

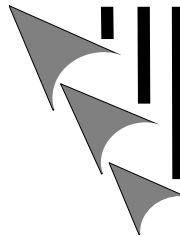


**Basic Introduction to Project Cycle  
Management Using the  
Logical Framework Approach**

---

Developed and Presented by:

**Umhlaba  
Development  
Services**



© Umhlaba Development Services

Noswal Hall, Braamfontein, Johannesburg, South Africa, 2017

Phone +27 11 403-4852 • Fax +27 11 403-2670

[www.umhlaba.com](http://www.umhlaba.com)

---

## How To Use This Manual

This training manual follows a systematic process of introduction to PCM and LFA. It is structured as a basic guide to the *European Commission – EuropeAid Project Cycle Management Handbook*, and the sections therefore follow the logic of the handbook and the method itself.

Ideally this manual provides summarized information to complement a training session facilitated by an experienced PCM / LFA practitioner. It can be used as a guide on its own without the formal training, but this is not advised without significant extra reading and mentoring. You are therefore encouraged to seek further information and support.

---

# TABLE OF CONTENTS

<b>How To Use This Manual</b>	ii	<b>Step 7: Project Budgeting ("Resourcing")</b>	16
<a href="#"><u>Section 1</u></a>		<a href="#"><u>Section 3</u></a>	
<b>Introduction to PCM-LFA</b>	1	<b>Implementation Phase</b>	1
<b>What is a Project?</b>	2	<b>The Implementation Phase</b>	2
<b>What is a Project?</b>	2	<b>Monitoring Projects</b>	3
<b>Project Cycle Management</b>	3	<b>Reporting on Progress</b>	3
<b>The EU Project Cycle</b>	3		
<b>PCM and LFA</b>	6	<a href="#"><u>Section 4</u></a>	
<b>Background to the Approach</b>	7	<b>Evaluation Phase</b>	1
<b>The LogFrame Approach</b>	7	<b>The Evaluation Phase</b>	2
<b>The Programming Phase</b>	8	<b>Types of Evaluation</b>	2
<b>The Identification Phase</b>	9	<b>Criteria for Evaluation</b>	2
<a href="#"><u>Section 2</u></a>		<b>Evaluation Criteria &amp; Logframe</b>	3
<b>Project Appraisal Phase</b>	1		
<b>The Appraisal &amp; Financing Phases</b>	2		
<b>LogFrame and the Appraisal Stage</b>	2		
<b>The Steps of Logframe</b>	3		
<b>Why Analyse Stakeholders?</b>	3		
<b>Purpose of the Step</b>	4		
<b>Step 1: Analysing Stakeholders</b>	4		
<b>Making Project Decisions</b>	5		
<b>Stakeholder Terms</b>	6		
<b>Step 2: The Problem Analysis</b>	7		
<b>Step 3: The Objectives Analysis</b>	8		
<b>Step 4: The Strategy Analysis</b>	10		
<b>Step 5: The Project Plan</b>	11		
<b>The PPM Objectives</b>	12		
<b>Activities and Means</b>	13		
<b>Defining Assumptions</b>	14		
<b>Project Indicators and Means of Verification</b>	14		
<b>Step 6: Activity Scheduling</b>	15		

---

## Introduction to PCM-LFA

*Project Cycle Management and Logical Framework Approach*

### Learning Outcomes for this Section

- ☞ Reviewing the definition of a Project
- ☞ Understanding why Project Cycle Management (PCM) is important
- ☞ Understanding the European Donor approach to PCM
- ☞ Understanding how Logical Framework Approach fits with PCM
- ☞ Understanding the purpose and process of the Programming and Identification Phases of PCM

## What is a Project?

Experiences with development planning were viewed as unsatisfactory prior to 1960s, because national plans tended to lack focus and defined output (they were untargeted), and “participation” in projects by stakeholders was the prerogative of national governments, and was often neglected. During 1960s-70s period the project became the primary means through which governments of developing countries translated their development plans and policies into programmes of action. Projects were (and still are) seen to act as a crucial coordinating mechanism for the implementation of policy and the integration of resources and institutions.

The Project Management Institute defines a project as “a temporary endeavour undertaken to create a unique product or service. *Temporary* means that every project has a definite end. *Unique* means that the product or service is different in some distinguishing way from all similar products or services.”

