The 2017 Reader on Results Measurement

An introduction to the DCED Standard

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⊗DCED

The Donor Committee for Enterprise Development

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1 Introduction

1.1 How to use this Reader

This Reader introduces the DCED Standard for Results Measurement, and summarises what we have learned about results measurement since the last Reader was published in 2016.

Consequently, different audiences may use this Reader in different ways. If you are new to the DCED Standard, or want to refresh your memory, then begin by reading chapters two and three. Chapter two summarises the key points of the DCED Standard, and chapter three provides a step-by-step guide to implementation in practice. Content is largely taken from previous Readers, although it has been updated to match Version VIII of the Standard, which was released in April 2017. On the DCED website, you can download a full description of changes between [Version VII and VIII of the Standard](#).

More advanced readers, who are implementing Version VII of the DCED Standard and familiar with the control points, may wish to skip straight to chapters four and five. Chapter four presents findings from audits conducted to date. Chapter five summarises recent case studies on the DCED Standard, which have been published on the DCED website. It provides a snapshot of the relevant case studies, useful tips and examples, and links to the full case study for further reference.

For those who are interested in the DCED Standard and wish to explore further, chapter six presents practical steps for involvement.

1.2 What is the DCED Standard for Results Measurement?

The DCED Standard is a practical framework for private sector development programmes to monitor progress towards their objectives. It comprises seven elements, listed in the box to the right, which are the minimum required for a credible results measurement process. By adopting these elements, programme managers can understand what is working and why, and use monitoring information to improve the effectiveness of their work.

The underlying requirement of the DCED Standard is for programme managers to think through, and validate, the logic of their work. The first step is for managers to articulate the 'results chain', a simple yet powerful tool

> **The DCED Standard at a glance**
>
> 1. Articulating the results chain
> 2. Defining indicators of change, other information needs
> 3. Measuring attributable change
> 4. Capturing wider changes in the system or market
> 5. Tracking costs and impact
> 6. Reporting costs and results
> 7. Managing the system for results measurement

which maps the activities conducted by the project, and shows how these are expected to contribute to positive development impacts. This format enables managers to be explicit about the assumptions that they make. Based on this, programmes formulate and monitor indicators which are designed to test these assumptions, assess attribution and broader changes to the market system, and use the results for reporting and programme management.

The DCED promotes a pragmatic approach to results measurement. It calls on programmes to measure results to a level that is complex enough to be credible, yet simple enough to be practical.

In the words of John Maynard Keynes, "it is better to be roughly right than precisely wrong". The key test of the DCED Standard is whether the approach taken by the programme would convince a reasonable but sceptical observer.

For those agencies and programmes that are seriously engaged in monitoring their results, the DCED offers an optional, confidential 'audit' service, which can lend additional credibility to the results measurement system. An audit involves an external, objective assessment of the monitoring system in use in the programme. The monitoring system is assessed against transparent and publicly available criteria, giving every programme an incentive to improve, and a goal to aim for.

To date, the DCED Standard has primarily been used in private sector development programmes. This is reflected in the common indicators (below) and the case studies available online. The basic framework, however, is more broadly applicable. We would be interested to hear from programmes which are using it outside private sector development.

Why use the DCED Standard?

There are three main reasons to use the DCED Standard for Results Measurement: quality, credibility, and practicality.

- **Quality.** The DCED Standard represents a shared, inter-agency understanding of good practice around the estimation of results. It requires programmes to clearly articulate how the activities of the programme are expected to lead to outputs, outcomes, and eventually development impact. This process can improve design and management, as well as monitoring and evaluation. The DCED Standard has been designed and revised in collaboration with field practitioners and results measurement specialists.
- **Credibility.** Programmes can be audited for their use of the DCED Standard, which provides an external assessment of the quality of the results measurement system. We encourage programmes to voluntarily publish their audit report, although it is kept confidential if the programme wishes. Donors, evaluators, and others can use the findings of the audit to assess the credibility of self-reported results.
- **Practicality.** The DCED Standard recognises the limits of results measurement, and does not demand unrealistic levels of rigour or precision. Moreover, it lays out a relatively simple framework for programmes to improve their results measurement, removing the need for programmes to reinvent the wheel. Practitioners have access to guidelines and other support to make it easier to learn about and adhere to the DCED Standard. By encouraging a worldwide community of practice, the DCED offers opportunities for exchange and learning with other programmes, agencies and consultants.

The elements of the DCED Standard are relevant for those seeking to solve 'complex' problems; that is, problems which are unpredictable and constantly changing. Achieving development impacts therefore requires an emphasis on trying out multiple approaches, continually monitoring progress and learning in real-time to inform implementation. An effective results measurement system can identify which interventions are succeeding and should be expanded, and which ones are not. It helps programme teams gather evidence to inform the development of new approaches.

The Standard focuses primarily on 'how results are measured'; although it does suggest common impact indicators, separate conversations under the DCED umbrella have proposed lists of sample indicators for Private Sector Development in general (2016) and Business Environment Reform in particular (2013).

1.3   Progress with the DCED Standard

The DCED Standard was first developed in 2008, in collaboration with practitioners and consultants in the field. Since then, it has been adopted by over 150 programmes from more than 50 countries, representing over a billion dollars of development spend. (See Figure 1 below). An interactive version of the map can be accessed from the DCED website. The extent to which these programmes have implemented the Standard varies. Some have had or are planning to have full audits, while others are still working towards compliance.

Figure 1. Map of programmes using the DCED Standard. An interactive version is available on our website, at www.enterprise-development.org/measuring-results-the-dced-standard/map-of-projects-applying-the-dced-standard

Figure 2, below, shows the variety of programmes applying the Standard. While different sectors and approaches require different techniques and tools, the basic framework of the DCED Standard is applicable in almost any situation. Guidance on the DCED website is available for practitioners using different approaches, including application in women's economic empowerment, challenge funds and conflict affected areas.
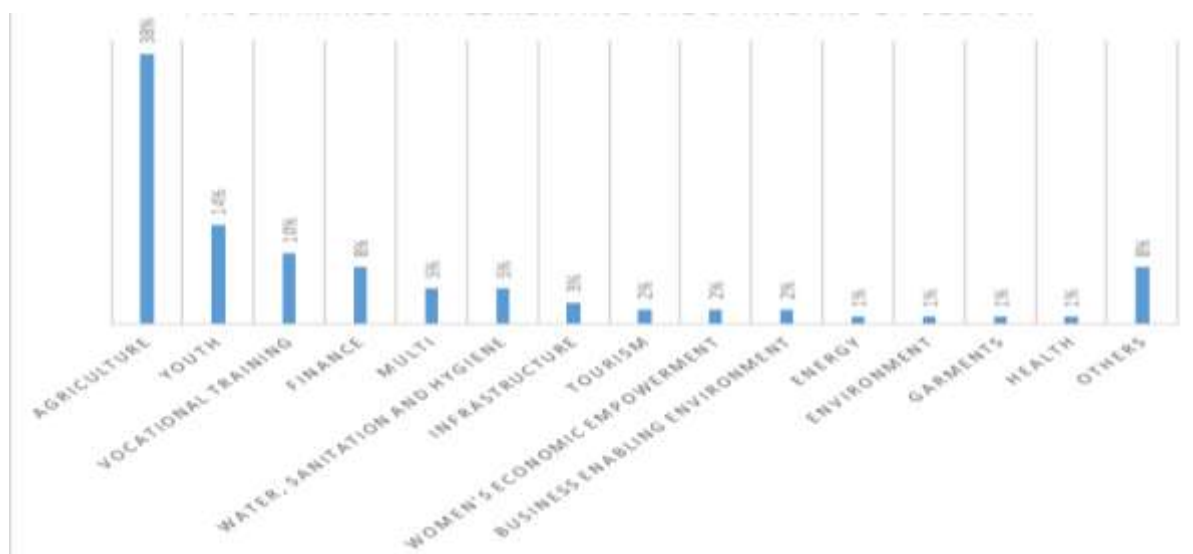

Figure 2: Types of programme applying the Standard

DCED audits have grown increasingly popular, with 25 programmes going for audit since 2011. More programmes have commissioned a 'pre-audit review'. Pre-audit reviews are used by programmes to assess their progress towards implementing the Standard and, if relevant, obtain recommendations on improvements to reach compliance with the Standard.

