

1 Summary

Katalyst Bangladesh	2008-2013	
Audit dates	15 th – 22 nd May 2011	
Overall final ratings	MUST	172/190=91%
	RECOMMENDED	127/160=79%
Coverage	Active Katalyst portfolio All control points checked	
DCED Standard	Version V, 13 Jan 2010	

Signed:

Katalyst	Goetz Ebbecke, programme manager	date, place
Auditors	Phitcha Wanitphon & Hans Posthumus	date, place

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2 Key Audit Findings

Articulating the Results Chain

Results chains are well articulated and guides the staff in making decisions and are regularly reviewed including systemic system changes.

In some instances there are minor inconsistencies. Displacement is considered in all sector strategies but is not properly documented.

Defining Indicators of Change

Indicators are included and specified for each key change in the measurement plan, including universal indicators and indicators that measure systemic changes.

Some interventions do not include the universal impact indicators. Sustainability indicators are sometimes insufficient specified.

Measuring Changes indicators

There are thorough measurement plans and good research practices applied.

The intervention measurement plans don't specify how attribution is measured including the baseline data collection.

Estimating Attributable Changes

The MRM manual is very comprehensive how to measure attribution and collaborating partners are acknowledged.

There is inconsistency in measuring attribution, especially in the older interventions, implying reported impact includes results whereby attribution has not been properly estimated.

Capturing Wider Changes in the System or Market

Intervention plans mostly capture systemic changes.

The attribution of systemic changes is not sufficiently addressed.

Tracking Programme Costs

Costs are tracked per sector.

Reporting Results

All results are corrected for overlaps. Costs and impact are reported disaggregated per sector.

The system flow of information from intervention plans to the aggregation sheets leaves room of errors. Results are not published.

Managing the System for Results Measurement

An effective system is in place and use, supported by sufficient resources

Katalyst is constantly improving its measurement system. A major revision of the measurement system took place in July 2010. The more recent Intervention Plans are much better than the older Intervention Plans. Results chains are more thorough, include more key changes and pay more attention to systemic changes. The measurement plan is more detailed, calculation sheets state major assumptions and calculations are better structured and more information is summarised to enable tracking information sources and calculations.

Final ratings

MUST control points:

Rating Scale	Description	Programme Rating
171-190	Strong results measurement system	<input type="checkbox"/>
152-170	Reasonable results measurement system	
133-151	Moderate results measurement system	
114-132	Moderate results measurement system	
95-113	with notable weaknesses	
76-94		
57-75		
38-56	Weak results measurement system	
19-37		
0-18		

Recommended control points:

Rating Scale	Description	Programme Rating
128-160	Results measurement system with strong additional features	
96-127	Results measurement system	<input type="checkbox"/>
64-95	with some additional features	
32-63	Results measurement system	
0-31	with few additional features	

3 Summary of the program and key issues that affect the measurement result system

Katalyst is a multi donor funded, market development program in Bangladesh. Katalyst enables small farmers and enterprises to become more productive and profitable by improving access to business and public benefit services (knowledge, information and inputs). Katalyst also works with government and private partners to improve the enabling environment. This second (5 year) phase started in March 2008.

Katalyst works in 17 sectors¹, categorized in core sectors and cross sectors. The total number of interventions at present is around 160. Katalyst is divided into four Groups: Services (SG), Rural sector group (RSG), Industrial and Rural sectors Group (IRSG), Business Enabling Environment Group (BEEG) and Monitoring and Measuring Results Group (MRM), headed by Group Directors. Within each group, group managers are responsible for intervention clusters and market teams, consisting of 2-3 business consultants supported by one focal person from the MRM group, are responsible for a set of interventions. Measuring results is a shared responsibility between business consultants and MRM focal points. Katalyst also works through co-facilitators that implement interventions on behalf of Katalyst. Measuring results is then a shared responsibility by Katalyst and the co-facilitators.

For each sector, a Comprehensive Sector Strategy is developed, and annually updated, that captures the sector analyses and elaborates on the sector intervention logic. Intervention Plans per intervention include the intervention rationale, the results chain, the measurement plan, the calculation sheets, additional information and sources and a cover sheet where changes are recorded during implementation. For every intervention, an Intervention Report is written that reports on changes, results, lessons learned and conclusions. All Intervention Reports feed into the programme reporting system, whereby the MRM section aggregates sector and programme results and management reports achievements in the semi annual report to donors.