Projects differ in size, scope cost and time, but all have the following characteristics:

- ☞ A *start* and a *finish*
- ☞ A *life cycle* involving a series of phases in between the beginning and end
- ☞ A *budget*
- ☞ A set of *activities* which are sequential, unique and non-repetitive
- ☞ Use of *resources* which may require coordinating
- ☞ Centralised *responsibilities* for management and implementation
- ☞ Defined *roles* and *relationships* for participants in the project

The term “*project*” could therefore be taken to mean a group of activities undertaken to produce a Project Purpose in a fixed time frame. In development terms a “*programme*” is taken to mean a series of projects whose objectives together contribute to a common Overall Objective, at sector, country or even multi-country level.

## Project Cycle Management

The way in which projects are planned and carried out follows a sequence beginning with an agreed strategy, which leads to an idea for a specific action, oriented towards achieving a set of objectives, which then is formulated, implemented, and evaluated with a view to improving the strategy and further action.

Project Cycle Management is an approach to managing projects. It determines particular phases of the Project, and outlines specific actions and approaches to be taken within these phases. The PCM approach provides for planning and review processes throughout a cycle, and allows for multiple project cycles to be supported.

The project cycle also provides a structure to ensure that stakeholders are consulted and relevant information is available throughout the life of the project, so that informed decisions can be made at key stages in the life of a project.

## The EU Project Cycle

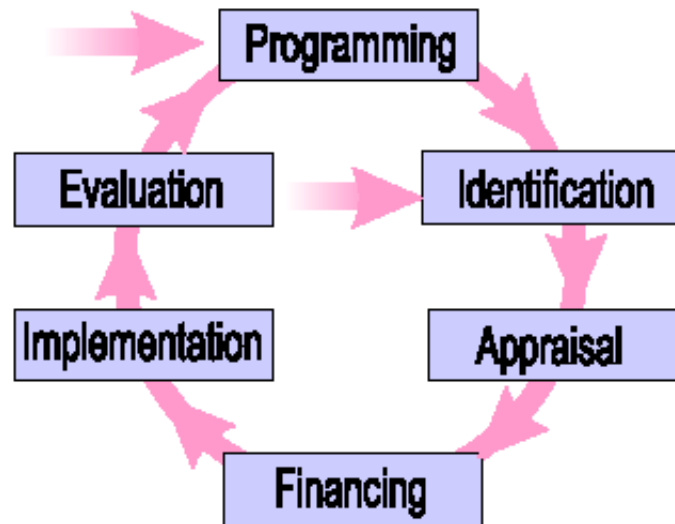
The European Union is a major funder of development programmes across the world, and one of the biggest single programmes operates in South Africa. In their approach to funding the EU uses a particular form of Project Cycle Management to enable it to ensure that it funds projects that are consistent with its objectives, and are likely to achieve the desired impact. In particular the EU needs to ensure the following:

- ☞ That projects respect and contribute to *overarching policy objectives of the EC* such as respect of human rights, poverty alleviation and to *cross-cutting issues* such as gender equality, protection of the environment;
- ☞ That projects are *relevant* to an *agreed strategy* and to the real problems of target groups and beneficiaries;
- ☞ That projects are *feasible*, meaning that *objectives* can be realistically achieved within the constraints of the operating environment and the capabilities of the implementing agencies;
- ☞ That *benefits* generated by projects are *sustainable*.

PCM is seen as an important mechanism for these principles to be achieved.

The generic project cycle for external aid programmes defined by the European Commission and all member states has six phases. In practice, the duration and importance of each phase may vary for different projects. The phases are as follows:

## PROJECT FORMULATION PHASE



We will examine each phase in more detail in this manual. While the scope and scale (and the manner of approach) differs between projects, and the development agencies concerned, some elements remain the same. For example, within all EC programmes the cycle shares three common themes:

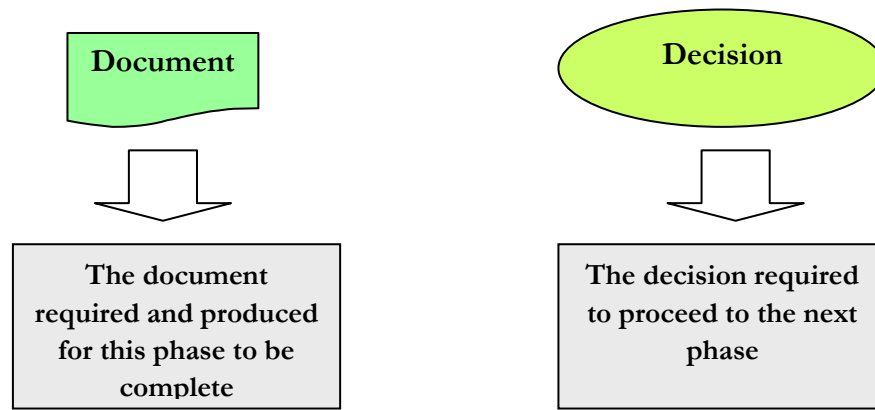
- ☞ Key decisions, information requirements and responsibilities are defined at each phase.
- ☞ The phases in the cycle are progressive – each phase needs to be completed for the next to be tackled with success.
- ☞ New programming draws on evaluation to build experience as part of the institutional learning process.

Aid co-operation and partnership programmes often involve complex processes that require the active support of many parties. PCM is intended to ensure that the stakeholders support the decisions made within projects, and that decisions are based on relevant and sufficient information.

A range of documents and decisions follow from each phase, as represented by the following diagram. The following key applies to the diagram:



## PROJECT FORMULATION PHASE



## The Project Cycle: Major Documents and Decisions



To ensure the overall integrity of projects supported within its development aid programmes, the EU PCM model emphasizes the following:

- ☞ Use of the *Logical Framework Approach* to analyse problems, and work out suitable solutions through project design, and successful implementation.
- ☞ Producing *good-quality key document(s)* in each phase, to ensure structured and well-informed decision-making (often called the “integrated approach”).
- ☞ Consultation with and the involvement of *key stakeholders* as much as possible.

