



The Donor Committee for Enterprise Development

Case Study in using the DCED Standard Tourism in Montenegro with GIZ¹

8th February 2011

This case demonstrates how results chains have been applied to measure results in tourism, where often results measurement is viewed as more challenging because of the variety of actors and products involved. It also shows how a results chain can be translated into a measurement plan.

Part 1: Overview of GIZ Montenegro's Experience with the DCED Standard

Description of Programme: The programme is entitled: 'Support to tourist destinations in the central and mountainous regions of Montenegro'; it runs from 2006 to 2013. The USD 5.1 million² budget is co-financed by BMZ, the Austrian Development Agency and the Norwegian Government.

At a national level, the programme supports national and international experts to advise the Ministry of Tourism both on the elimination of regulatory barriers for tourist enterprises and in sector policies, mainly for 'hiking-and-biking'³, and on appropriate legal requirements for camping products.

At a regional level, the programme facilitates the development of three tourist destinations: Cetinje, Plav and Skadar Lake. At each destination, the programme provides advice, training and subsidies to assist local stakeholders to develop strategies, products and marketing, to improve destination management and to pilot innovative business models.

How and Why GIZ Montenegro Became Involved with the Standard: After attending the DCED's Introductory Course in 2009, Programme Manager Ute Dannemann decided to apply the Standard in her work. Although her programme already had results chains, Ute was keen to revise them. She recalls that 'we were doing interventions and afterwards only measured change at the goal level (i.e. whether the programme contributed to increased income for SMEs in the tourism sector). In other words, we weren't clear on the immediate outcomes for the activities that we did. We weren't monitoring progress in a systematic way.' The programme's previous results chains did not specify the changes that were expected to result from activities. Hence there was no clear link between activities and the changes that they were measuring at the goal level.

¹ We thank Ute Dannemann for all her assistance in preparing this case study. Please note that the name of GTZ changed to GIZ on merging with DED and Inwent, 1st January 2011.

² Euros have been converted to US\$ at an approximate rate of €1 = \$1.35

³ 'Hiking-and-biking' means exploring an area on foot or bicycle.

Ute therefore organised a workshop to introduce the Standard to her programme staff; she was supported by a colleague from HQ, Susanne Hartmann (who had also attended the introductory course). The four-day workshop also involved partners from the Ministry of Tourism, national tourism organisation and the executive director of the wine growers' association, who are themselves under pressure to show results.

Extensive group work was used to formulate results chains for all key areas of intervention, to define indicators along the results chain and to decide on methods for measurement and attribution. The programme team has since helped to refine these results chains, formulate indicators and make measurement plans. Ute and her colleagues added detail to their results chains, making the flow of changes more logical and adding indicators of change at each level of the results chain. The team can now monitor intermediate changes in the programme's results, providing useful feedback for decision-making.

Opportunities and Challenges: The introduction of detailed result chains and measurement plans have led to better understanding among local programme staff and partners about what measures and activities should be supported by the programme.

Local programme staff were initially not keen to use the Standard. Changing to a new results measurement system would take up precious time, they felt. Ute brought in an outside expert on the Standard, which increased the credibility of the Standard and of the team leader's proposal. Without this, Ute is unsure if staff would have given the Standard sufficient priority. Now that staff use the Standard, they are more positive about it, finding it helpful to structure, document and track the progress of their own work. The new approach to results chains has also proven helpful when staff wish to turn project design ideas into specific outputs.

Ute also feels that the new system has helped her team to communicate better with each other. Before, she sometimes found it hard explain to colleagues why some interventions should be financed instead of others. The updated results chains now help Ute to clearly explain her decisions.

Results chains also help to explain the logic of the programme to external partners. Ute organised a training to familiarise staff at the Ministry of Tourism with results chains and measurement plans, so that they can work with her programme on results measurement, using the same methods.

