



PRACTICE NOTE

Alternative Approaches to Design

Endorsed at ACFID Development Practice Committee (DPC) Meeting 18 May 2011

1. Context

This practice note summarises the proceedings of an ACFID Senior Practitioner Workshop that was facilitated by Paul Nichols, Technical Group Manager, Quality and Performance Management, AusAID. The purpose of the seminar was to collectively reflect on the aid effectiveness agenda, recent experience, and emerging approaches to design – particularly in the context of the Paris and Accra declarations. An examination of AusAID's working environment and the pressures on the agency to change their way of thinking about the design and monitoring of programs led to principles about design being extracted for use by Australian NGOs.

2. The demand for results

Government and non-government agencies are facing stricter requirements to provide an evidence base for the effectiveness of development spending. The push for this comes from a range of sources.

- The Paris and Accra Declarations on aid effectiveness emphasise (among other things) issues of local ownership of aid, alignment with national (recipient) priorities and systems, results-oriented frameworks, mutual accountability and predictable longer term funding programs.
- There is an increased pressure on the government to justify the growth in aid expenditure in an era of fiscal tightening. As the government looks to increase its commitment to 0.5% of GNI by 2015 it is necessary to justify spending by showing that aid works.
- The non-government sector is also under greater scrutiny from the media and the supporting public to demonstrate the effective use of donor and government funding.
- Alongside these external pressures, the growing discussion about aid effectiveness within the professional aid and development sector is pushing organisations to consider how they can improve development outcomes for the world's poor.

3. Linear or logic based systems or relationship models?

Along with external and internal drivers for change, there is a growing discomfort with traditional logic or results based management models, including Logical Frameworks (Logframes). The argument against logic or results based management models is that they oversimplify the complexity and dynamism of the development process: 'the perfect solution to the perfectly understood problem'.

From a practical viewpoint, time frames for planning and design are in many cases too short, and neither is there the expertise or information to perfectly understand the context and the problem. As a result logframes end up being more about meeting donor requirements and less of a tool for effective program design. At a more fundamental level, there is a growing acknowledgement that change doesn't occur in a structured and incremental manner. Participants at the Senior

Practitioners' Workshop were asked to reflect on their 'best' experience of a development activity, and how change occurred in that case. It became apparent from participant responses that relationships are fundamental in effective development – it's the people that count. Group conclusions about what makes effective development can be summarised in the phrase 'having the right people, in the right place, in the right relationships, working with community driven solutions.'

Important principles emerged from the discussions:

- NGOs must invest in reflecting, testing and learning from experience, both successes and failures.
- Planning and design models tend to be more effective if they are open and organic, responsive to the context and use local relationships and knowledge, rather than if they are designed on logic or sequential cause and effect assumptions.
- Understanding how change occurs in any given context is critical to sound project design.

4. AusAID responses

AusAID has responded to the pressures of its own operating context by implementing an *Operational Policy and Management Framework*. The framework makes an assumption that the standard operational model, based around standalone projects that have been expanded over time, is now outdated. In its place AusAID aims to develop a model that answers the need for diversity and locally appropriate responses combined with efficient and accountable business and management systems.

The Framework identifies four strategies for achieving this aim:

1. Realign operational policies, systems & tools to a 'common' approach.
2. Lift the strategic management focus to a results level and reduce fragmentation.
3. Reposition AusAID's core expertise in policy analysis and formulation.
4. Re-balance a pragmatic and flexible management culture with stronger accountability and risk management systems.

In the generation of these strategies, key changes in program design have been introduced. At a functional level there has been a change in the management system from activity oversight to management of portfolios aimed at achieving clear results related to a specific context, setting or stakeholder group. Each portfolio contains a suite of activities chosen to achieve successful outcomes in a particular context.

Portfolios have clear objectives and revolve around a relationship focused model that emphasises partnerships, technical and implementation expertise, and credible experience. They also include a process of research-reflection-analysis. Funding is more flexible and program funds are seen as an investment to be maximised, rather than an amount to be acquitted. Deliberate linkages are made between various portfolios where possible.

Making this work is a complex challenge and key questions that are asked during the process include:

- Who needs to be involved to make this work and how?
- What are the strategic choices that are before us?
- What are the intermediate objectives?
- What are the identifiable outcomes?