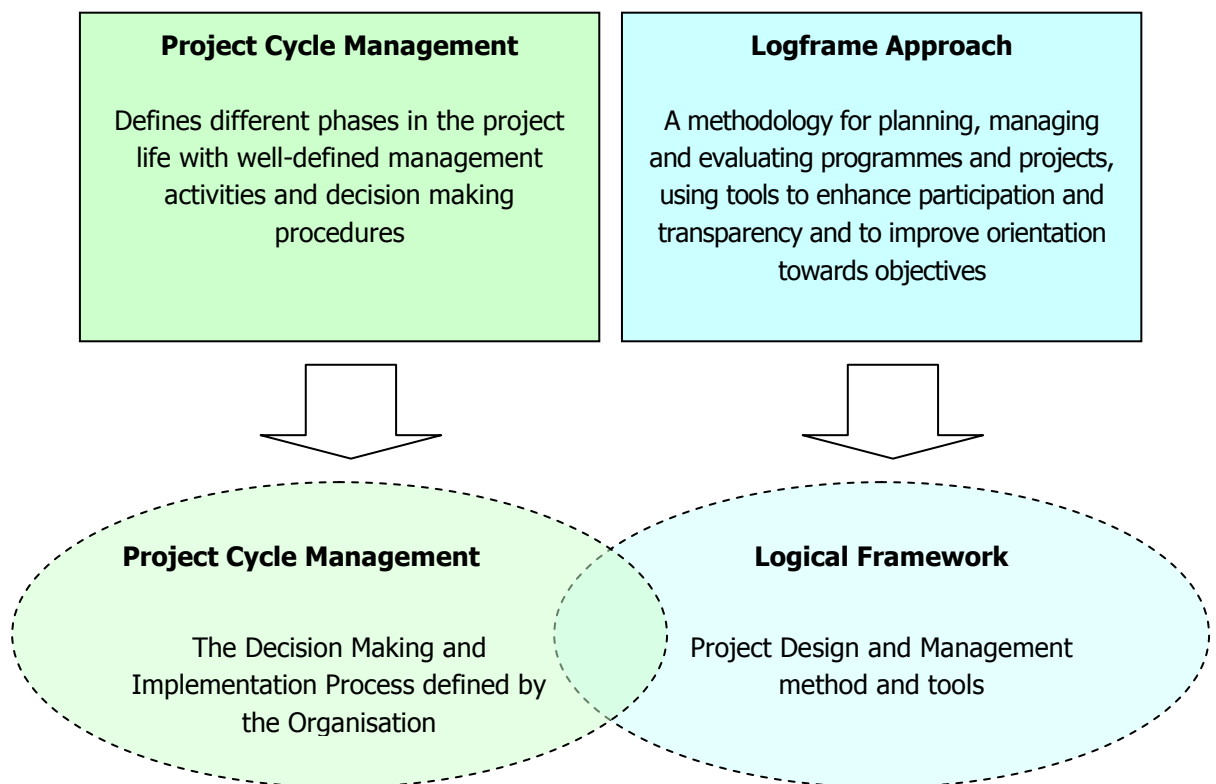
## PROJECT FORMULATION PHASE

- ☞ Clear formulation and focus on one Project Purpose, in terms of *sustainable benefits for the intended target group(s)*.
- ☞ Incorporation of *key quality issues* into the project design from the beginning.

To further ensure integration of all aspects of the cycle, there is a basic 'format' applied for all documents produced during the project cycle. It follows the core logic of the Logical Framework Approach.

### PCM and LFA

PCM reflects the decision-making and implementation process; the methodology applied for planning, managing, evaluating projects is the *Logical Framework Approach*.



## **Background to the Approach**

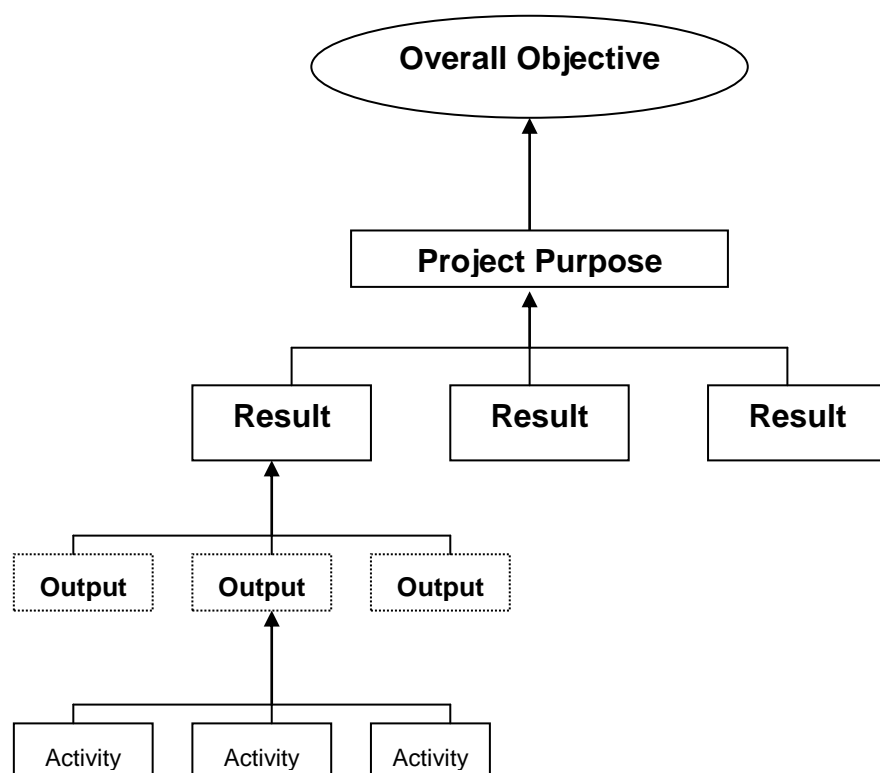
Despite the use of different variations of the approach between different agencies (and different names used), the approach has the same background. In short, the approach emerges from management methodologies introduced in the 1950s and 1960s emphasising objectives oriented planning as a specific management approach – Management By Objectives or MBO. These specified the need for plans to develop objectives and targets from the outset and relate all areas of the plan to the targets.

The approach was further developed in the North with strong influences on the methodology from business and the military. It was introduced into development practice by USAID in the 1960s, and then into the European development system in the 1980s as the standard approach to planning development assistance. Presently, all European Union assistance is planned through the LFA approach.

The approach focuses on clarity and detail, and is closely linked to a budgeting framework. This makes it attractive for development donors as a management tool for development projects and grant-making.

## **The LogFrame Approach**

The logical framework approach follows a hierarchical results oriented planning structure and methodology which focuses all project planning elements on the achievement of one project purpose. Represented graphically the logframe approach is as follows.



## PROJECT FORMULATION PHASE

As with any approach or method, LFA can be used successfully and flexibly, or it can be applied rigidly and restrictively. Logframe has been severely criticised in some quarters for its rigidity, and tendency for simplistic approaches to complex development problems.

