

Mattone Internazionale

Piano di formazione nazionale Modulo III

Corso A –

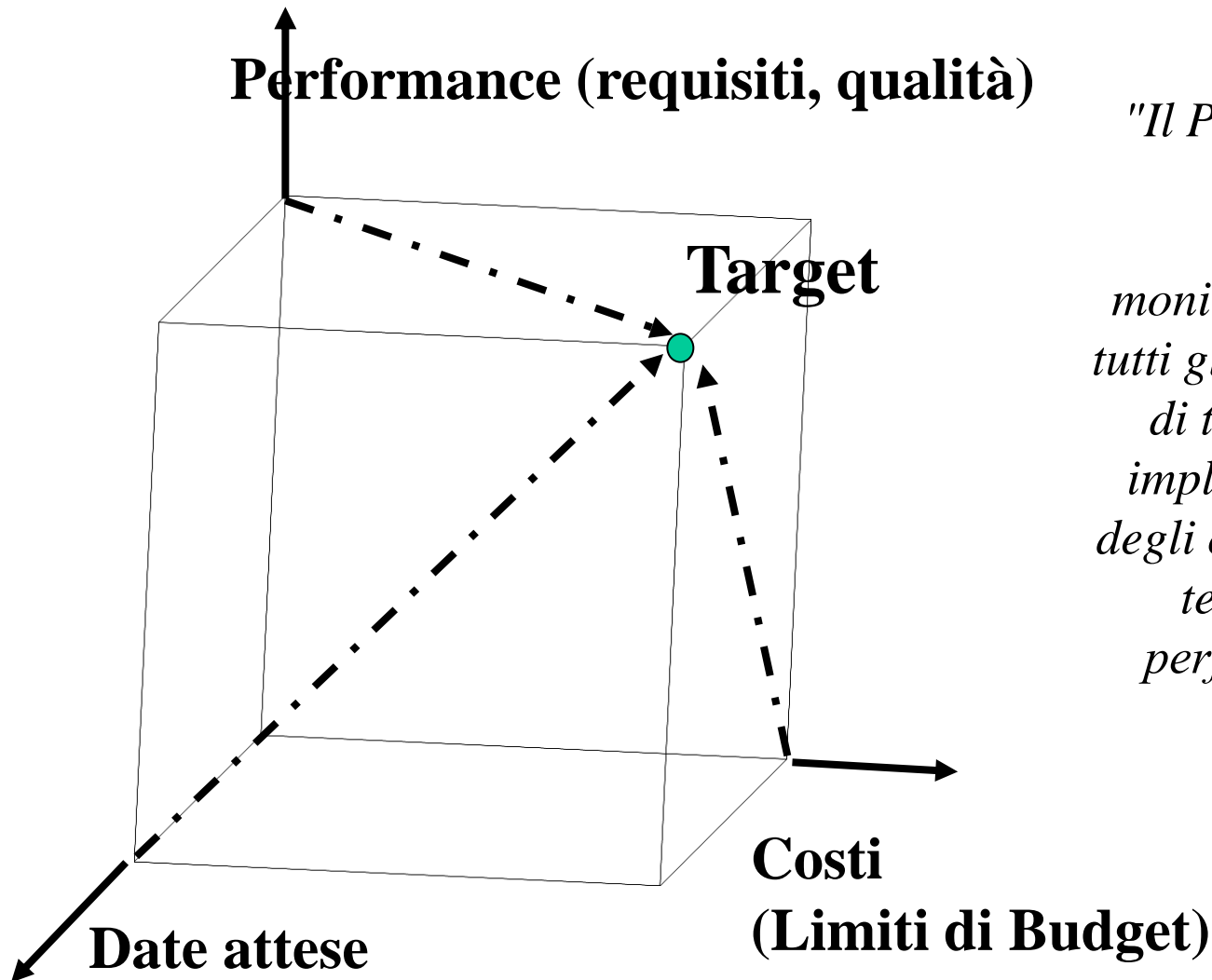
La stesura del progetto e la costruzione del budget

Metodi e fasi del progetto

Gian Matteo Apuzzo

Venezia, aprile 2013

Definizione di “Project Management”



"Il Project Management è la pianificazione, l'organizzazione, il monitoraggio e il controllo di tutti gli aspetti di un progetto e di tutte le motivazioni che implicano il raggiungimento degli obiettivi di progetto entro tempi, costi e criteri di performance prestabiliti".

GLI OBIETTIVI del Project Management

- **Dare una visione realistica** del progetto durante tutto il ciclo di vita
- **Responsabilizzare tutti gli attori coinvolti** su obiettivi specifici
- **Evidenziare situazioni critiche** e proporre valide alternative in modo tempestivo
- **Tracciare un quadro previsionale** dell'evoluzione futura del progetto
- **Proporre e imporre una normativa comune** a tutti gli attori coinvolti
- **Assicurare la coerenza** tra gli obiettivi parziali assegnati e quelli generali di progetto



Fondamenti del Project Management

L'**esplicitazione delle responsabilità** per l'integrazione dei singoli apporti al progetto

I **sistemi di pianificazione e di controllo**, per la predizione e l'integrazione dei singoli apporti al progetto

Il **team di progetto**, come luogo d'integrazione degli apporti di tutti i partecipanti al progetto

Perché il Project Cycle Management

Visione completa e integrata di tutta la vita di un progetto, con l'utilizzo di alcuni strumenti operativi volti a meglio gestire e valutare i progetti stessi secondo i criteri di rilevanza, efficacia, efficienza e sostenibilità.

Attuazione di un **approccio integrato** tra le differenti fasi progettuali, **sistematico** nella definizione dei rapporti di causa ed effetto e **partecipativo** nei confronti dei beneficiari dell'azione progettuale.

Il Project yicle Management aiuta a concepire
il progetto come:

- un processo dinamico
- volto al perseguimento dell'obiettivo finale
- entro un termine stabilito
- attraverso l'utilizzo di risorse determinate e limitate nel tempo.

Weaknesses of the project approach

- Inadequate local ownership of projects, with negative implications for sustainability of benefits;
- The huge number of different development projects, funded by different donors each with their own management and reporting arrangements, has resulted in large (and wasteful) transaction costs for the recipients

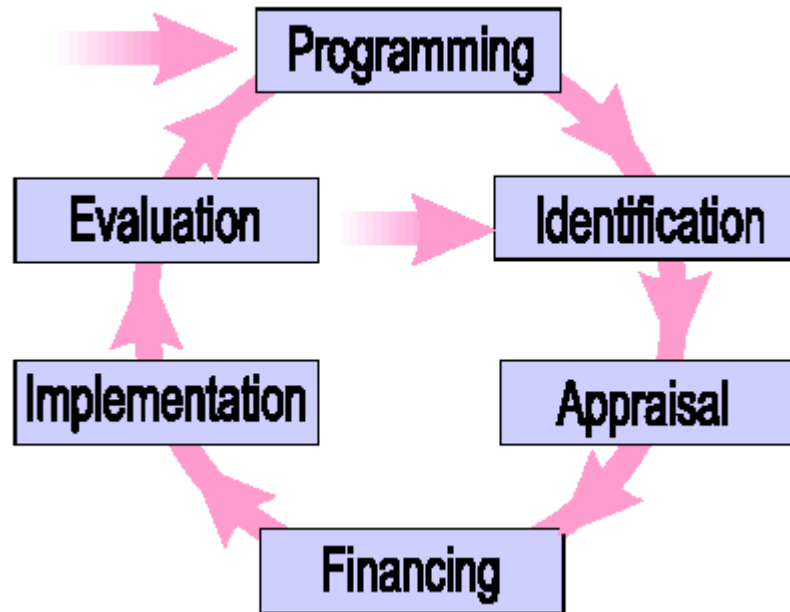
- The establishment of separate management, financing and monitoring/reporting arrangements has often undermined local capacity and accountability, rather than fostering it; and
- The project approach has encouraged a narrow view of how funds are being used, without adequate appreciation of the ‘fungibility’ issue.

