Results Measurement - Steering Group
Terms of Reference

1st July 2010

Introduction

The DCED first agreed to work on results measurement in PSD at the 2007 Annual Meeting in Accra. On the basis that the field-based partners and colleagues have often been reluctant to accept an externally-imposed solution, the process was driven through a series of field-based workshops, initially in Asia (in 2008, two in Thailand) and later including also Africa (in 2009, Nigeria, Indonesia, Cambodia and Thailand). This process led to the formulation of a Standard for results measurement, with an external auditor certifying that internal results measurement systems met minimum levels of quality.

The 'niche' for the DCED Standard, therefore, is in the provision of a common framework that motivates practitioners to articulate the logic of their interventions, and to validate the assumptions on which they are based, over time. It can be widely applied, complementing more rigorous (and costly) approaches to measurement. While the work has drawn substantially on field-based resources, it has been coordinated by the DCED Secretariat; to date, it has focused primarily on programmes in value chain development, although the elements are largely generic.

The concept has attracted interest from donors, implementing agencies and others; it has been presented in meetings of several member agencies, including BMZ, GTZ and SDC. A group of HQ-based colleagues met first in Berlin, December 2008, to advise the Secretariat. A similar group met near London, July 2009, with a larger group meeting in London, in March 2010. At this last meeting, it was agreed that Terms of Reference for the emerging Steering Group would be useful.

Members of the group now include the government agencies of Denmark (Danida), Germany (BMZ/GTZ), Netherlands, Sweden (Sida), Switzerland (SDC) and the UK (DFID), IFC, ILO and UNIDO; other members have also shown interest, including AFD, AusAID and UNDP.

Objective

The aim of the Steering Group is to develop common approaches to results measurement in PSD that will enable members and others to generate credible information about the results being achieved. This will be based on the piloting of innovative approaches, the sharing of experiences, common definition of good practice and joint advocacy of shared priorities. It will also be strategic and innovative, taking into account the resources of the DCED, relative to other multi-agency initiatives looking at rigorous measurement in general. The Steering Group wishes to see both a broadening in the number of projects using the Standard, and a deepening in having increasing numbers of projects audited against the Standard. To achieve this, three key tasks have been identified:

- Broad dissemination of the Standard to project officers in member agencies
- Adoption of the Standard by agencies as a key tool in their M&E processes
- Establishment of a structure for audits

Between June 2010 and February 2011, the Steering Group has set itself the following specific targets:

- An increase of 50% of the numbers of agencies and the number of projects expressing a serious interest in using the Standard.
- The DCED Standard is applied and effective in one other PSD sector.
- At least 5 projects should have undergone at least a 'mock' audit against the Standard.

Main areas of work
The DCED Standard for Results Measurement is now in Version V, and the basic elements seem to be widely accepted and endorsed. The need now is to both broaden the number of projects and agencies using the Standard, and to deepen its use by seeing more projects being formally audited against the Standard.

The Group has therefore divided the activities it will undertake into three categories. These are portrayed diagrammatically in Appendix A. The aim of this diagram is to present in a straight-forward way the different tasks that member agencies need to focus on if the use of the Standard is to be increased.

As the diagram makes clear, the overall goal of the Working Group is to ensure that PSD projects are more effective, and to achieve this, the Group wants to see a more broad use of the Standard. Activity to meet this ambition divides into three categories, within which actions are divided between the WG member Agencies (MAs) and the Secretariat (Sec):

- Further development of the Standard
  - Although the structure and content of the Standard is now well-developed, it may, over time, need to be fine-tuned to reflect agencies' experience in its use. Such amendments will be co-ordinated by the Secretariat.
  - The Standard may need to be modified to ensure its applicability to different types of PSD project. The Secretariat will co-operate with member Agencies to identify and support projects in different topic areas.
  - Over time the WG will seek to explore the applicability of the Standard to other technical themes, such as investment climate reform, access to finance, local and regional economic development, technical and vocational education and training, inclusive business, public-private partnerships, challenge funds, women's entrepreneurship development and youth entrepreneurship programmes.
- Dissemination
  - Existing guidance documents have proven very useful: the Secretariat and others will produce further documents as required by implementing Agencies.
  - It is evident from experience to date that the Standard needs to be endorsed by an Agency's M&E department, and integrated into existing M&E processes if it is to be used. Member agencies will undertake this task.
  - Staff at both HQ and field level need to be sensitised to the Standard, and then trained in its use. Training needs to be developed both at an introductory level, and then at a more advanced level for those with some experience in using the

Standard. Member agencies and the Secretariat will work together to develop and roll-out appropriate training.