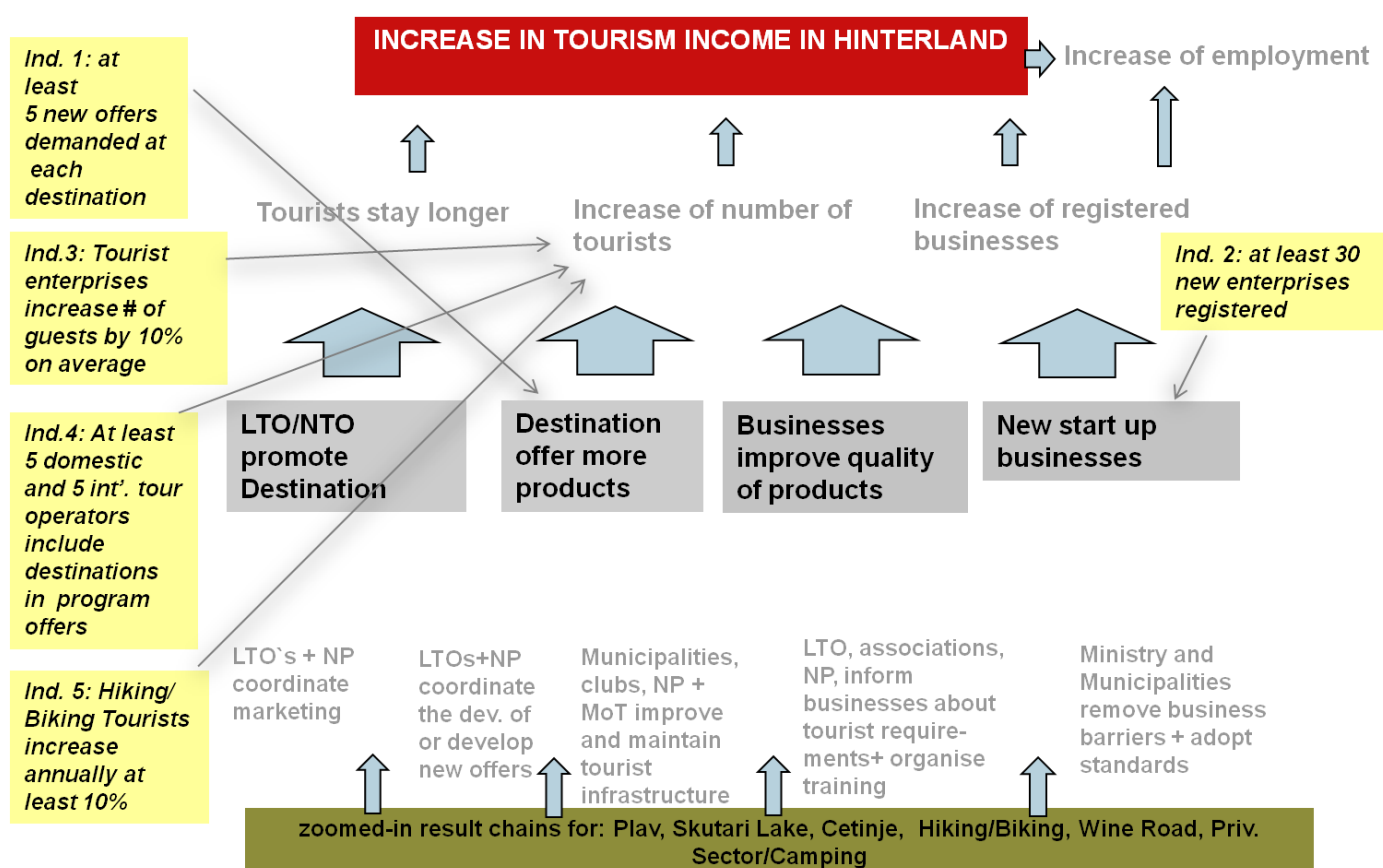
Additionally, result chains, measurement plans and the operational plan have improved the documentation of project interventions. Each intervention now has an explanation of why it is made. The new system has also helped the team leader to delegate tasks, since outputs and interim results are clearly communicated.

The programme has just seven staff, none of which work exclusively on results measurement. Clear definitions of tasks and responsibilities for results measurement are therefore important. Each team member is responsible for measuring the results of his or her own interventions. One person also dedicates half a day per week to keeping an overview of what is going on with results measurement across the organisation, sharing results between different teams so that they can work together more easily.

Part 2: Work towards the Standard

GTZ Montenegro has **drawn six results chains** for its major tourism interventions. Three results chains show the programme's interventions at Plav, Skadar Lake and Cetinje. Two are for 'hiking-and-biking' and wine tourism. The final one is for the programme's policy-level interventions to create an enabling environment for camping businesses. The programme also has an aggregated, overall result chain (see Figure 1), which explains how the various results chains interlink to form one programme.