2 The DCED Standard for Results Measurement

This chapter presents the DCED Standard's seven elements (Version VIII, published in April 2017), which is available freely online. For each element, control points summarise what a programme must achieve to meet the DCED Standard. Some control points are mandatory, labelled 'Must' in the right-hand column. Others are recommended, labelled 'Rec'.

Each control point includes 'compliance criteria', which can be used by programme staff to design a results measurement system that meets the minimum requirements of the DCED Standard and to do a self-assessment about how well their results measurement system meets the Standard. Compliance criteria are also used by auditors to assess the programme against each control point.

The following chapter, *A Walk Through the Standard*, provides a simple explanation of what each element means and an example of their use in practice. The full text of the DCED Standard online contains more detail on compliance criteria as well as a list of definitions.

1. Articulating the Results Chain

No.	Control Point	Level
1.1	An appropriate, sufficiently detailed and logical results chain(s) is articulated explicitly for each intervention.	Must
1.2	Each intervention results chain is supported by adequate research and analysis.	Must
1.3	Mid and senior level programme staff are familiar with the results chain(s) and use them to guide their activities.	Must
1.4	The intervention results chain(s) are regularly reviewed to reflect changes in the programme strategy, external players and the programme circumstances.	Must
1.5	Each intervention results chain is supported by adequate research and analysis on gender.	Rec
1.6	Each results chain is supported by research and analysis that consider the risk of displacement.	Rec

2. Defining Indicators of Change, Other Information Needs

No.	Control Point	Level
2.1	There is at least one relevant indicator associated with each change described in the results chain(s).	Must

No.	Control Point	Level
2.2	Qualitative information on how and why changes are occurring is defined for each intervention.	Must
2.3	A small number of indicators at the impact level can be aggregated across the programme.	Must
2.4	There are specific indicators that enable the assessment of sustainability of results.	Must
2.5	Mid and senior level programme staff understand the indicators and how they illustrate programme progress.	Must
2.6	There are specific indicators that enable the assessment of gender differentiated results.	Rec
2.7	Anticipated impacts are realistically projected for key quantitative indicators to appropriate dates.	Rec

3.   Measuring Attributable Change

No.	Control Point	Level
3.1	Baseline information on all key indicators is collected.	Must
3.2	Monitoring information on all key indicators is collected.	Must
3.3	Impact assessment is conducted to assess attributable changes in all key indicators in the results chains using methods that conform to established good practice.	Must
3.4	The programme implements processes to use information from monitoring and results measurement in management of interventions and decision making.	Must
3.5	The programme has a system for assessing and understanding differentiated results by gender.	Rec
3.6	The programme monitors to identify unintended effects.	Rec

4.   Capturing Wider Changes in the System or Market

No.	Control Point	Level
4.1	The programme has an overall plan for assessing systemic changes at programme level.	Rec
4.2	Systemic changes are assessed at market system level and beneficiary level using appropriate methods.	Rec

5.   Tracking Costs and Impact

No.	Control Point	Level
5.1	Costs are tracked annually and cumulatively.	Must
5.2	Programme-wide impact is clearly and appropriately aggregated.	Must
5.3	Costs are allocated by major component of the programme. (Applicable only to programmes with more than one main component)	Rec

6.   Reporting Costs and Results

No.	Control Point	Level
6.1	The programme produces a report at least annually which describes results to date.	Must
6.2	Results of gender impact are reported.	Rec
6.3	Results of systemic change are reported.	Rec
6.4	Results are published.	Rec

7.   Managing the System for Results Measurement

No.	Control Point	Level
7.1	The programme has a clear system for using information from the results measurement system in management and decision-making.	Must
7.2	The system is supported by sufficient human and financial resources.	Must
7.3	The system is well managed and integrated with programme management.	Must

3 A Walk Through the Standard

This chapter explains how each of the seven elements of the DCED Standard contributes towards a practical and effective results measurement system. It is written primarily for programmes, but could be applied by agencies or organisations.

Figure 3 summarises the management cycle implied by the DCED Standard. Programmes start by developing a results chain, which shows how the programme activities are expected to lead to the desired outcomes and impacts. They define indicators, based on the logic outlined in the results chain. They then establish a baseline, monitor progress and finally assess impact which is attributable to their work – which helps to challenge or support the assumptions on which the design of the programme is based. Programmes consider market-wide changes; relate results to programme costs, and communicate them clearly. Finally, the
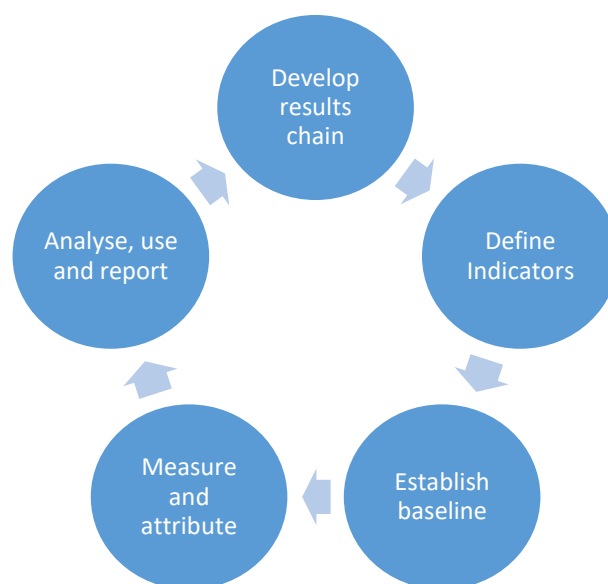

Figure 3 - Results Management Cycle

DCED Standard requires programmes to develop a system whereby results can be fed back into the programme management process, and used to improve implementation.

The following sections briefly introduce each element of the DCED Standard. Readers wishing to learn more can visit the DCED website, which contains guidance notes and case studies which describe key concepts in more depth, give examples of good practice, and explain how to meet the requirements of the DCED Standard.

To date, the DCED Standard has primarily been used by private sector development programmes. This is reflected in the common indicators (below) and the case studies available online. The basic framework, however, is more broadly applicable. We would be interested to hear from programmes that use the Standard on other types of programmes.