- o Those country groups and projects using the Standard need to be encouraged and supported over time. Member agencies and the Secretariat need continually to explore further opportunities to roll out the Standard to field programmes, other agencies and country programmes, including those with partner governments.
- o Although not an immediate priority, the Working Group would need to identify and develop other kinds of technical support and institutional infrastructure that may be needed, to enable staff of member agencies and others to be more effective in results measurement, including for example:

  - Seminars, training courses and other events to explain the Standard, and build momentum; this includes participation in the events of other organisations

  - Building a market place for consultants expert in the Standard and associated skills, including a cadre of auditors

  - Building a market for training courses in core results measurement skills

  - Provision of on-line forums and support, particularly for field-based staff

- Establishing a structure for audit
  - o The Secretariat will develop and roll-out advanced training for Standard auditors, as some projects approach the need for formal audit.
  - o Over time, a decision will need to be taken on the structure for an audit architecture, and about whether the Standard should be hosted inside DCED or elsewhere. At present, it is too early to decide what this should be, and the Steering Group will re-visit this issue in 2011.
  - o Over time the importance is recognised of linking to other organisations active in this space, such as OECD DAC, 3IE etc.

As the large arrow in the diagram in Appendix 1 demonstrates, the broadening use of the Standard will provide a feedback loop to inform all three of the sets of activity described. This will ensure that the Standard reflects its own logic as a tool to improve project quality.

Proposed ways of working
The following have to some extent already been discussed by the group, or in relation to other groups. They also take into account the Charter for the DCED as a whole.

1) Any agency that is a member of the DCED can nominate a staff member to join the Steering Group; the Secretariat will provide all needed support before, during and after each meeting. By consensus, the group may invite anyone else to participate in individual meetings, for example to provide expert input. The meetings of the group are the primary decision-making opportunity, so it is important that the same individuals come to each meeting, to the extent possible. The group will normally meet approximately once each quarter; more frequent meetings may be needed to prepare for major events, such as Conferences.

2) The group may at any time elect a Chair; the primary function of the Chair is to lead the work of the group by assuming responsibility for follow-up of decisions and plans, convene meetings and to facilitate discussion in a neutral way. The Chair should normally be elected every two years. Minutes will be agreed between those present as soon as possible after the meeting by email, before being shared more widely. In particular, they will be posted on the public DCED

website (without financial information) once all present have had the opportunity to comment, and will be formally adopted at the next meeting of the group.

3) Since the interests of individual members are not always identical, decisions will be taken by consensus, and otherwise by majority vote. However, the members need not all be in agreement on everything. If, for instance, two or three members want to work on something in parallel, that is welcome and is added as an annex to the common work plan.

4) The group will prepare a progress report covering their work in the previous year, for consideration at the DCED's Annual Meeting; it will also prepare a work plan, with budget, for the coming year, for approval by the Annual Meeting. Substantive changes to the work plan and budget between Annual Meetings will be submitted to the ExCo for approval. Otherwise, the group will be responsible for agreeing ToR, budget and selection and supervision of consultants, for work implemented as part of the agreed work plan. In addition, the IFC normally prefers that three proposals from competing consultants be submitted, whenever Trust Fund monies are used.

5) Under the supervision of the ExCo, the DCED Secretariat may:

- Ensure continuing progress and momentum in rolling out the Standard on a larger scale
- Organise the meetings of the group, writing Minutes and following up commitments made by individual members;
- Lead the work of the group and functions as a chair of the group – in the absence of any elected chair person – assuming responsibility for maintaining a work plan, and for follow-up of decisions and plans, in terms of budget, deadlines and responsibilities;
- Facilitate activities (e.g. drafting ToR, identifying consultants etc.) on request of the group;
- Collect information on current publications, case studies, events etc. and structures and posts them on the website with accessible and streamlined links;
- Draw the attention of members to the more significant current developments and publications; and
- Perform other functions on request from the group.

Where these functions involve significant additional cost (e.g. for Secretariat travel), the budget agreed for the group at the previous Annual Meeting may be charged.

6) The group is not expected to continue indefinitely; its progress will be monitored by the ExCo.