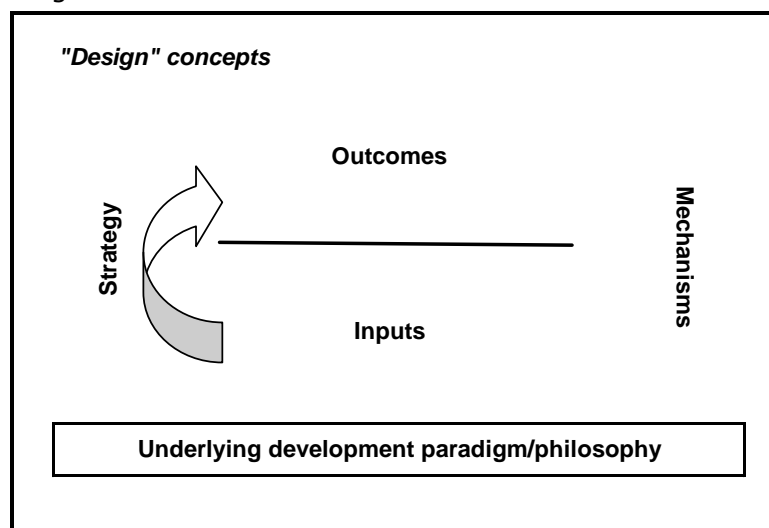
- And the ongoing process/reflection question of *Why are we doing this in this way?*

5. Theory of change

Fundamental to any design process must be answering the question 'how does change occur in this context?' Social change, such as development, requires an understanding of the complex dynamic of social structure and individual action – the structures, values, norms and relationships, the formal and informal 'rules' that determine social interaction. It is also necessary to identify and understand the incentives and opportunities, both positive and negative, that are present for individuals and groups to bring about change and power relationships that constrain or facilitate change.

A theory of change represents a hypothesis that summarises the underlying thinking behind how a set of activities will result in development outcomes. A set of identifiable outcomes is critical as the theory of change must be testable through Monitoring and Evaluation (M&E) approaches. Like any hypothesis it will be modified and changed after reflection and analysis of experience.

Project design is, then, the task of identifying a set of activities within a particular social context to bring about definable change. It can be described in the following diagram:



Strategy links the desired program outcomes with the chosen inputs or activities, incorporating the theory of change. *Inputs* are the basic units of action and may include money, human resources, expertise, technology, equipment, capital, training, etc. *Outcomes* are the benefits that result from the intervention. *Mechanisms* include project management

systems, funding, tools, governance and M&E approaches. It is also critical to define the 'box' or space in which the project will be working (social, political, geographical context). Foundational to the process is the agency's philosophy or theoretical framework about development, and how it chooses to work.

6. Alternative models of design

Based on different theories of change, a range of strategies have been developed and applied in development programs:

1. Action-reflection – a process of intentional analysis, reflection and learning from experience that modifies and informs the next stage of action.
2. Institutional Strengthening/Organisational Development – strengthening organisations and drawing on organisational linkages to impact their environment.
3. Divergent model – Plan a sound technical input and allow a variety of diverging outcomes to emerge. Evaluation is on the impact of the outcomes.
4. Policy-driven imperatives – A three step process of determining policy imperatives, determining the interventions/activities, and assessing the outcomes and impact.

5. Flexibility – defining the desired outcomes but allowing design and planning to be developed as part of the process.
6. Whole-of-sector engagement – drawing linkages between funding, technical assistance, contractors, and other actors within a guiding framework to achieve predetermined outcomes.
7. Emergent design – a process in which the available resources are identified and the desired outcomes are determined, but the way in which the resources/inputs are used to achieve the outcomes becomes apparent as the process progresses.
8. Primacy of partnerships – Partnership and working together between intervening actors results in a range of emerging activities and outcomes.
9. Relationships - Mutual objectives between partners guides collaboration in achieving desired outcomes.
10. Enabling environment – A range of different inputs working together result in achieving a variety of outcomes and objectives.
11. Capacity building at multiple levels – Building and strengthening the ability of individuals, organisations and sectors to impact a particular context.
12. Scaling up and replication – Interventions that have an immediate outcome are replicated or expanded to result in a sustained process of change.
13. Meta-program or umbrella program – a range of different programs and interventions together result in higher level objectives.

7. Monitoring and Evaluation

Monitoring and evaluation of non-linear-designed projects can raise M&E questions that reflect the complexity of the approach. For example, there is a tendency to examine higher level outcome/impact rather than activity level achievements. Nevertheless, basic M&E tools still apply to alternative design approaches, and project design must incorporate M&E as an integral part.

