveal.

Project Monitoring Report
(09-30 June 2012)

Project Title:	Reading For Life
Country:	Cambodia
Partner Organisations visited:	Life Education Cambodia
Report By:	Poppy Pickles
Dates of Visit:	9- 30 June 2012

1. Introduction

Life Education Cambodia had invited representatives from Life Education Australia to attend their 20th anniversary and to meet with management of Life Education Cambodia about the future funding of Life Education Cambodia's project.

This was good timing, as Life Education Australia had not undertaken field monitoring of Life Education Cambodia's Reading For Life project for two years due to staff turnover and illness.

Purpose of Visit:

The purposes of this visit were:

- to attend Life Education Cambodia's 20th

- to strengthen the relationship with Life Education Cambodia given recent staff turnover at Life Education Australia

- to monitor the progress of the Reading For Life program

2. Summary of overall findings

The Reading For Life program was visited during this trip. Life Education Cambodia states that it has exceeded its objectives in offering literacy training to poor, rural illiterate people.

Life Education Cambodia is in the process of reviewing its grant policy.

3. Programs and Activities

Meeting with Life Education Cambodia and visiting the community

On 16 June Sr. Gwen and Poppy Pickles met briefly about the Reading For Life project before they visited some families in the community. Sr. Gwen said that the project was going well and some activities had exceeded their objectives. The Reading For Life program focuses on improving literacy to increase participant's capacity to generate income. It includes a six month literacy training program and start-up grants for income generating ideas. According to Sr. Gwen, improved literacy has been crucial to assisting participants to re-enter the economic workforce.

Sr. Gwen said that Life Education Cambodia was in the process of reviewing its grants policy. The policy would be revised to ensure that income generating grants will only be given to participants who finish the entire reading program and pass the final assessment. She said that this would provide a greater incentive for participants to attend all sessions and finish the program. This would improve participation rates and give trainers job certainty, because they have had a situation in the last year where they have not had enough participants and could not justify keeping two trainers employed for the full year. Poppy asked whether women would be disadvantaged by this new policy, but Sr Gwen said that women must be treated equally with men.

After the meeting Sr. Gwen and Poppy Pickles went to Kandal province to visit some Reading for Life participants. The visit to the community was unplanned and many of Life Education Cambodia's trainees were not available to meet as they were participating in a monthly meeting organized by another NGO.

At the Koh Thom vocational education centre Poppy Pickles met with a community volunteer and a staff from another community organisation. They said that they had thought the Reading For Life project had finished some time ago, but they were enthusiastic in providing vocation training support to the literacy students and appreciated the value of the Reading for Life project.

After leaving the vocational education centre, Sr Gwen accompanied Poppy Pickles to visit two families in the community, Sun Ne's family with 5 children and Chun Meng's family with 2 children. The two families reported that the project had changed their lives. They said that they had developed confidence after learning the alphabet and numbers and hoped that they would be able to start a small business. The two families also reported that their children now go to school because they realise the value of education.

Poppy asked Sr Gwen how many participants had graduated from the program and gone on to find employment. Sr Gwen responded that of course it was challenging to find and maintain employment, but that the program was a great success and that she was very proud of the progress participants had made.

On 17 June, Sr Gwen and Poppy Pickles had a meeting regarding the administrative arrangements regarding the project. Poppy mentioned that Cambodia Life Australia hadn't received a progress report for six months and asked if there was any problem. Sr Gwen said that she was sure the report had been sent and she would send Poppy another copy.

Poppy Pickles then asked whether Sr Gwen would mind if she could do a financial spot check by looking at some of the financial records relating to the project. Sr Gwen said that this would be fine, but the financial accountant had a family wedding today and would not be back until after the weekend. Poppy Pickles asked if it would be appropriate if she looked at some of the project accounts

instead. Sr Gwen said she was very happy for Poppy to look at these although she was not sure where the latest version was stored, but she could certainly send Poppy one on her return to Australia.

Poppy asked if she could sight the most recent audit report and Sr Gwen advised that the accounts for the last financial year were still with their auditor, but she would also send these on to Poppy as soon as they were available.

Sr Gwen concluded the meeting with her thanks for the continued support of Life Education Australia and invited Poppy to join her for lunch before the 20th anniversary celebrations later that afternoon.

4. Factors affecting the Implementation of the Program

5. Management Issues

6. Follow-up action

Resources

ACFID Code of Conduct:
http://www.acfid.asn.au/code-of-conduct/

AusAID NGO Accreditation Manual:
http://www.ausaid.gov.au/Publications/Pages/9090_1951_4966_7154_5042.aspx

Blackman, R. (2009) *Project Cycle Management.* TearFund International, Teddington, UK.

Information Training and Agricultural Development. (1999) *European Commission Project Cycle Management Training Handbook*. ITAD Ltd, West Sussex, UK.

Overseas Aid Gift Deduction Scheme:
http://www.ausaid.gov.au/ngos/pages/tax.aspx

PM4NGOs Working Group (2010) A Guide to PMD Pro 1: Project Management for Development Professionals – Level 1. PM4NGOs (publisher unknown)

W.K. Kellogg Foundation (2004) *Logic Model development Guide*, W.K Kellogg Foundation Michigan, USA.

World Vision International (2007). *LEAP Learning Through Evaluation with Accountability and Planning 2nd Edition.* World Vision International, Washington, USA.