Roles and responsibilities
As is evident from the diagram in Appendix A, and the description of the main areas of work above, the Secretariat and the member agencies have different but complementary roles to play in promoting the up-take of the Standard.
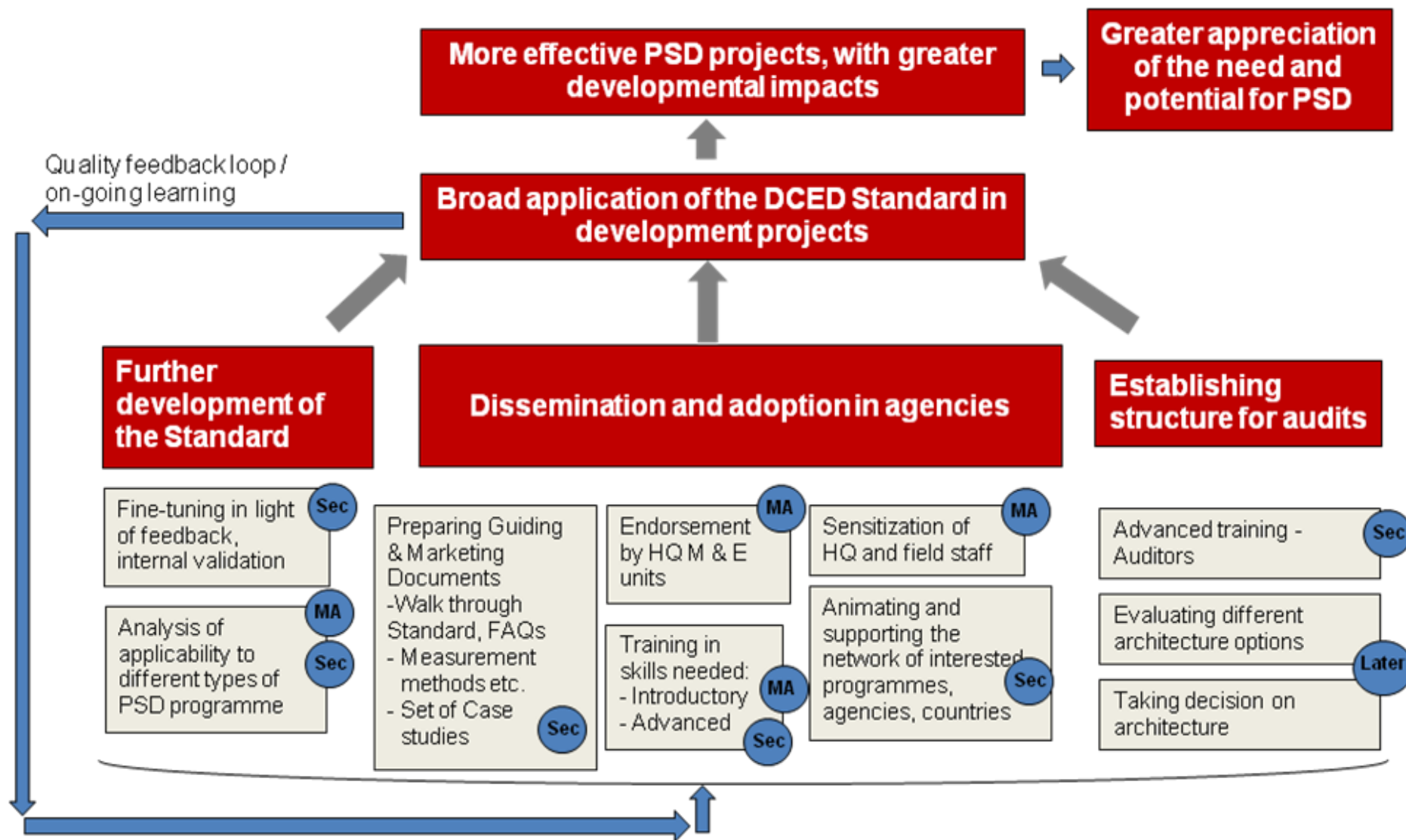
- Member agencies
  It is with the Agencies that the main responsibility for the roll-out of the Standard lies, since it is their projects and country offices which will actually be using the Standard to evaluate their work. Within this, responsibilities are divided between agency headquarters and field offices:
  - Headquarters
    It is the responsibility of members to bring the Standard to their M&E and field colleagues' attention and encourage them to use it. In particular, members need to identify projects that will allow an assessment of how the Standard can be applied to different aspects of PSD.

- o Field staff

  It is with field offices where the experience of applying the Standard will be gained. Field offices need to ensure that the lessons they learn are shared with their HQ colleagues and with the DCED Secretariat so that these can inform use of the Standard in other locations.
- RM Steering Group
  - o In addition to the general responsibilities outlined above for member agencies, the members of the Steering Group are responsible for reviewing the overall direction and strategy (in liaison with the ExCo), and for implementing the Standard with exemplary vigour
- DCED Secretariat
  - o The role of the Secretariat is to act as a hub for the growing expertise in implementing the Standard, and in developing the architecture for its use. The Secretariat will undertake periodic reviews of the Standard itself, in particular bearing in mind its applicability to different aspects of PSD. The Secretariat will be responsible for developing, in collaboration with the member agencies, supporting documents, training programmes and other mechanisms to support agencies in using the Standard. Finally, in due course, the Secretariat will develop the audit process for the Standard, including the training and certification of auditors.

Appendix A – Illustration of the Strategy for rolling out the DCED Standard for Results Measurement

Key: MA = Member Agency responsibility. Sec – Secretariat responsibility. PSD = Private Sector Development