What is...?

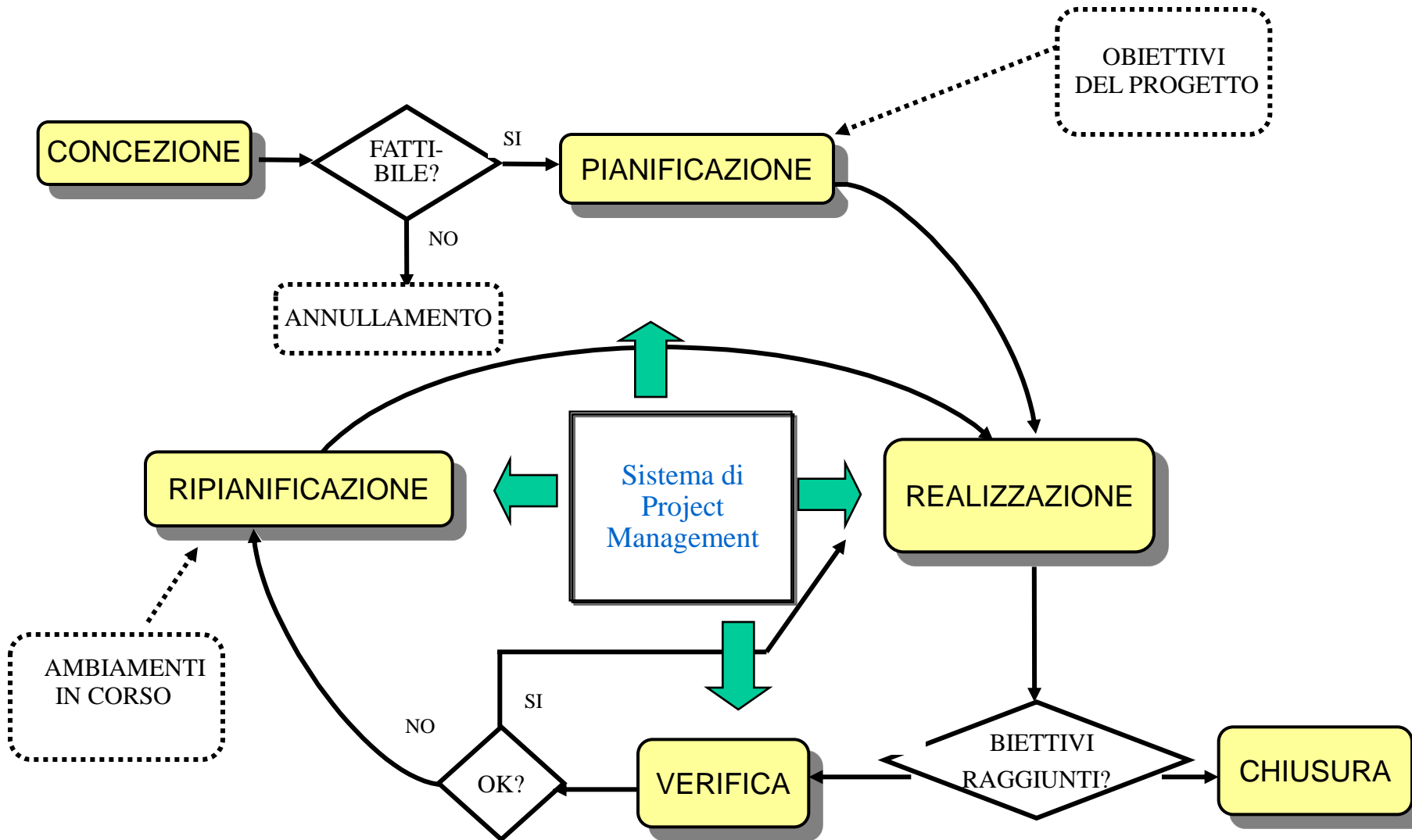
- **Project Cycle Management (PCM)?**
 - ✓ A Method of managing the 6 phases of the Project Cycle using the Integrated Approach and Logical Framework
- **Integrated Approach? A method...**
 - ✓ Ensuring that projects are adjusted during the 6 phases in order to become more effective, efficient and sustainable
 - ✓ Specifying the documents to be produced in each phase to provide the basis for necessary decisions
 - ✓ Using a set of docs having the same basic format

PROJECT CYCLE MANAGEMENT

The Project Cycle

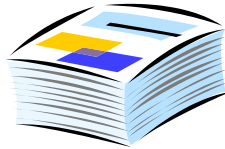


Fasi del Project Management



Integrated approach

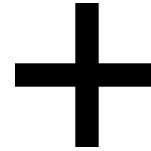
National/sectoral objectives



Standard documentation

Logical framework approach

	Intervention logic	Objective verifiable criteria	sources of verification	assumptions/risks
Overall Objective				
Specific objective				
Expected results				
Activities				



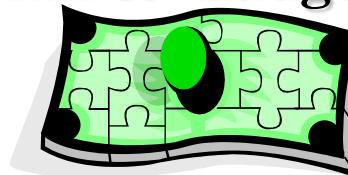
Grant Application form

Budget form

Progress report

Evaluation report

Results-based workplan & budget



The Project Cycle (1)

Key activities:

1. Programming

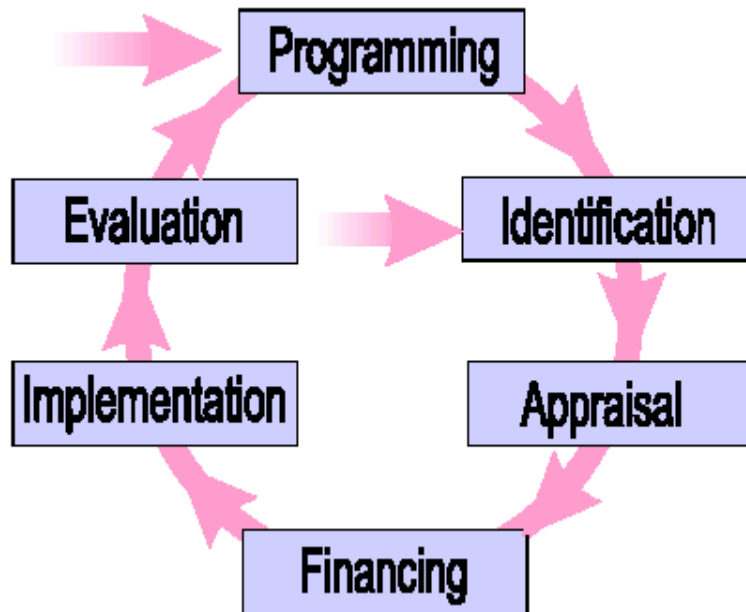
- review of socio-economic indicators
- review of partners countries and donor priorities
- Agreement on sectoral and thematic focus for co-operation through an agreed strategy formulation

