

***Meten en managen van doelmatigheid
van en in ontwikkelingsprogramma's
Lessen uit het Partos Efficiency Lab***

EFFICIENCY

Pol De Greve

I&SConsulting - Context, international cooperation



The Efficiency Lab

Wegbereiders in Partos

Aflatoun, CNV International, Cordaid, GPPAC, Oxfam Novib, Plan Nederland, Pax, Simavi, SNV, War Child, Woord en Daad, en ZOA

Interne moderator – Heinz Greijn

Expert panel

Antonie de Kemp, IOB, Ministerie van Buitenlandse Zaken

Markus Palenberg – Institute for Development Strategy

Pol De Greve – I&SConsulting / Context, international cooperation

De aanleiding

Evaluatie van het Nederlandse Subsidiestelsel Medefinanciering II

Finaal Synthese Rapport 16 juni 2015

“The evaluation fails to shed much light on the efficiency question. There are two significant problems MFSII- sponsored projects are very diverse,..... Benchmarks for all these projects are hard to come by, although this problem should become less severe over time. A more serious problem, and one that needs to be addressed urgently, is the lack of sufficiently detailed financial information,”

*Uit de evaluatie is gebleken dat...
hoewel efficiency aantoonbaar in
het DNA van organisaties zit, er
meer expliciete aandacht aan
gegeven moet worden
(Partos website)*



Wat het Lab wilde bereiken

Betere prestaties van ontwikkelingsorganisaties in de manier waarop zij in de verschillende fasen van een project- of programmacyclus ingaan op de doelmatigheidsvraag

- Waarom? Een beter bewustzijn van de relevantie van doelmatigheid
- Wat? Een beter begrip van het concept van doelmatigheid
- Hoe? Versterking van capaciteit om methoden toe te passen voor het managen en/of meten van doelmatigheid in of van programma's

Noot

Partos-leden waren geïnteresseerd in een brede toepassing van doelmatigheidsanalyse

- In design van ontwikkelingsprogramma's
- Tijdens de uitvoering van programma's (voor strategische sturing)
- Bij de evaluatie van de programma's
- Voor innovatie en leren (o.a. uit evaluaties, maar ook als regulier proces)
- Bij het beoordelen van de schaalbaarheid (*scalability*) van projecten
- Voor regelmatige rapportage en (interne en externe) communicatie



Lessons learned

1. doelmatigheid *blabber jabber*.
 - doelmatigheid wordt vaak gezien als een ongrijpbaar of dubbelzinnig concept.
 - doelmatigheid-gerelateerde terminologie en communicatie is verwarrend
 - Uiteenlopende opvattingen over wat doelmatigheid is of inhoudt



Confusion strikes

- Ministry of Finance of the Netherlands

*Efficiency concerns the relationship between the **effects** of the policy (on the policy goal and any side effects) and the **costs** of the policy. Policy is efficient if the desired effects are achieved against the lowest costs*

- IFAD (UN)

*Programme efficiency focuses on results from the use of **resources** for supporting development **outcomes and impacts** in member countries*

- WHO / UNAIDS

*Efficiency—a measure of how **economically inputs** (resources such as funds, expertise, time) are converted into **results**.*

- DFID (UK Government)

*Efficiency: How well are we (or our agents) **converting inputs into outputs**? ('Spending well')*

- OECD Glossary of Statistical Terms

*Efficiency means achieving **maximum output** from a given level of **resources** used to carry out an activity.*

Efficiency Lab kozen wij voor een brede interpretatie van het begrip doelmatigheid

Efficiency concerns the relationship between the effects (outcomes & impacts) of an intervention, programme, programme or policy and (the value of) resources used to *produce* these effects.

In praktijk gebracht als een ...

Systematische exploratie van verschillende analyse methoden op basis van criteria zoals

- Relevantie en bruikbaarheid (voor verschillende programma's in uiteenlopende domeinen)
- Doelgerichtheid (in verschillende stadia van de programmacyclus)
- Toepasbaarheid (ook voor 'leken' in het vak)
- Rechtlignigheid en gemak (in gebruik, interpretatie en communicatie)

.... Om uiteindelijk (*na rijp beraad met het Lab*) uit te komen bij

Een keuzemenu aan *favoriete* toepassingen ...