The at random selection resulted in 4 cross sectors to be audited: two from Service Group (ICT and Packaging), one from RSG (Irrigation) and one from BEEG (Improving Local Government Services). Core sectors and the IRGS group were thus not audited, yet the MRM system itself is identical for all sectors and groups.

The auditors were provided with all requested documents and selected external researchers, public and private partners to be interviewed. Only one co-facilitator, whose contract had ended, was unavailable for interviews.

¹ Maize, Potato, Vegetable, Jute, Fish, Prawn, Furniture & Crafts, Tourism; Seeds, Fertilizer, Irrigation, Rural Distribution, Packaging, Rural Supply Channels, ICT, Media, ILGS

4 Summary audit process

The audit has reviewed a representative sample of the active portfolio of Katalyst (17 sectors), thus excluding 3 sectors that are no longer part of the active portfolio (access to public water bodies, export promotion and private healthcare).

The sectors were ranked into three categories according to the expenses from the start of this phase till December 2010. At random, two sectors were selected from the highest category, one sector from the middle categories and one sector from the lowest category. The selected sectors are Information and Communicating Technology (ICT), Improving Local Government Services (ILGS), Irrigation (IRR) and Packaging (PKT). From each of these sectors, three interventions were selected, ad random, of which an overview is provided in below.

ICT

- RT3: Facilitating the development of Content Service Market
- RT5: Creating awareness among the rural populace about the CIC and its services
- RT8: Supporting Banglalink launch SME helpline

RT2, Facilitating establishment of CIC initiative of GP and RT6, Supporting scaling up of GP-CIC initiative in additional 500 locations & Integrating new services in GP-CIC, were audited where applicable because the selected interventions were feeding into RT2 and RT6. Interviews were held with Katalyst staff, with the partners Grameenphone and Banglalink, WIN Ltd as well as with Org Quest as external researcher.

ILGS

- IL1: Capacity Building of UZBMOs on Samity Formation and organization management
 - IL2: Capacity building of UZBMOs on Advocacy Skills
 - PIJS3: Organizational management and Advocacy Skill development for BMOs
- IL3 Facilitate formation of Upazila level PPIs for systemic link (for 14 BMOs of P1&2) was partially audited as the selected interventions were intertwined and common internal assessment is done for IL1, IL2 and IL3 together. Interviews were held with Katalyst staff, and with the co-facilitator Intercooperation

IRR

- IRR 1.1; Introduce and Promote Efficient Water Conveyance Systems
 - IRR 1.4; Capacity building of water sellers on improved conveyance systems in Rangpur
 - IRR 2.1; Introduce and promote low cost smaller irrigation devices.
- IRR 4.1; Capacity building of water sellers on improved conveyance systems in Rangpur was partially audited and interviews were held with Katalyst staff, and with the co-facilitator International Development Enterprises (IDE) and the partner Department of Agricultural Extension (DAE).

PKG

- PKG1; Promoting Improved Bamboo Made packaging for fish/ vegetables/ flower/ fruits
- PKG2; Introducing locally produced plastic made packaging for fish/ vegetables/ fruits
- PKG3; Facilitate development of sustainable capacity building measures for selected packaging product suppliers and service providers

These are all interventions in this sector. Interviews were held with Katalyst staff, and with the co-facilitators Gmark and CDCS.

For the selected interventions, interviews were held with Group Directors, Group Managers, business consultants and MRM focal persons of the respective sectors, as per annex 3.

For all audited sectors, the Comprehensive Sector Strategy (CSS), Scoping Studies, Intervention Concept Notes (ICN) Intervention Plans (IP), Intervention Reports (IR), Sector review minutes and where applicable internal and external Impact Assessments (IA), were consulted.

For Katalyst as a programme, the documents reviewed include the annual reports including the annexes (including financial reports), Cost tracking records, MRM manual as per July 2010, with amendments per May 2010, Aggregation manual and sheets, job descriptions, as well as studies on Gender strategy, Employment as per list in annex 2.

5 Control points

The program scores 172/190 points for the MUST control points and scores 127/ 160 for the RECOMMENDED control points. All compliance criteria were verified.