3.1 Articulating the Results Chain

The DCED Standard is based on results chains: a simple yet powerful tool to make explicit each step in the logic of a programme, from activities to outputs to outcomes to impacts[1]. This makes clear what the project is doing and what changes are expected as a result. This can improve:

- **Management**. Results chains show why the project is expected to have a positive impact. They map out the expected causal links between the activities and the eventual impact, clarifying the assumptions that this rests upon. This allows the logic to be closely examined, in order to verify

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[1] The terms 'results chain' and 'programme logic' are used throughout this document to refer to the same concept – also known by other names, such as 'causal model'.

that the activities will plausibly lead to the desired results, and to inform the design and management of the programme.

- **Communication**. Results chains are helpful for internal and external communication. A results chain can help to ensure that managers, staff and partners agree on the programme activities and outputs, and have a shared understanding of what is expected to change as a result of the project.
- **Results measurement**. Results chains provide the basis for results measurement. If it is not clear what a programme is expected to achieve, it is impossible to know how successful it has been. By showing the expected path to impact, the results chains can show what needs to be measured on that path to assess progress.

Consider a hypothetical Programme X which works in various agricultural sectors to increase the income of rural farmers. Programme X's research has indicated that one of the underlying causes of low incomes is low productivity. Staff believe that productivity is low because farmers lack knowledge about which seeds to use, and when to sow them.

In order to address this, Programme X partners with a seed company to train seed retailers on the benefits and usage of good quality seeds, with the expectation that the seed retailers will pass this information on to farmers. **Figure 4** shows a simplified illustration of the roles different actors play in the planned intervention. Programme X believes that, by involving a seed input company with a commercial incentive to train seed retailers, sustainability and scale could be achieved.

Figure 4: Different actors and their role in vegetable

Seed Input Companies	→	Seed Retailers	→	Farmers
The seed input company is interested in sharing costs and organising the training, as it hopes to benefit from increased sales and improved reputation through better educated seed retailers.		*Seed retailers are chosen to receive training so that they would pass on their knowledge to farmers. They will do so to build their reputation so that they can benefit from repeat customers and increased sales.*		*Farmers rely on seed retailers as a good information source. If they receive good quality information from trained seed retailers on the use of better quality seeds, they will apply that knowledge and benefit from higher yields.*

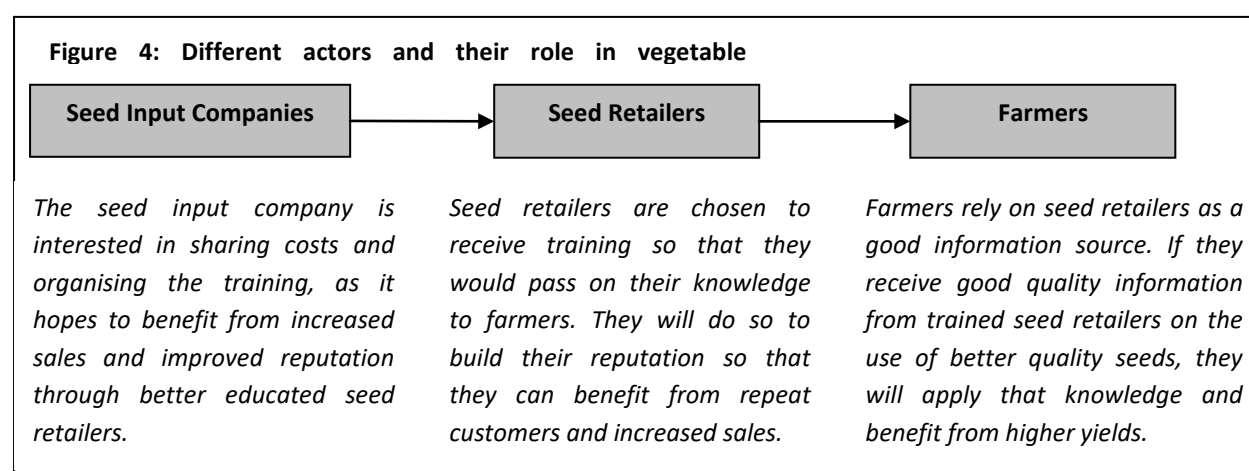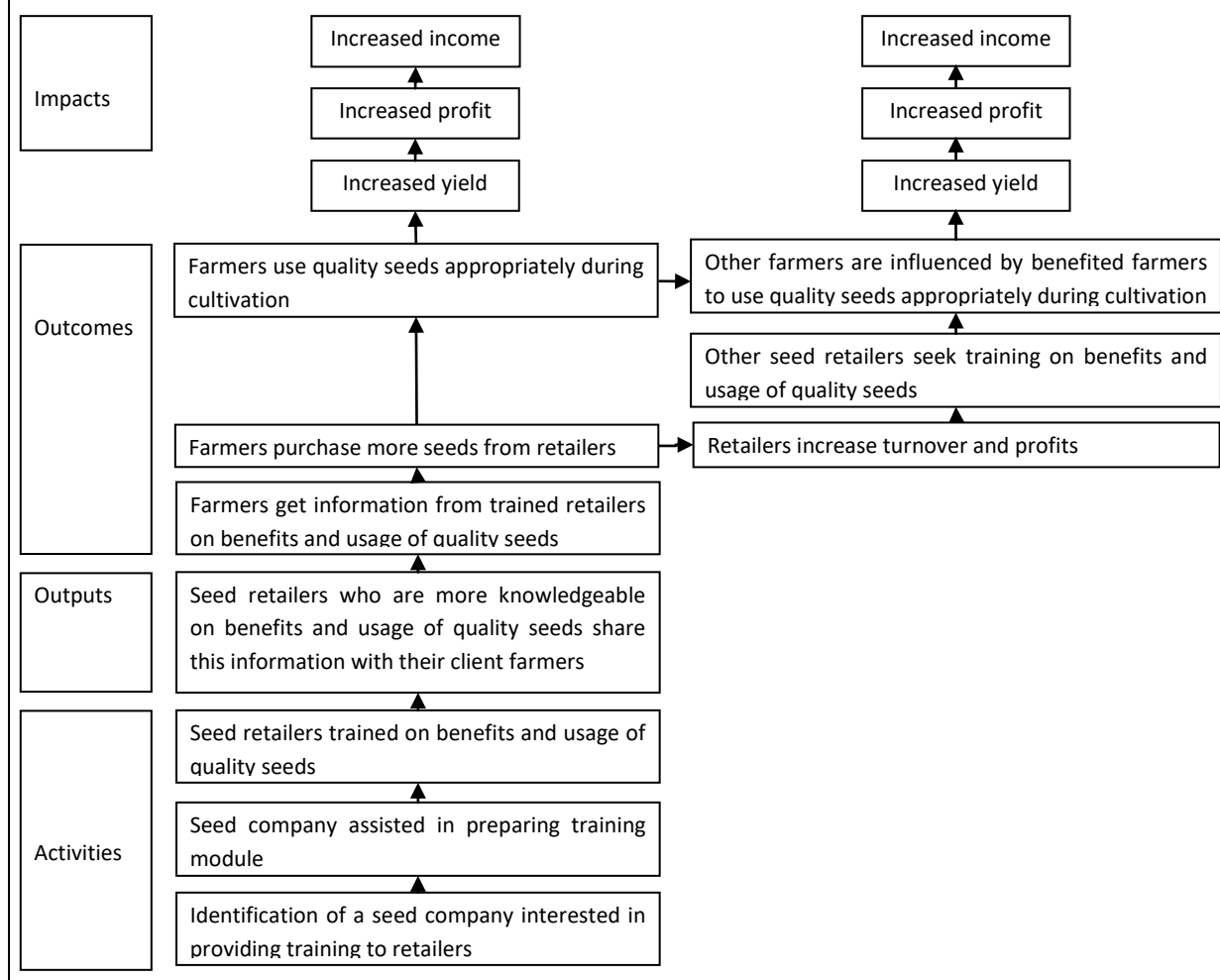**Figure 5**, below, shows the results chain for this intervention, in the sort of format required by the DCED Standard. While simplified for the purposes of illustration, it demonstrates how these various activities are expected to lead to the attainment of the desired goal, beginning with inputs, moving through outputs, to outcomes and ultimately to impacts (moving from bottom to top, in this example).