Types of relevant indicators and their accompanying M&E processes include:

- Measuring whether a target or standard has been met
- Assessing the value of what has been achieved
- Analysing a range of data to draw an informed and reasonable conclusion about the intervention.

A set of key research questions can be developed to guide monitoring and evaluation as part of the project design. Feedback to stakeholders, including project participants as well as donors and agency management/headquarters, is critical to build trust, accountability and feedback loops.

To monitor program wide outcomes, a process of inductive analysis may be used. Inductive analysis involves formulating a proposition based on a specific example of an achievement or outcome within the project. The proposition is refined through stakeholder feedback and confirmed or denied through program-wide data analysis. Program-wide data is then verified through field testing.

Case studies

A series of case studies drawn from AusAID's recent experience in the Pacific examined a number of issues, including alternative approaches to design, action reflection processes, and systems approaches. They also explored power relationships and conducted a political analysis of institutional relationships. Two of these case studies are explored below.

a) Pacific Leadership Program (PLP)

The PLP seeks to address the difficult issue of how power influences development partnerships. In the PLP AusAID doesn't hide from the fact that it holds the resources, the political and regional influence of the Australian government, technical expertise and the ability to determine the future of the project. Instead, it addresses these head on.

The PLP handbook states that 'Partnerships are built on three principles:

- EQUITY because it leads to RESPECT
- TRANSPARENCY because it leads to TRUST
- MUTUAL BENEFIT because it leads to SUSTAINABILITY'

It then goes on to acknowledge that in power relationships such as those built on funding agreements, it is hard to have equity and transparency but that 'the program will not be effective if it fails to achieve some degree of equity and transparency'.

AusAID, through the partnership agreements, has given up the formal power that is usually imposed through its financial strength and obligations in order to form a relationship of mutual trust and respect. AusAID has emphasised that the partners and the partnerships are critical to the success of the program and if some degree of equity can't be achieved then the program will have failed, regardless of other outcomes.

AusAID works to build equitable partnerships through:

- engaging in discussions with partners that define shared and separate interests and objectives
- incorporating strong feedback mechanisms so that partners can have a real say in how the program operates
- agreeing on what each party brings to the partnership and valuing each other's contribution
- bringing these components into discussions about a Partnership Agreement that is jointly developed with the partner rather than being an AusAID template in which the details are already outlined.

Transparency is built predominantly through being clear about expectations but also, importantly, in AusAID contributing to the whole of the partner's program. This includes contributing to the core functions of the organisation, and not just focusing on work programs specific to the PLP.

AusAID characterises its own approach to the PLP by including the following aspects in project design and approach:

- A focus on locally driven development
- An increased flexibility in accountability and reporting requirements using 'partner friendly' systems, and which may help develop their capacity.
- Supporting partners in their core business, and allowing them to set the agendas, rather than starting new programs.
- Investing in project management skills, including project planning, design, financial management, reporting processes, and M&E
- Logistical and communications support

- AusAID technical support, including opportunities to commission research
- Supporting both success and failure

AusAID acknowledges that there will never be a completely level playing field when money creates a power imbalance. The PLP seeks to address this through developing processes that will build stronger and more equitable partnerships and as a result, better development outcomes.

b) Solomon Islands NGO Partnership Agreement (SINPA)

Rather than being a program with defined activities with clear indicators of success, the Solomon Islands NGO Partnership Agreement is a flexible, process focused approach that links six separate NGO projects. There is an intention to create an environment that encourages reflection and analysis in which people can use their own knowledge to initiate and work towards their own priority outcomes. In SINPA the process is just as important as the more tangible development outcomes. The six projects are similar in that they all seek to develop Solomon Islander-led development initiatives in health and livelihoods.

The program starts with assumptions that communities have strengths that can be built upon, and that there are power differentials and gender inequalities that must be addressed and worked through. Each NGO also firmly believes that accountability is a core element of effective development and so efforts are made to ensure the voice of Solomon Islander people and communities are heard and increasingly direct the development initiatives.

This is no vague and 'fluffy' project despite the lack of pre-determined indicators of success, and the design incorporates strong elements of research, analysis, risk management as well as a guiding theory of change.