Control Point	M/R	Rating	Justification
Section 1: Articulating the Results Chain			
1.1 A results chain(s) is articulated explicitly for each of the selected interventions.	M	9	<ul style="list-style-type: none"> Most results chains are thorough, logical, sufficiently detailed and realistic, in most cases linking activities to goal levels. The CSS clearly demonstrate that good research has been undertaken. In the case of ILGS and IRR not all results chains go up to goal level
1.2 Mid and senior level programme staff is familiar with the results chain(s) and use them to guide their activities.	M	10	<ul style="list-style-type: none"> Business consultants, MRM focal points, group managers and director, co-facilitators and many partners provide evidence that results chains are used in their work
1.3 The results chain(s) are regularly reviewed to reflect changes in the programme strategy, external players and the programme circumstances.	M	10	<ul style="list-style-type: none"> Result chains are reviewed twice a year and lead to strategic and portfolio decisions
1.4 The review process includes adequate consultation with programme stakeholders	REC	10	<ul style="list-style-type: none"> Partners and stakeholders are consulted on a regular basis
1.5 The results chain(s) include the results of broader systemic change at key levels.	REC	8	<ul style="list-style-type: none"> Most of the result chains show copying and crowding effects Some results chains in ILGS and IRR did not address systemic changes in their results chains
1.6 The research and analysis underlying the results chain(s) take into account the risk of displacement.	REC	8	<ul style="list-style-type: none"> The CSS demonstrate that displacement is unlikely to occur There is no concluding section in the CSS that discusses displacement explicitly
Section 2: Defining Indicators of Change			
2.1 There is at least one relevant indicator associated with each key change described in the results chain(s)	M	9	<ul style="list-style-type: none"> There are relevant indicators for each key change Not all indicators measure the intended change
2.2 The universal impact indicators are included in the relevant results chain(s)	M	8	<ul style="list-style-type: none"> Outreach and Income indicators are mostly included. Employment indicators are not provided but the justification in the MRM manual is valid

			<ul style="list-style-type: none"> In ILGS and some interventions in IRR do not provide these universal indicators and the justification in the MRM manual and relevant IPs is not acceptable
2.3 Indicators incorporate ways to assess the likelihood of lasting impact.	M	9	<ul style="list-style-type: none"> Most measurement plans provide sufficient quantitative sustainability indicators Measuring sustainability often requires more (qualitative) indicators
2.4 Anticipated impacts are projected for key indicators, to appropriate dates.	REC	8	<ul style="list-style-type: none"> Projections of key indicators is realistic and reviewed twice per year
2.5 Mid and senior level programme staff understand the indicators and how they illustrate programme progress	REC	10	<ul style="list-style-type: none"> Staff uses the indicators for their daily work and regular reviews
Section 3: Measuring Changes in Indicators			
3.1 Baseline information on key indicators is collected	M	7	<ul style="list-style-type: none"> The baseline construction is not reflected in the measurement plan Baselines are in practice (re-) constructed
3.2 All research is in line with established good practices (in terms of research design, sampling, quality control etc.)	M	9	<ul style="list-style-type: none"> Most assessment apply good practices Sometimes sample selection and field testing is insufficient. When sample sizes are set, the actual pocket survey must also meet these sample sizes
3.3 Qualitative information on changes at various levels of the results chain is gathered.	REC	7	<ul style="list-style-type: none"> There are very few qualitative indicators in the measurement plan In practice qualitative indicators are collected and used
3.4 Report changes in indicators that are extrapolated from pilot figure are regularly verified	REC	10	<ul style="list-style-type: none"> Validation of extrapolation is described in the MRM manual and in ICT this is planned in the near future
Section 4: Estimating Attributable Changes			
4.1 A clear and appropriate system for estimating attributable changes in all key indicators is in place	M	6	<ul style="list-style-type: none"> The MRM manual clearly address attribution and in practice most assessments do take attribution into consideration The attribution strategy is not visible in the measurement plan and in the ICT assessment attribution was not considered
4.2 Where the measured changes are due in part to the work of other, publicly-funded programmes, then those contributions are acknowledged.	M	10	<ul style="list-style-type: none"> Contribution from public funded programs are acknowledged in CSS and in the annual report
4.3 The contributions of collaborating programs are estimated	REC	0	<ul style="list-style-type: none"> Financial values are not estimated and reported
4.4 All private contributors	REC	8	<ul style="list-style-type: none"> Contributions from private sector partners are