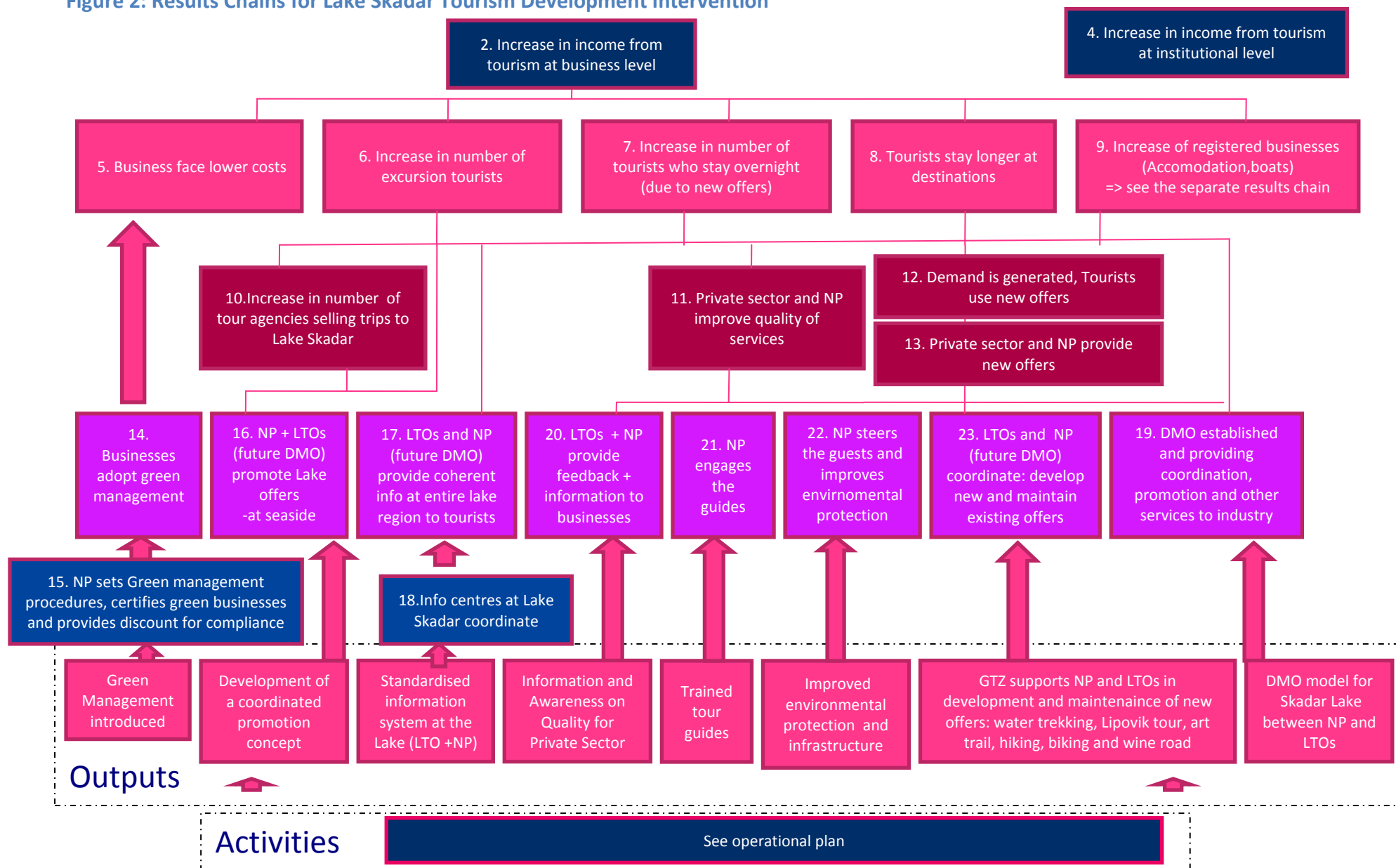
Figure 1: Overall Results Chain⁴



The results chains for the separate interventions each show outputs, use of outputs, outcomes, results and the causal relationship among them in considerable detail. While most programmes list their activities under outputs, at the bottom of their results chains, GIZ Montenegro does not list its activities in its results chains. Activities are instead listed separately in the programme's operational plan. The operational plan also gives the name of the person responsible for implementing the activities and track whether progress has been made as per plan.