2. Identification

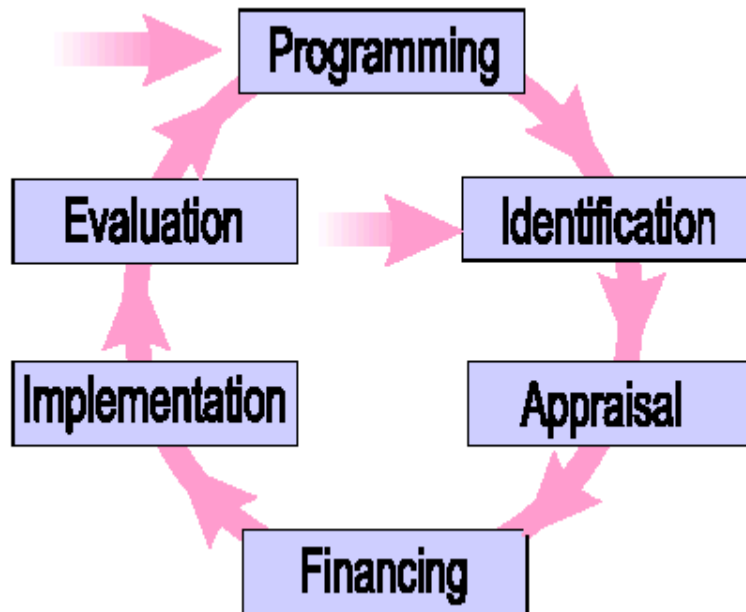
- initial formulation of project idea
- screening for further studies (= pre-feasibility)

3. Appraisal (formulation)

- Conduct of feasibility study
- Detailed specification of project ideas
- Decision on whether to draw up financing proposal



The Project Cycle (2)



Activities within the project cycle:

1. Financing

- Drafting and negotiating a Fin. Prop.
- Examination by competent Member States committee
- Financing decision and agreement

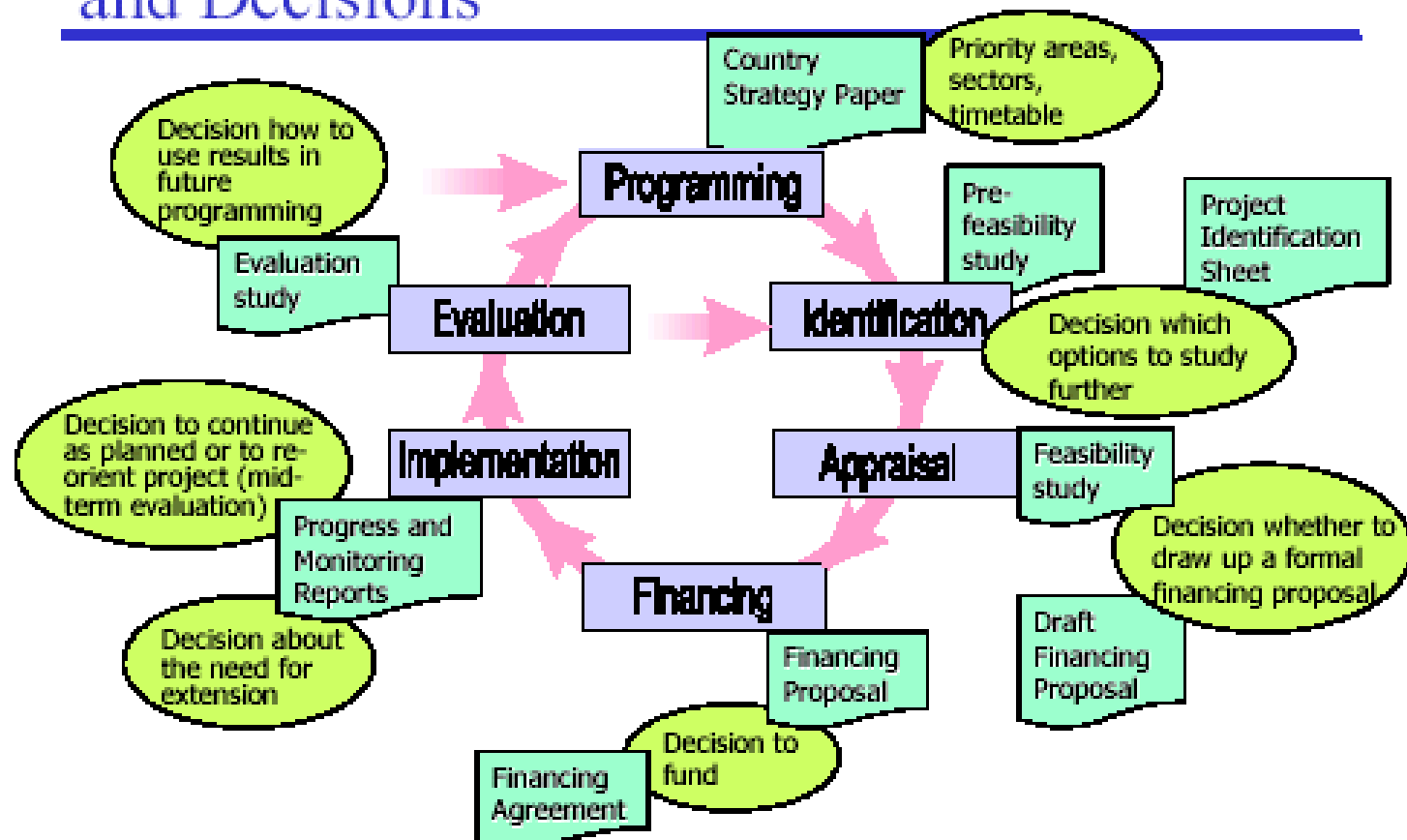
2. Implementation

- Tendering and contract award
- Mobilisation and project execution

3. Evaluation

- Analysis of project effects and impact
- Recommendations on remedial action or guidance for future projects

The Project Cycle: Major Documents and Decisions



Why PCM?