Type	Level 1 Efficiency Analysis	Level 2 Efficiency Analysis
Description	Identify efficiency improvement potential in a programme	Compare an intervention in terms of efficiency with a benchmark or with other interventions
Purpose	Improve the efficiency of a programme	To establish the overall efficiency of a programme investment and compare with a benchmark or with other programmes
Common Methods	<ul style="list-style-type: none"> ✓ Unit Cost Benchmarking ✓ Follow the Money ✓ Efficiency Ratings by Stakeholders ✓ Financial Analysis 	<ul style="list-style-type: none"> ✓ Cost-Benefit Analysis ✓ Social Return on Investment ✓ Cost-Effectiveness Analysis ✓ Cost-Utility Analysis ✓ Multiple-Attribute Decision Making

Step 1: What is the purpose of your efficiency analysis?



To assess the overall efficiency of a programme investment and compare with a benchmark or with other programmes?

To make an ongoing or planned programme more efficient?



Go to step 2A

Go to step 2B

Step 2A : Purpose of the analysis is to compare an intervention in terms of efficiency with a benchmark* or with other interventions

Are all inputs and outcomes of the intervention be expressed in (market-based) financial terms ?

Yes

You can use **Cost Benefit Analysis or any of the other methods below**

No

Are many outcomes intangibles and do you want stakeholders to assign (subjective) monetary values to them?

Yes

You can use **Social Return on Investment or any of the other methods below**

No

Can principle outcomes be expressed in natural units (but not in monetary units)?

Yes

You can use **Cost Effectiveness Analysis or any of the other methods below**

No

Can outcomes be expressed in a common utility measure?

Yes

You can use **Cost Utility Analysis or the method mentioned below**

No

You can use **Efficiency Ratings by Stakeholders or MADM**

Any method can be combined with **Multi-Attribute Decision Making based analysis at programme level**

Step 2B : Purpose of the analysis is to make an ongoing intervention more efficient

For all the methods below the availability of data on costs of inputs is a requirement

Are financial data outcomes over the period of implementation are available?

Yes

You can use **Financial Analysis or any of the other methods below**

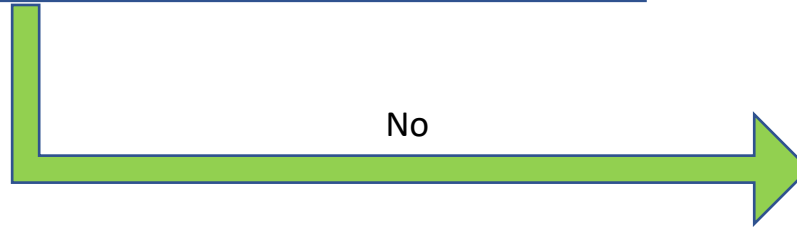


No

Can output be expressed in natural units?

Yes

You can use **Unit Cost Benchmarking or the method below**



No

You can use the **Follow the Money method**

Methods can be combined with **Comparative Ranking by Stakeholders of programme components / interventions**

een pragmatische & populaire methode: DM analyse gebruik makende van MADM

Start met een doeltreffendheidsanalyse

Efficiency analysis SD4All – Indonesia							
Interventions	Cap Dev for food system actors	Multi Stakeholder Platforms	Food system champions	Dialogue with local and national authority	Public Campaign & events	Publication	
1 = low 5 = high							
how useful is the intervention for							Weight
Reach out to food system actors for awareness	4	5	5	5	3	2	5%
Reach out to public for awareness raising	2	2	4	3	4	1	5%
Source of evidence for L&A agenda setting	4	5	3	3	4	5	10%
Use of content in policy debate	3	4	3	5	2	4	10%
Influence policy makers	5	5	5	5	3	2	15%
Promote access to healthy local foods	4	4	5	4	4	3	10%
Promote consumption of healthy local food	4	5	4	4	4	3	10%
Follow-up policy & platform implementation	3	5	5	5	3	3	15%
Contribute to more inclusive food systems	5	5	5	5	4	2	15%
Alliance with global actors	2	3	4	4	4	4	5%
Weighted Score Effectiveness	3.85	4.55	4.40	4.50	3.45	2.90	100%
Effectiveness ranking 1 = highest / 6 = lowest	4	1	3	2	5	6	