to the changes claimed by the program are acknowledged			<p>always mentioned in the CSSs</p> <ul style="list-style-type: none"> • They are however not mentioned in the annual reports
Section 5: Capturing Wider Changes in the System or Market			
5.1 The results of systemic change at key levels in the results chain(s) are assessed.	REC	8	<ul style="list-style-type: none"> • With few exceptions all interventions capture systemic changes • The MRM guidelines states how attribution should be measured yet in practice this is not always done accordingly
5.2 Findings on impact include the results of systemic change at key levels	REC	10	<ul style="list-style-type: none"> • The reporting system distinguishes between direct and indirect impact
Section 6: Tracking Programme Costs			
6.1 Costs are tracked annually and cumulatively	M	10	<ul style="list-style-type: none"> • The accounting system tracks the costs and allocates overhead according to number of business consultants per sector
6.2 Costs are allocated by major component of the programme	REC	10	<ul style="list-style-type: none"> • The accounting system tracks the cost per sector
Section 7: Reporting Results			
7.1 The programme documents estimate changes in key indicators due to the programme at least annually	M	8	<ul style="list-style-type: none"> • The program estimates impact at key change levels semi annually, including corrections for overlapping results. The reported impact combines projected impact and impact assessed, and projected impacts are corrected when results of impact assesments become available.
7.2 Reported changes in key indicators are disaggregated by gender	M	10	<ul style="list-style-type: none"> • Gender disaggregated data is not reported but justified in the MRM manual. A gender strategy addresses the gender constraints
7.3 Costs are reported together with impact.	M	10	<ul style="list-style-type: none"> • Costs related to impact are presented in the semi annual sector review documents and annual report
7.4 When the results of systemic change and/or other indirect effects are estimated, change figures are divided into “direct” and “indirect.”	REC	10	<ul style="list-style-type: none"> • The impact is divided in direct and indirect impact • The annual report provides total impact
7.5 Results and related costs are reported per component	REC	10	<ul style="list-style-type: none"> • Costs related to impact are presented per sector in the semi annual sector review documents
7.6 Results are published	REC	0	<ul style="list-style-type: none"> • The results are not published
Section 8: Managing the System for Results Measurement			
8.1 A clear and reliable system for measuring key indicators at appropriate	M	8	<ul style="list-style-type: none"> • The MRM manual provides clear guidance on measuring indicators • The measurement plans do not provide

intervals is established.			sufficient detail how each indicator will be defined and when baseline data will be collected
8.2 Task and responsibility for impact assessment have been specified	M	10	<ul style="list-style-type: none"> • Tasks and responsibilities for measuring changes is described in their job descriptions
8.3 The system is supported by sufficient human and financial resources	M	10	<ul style="list-style-type: none"> • There are sufficient human and financial resources
8.4 The system is institutionalised	M	10	<ul style="list-style-type: none"> • MRM manual, job descriptions and procedures are internalized
8.5 The results measurement system is organised to facilitate external audit	M	10	<ul style="list-style-type: none"> • The audit has been facilitated with a summary list relating control points to documents
8.6 The findings of the system are used in programme management and decision making	REC	10	<ul style="list-style-type: none"> • Management uses the information for all key decisions, including portfolio management

6 Summary of areas that require improvements

Articulating the Results Chain

The sequence and linking of results requires attention. The results due too copying and crowding in shall be linked to the correct previous results. If results changes are intertwined, show the links in the results chains (dotted box). The improvement is noted between older and newer interventions. The risk of displacement would be addressed more prominently by including such a section in the Comprehensive Sector Strategy format.

Defining Indicators of Change

Selecting and defining the indicators can be improved: ensure that they measure the expected changes. Behavioural changes are best captured by adding qualitative indicators. Sustainability indicators preferably include ability, satisfaction and profitability indicators. Universal indicators must be included for all interventions. Exceptions can only be made for interventions, and not for entire (cross-) sectors, when results are expected after the closing of the program, and not when the complexity of measuring results itself.

Measuring Changes in Indicators

The intervention measurement plans should be more specific; outlining which attribution method has been chosen and how the baselines will be (re-) constructed. Assumptions should be better documented, including the source and their validation (when and how)

Estimating Attributable Changes

The method to establish attribution (factual or counterfactual, respondents opinion, sectoral comparison, quasi experimental design, or others) should be documented and justified in the measurement plan². Ensure that the acknowledgements of the private sector partners mentioned in the intervention plans are recorded in the annual reports

Capturing Wider Changes in the System or Market

Ensure that the excellent description of practices in the MRM manual is applied in the measurement in practice. Indirect impact must be measured and it is likely to be less than for direct impact.

Reporting Results

Publish a factsheet showing program costs and disaggregated impact (direct and indirect)

Managing the System for Results Measurement

The MRM manual should specify where and when establishing attribution would be documented.

Annexes

- 1 Sector specific ratings (spread sheet)
- 2 Sector specific findings
- 3 List of documents reviewed
- 4 List of interviews conducted

² For example by adding a few rows to the measurement stating the attribution strategy chosen, and why, as well as when and how the baseline will be (re-) constructed.