Negative experience:

- Unclear strategic framework
- Poor analysis of situation
- Activity-oriented planning and implementation
- Non-verifiable outcomes
- Disbursement pressure
- Short-term vision
- Incoherent project documents
- No common perception

Responses by PCM

- Clearly defined approach
- Improved analysis
- Objective-oriented planning and impl.
- Verifiable outcomes
- More emphasis on quality
- Focus on sustainability
- Standard formats
- Shared understanding of objectives and the process to achieve these

Quality: Key factors

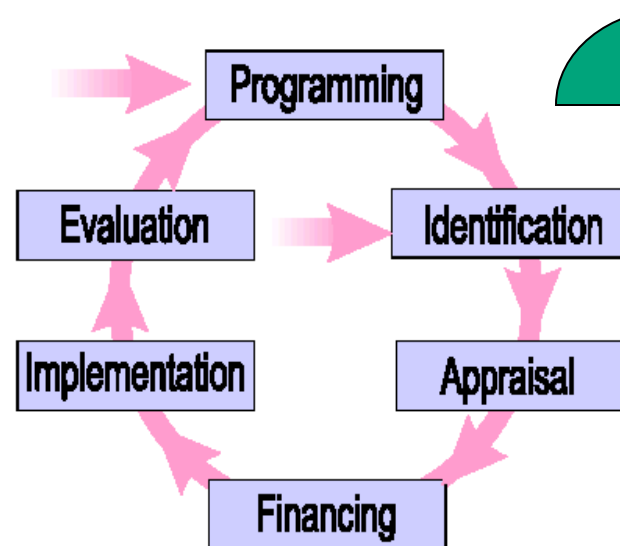
1) Principles:

- ✓ Relevance
- ✓ Feasibility
- ✓ Sustainability

2) LFA tools

3) Complementary

Tools



Better projects & more sustainable benefits to target groups

Quality Indicators

- **Relevance** relates to whether the project addresses the real problems of the intended beneficiaries
- **Feasibility** relates to whether the project objectives can be effectively achieved
- **Sustainability** relates to whether project benefits will continue to flow after the external assistance has ended.

Role of PCM

PCM provide structure to ensure that:

- Projects are relevant to the real needs of beneficiaries because:
 - ✓ Beneficiaries are actively involved in the planning, implementation and M&E processes since the outset
 - ✓ Problem analysis is thorough
 - ✓ Goals are clearly stated
- Projects are feasible & sustainable; efforts are made to ensure that:
 - ✓ Outputs & objectives are logical
 - ✓ Risks and assumptions are taken into account
 - ✓ Monitoring helps adjusting implementation
 - ✓ Benefits will continue after the project
 - ✓ Results from evaluation are used to learn from experience and adapt the content of the project as well as reshape the new programming phase

Factors ensuring Sustainability

- Policy Support;
- Appropriate technology;
- Environmental protection;
- Socio-cultural aspects/gender issues;
- Institutional and management capacity;
- Economic and financial viability ;

The PCM Toolkit

LFA Tools:

- Stakeholder analysis
- Problem analysis
- Analysis of objectives
- Strategy analysis
- Logframe
- Activity planning
- Resource scheduling

Complementary Tools:

- Participatory workshops
- Environmental assessment
- Gender analysis
- Institutional appraisal
- Economic & financial analysis

The SWOT Analysis

(strengths, weaknesses, opportunities and threats)

Used to analyse the internal strengths and weaknesses of an organization and the external opportunities and threats that it faces.

It can be used either as a tool for general analysis, or to look at how an organization might address a specific problem or challenge.

The quality of information derived from using this tool depends (as ever) on who is involved and how the process is managed – it basically just provides a structure and focus for discussion.

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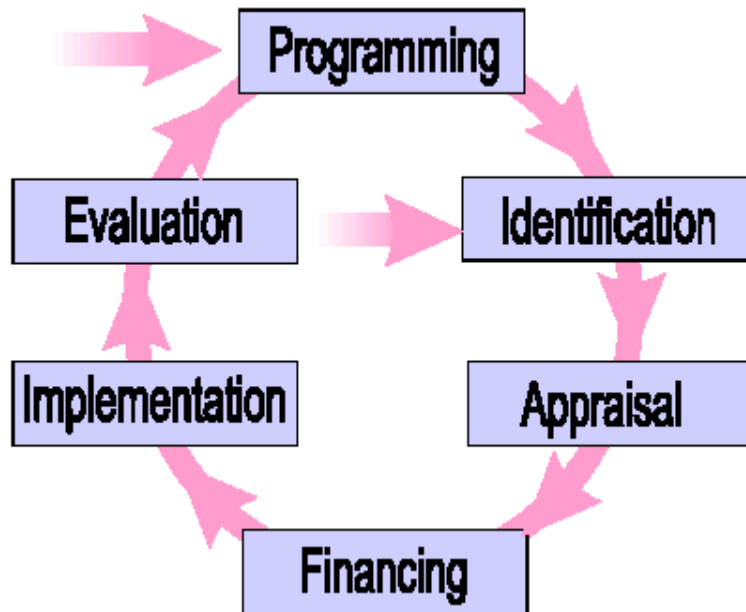
The quality of information derived from using this tool depends (as ever) on who is involved and how the process is managed – it basically just provides a structure and focus for discussion.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Grassroots based and quite broad membership • Focused on the specific concerns of a relatively homogenous group • Men and women both represented • Provide a basic small scale credit facility 	<ul style="list-style-type: none"> • Limited lobbying capacity and environmental management skills • Lack of formal constitutions and unclear legal status • Weak linkages with other organizations • Internal disagreements on limiting fishing effort in response to declining fish stocks
Opportunities	Threats
<ul style="list-style-type: none"> • Growing public/political concern over health impacts of uncontrolled waste disposal • New government legislation in preparation on Environmental Protection – largely focused on making polluters pay • The river is potentially rich in resources for local consumption and sale • New markets for fish and fish products developing as a result of improved transport infrastructure to nearby population centers 	<ul style="list-style-type: none"> • Political influence of industrial lobby groups who are opposed to tighter environmental protection laws (namely waste disposal) • New environmental protection legislation may impact on access to traditional fishing grounds and the fishing methods that can be employed

Logical Framework Approach

- Technique to set up a project involving the identification of *problems*, prioritisation of *objectives*, definition of *results* and related *activities* through a careful consideration of the means, successful indicators and assumptions.
- LFA is a key management tool in each phase of the project cycle: from implementation to evaluation, representing a «master tool» for creating other tools (e.g. implementation and resource schedules, monitoring plan, etc.)

The LFA applied to the Project cycle



- LFA is applied from Identification to Evaluation
- LFA provides a basis for:
 - ✓ Checking what has been achieved vs planned
 - ✓ verifying the influence of external factors on the project
 - ✓ checking the benefits of the project

THE LOGFRAME Matrix

	Intervention logic	Objectively verifiable Indicators	Sources of verification	Assumptions/risks
Overall Objective	What is the general objective, to which the project will contribute ?	What are the key indicators related to the general objective?	What are the sources of information for these indicators?	What are general factors and conditions necessary to achieve these objectives? Which are the risks?
Project purpose (= specific objective)	What is the specific objective, to which the project will contribute ?	What are the key indicators related to the specific objective	What are the sources of information for these indicators?	What are general factors and conditions necessary to achieve these objectives? Which are the risks?
Expected results	What are the outputs envisaged to achieve the specific objectives?	What are the indicators to measure results achieved?	What are the sources of information for these indicators?	What factors and conditions necessary to obtain results? Which are the risks?
Activities	What are the activities to be carried out and in what sequence in order to produce the expected results?	MEANS: What are the means required to implement these activities	Costs: What are the costs to implement such activities	Pre-conditions: requirements to be met before the project starts

THE LFA: Questions to be asked...