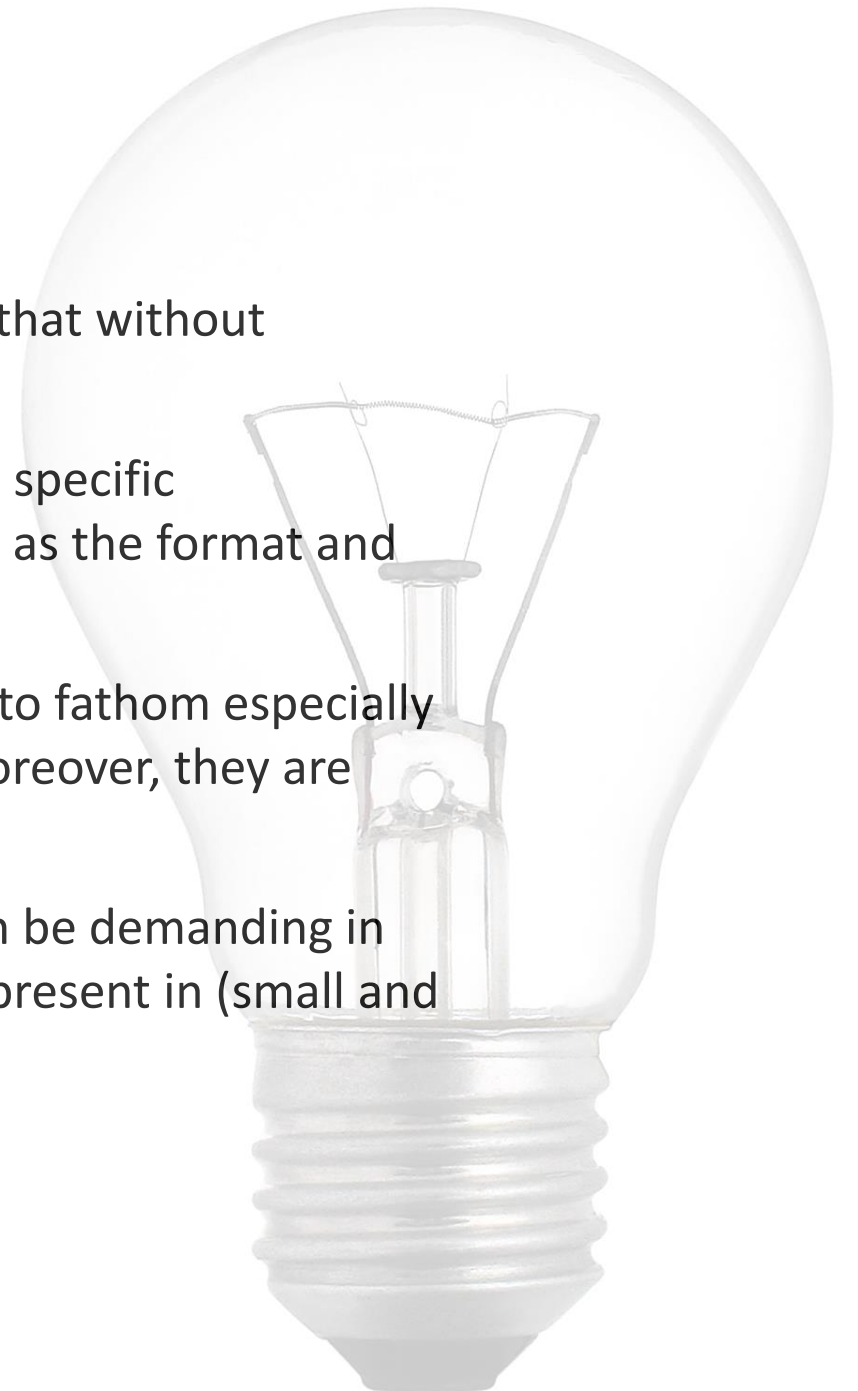
een pragmatische & populaire methode: DM analyse met MADM