Figure 5: Training of seed retailers on good quality seeds: Example of a results chain

Impacts	Increased income ← Increased profit ← Increased yield
Outcomes	Farmers use quality seeds appropriately during cultivation → Other farmers are influenced by benefited farmers to use quality seeds appropriately during cultivation
	Other seed retailers seek training on benefits and usage of quality seeds
	Farmers purchase more seeds from retailers → Retailers increase turnover and profits
	Farmers get information from trained retailers on benefits and usage of quality seeds
Outputs	Seed retailers who are more knowledgeable on benefits and usage of quality seeds share this information with their client farmers
Activities	Seed retailers trained on benefits and usage of quality seeds
	Seed company assisted in preparing training module
	Identification of a seed company interested in providing training to retailers

Results chains are a management tool, and need to be updated on a regular basis, in light of lessons learned and changing market circumstances. By measuring change at each level in the results chain, staff can see what is working, identify where the expected results aren't occurring, and take corrective measures where required. For example, if staff learn that vegetable farmers are receiving information from retailers, but not using better seeds, it suggests that farmers are unlikely to increase their incomes as expected. Once this issue is identified, programme staff can investigate in more depth. That process might reveal some other factor, not previously considered (for example, a recent increase in the price of seeds), which may require a change of programme strategy.

Articulating the results chain to the right level of detail for the first time is challenging. Even though the logic is perhaps clear in the minds of managers and staff, writing it out on a blank sheet of paper can be surprisingly difficult. Doing this as a team can be a very valuable process, to get everyone on the same page (quite literally).
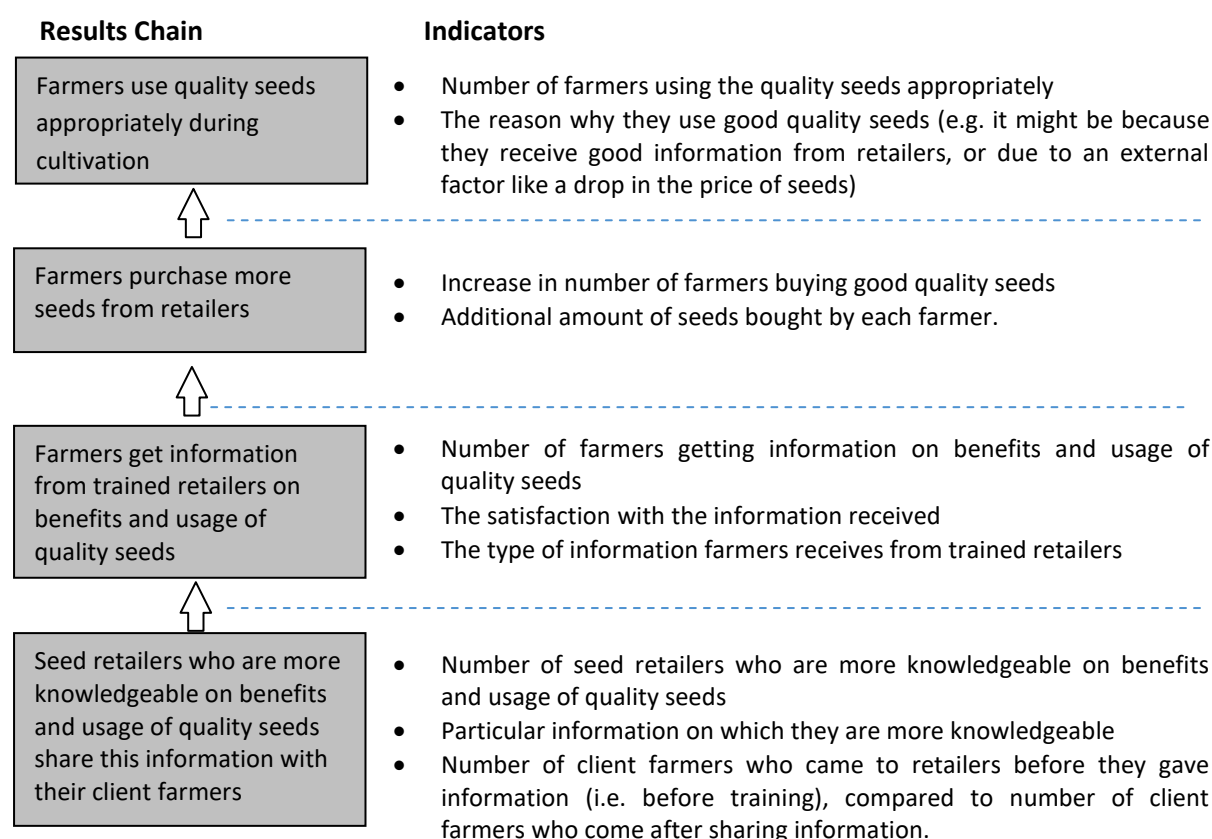
The DCED has produced a guide to developing results chains, available online.

3.2 Defining the Indicators of Change, Other Information Needs

The DCED Standard requires programmes to define an indicator for each box in the results chain. In other words, once practitioners have clarified what they expect to happen, they must then be clear about what they would measure, at each step, to verify whether the expected change occurred.

All of the indicators identified in this step need to be precise and measurable within the programme timeframe and budget; they may be either quantitative or qualitative. The indicators should also include information on the likelihood of sustainability - that the changes described in the results chain will continue after the programme ends. **Figure 6** shows four steps in the results chain mentioned in the example above, and suggests potential indicators for each change.

Figure 6: Defining indicators of change

Results Chain	Indicators
Farmers use quality seeds appropriately during cultivation	• Number of farmers using the quality seeds appropriately • The reason why they use good quality seeds (e.g. it might be because they receive good information from retailers, or due to an external factor like a drop in the price of seeds)
Farmers purchase more seeds from retailers	• Increase in number of farmers buying good quality seeds • Additional amount of seeds bought by each farmer.
Farmers get information from trained retailers on benefits and usage of quality seeds	• Number of farmers getting information on benefits and usage of quality seeds • The satisfaction with the information received • The type of information farmers receives from trained retailers
Seed retailers who are more knowledgeable on benefits and usage of quality seeds share this information with their client farmers	• Number of seed retailers who are more knowledgeable on benefits and usage of quality seeds • Particular information on which they are more knowledgeable • Number of client farmers who came to retailers before they gave information (i.e. before training), compared to number of client farmers who come after sharing information.

