Current trends: Categories, communities and concepts

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Seminar on Trends and Results in PSD
Session 2, Tuesday 17th January 2012
• Trends in PSD
• The journey to this Seminar
• Elements in the Seminar agenda
PSD is now in the mainstream ...

• PSD is very popular now with policy makers
• Yet the core constituency for development aid thinks of charity, helping the helpless
• So talk of ‘competitiveness’ does not resonate
• The values behind PSD are more relevant: emerging from reliance on charity; the dignity of self-help or employment

Lucas Wahl
... but the mainstream does not look so good ...

- Results are thin on the ground – although PSD can in principle deliver more
- The private sector as partners tend to expect numbers and results
“Without being hard-hearted, we will also be hard-headed, and make sure our aid money is directed at those things which are quantifiable and measurable ... so we really know we are getting results... That quantifiable, measurable outcome shows people back in Britain the true value of our aid commitment.”

David Cameron, UK PM, Lagos, Tuesday 19 July 2011 (emphasis in original)
... in the tricky task of measurement.
So we embarked on a journey of exploration

• 2007 Seminar: Hardly any results in a decade!
• 2007 Annual Meeting: Field will never accept...
• 2008: Series of Seminars with field managers, aiming to avoid the usual HQ/field dynamic
• What did we learn?
  – Include Monitoring with Management, not Evaluation
  – The logframe is not a management tool
  – Effectiveness is not just being demand-led

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“A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.”

OECD DAC Working Party on Aid Evaluation
... and showed the limits of logframes ...

• Groups together into boxes the activities, outputs, outcomes, impacts – developed in ‘69

• But these days, programmes have multiple, parallel activities in complex markets

• And sequencing is very important (some outcomes and even activities depend on the achievement of others)

• So use results chains / logics instead as the key management tool
... as they put all outcomes into a box ...

1. Activities
   a) Business plan development for quality pig feed retailers, business skill training, study tours, credit linkages, feed supply linkages

2. Service market outputs
   a) Business plan development for quality pig feed retailers, business skill training, study tours, credit linkages, feed supply linkages
   b) WUs, AES, Vet Station, Feed Retailers, Vets are committed in business of Vet services, capable of doing business, working capital secured

3. Service market outcomes
   a) Other feed retailers are influenced to sell feed/seed/crowding-in
   b) Increased quality pig feed use by pig and/or sow raisers
   c) Pig and/or sow raisers get info on raising techniques and benefits of using productive inputs

4. Enterprise level
   a) Other pig raisers are influenced to apply new pig raising techniques (crowding-in & copying)
   b) Pig raisers use quality feed
   c) Pig raisers apply new pig raising techniques
   d) Pig raisers buy better quality piglets (copying)
   e) Pig raisers use Vet services (copying)
   f) Other pig raisers are influenced to buy quality piglets (copying)
   g) Other pig raisers are influenced to use quality feed (crowding-in & copying)
   h) Other pig raisers are influenced to sell feed/seed/crowding-in

5. Poverty reduction
   Increase in income
   Increase pig production in area
   i) Direct/Indirect pig farmers increase productivity, quality and reduce risk of diseases
   k) Direct/Indirect pig farmers increase profit

IDE pigs, VN
... whereas managers need more detail ...
... and “effectiveness” is surely about results.

• More than just being demand-led and coordinated (necessary but not sufficient)
• Value for Money (VfM) discussion has somehow emerged in parallel
• “Effective” = “Successful in producing a desired or intended result”
• Implies proper management and monitoring
• So audit the management process, as proxy for effectiveness?
This Seminar has these aims ...

Participants will gain:

• Knowledge about the main trends in private sector development worldwide – ‘who is doing what’;
• The latest thinking, experiences and techniques to monitor for results and effectiveness;
• A greatly expanded network of peers who are working in similar directions, and who can provide support in the future; and
• Knowledge about where to get the additional information they require.
PSD has expanded into various communities:

- Value chains and Making markets work
- Business Environment Reform
- Challenge Funds +
- Trade facilitation +
- Social entrepreneurs...
... merging Monitoring with Management ...

Elements in the DCED Standard
1. Articulating the results chain
2. Defining the indicators of change
3. Good measurement practices
4. Handling attribution
5. Wider change in the system or market
6. Relating to programme costs
7. Reporting results (internal/external)
8. Managing the system
A Global move to get more clear on key achievements in private sector
development:

Trademark East Africa: ‘If we don’t spend some time unpacking the middle with
results chains we risk relying on miracles; over-claiming our contribution to
changes; and failing to learn.’ Donna Loveridge

Swisscontact Katalyst: ‘Incorporating the DCED Standard into Katalyst has been a
challenging but vital process; the framework the standard provides has helped to
guide and structure our monitoring and results measurement (MRM) system into
a far more rationalised and thoughtful tool in our work.’ Goetz Ebbecke
But is this not what we always did?

The Standard provides a framework based on accepted good practice, with some distinctive features:

• The framework gives structure and incentives
• Participating programmes need to keep a paper trail of key decisions, monitoring etc.
• Explicit reminder to look for market-wide effects
• Projections favour systemic interventions
And how does this fit with RCTs?

“We also make use of many other types of evidence [in addition to RCTs]: qualitative and quantitative descriptions of how the poor live, investigations of how specific institutions function, and a variety of evidence on which policies have worked, and which have not.”

“It is really helpful to think in terms of concrete problems which can have specific answers”
The shape of the Seminar – Tuesday 17

14.00 Session 3
Setting up new PSD programmes
   Jim Tomecko, Peter Roggekamp
Parallel: Business Environment Reform

16.15 Session 4
Katalyst in Bangladesh
   Markus Kupper, Hasan Shahriar
Parallel: Business Environment Reform

18.30 Reception on 9th floor
The shape of the Seminar – Wednesday 18

09:00 Session 1: Challenge Funds, with Hugh Scott, David Smith and Amanda Jupp
Parallel: Q and A in RM

11:00 Session 2: PymeRural, with Iván Rodríguez
Participant Market-Place: 5-minute summaries

14:00 Session 3: Participant Market-Place

16:00 Session 4: TradeMark East Africa, with Donna Loveridge

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The shape of the Seminar – Thursday 19

09:00 Session 1: Value chain development in Indonesia (Irfan Syah) and East Africa (Wanjiku Kimamo)
Parallel: Business Environment Reform

11:00 Session 2: VCD in Nigeria (Wafa Hafiz) and Thailand (Phitcha Wanitphon)
Parallel: Q and A in RM

14:00 Session 3: Agency perspectives: GIZ (Susanne Hartmann) and Netherlands MoFA (Henk van Trigt)

16:00 Session 4: VCD in Cambodia (Sun Boreth and Vothana Prum) and Nigeria (Sadia Ahmed)
09:00 **Session 1**: Agency perspectives: AusAID (Alwyn Chilver), SDC (Peter Tschumi), ILO (Merten Sievers)

11:00 **Session 2**: Experiences to date, with Aly Miehlbradt, Hans Posthumus and Nabanita Sen

14:00 **Session 3**: Group discussions on next steps

16:00 **Session 4**: Summary of the Seminar, next steps
We hope you enjoy the Seminar!