- **Why** a project is carried out (Intervention Logic);
- **What** the project is expected to achieve (Intervention Logic and Indicators);
- **How** the project is going to achieve it (Activities, Means);
- **Which** external factors are crucial for its success (Assumptions);
- **Where** to find the information required to assess the success of the project (Sources of Verification);
- **Which** means are required (Means);
- **How much** the project will cost (Cost);
- **Which** pre-conditions have to be fulfilled before the project can start (Pre-conditions);

THE LFA: 2 stages

The Analysis Stage (Context/Situation Analysis)

1. Stakeholder and Problem Analysis (image of reality: identify stakeholders and their problems by determining causes and effects);
2. Analysis of Objectives (image of an improved situation in the future: develop objectives from identified problems);
3. Analysis of Strategies (comparison of different options to address a given situation);

The Planning Stage

1. Logframe: define the project structure, test its internal logic, formulate objectives in measurable terms, define means and costs;
2. Activity scheduling: determine sequency and dependency of activities; setting milestones and assign responsibilites;
3. Resource scheduling: from the activity scheduling develop input schedules and a BUDGET;

Problem/Objective Tree

Step 1: Reformulate all negative situations of the problems analysis into positive situations that are:

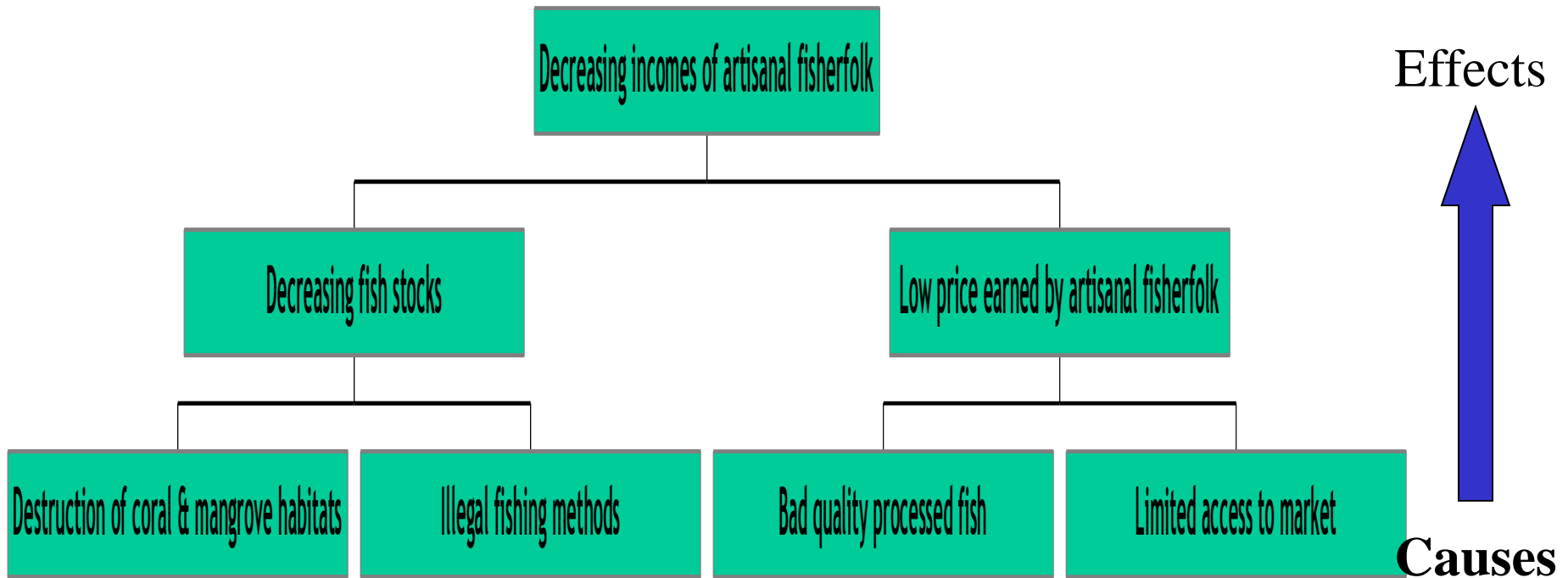
- desirable;
- realistically achievable.

Step 2: Check the means-ends relationships thus derived to ensure validity and completeness of the hierarchy (cause-effect relationships are turned into means-ends linkages)

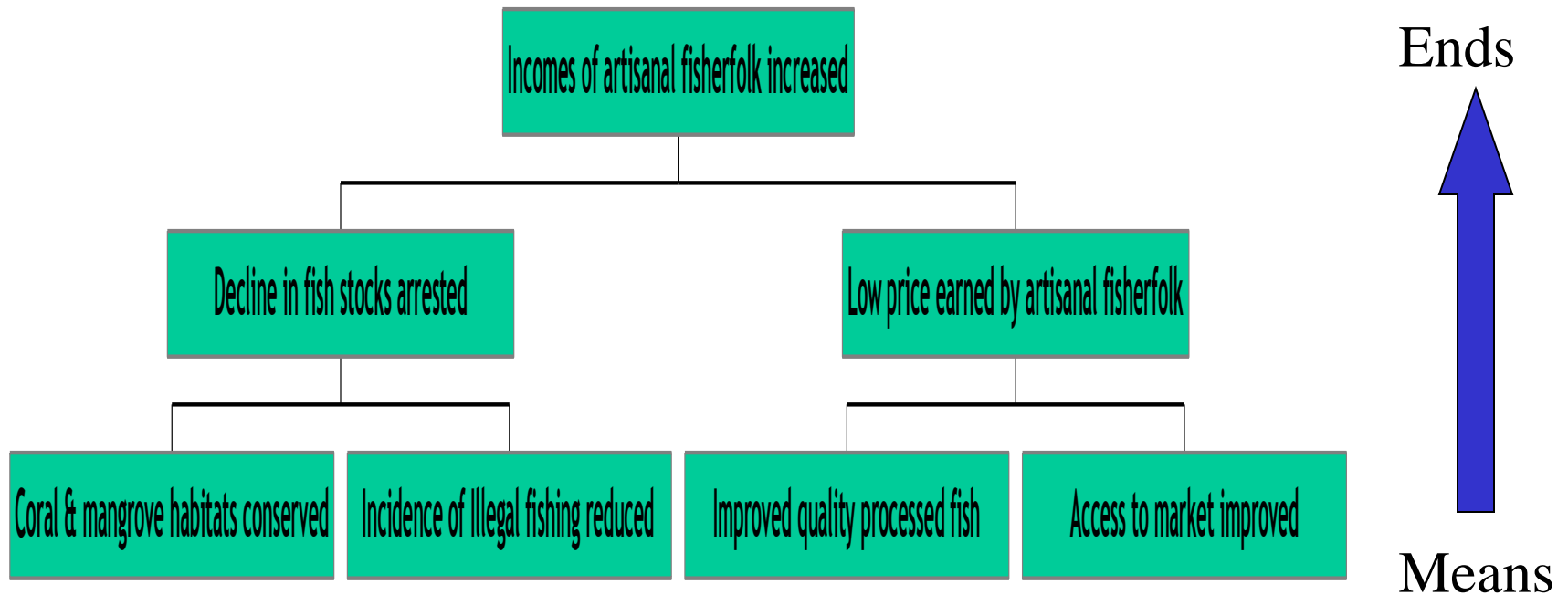
Step 3: If necessary:

- revise statements;
- add new objectives if these seem to be relevant and necessary to achieve the objective at the next higher level
- delete objectives which do not seem suitable / convenient or necessary.