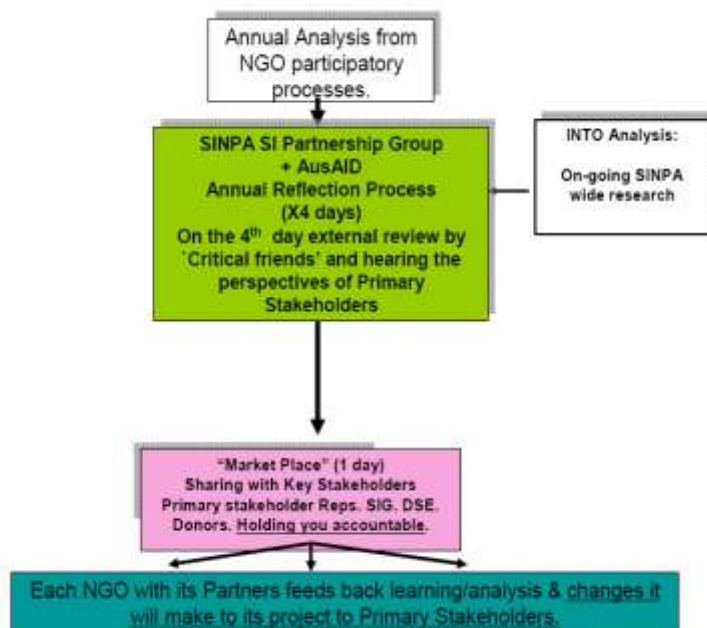
SINPA's Goal is 'to improve the health and livelihood opportunities of Solomon Islanders particularly women and young people'. The SINPA partnership objectives reflect the dual aims of achieving a development goal and exploring appropriate development models for the Solomon Islands context. The objectives for SINPA NGOs are:

- a) To become more effective at empowering Solomon Islanders (especially women and youth) to improve their quality of life.
- b) To explore different models/approaches to development which suit the Solomon Islands context.

SINPA's expected initial outcomes are fourfold:

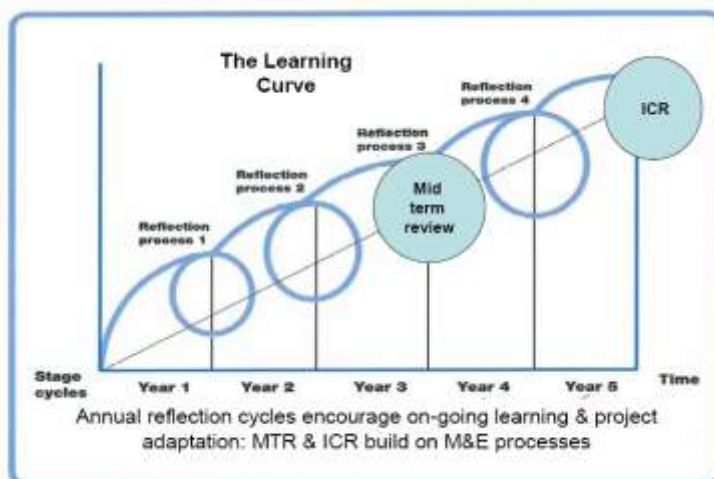
- Evidence of substantive changes in the lives of men, women and families as a result of SINPA NGOs work.
- Examples of approaches and/or models that are consistent with Solomon Islanders' 'ways of doing things' and have engendered developmental changes appreciated by Solomon Islanders.
- Increased effectiveness of SINPA NGOs at supporting men and women in Solomon Islands to improve their quality of life.
- Shared learning and insights about how to support effective Solomon Islander led community development

The M&E framework (see diagram taken from the SINPA Project Design Document) has been developed to assess progress towards the outcomes and has at its core the need for building accountability to local communities. Monitoring will therefore include processes to hear local voices and increase Solomon Islander direction of the ongoing interventions and to identify the indicators of success (Market Place). Stories of impact recorded in print and video will illustrate the impact of the project in the communities.



Reporting is done at two levels: each NGO will submit a short annual report and a SINPA wide-level report will assess progress against SINPA’s goal and objectives. Reporting will feed into an annual reflection process in which all the participating partners will come together to discuss progress, hear stories of change and to allow Solomon Island voices to provide feedback, challenge NGOs and hold them to account.

It is expected that sustainability will be the result in two areas. Firstly, as the Solomon Island people themselves are directing the development process there is an expectation that this will build sustainable outcomes. Secondly, the results arising from the Annual Reflection Process (which will be facilitated by an AusAID Manager) will contribute to AusAID’s country program planning and to each of the participating NGOs’ understanding about culturally relevant and effective development in the Solomon Islands. The diagram shows the way that annual action reflection cycles will generate increased learning over the duration of the partnership.



SINPA is an example of a partnership driven process that is flexible enough to allow indicators of success to emerge during the process, values learning as a valid outcome, and acknowledges its importance to obtaining relevant and sustainable development outcomes.