⁴ NP = National Parks; LTO = Local Tourism Organisations; MoT= Ministry of Tourism;

Figure 2: Results Chains for Lake Skadar Tourism Development Intervention⁵



⁵ DMO = Destination Management Organisation

The programme has **defined indicators for each change** in its regional and sectoral results chains. The table below shows some of the indicators chosen for the Skadar Lake results chain. The programme uses excel sheets for each results chain (Figure 3) displaying details on the measurement of the indicators. . In some cases, baselines still need to be established because the indicator has only recently been formulated.

Figure 3: Measurement Plan

No.	INDICATOR	TOOLS FOR DATA COLLECTION	DATA SOURCE	MEASURE- MENT INTERVALS	BASELINE 2009
1	Annual increase in number of new employees and/or seasonal staff 2008-2011	Surveys and Direct interviews with business owners	LTO statistics + focus groups	Annually	88 regular, 108 seasonal, 74 family members working
6	Number of organised cruises increases by 10%; Number of visitors to NP increases by 30% (baseline 2007); Rise in % of individual guests in restaurants	Records, survey of all agencies and restaurants	Agencies, restaurants and NP	Annually	404 cruises No. of NP visits 2007: 22,739 2008:36,703 2009: 32,070, Individuals in Restaurants: Baseline 100%
7	Overnight stays increase by 10%	Secondary data (for registered businesses; interviews (for non-registered businesses)	LTO records , survey	Annually	LTO Bar: 131, LTO PG: 25 LTO CT:0
10	At least 5 international and 5 national tour agencies/operators include Lake Skadar offer in their travel programs	NP records, interviews with new business owners	NP and businesses	Annually	22 national and 138 International agencies surveyed for baseline data
17	a survey of the Algonquin ⁶ faculty shows improvement in info provision	Direct observation, survey	NP and LTOs	Annually	Baseline study: tourist information providers highly familiar with local offers, but poor knowledge of wider regional offer.

Key: NP = National Park

LTO = Local Tourism Organisation

⁶ Algonquin Faculty provides course on hospitality and tourism

The programme uses a single table to track and aggregate common impact indicators for different interventions. As some of the interventions reach the same enterprises as others, this table helps to ensure that the programme does not double-count its impact on certain enterprises when measuring its overall impact.

After the Chiang Mai training course, the team defined an **attribution** strategy for each key indicator. During the DCED-introductory workshop, the project in Montenegro considered the aspect of attribution for the first time systematically in their monitoring system. This was incorporated in the indicator sheet.

In Montenegro, pilot projects could be copied in other regions as well as other sectors. In other words, wider **systemic change** is possible. However, if the programme decides to measure these wider changes in future, staff will need to choose a research methodology appropriate to the size of the programme.

GTZ Montenegro, like all programmes funded by BMZ, documents and **reports its results** annually, to ensure accountability.

Annex 1: Table Showing Programme's Overall Impact on Scale and Employment (NB: This table shows only a portion of data extracted from the original version and has been amended for illustrative purposes)

		Business name	Number of guests	Number of employees F/P/S			Number of guests	Number of employees F/P/S			Number of guests	Employees F/P/S		
							2008/2006				2009/2008			
2006	At the beginning of the project there were 47 registered tourism businesses													
Reg 2006 =51	1	Company A	100%	0	78	10	110%	0	81	15				
	2	Company B	100%											
	3	Company C	100%	0	11	0	130%	0	7	17	60%	0	7	15
	4	Company D	100%	1	2	3	100%	1	2	3	90%	1	2	3
	5	Company E	100%	1	6	1	80%	1	5	1	120%	1	4	0
	6	Company F	100%	2	3	0	100%	2	3	0	100%	2	3	1
Reg 2008 =	1	Company G					100%	0	14	7	120%	0	14	7
	2	Company H					100%	2	0	0	80%	2	0	0
	3	Company I					100%	0	0	1	120%	0	2	0
	4	Company J					100%	2	0	0				
	5	Company K					100%	2	0	2	130%	2	1	0
	6	Company L					100%	0	1	0				
	7	Company M					100%	1	0	0	90%	2	0	2
Average for new registered businesses							100%	15	23	10	105%	11	21	7

Key: F/P/S = Full-time/ Part-time/ Seasonal

Reg. = Registered