It is essential to plan for the collection of quantitative and qualitative information to fully understand the impact of a private sector development programme. Qualitative information is particularly important for assessing the depth and nature of changes, their sustainability, and the attribution between steps in the results chain. Consequently, the DCED Standard requires that "qualitative information on how and why changes are occurring is defined for each intervention." (Control point 2.2)

Common indicators across different programmes can allow donors to aggregate results across various programmes, demonstrate results to their parliaments,

> **What are the Common Indicators?**
> - **Scale**: Number of target group benefitted
> - **Income**: Net additional income generated
> - **Jobs**: Net additional jobs created

and potentially compare value for money across contexts. Consequently, the DCED Standard recommends three 'Common Impact Indicators' that many private sector development programmes could estimate: scale, income and jobs. As 'impact' indicators, they refer to changes for the people that the programme ultimately aims to benefit, rather than intermediaries such as businesses, NGOs, or governments

Photo: djembe/ 123RF Stock Photo

However, these common indicators are not always appropriate. In some cases, the results chain between activities and the common indicators may be too long to feasibly assess. In other cases, different agencies contribute different parts of a solution, and isolating the impact of one programme is difficult to do meaningfully. Other programmes may not aim to affect all of the common indicators; for example, a programme may work with the private sector to improve access to healthcare rather than to increase incomes.

At all stages, the DCED Standard advocates a practical approach to results measurement. Consequently, if a programme has valid reasons for not assessing progress against any of the common indicators, they should clearly document what these reasons are. They should also look for alternative indicators which can be aggregated across the programme, as far along the results chain as is feasible. The auditor will take that into account when grading the project, and if the justification is acceptable then the project can still be compliant without monitoring the common indicators.

More information can be found in the [DCED Guide to Developing Indicators](#), which also suggests other indicators relevant to private sector development programmes.

3.3   Measuring Attributable Change

Once the indicators are identified, programmes must develop and follow a system for measuring attributable changes in those indicators at selected intervals. This will typically begin with a results measurement plan, containing elements such as those listed to the right.

Elements in a monitoring plan	
Change	Defines 'what' we want to see changing
Indicator	Defines how the change is measurable
Definition	How the indicator will be calculated or defined.
How	Defines the tools that can be used to measure change
Whom	Defines responsibilities
When	Defines timelines to assess change

The programme should conduct baseline research where appropriate, to establish the starting point of the indicator before the value is likely to be affected by programme implementation. Indicators should be monitored at set intervals throughout the lifetime of the programme, to detect changes.

The Standard requires programmes to collect monitoring information during implementation. This allows programmes to check whether things are going as per plan and to take corrective measure if required.

> **What if a programme hasn't collected baseline information, but still wants to apply the Standard?**
> It is not always possible to collect baseline information, for example if the programme is adopting the Standard in the middle of implementation. In such cases the programme can:
> i) Use secondary data;
> ii) Derive a baseline from retrospective research;
> iii) Use data from other regions with similar demographics etc.

Eventually impact assessments need to be conducted to assess attributable impact on beneficiaries. All research (baseline, monitoring and impact assessments) should conform to established good practice. Measurement can primarily be managed by programme staff, enabling them to learn from, and use, the information. Good monitoring helps programmes to identify how change is taking place which can be eventually translated into more compact survey type research for measuring impact. Designing appropriate research may need some additional external input, in order to comply with good practice. This expertise is normally available in-country.

Figure 7 gives an example of a hypothetical interview with a farmer who received information from trained retailers (using the same example as set out in Figure 6 above). It shows how gathering quantitative and qualitative information can inform decision making by programme staff.

Figure 7: Example of an in-depth interview

Ms. Y is a vegetable farmer who grows gourds, using seeds that she retained from the previous year of cultivation. Last year, she noticed that her neighbour had considerably higher yields, and found out that he had recently tried a new variety of packaged seeds recommended by a well-informed seed retailer. Ms. Y therefore went to the seed retailer who told her more about the benefits of using quality seeds, and gave some advice on how to use them. Ms Y says, however, that even though her yields rose considerably, they were still not as high as her neighbour's. She used the packaged seeds recommended by the retailer, but she didn't fertilise her land before sowing the seeds as she couldn't afford the fertiliser.
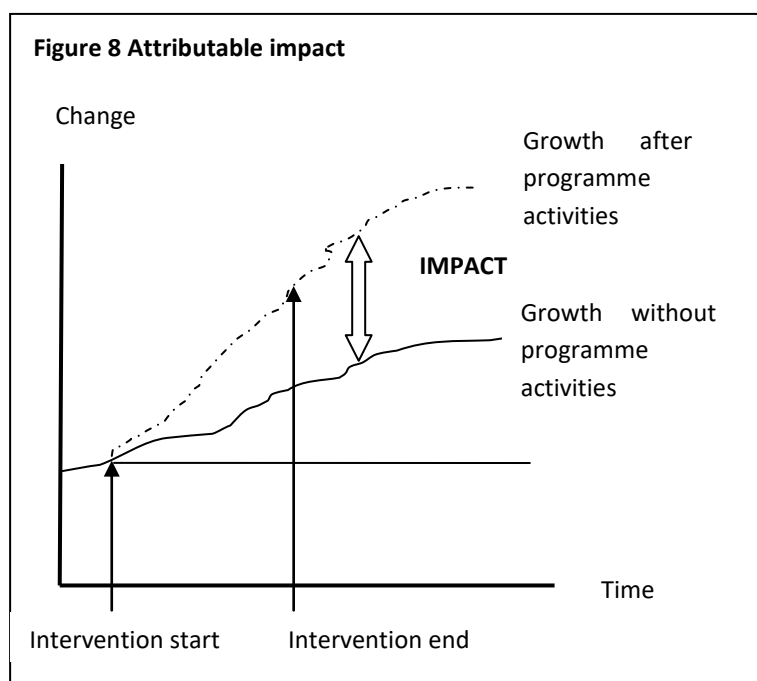
	2012 (before)	2013 (after)
Cultivated Land	1/2 acre	1/2 acre
Seed Cost	**Used own**	**USD 25**
Other Costs	USD 50	USD 50
Yield	1500 pieces	2500 pieces
Sales Revenue	USD 120	USD 210
Profit	USD 70	USD 135

The table shows Ms. Y's profit before and after going to the trained retailer. Upon getting similar results from interviews with other farmers, the programme staff can use the information to consider how the fertiliser might be made available at lower cost.

It is strongly recommended that programmes 'triangulate' the information they generate. In other words, staff should use different methods and sources to validate and confirm their findings. This will give more reliable information than relying on one method or source of data. For example, programmes might complement survey data with national statistics on yields, or focus group discussions with groups of local farmers.

The DCED Practical Guidance on Conducting Research provide a general overview of tools that can be used – including in-depth interviews, focus group discussions, quasi-experimental studies, and observation The DCED Guidelines to Measuring Indicators provides a more general overview of how to comply with this element of the Standard.

While measuring change (baseline, monitoring and impact assessment), it is important to establish what is attributable to the programme's work. Perhaps the changes might have happened anyway, or might have been brought about by the work of a different organisation. It is even possible that better results might have been achieved without the programme. Figure 8, below, illustrates the challenge; how can staff identify the difference between the top, dotted line (growth after programme activities) and the lower, solid line (growth without programme activities)? The DCED Standard requires programmes to address this issue of attribution for the steps within the results chain while measuring change.