geef het wending – voeg kosten toe en bereken DM ratio

Efficiency analysis sustainable diets for all - Indonesia							
Interventions	Cap Dev for food system actors	Multi Stakeholder Platforms	Food system Champions	Dialogue with local and national authority	Public Campaign & events	Publications	
1 = low 5 = high							
how useful is the intervention for							Weight
Reach out to food system actors for awareness raising	4	5	5	5	3	2	5%
Reach out to public for awareness raising	2	2	4	4	4	1	5%
Source of evidence for L&A agenda setting	4	5	3	3	4	5	10%
Use of content in policy debate	3	4	3	5	2	4	10%
Influence policy makers (value based)	5	5	5	5	3	2	15%
Promote consumption healthy local diverse sust. foods	4	4	5	4	4	3	10%
Promote access healthy local diverse sustainable food	4	5	4	4	4	3	10%
Follow-up policy & platform implementation	3	5	5	5	3	3	15%
Contributes to more inclusive food systems	5	5	5	5	4	2	15%
Alliance with global actors	2	3	4	4	4	4	5%
Weighted Score Effectiveness	3.85	4.55	4.40	4.50	3.45	2.90	100%
Cost in Million IDR	4.2	5.1	2.6	3.8	2.7	3.0	
Efficiency ratio (units of effect per million IDR)	0.92	0.89	1.69	1.18	1.28	0.97	
Effectiveness ranking 1 = highest / 6 = lowest	4	1	3	2	5	6	
Efficiency ranking 1 = highest / 6 = lowest	5	6	1	3	2	4	