Problem Analysis: an example



Analysis of Objectives: an example



Strategy Analysis

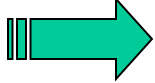
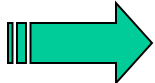
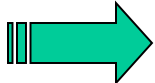
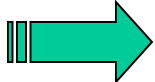
- Step 1: Identify objectives you do not want to pursue (not desirable or not feasible);
- Step 2: Group objectives, to obtain possible strategies or components (clustering);
- Step 3: Assess which strategy/ies represent(s) an optimal strategy according to the agreed criteria;
- Step 4: Determine Overall Objective(s) and Project Purpose

Planning stage: the LF basics

Intervention logic	Objectively verifiable Indicators	Sources of verification	Assumptions/risks
Overall Objective			
Project purpose			
Expected results			
Activities	MEANS	COSTS	Pre-conditions:

IF results are delivered, **AND** assumptions hold true,
THEN the PP will be achieved...

Intervention Logic: levels of Objectives

- Overall objectives**  The long-term social and economic, sectoral or national program objectives to which the project contributes.
- Project Purpose**  The project's central objective: sustainable benefits to be delivered to target beneficiaries. It defines the project's success.
- Results**  The services to be provided by the project for which project managers can be held accountable
- Activities**  What is going to be done to deliver the project's results

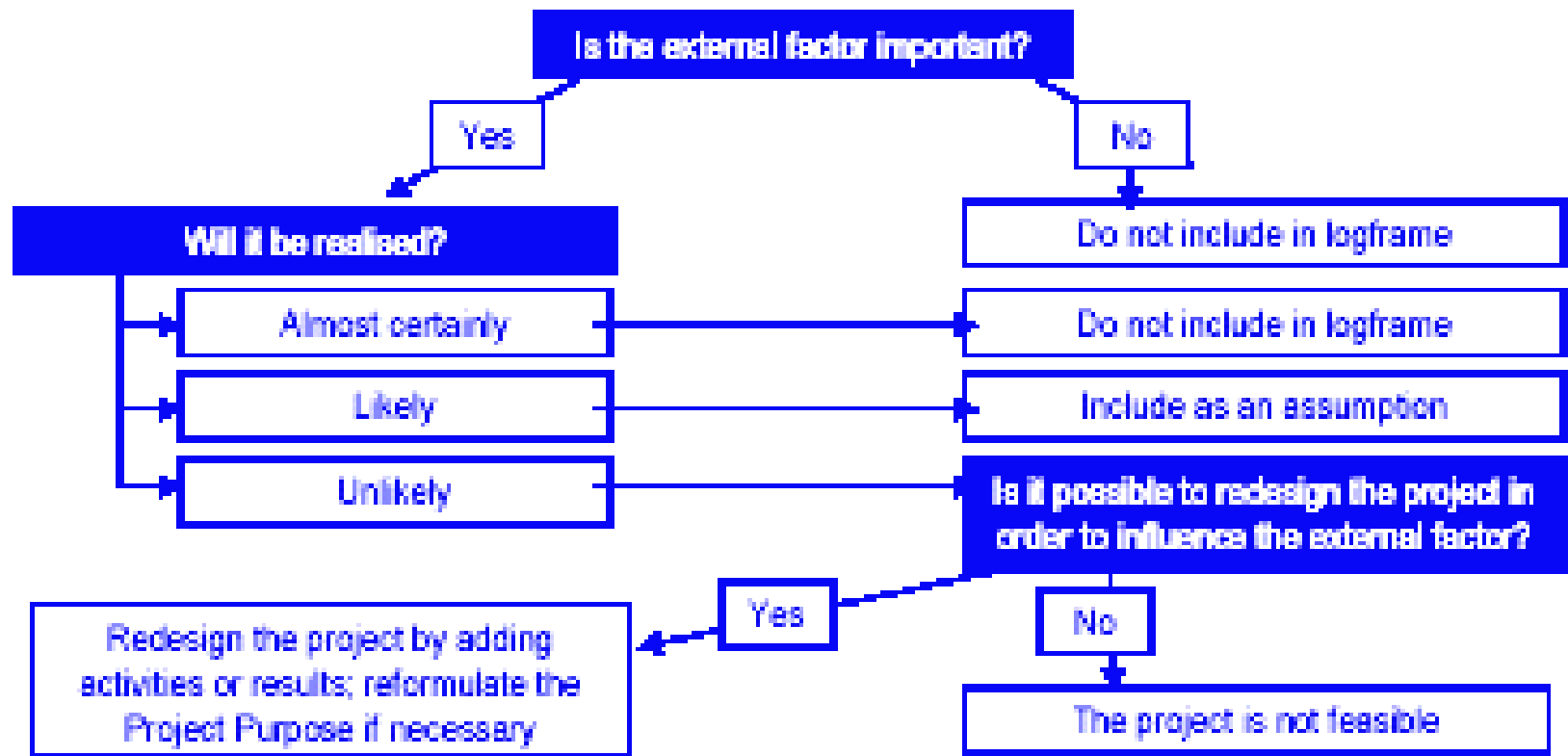
Assumptions

- External factors that are important for the success of the project.

So they :

- ✓ determine the more global environment and sustainability issues;
- ✓ Summarise factors the project cannot control
- ✓ Are factors the project does not address but need to be closely monitored

Assessment of Assumptions



INDICATORS (1)

What are indicators?

- **Objectively Verifiable Indicators (OVI)** are specific verifiable measures of change or results as a consequence of project activities.
- They provide the basis for performance measurement.
- They are useful to convey to others what the project tries to achieve.

INDICATORS (2)

How to define OVIs?

1. Specify for each result, PP (and the OO), the most suitable indicator.
2. Define, on the basis of the indicator, “targets” (precise aims of the results and the PP) in terms of:
 - Quantity (how much?)
 - Quality (what?)
 - Target group (who?)
 - Time/period (starting when and for how long)
 - Place (where?)