Figure 8 Attributable impact

Assessing the extent to which changes are due to an intervention or programme is often a challenge and in programmes that have been audited, it is often one of the weakest areas of results measurement systems. Methods to assess attribution are not always sufficient, or there are weaknesses in the assessment designs or implementation, e.g. flawed control groups or insufficient robust causal analysis - which might include insufficient qualitative information to assess why changes occurred, or using recall questions to establish the baseline a long time after the intervention commenced.

There is a range of techniques for addressing attribution. The actual method selected will depend on the individual circumstances; it is easier to develop a credible and robust 'story' in some kinds of intervention, than in others. The introduction of a new technology, for example, may lead to changes that are clearly attributable to the technology. If the programme encourages farmers to switch to a new crop which had not previously been farmed in the region, then all benefits from that crop are likely to be attributable to the programme. On the other hand, attributing behaviour changes to training courses can be challenging, and require more sophisticated techniques.

The results chain is a starting point for assessing attribution. By assessing expected changes at each level, the programme can build up a plausible attribution story. In the above example, shown in Figure 5, the intervention was designed to enable vegetable farmers to improve their yields, and so increase profits. If profits increase, but yields stay the same, the increase in profit probably cannot be attributed to the programme's activities. It is more likely to be due to other factors, such as an increase in the market price of vegetables, or reduced cost for inputs. The key test posited by the DCED Standard is whether the approach taken by the programme would convince a reasonable but sceptical observer.

3.4 Capturing Wider Changes in the System or Market

Traditionally, programmes have aimed to directly improve the lives of beneficiaries. For example, they may distribute seeds, provide healthcare, or sponsor education. However, this type of assistance is limited; it will only benefit the direct recipient. Moreover, it is frequently unsustainable, as it ceases when the project ends.

In response to this challenge, private sector development programmes often seek to create 'systemic change'. This is change in systems, such as markets, government, or civil society. Systemic change can have a greater impact than direct assistance, as it will benefit people who have had no contact with the programme. It is more likely to be sustainable, because it depends on multiple actors in the system, rather than individual companies.

Photo: irynarasko/ 123RF Stock Photo

Most traditional approaches to results measurement, however, neglect the wider changes in the market – even though this is often where the most impressive impacts and scale are to be found. The DCED Standard consequently calls on programmes to make efforts to capture these wider changes so that they do not under-report their achievements. Measuring systemic change is one of the most challenging aspects of implementing the Standard. There are several factors that make it challenging. For instance, there is no accepted definition of systemic change that easily enables funders and implementers to distinguish between what is systemic change and what is, for example, natural business growth. Often programmes aspiring to promote systemic change have not established their own definition or defined their approach to measuring systemic change. Systemic change concerns other actors in the market, and who the programme is not working with directly, changing and it is difficult to predict how these actors may change and what the impact may be on beneficiaries. Lastly, systemic change is often thought to occur beyond the usual three and five-year programme implementation periods, yet very few monitoring and evaluation activities are planned beyond this.

The DCED has produced guidance on assessing systemic change. The guidance calls on programmes to articulate the type of changes which they expect to see, and document the causal pathway to these changes. It recognises the challenges of such assessments, and the need for further analysis in

this area. Recent case studies, from [GEMS1 in Nigeria](#), the [Market Development Facility in Fiji](#), and [Samarth-NMDP in Nepal](#), have begun to fill this gap.

3.5   Tracking Costs and Impact

The Standard calls for programmes to state their annual and cumulative costs, so that their achievements can be put into perspective. For example, a larger and more costly programme can be expected to achieve greater results and scale. The Standard also suggests that programmes separate costs by major components, to provide useful management information. The DCED has produced guidance on [tracking costs](#).

Photo: Witthaya Phonsawat / freedigitalphotos.net

The Standard also calls for programmes to keep track of all results (qualitative and quantitative) so that it can use it for reporting its impact (see below).

3.6   Reporting Costs and Results

The Standard calls for programmes to reports costs and results at least annually, so that they can be communicated within the internal programme-related community (donor, management staff, programme staff) and the external community if deemed appropriate. Note that the DCED will not publish the results data being generated by participating programmes, without prior permission. The DCED has produced [guidance on reporting results](#).

3.7   Managing the System for Results Measurement

The results measurement system should be used for programme management, and be integrated into day-to-day decision-making. A programme which carefully developed results chains and meticulously measured and attributed indicators would not be compliant with the DCED Standard unless programme staff use this information to learn, and to improve their work.

This requires real commitment from senior managers. Results measurement must be prioritised, and staff expected to devote appropriate time and resources to it. The culture of the organisation must support honesty and reflection, enabling staff to share and learn from failure as well as success. Developing a learning culture is challenging, and typically requires support from managers at the highest level. Staff must be given the correct incentives. For example, they should not be penalised for failures which are out of their control. Neither should they be implicitly encouraged to exaggerate impacts or adjust their calculations to give a distorted picture of outcomes. It is better for staff to learn from failure than to report overly optimistic results.

The DCED Standard also calls on programmes to allocate sufficient financial and human resources to the results measurement system, so that it can be sustained and developed. The greatest investment is often not in extra or specialist staff, but in management time to clarify the logic of the

programme, and to learn from the results measurement process. The DCED Standard is thus not just a way to demonstrate results, but to improve the effectiveness of the programme. The DCED has produced [guidance on managing the system for results measurement](#).

4   Audits against the DCED Standard

Programmes applying the elements of the DCED Standard can choose to undergo an optional audit. This is an external, objective assessment of the extent to which the results measurement system meets the control points of the DCED Standard. It is carried out by DCED-approved auditors.

If a programme scores more than 85% on the 'Must' Control Points, it is [listed on the website](#) as having achieved that. The findings remain confidential unless the programme chooses to make them public; to date, almost all of the programmes achieving more than 85% have agreed to allow the DCED to post their Audit Report on the website.

Image: Stuart Miles/ freedigitalphotos.net

An audit improves the credibility of self-reported results, because the auditors verify whether the system can generate reliable results information. This can provide donors, recipient governments, and evaluators with reassurance regarding the quality of monitoring data for programmes applying the DCED Standard. This is better (and cheaper) than the traditional approach whereby an external consultant tries to replicate the results measurement process – and often concludes that there are not enough baseline data to be able to generate any definitive findings.

A programme interested to go for audit should first commission a pre-audit review by a consultant who can highlight areas of the results measurement system that need attention. If that review finds that the system is working well, then the programme is invited to contact the DCED Secretariat to explore next steps. Meanwhile, you can find many materials, including [sample Terms of Reference](#) that programmes can use in commissioning an audit, and [lessons learned from audits to date](#), at [www.enterprise-development.org/measuring-results-the-dced-standard/auditing-the-monitoring-system](#).

5   New Case Studies on the DCED Standard

This chapter summarises recent case studies on the application of the DCED Standard in practice. It focuses on the elements that the previous chapter identified as weaknesses; management, attribution, and systemic change. This chapter only gives a snapshot of the information provided in the full case study, so if the topic is of interest, follow the links provided for more information, tips and practical examples. Many more case studies are available on the [DCED website](#).