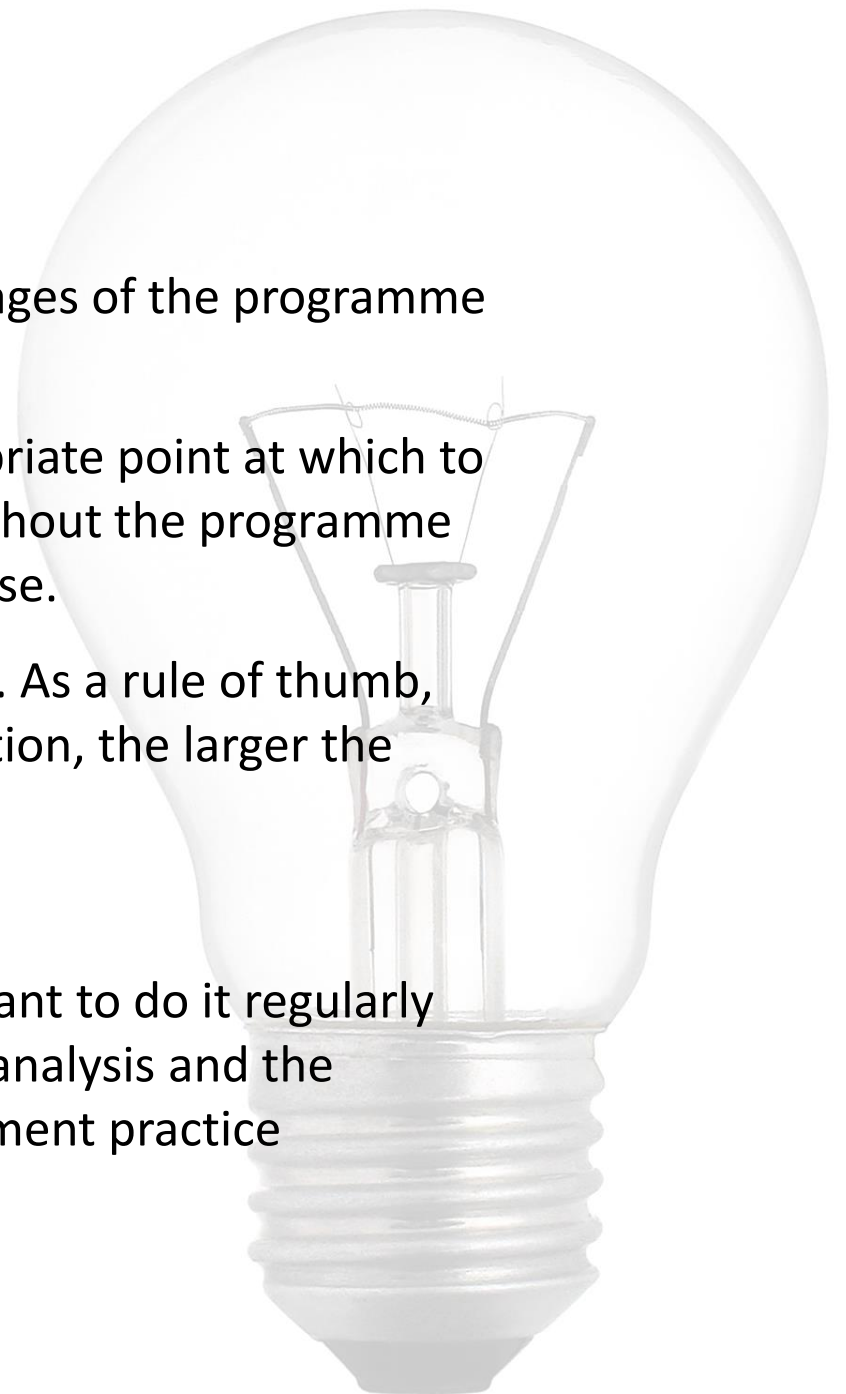
Back to - Lessons learned of the Efficiency Lab

2. A useful definition of efficiency must be based on the premise that without effectiveness, there is no efficiency.
3. There is no one-size fits all. Each situation & context comes with specific considerations that influence the choice of methodology as well as the format and process of its application
4. The *élite* methodologies of efficiency analysis are often difficult to fathom especially for those who are not acquainted with advanced economics. Moreover, they are cumbersome and laborious (hence expensive for that matter).
5. A question of skills and tools? Methods of efficiency analysis can be demanding in terms of expert skills and experience. These are not commonly present in (small and medium scale) NGOs here or in Global South



Lessons learned continued

6. Efficiency analysis can serve different purposes at different stages of the programme cycle.
7. The design stage of a programme or programme is the appropriate point at which to identify purposes and methods for analysing efficiency throughout the programme cycle, because the choice of method(s) depends on the purpose.
8. Not all assessment methods are applicable to all programmes. As a rule of thumb, the easier it is to quantify the results and costs of an intervention, the larger the choice of methods.
9. Absence of benchmarks: hampers learning and judgement.
10. In order to reap the benefits of efficiency analysis, it is important to do it regularly and systematically. Benchmarks will only emerge if efficiency analysis and the gathering of relevant data becomes a routine part of development practice



Als al de rest faalt ... ga voor een organisatorisch perspectief met
Theory of Efficiency

Of hoe DM gemanaged en gemonitored wordt in je organisatie

- *'Theory of Efficiency' van een organisatie omvat de procedures en processen om de DM van interventies te waarborgen, beheren en monitoren*

Theorie van efficiëntie

- Is geen methode voor het meten van efficiëntie
- Maar een beoordeling van
 - Welke procedures en mechanismen zijn er om DM te beheren, monitoren en verbeteren?
 - Hoe worden deze procedures en mechanismen in de praktijk gehandhaafd?
 - Hoe verbetert en/of past de organisatie haar DM aan? (hoe vindt leren plaats)



**Dank u voor
uw aandacht**