INDICATORS (3)

An Example

- ✓ Objective: agricultural productivity increased
- ✓ Select the indicator: rice yield per ha
- ✓ Define the targets:
 - Quantity: rice yield per ha increased from x% to y%...
 - Quality: with z% of the harvest having export quality...
 - Target group: ...for 60% of the farmers...
 - Place: ...in North-Western Province...
 - Time: ...by 2010

INDICATORS (4)

An OVI should be:

Specific

Measurable

Available (at an acceptable cost)

Relevant (with regard to the objective concerned)

Time-bound (available when useful to managers)

Sources of verification

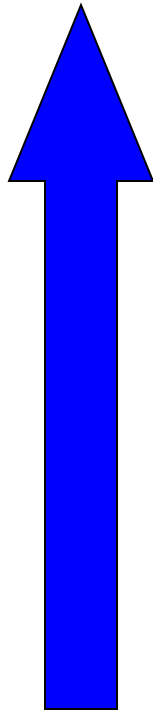
- They describe where and in what form to find the info on achievement of objectives
- Questions to be clarified:
 - Do appropriate external sources exist?
 - Are they specific enough?
 - Are they reliable and accessible?
 - Are the costs for obtaining info reasonable?
 - Should other sources be created?
- Try to use existing sources as much as possible

Typical problems

- Beneficiaries not clearly identified
- Problems identified as important are not those of the intended beneficiaries
- Objective structure poorly developed
- Multiple project purposes
- Assumptions not developed
- Indicators not developed

Management control and external factors

Overall objective:



Activity level

To alleviate poverty in designated areas

Welfare of farming community improves

Farm income rises

Changes generate increase physical product

Farmers voluntarily re-adjust

Farmers evaluate results from new techniques and change practice to try new techniques (change attitude)

Farmers gain new knowledge and skills

Farmers attend advisory sessions

Service prepares and delivers techniques

Efficient delivery of technical advice to farmers

THE ACTIVITY SCHEDULING

- List main activities;
- Break activities down into manageable tasks;
- Clarify sequence and dependencies;
- Estimate start-up, duration and completion of activities;
- Summarise scheduling of main activities;
- Define milestones;
- Define expertise;
- Allocate tasks among team;
- Estimate time required for team members.

Work plan and time-schedule

The workplan may be presented in more or less detail, depending on whether or not the contracting authority has a clear idea of how the project should be carried out, and to what extent they want bidders to propose their own methodology, team composition and/or workplan.

summary of the planned activities, based on an analysis of the issues to be implemented, the proposed method and the reporting requirements.

This is best presented in the form of an activity schedule/Gantt chart.

GANTT chart

A Gantt chart, a graphic representation similar to a bar chart, setting out the timing, sequence and duration of project Activities.

It can also be used to identify milestones for monitoring progress, and to assign responsibility for achievement of milestones

RESOURCE SCHEDULING

- Maintain objective-oriented approach of logframe
- Facilitate results-based budgeting and monitoring of cost-effectiveness
- Provide basis for planned mobilisation of resources (external and internal)
- Identify cost implications:
 - Counterpart funding requirement
 - Post-project financial sustainability

Monitoring of Implementation

Monitoring:

- ✓ is a systematic management activity
- ✓ Actual progress is compared to planned so to identify remedial actions
- ✓ Takes place at all levels of management
- ✓ Uses both formal reporting & informal communication
- ✓ Focuses on resources, activities & results in the logframe

Evaluation: Major issues

Evaluation:

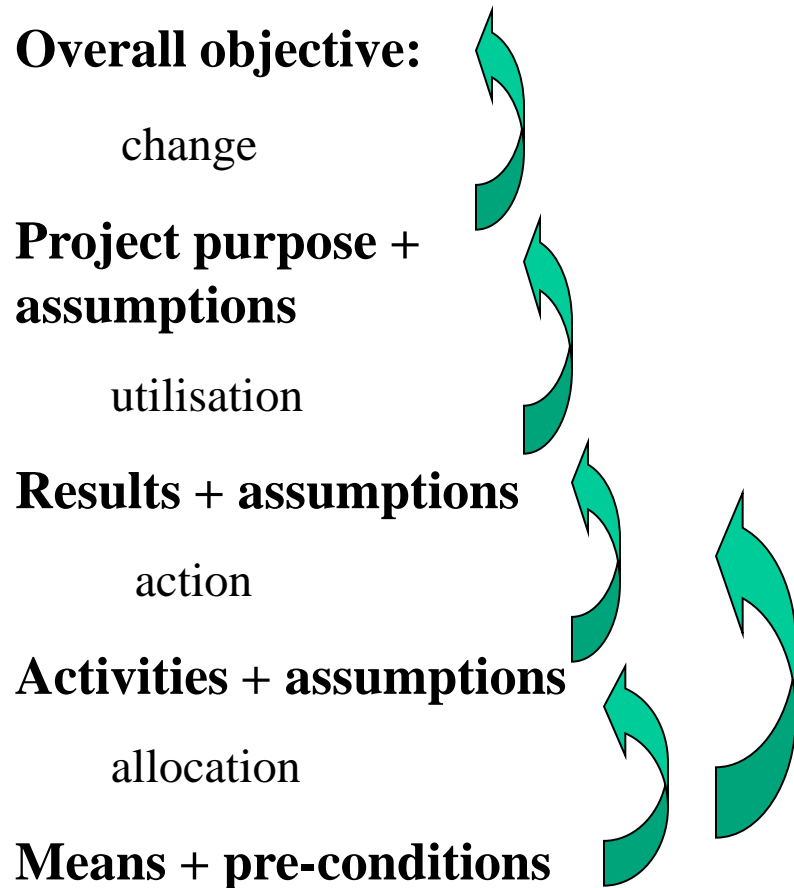
- ✓ is an assessment of project success
- ✓ Assesses the relevance, efficiency, effectiveness, impact and sustainability of projects in relation to stated objectives
- ✓ Focuses more on results-to-purpose and purpose-to-overall objectives
- ✓ Checks the coherence of project planning
- ✓ Checks the influence of the important assumptions
- ✓ Is based on the guiding principles: impartiality, independence and credibility

Types of evaluation

3 levels of evaluation:

- 1) **Mid-term review** (useful to consider revision of objectives)
- 2) **End of project or final evaluation** (to assess the achievement of the project purpose)
- 3) **Ex-post or impact evaluation** (to assess sustained benefits and overall impact)