5.1 Using the DCED Standard in Management

5.1.1 Building a learning culture – the case of the Market Development Facility in Fiji, by Aly Miehlbradt

Experience has shown that a learning culture is the foundation of an effective results measurement system. Establishing and maintaining a learning culture in a program requires explicit strategies and consistent commitment. This case study describes the experience of the Market Development Facility (MDF) in developing a learning culture. It focuses on the attitudes and behaviours at the core of MDF's organizational culture and how MDF managers influenced them to establish effective norms in the organization. The heart of the case is a series of interviews conducted with MDF managers, staff and donor in which they describe in their own words the MDF organizational culture, how it works, how they have developed it, and how it benefits them and the program. One of the tips from the case study is below.

You can download the full [case study](#) online.

From Hr.icio, WikiMedia

Quick Tip: Use 'Scrums' to promote learning

To promote frequent discussions among the team, MDF introduced 'scrums.' The term 'scrum' comes from rugby. It's a formation where the rugby team members are packed closely together with their heads down as they work together to gain possession of the ball. (Pictured left) 'Scrums' are now used as a business management tool to help managers complete complex projects by improving teamwork, communication and coordination. MDF borrowed from this practice by introducing frequent, short team meetings to discuss progress and coordinate work. In MDF, the term has evolved to describe any short meeting to discuss an idea, finding or intervention. Visit [youtu.be/l55fvYjbjyQ](#) to see what a scrum looks like and to hear Dharmen Chand, MDF Business Advisor, describe how they were introduced and how they have evolved.

5.1.2 Using Information on Results in Program Management – The case of Samarth-NMDP in Nepal, by Aly Miehlbradt

Using information effectively to help manage a program enables the program team to build on what is working and to change or discontinue what is not. This adaptation is critical to ensuring that the program maximizes long-term, positive impacts within the time and money available. However, many programs find it challenging to effectively analyze and use the information they gather. This case describes the system that Samarth Nepal Market Development Program (Samarth-NMDP) has developed to analyze information on results and use it to adjust interventions and strategies. The case illustrates this system by explaining Samarth-NMDP's experience with adapting its strategy in the agricultural mechanization sector in Nepal.
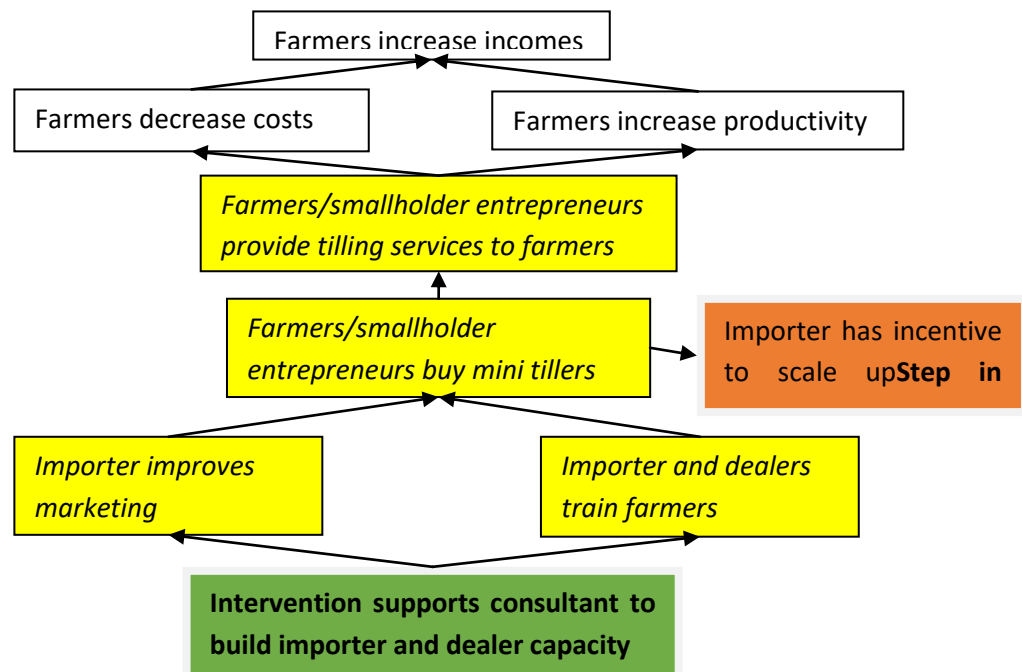
Figure 9

The case also includes specific tools that Samarth-NMDP uses in their system, such as colour-coding results chains to show programme progress, illustrated in Figure 9. Colour-coding provides a tool to clearly visualize the progress of change through a results chain. In Samarth, the results chains are coded using 'traffic light' ratings. The rating is an assessment of the actual change for each results chain box relative to the expected change for that box to date. To enable viewing in black and white printing, font changes are also used to distinguish levels.

- Green indicates change as or above expectations. (Bold text)
- Yellow indicates change is occurring but not to the extent expected. (Italic text)
- Red indicates no change or negative change. (Underlined text)
- White box indicates change is not yet expected to occur (No special font)

Samarth emphasizes that a red box is not a sign of poor performance. It is only poor performance if the team fails to identify and respond to the red boxes.

The case features more practical tips from Samarth's experience, and videoed interviews with team members. You can download the full case study online.

5.1.3   Assessing attribution: A practical framework for selecting appropriate attribution methods, by Hans Posthumus and Phitcha Wanitphon

Measuring impact in private sector development programs is important but also challenging. This guidance paper provides an overview of the most common attribution methods, and offers guidance on how to select the most appropriate attribution method for the diversity of interventions and their context. This includes a flow diagram, listing options and factors to help programmes choose between attribution methods. This paper also documents how four programs have selected and implemented four different attribution methods.

You can download the full guidance paper online.

Different attribution methods

The case study provides a framework which helps programmes decide between different methods for assessing attribution. The methods mentioned in the framework are:

- **Before and After Study with Opinion**. In some cases, attribution can be assessed through a simple before and after study, alongside gathering the opinion of key informants on why changes has occurred. This is particularly useful when there are few factors influencing the outcome, or those factors can be measured and controlled for by the programme. A case of where a before and after study has been used by MDF Fiji is available to download.
- **Quasi-Experimental Design**. More often, external factors affect the outcome which is being measured. For example, yield can be affected by the weather, other development programme, or soil types. In this case, a before/after study is insufficient, and it may be better to use a quasi-experimental design. A quasi-experimental design requires a comparison group to be identified before the start of the intervention, and their status measured before and after the intervention. Changes in the comparison group can be compared with change in the treatment group, to see if the treatment group benefitted from the intervention. A case study of where this method has been used by Samarth-NMDP is available to download.
- **Comparison Groups**. This approach is used when it is impossible to identify an appropriate comparison group before the intervention starts. For example, this might be used when assessing the impact of input suppliers, as you might not know who will (and will not) buy the seeds before the intervention starts. In this method, respondents are allocated into the treatment or comparison group towards the end of the intervention, not the beginning. A case study of where this method has been used by Propcom is available to download.
- **Compare Trends**. In some cases, no comparison group is available – perhaps because all relevant groups are affected by the intervention. If this is the case, and if sufficient data are available, then a trend analysis can be conducted to assess whether the intervention has led to any attributable changes.
- **Sector Impact Assessments**. In some cases, a programme may run multiple interventions which all target the same group of people. This creates additional challenges when assessing attribution, as users are likely to benefit from more than one intervention, and it is harder to find an appropriate comparison group. A case study of how ALCP Georgia addressed these challenges is available to download.

5.2   Assessing systemic change

5.2.1   Measuring systemic change – the case of GEMS1 in Nigeria, by Nabanita Sen and Wafa Hafiz

Development programs aim to create changes that will continue to deliver benefits to their target populations beyond the project period. To do so, programs are designed to make changes not only sustainable but also systemic. Change is systemic when it addresses the underlying causes of market system performance that can bring about a better functioning market system. Assessing progress in making changes systemic and measuring the results of

those systemic changes can be challenging. This case describes how the GEMS1 Programme assessed systemic changes and the results of those changes for an innovative business model in livestock feed finishing.

You can download the full [guidance paper](#) online.

Challenges when assessing systemic change

This case study outlines six challenges that GEMS1 faced when assessing systemic change, and describes how GEMS1 addressed them. The challenges included:

1. **Defining direct and indirect farmers**. As chapter 4 of this Reader showed, programmes often fail to define systemic change in ways that allow it to be measured. By defining 'direct' and 'indirect' farmers, GEMS1 made it clear which farmers it considered to have benefitted through systemic changes.
2. **Assessing whether other companies crowd in**. Systemic change is often expected to take place through 'crowding in'. This is when companies, or other market actors, copy new business models or behaviours that the programme originally introduced. The case study shows how GEMS1 identified and interviewed these companies.
3. **Identifying indirect (copying) farmers**. GEMS1 decided to identify indirect farmers by getting information from direct farmers. In other words, farmers who benefitted directly from the intervention were interviewed to ask if they knew of other farmers who had copied their practices. GEMS1 followed up with a survey of 55 of these 'copy farmers'.
4. **Measuring benefits for indirect (copying) farmers.** GEMS1 did a separate assessment on copy farmers to measure the attributable change for them, instead of assuming that they would get the same impact as direct farmers.

5.2.2 Defining and Populating Pathways for Systemic Change: Strategic Guidance of MDF, by Aly Miehlbradt

In March 2014, the Donor Committee for Enterprise Development convened a workshop of experienced practitioners to discuss systemic change, and in particular, how to assess progress in bringing it about. One key recommendation was that a programme should outline a 'pathway' that describes what systemic changes it expects to happen, and how the programme will influence those changes. This expected pathway can then be used as the basis to monitor progress.

This case shows how the Market Development Facility (MDF) tackles the challenges of defining expected systemic changes in the sectors it targets, outlining pathways towards systemic change and using those pathways as the basis for monitoring progress towards the defined changes. MDF is using its systemic change framework in the five countries where it operates: Fiji, Timor-Leste, Pakistan, Sri Lanka, and Papua New Guinea. The case is illustrated with examples from Fiji, as this is the country where MDF has been working the longest.

Figure 10 shows how markets are expected to evolve from a "beginning state" to an "expected high state". These systemic changes are described using six key parameters; Autonomy, sustainability, resilience, inclusiveness, scale and women's economic empowerment. Based on its knowledge of the market system and its sector strategy, MDF projects the extent of systemic change it expects to be

able to catalyse within two years after the end of the programme. MDF assesses progress along the pathways as part of its regular monitoring and results measurement, periodically summarising observed changes and MDF's influence on them along the six parameters.

This process helps MDF to unpack the systemic changes it aims to influence, in order to describe succinctly its vision for systemic change, to analyse progress and to communicate results. At the same time, the framework and the discipline around it helps MDF to consider progress in key aspects of systemic change, avoiding the trap of focusing on one aspect and ignoring others. MDF managers and staff report that the framework provides them with a clear platform for discussing concretely the systemic changes that multiple interventions aim to influence, thus enabling them to more effectively analyse and improve their sector strategies in light of challenges encountered and progress made.

You can download the full case study [online](#).

Figure 10 - MDF Systemic Change Pathway

6   Practical Steps for Involvement

6.1   Getting started

While every programme follows its own route toward compliance with the DCED Standard, there are a few common steps in the process:

1. **Initial interest/awareness**: As a first step, it is essential for programmes to get an initial insight of what the DCED Standard is all about and why it would be relevant in their work. Some practitioners find it helpful to read through the materials available through the website, others learn from peer programmes, and others attend events to familiarise themselves with the DCED Standard. Please refer to the website or get in touch with the DCED at Results@Enterprise-Development.org for information on upcoming seminars or training.

2. **Full understanding of what is required**: It is important that practitioners fully understand the different elements of the Standard, the reason for each control point, and how to meet the compliance criteria. The DCED offers a range of guidance and examples on how to ensure compliance with the Standard. There are also several training events held around the year to support programmes in their results measurement initiative.

3. **Implementation**: Some programmes move towards implementing using the support offered through the DCED website, and others get direct support from consultants who have practical experience in using the Standard. Programmes with an existing results measurement system need to conduct an initial gap analysis, to show how close their current system is to the requirements of the DCED Standard. Depending on the resources available, some programmes have also found it useful to initially 'test' the Standard in a few sectors before applying it across all portfolios.

4. **Pre-Audit Review**: Before going for a full audit, it is recommended that programmes commission a pre-audit review audit by a consultant with experience in the DCED Standard, in order to check whether they have the required system in place, and if not to identify the missing steps. Programmes which have so far undertaken a pre-audit review have found it particularly helpful, as it helps them prepare for the full audit and to get external recommendations on essential steps they need to take to improve their results measurement system.

5. **Full Audit**: A full audit involves an external, objective assessment of the monitoring system in use in the programme - or for new programmes an assessment of the system in place (but not yet in use). This is conducted by DCED-approved auditors with experience in the Standard. An audit report is valid for two years, after which the programme must be successfully audited again to maintain the status. See the DCED website for more information.

The main cost of implementing the DCED Standard is the time of the programme managers and their staff. But since this is being invested to achieve greater clarity about the logic of the programme, it is arguably not an overhead cost, nor part of the results measurement budget. Instead, it is a core

function of the programme staff, in their drive to be more effective. Specialist expertise or staff training might be needed to ensure that the measurement system is fully functional and effective. Similarly, an audit normally requires a few weeks of consulting time (depending on the size of the programme).

6.2   Support offered by the DCED

The DCED offers a range of support and resources to programmes that are interested in applying the DCED Standard. Almost all of them can be accessed through the DCED website, at www.enterprise-development.org/measuring-results-the-dced-standard This includes:

- **Implementation Guidelines**. The DCED has developed an implementation guideline for each of the elements of the Standard. They discuss each control point and compliance criteria, and explain what is necessary to meet the DCED Standard.
- **Thematic guidelines**. The DCED has developed guidelines for implementing the Standard in challenge funds, women's economic empowerment, conflict affected environments, and business environment reform.
- **Case Studies**. The case studies give practical examples of how different programmes are working towards the DCED Standard.
- **DCED Standard Consultants Marketplace**. The consultants' marketplace on the website lists consultants who have experience in the implementation of the DCED Standard.
- **Vacancies, Training Courses and Events in PSD**. The website lists current job opportunities in PSD (including results measurement), upcoming training courses from the DCED and private providers, including those aimed at beginners and more advanced users in both PSD and results measurement.
- **Email newsletter**. Keep in touch by signing up for the newsletter from the front page of the website. Alternatively, anyone can email the DCED directly at Results@Enterprise-Development.org.