Evaluation of efficiency

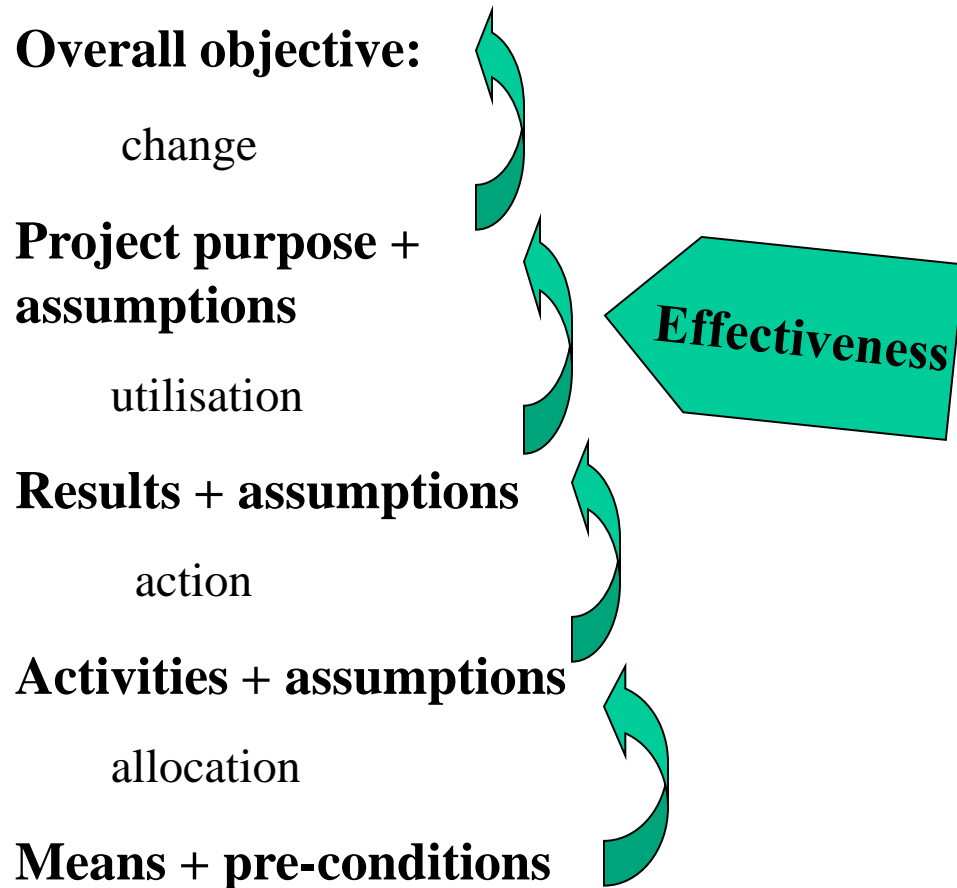


✓ Analysis of how successful the project has been in transforming the means (the resources and inputs allocated to the project) through project activities into concrete project results.

✓ Provides the stakeholders with information on inputs/costs per unit produced



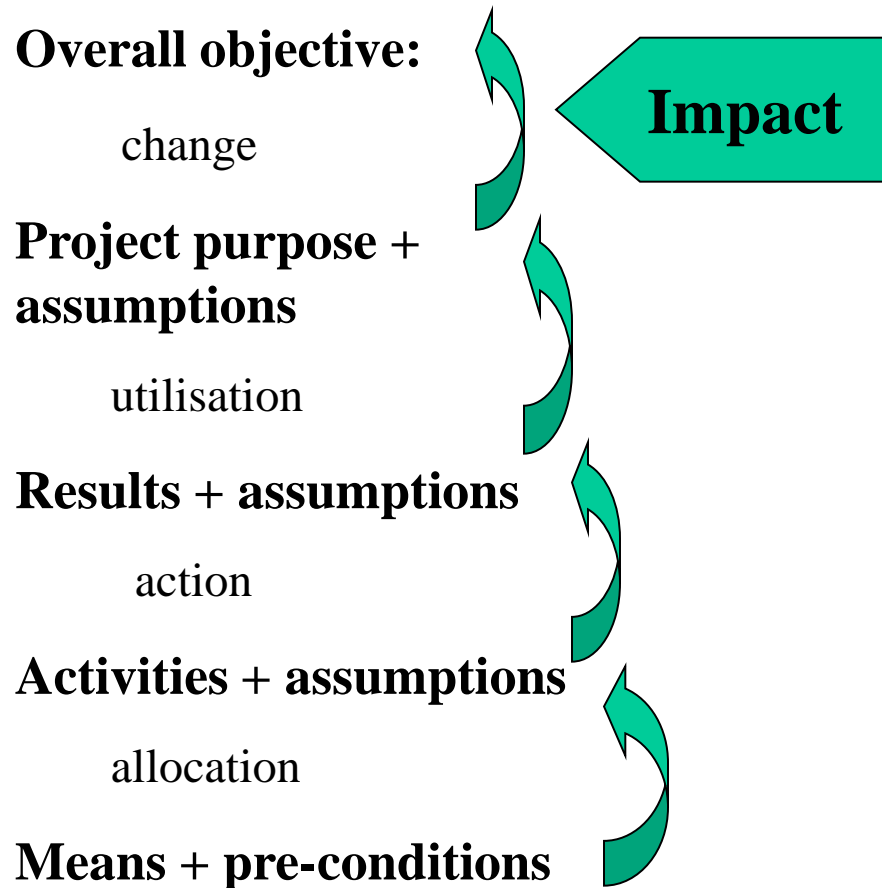
Evaluation of efficiency



✓ Analysis on how well the production of project results contributes to the achievement of the project purpose

✓ Uses base-line information on the pre-project situation as a starting point

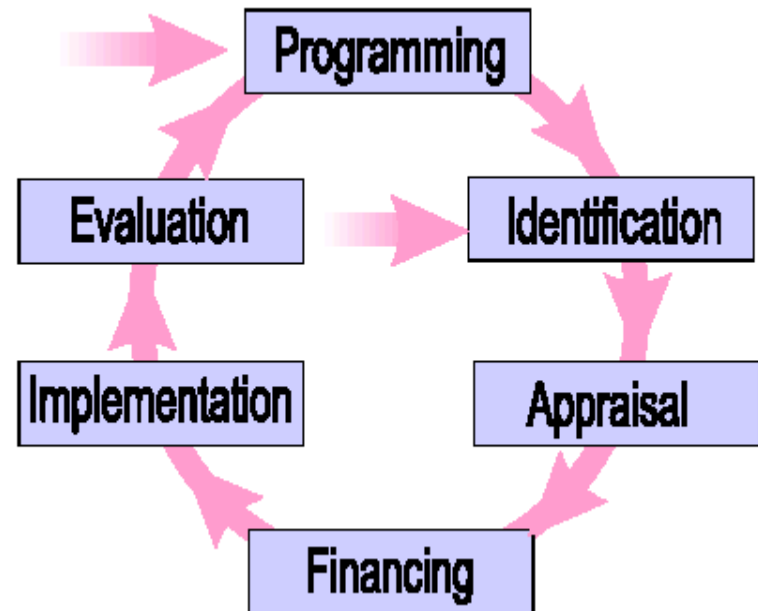
Evaluation of Impact



- ✓ Analysis of the overall effects of the projects.
- ✓ Analysis of the contribution of the project purpose to the overall objectives (focus on long-term changes).
- ✓ Collection and analysis of info at level of communities at large focusing on the final beneficiaires of the project
- ✓ Also analysis of unintended impacts (negative and positive)

Integrated Documentation

1. Summary
2. Background
3. Intervention Logic
4. Assumptions
5. Implementation
6. Factors ensuring sustainability
7. Monitoring and evaluation
8. Conclusions and recommendations



Success of a Project: Some Factors