LFA has been designed with the following principles as its base:

- ☞ Responsibilities are defined
- ☞ Change is the aim
- ☞ Iteration is encouraged
- ☞ Flexible control of projects and processes
- ☞ Transparency is enhanced
- ☞ The method is participatory

The Approach also tries to build in a close link between the external project environment and the internal project planning elements.

The Project elements in LFA are recorded and presented according to a matrix format. This format is called the Project Matrix (PM), or Project Planning Matrix (PPM), and allows for a complete project to be represented in a clear and related manner. The PPM allows for ease of understanding and sets the basis for Project Cycle Management to occur.

## The Programming Phase

Programming refers to the development “negotiation” process undertaken at a governmental level, and is multi-annual and indicative. The output of the programming process is an agreed multi-annual Indicative Programme. During the Programming phase, the situation at national and sectoral level is analysed to identify problems, constraints and opportunities which co-operation could address. This involves a review of socio-economic indicators, and of national and donor priorities. The purpose is to identify the main objectives and sectoral priorities for co-operation, and thus to provide a relevant and feasible programming framework within which projects can be identified and prepared. For each of these priorities, strategies that take account of the lessons of past experience will be formulated.

The multi-annual programming document is often called a *Country Strategy Paper* (or CSP). Other documents capturing the outcomes of the programming phase could be called the *Indicative Programme*, or development cooperation bi-lateral agreements.

## PROJECT FORMULATION PHASE

While the programming phase is not directly relevant to individual projects, it is important for projects to be aware of the high level strategy which sets out the framework of support.

### The Identification Phase

During the Identification phase, and within the framework established by the *Country Strategy Paper*, the stress is on analysis of relevance of project ideas, which includes an analysis of the stakeholders and of the likely target groups and beneficiaries and of the situation, including an analysis of the problems they face, and the identification of options and relevant projects and partners to address these problems.

Sectoral, thematic or “pre-feasibility” studies may be carried out (including consultations with stakeholders) to help identify, select or investigate specific ideas, and to define what further studies may be needed to formulate a project or action. The outcome is a decision on whether or not the option(s) developed should be further studied in detail.

The outcome of the identification phase is the *Project Identification Report*, which sets out the rationale and basic objectives for pursuing a particular project option. The identification report provides the basis on which to proceed to appraise a project option and to formulate a *project plan* and *financing agreement*.

The Identification Phase is directly relevant to the Project, as the initial structure of the Project is defined at this stage.

## Project Appraisal Phase

*“Appraisal (Formulation) and Financing”*

### Learning Outcomes for this Section

- ☞ Understanding the Purpose and Process of the Appraisal (or Formulation) and Financing Phases of PCM
- ☞ Understanding and being able to apply the 7 Steps of Logical Framework Analysis (LFA)

## The Appraisal & Financing Phases

During the *Appraisal* phase, any preparatory studies as may be required are initiated by the donor agency. Relevant project ideas are developed into project plans. This phase is also often called the *Project Formulation Process*, referring to the process of formulating specific project plans. The particular stress during the formulation phase is on ascertaining the feasibility, sustainability and quality of the suggested intervention and project plan.

Beneficiaries and other stakeholders participate in the detailed specification of the project idea that is then assessed for its feasibility (whether it is likely to succeed) and sustainability (whether it is likely to generate long-term benefits). Again, checks need to ensure that cross-cutting issues and overarching policy objectives are adequately considered in the project design and objectives. A detailed Logical Framework with Indicators, and Implementation, Activity and Resource Schedules, is produced.

The outcome of this phase is a project plan, sometimes called a Formulation Document or Formulation Report.

On the basis of the appraisal / formulation process and resultant document, a decision is made by the donor agency concerned on whether or not to draw up a formal financing proposal and provide funding for the project.

The financing proposal is completed and considered by the appropriate committee; and a decision is taken whether or not to fund the project. A formal agreement with the partner Government or another entity (like a project implementing agent or NGO) is then signed by both including essential financing implementation arrangements.

Based on the previous studies and subsequent discussions, a final version of the *Financing Proposal* is drafted and forms the specific basis of agreement between the donor and the implementing agency. The *Financing Agreement* sets out the modalities of implementation and formalise these in a legal document which sets out the arrangements by which the project will be funded and implemented.

## LogFrame and the Appraisal Stage

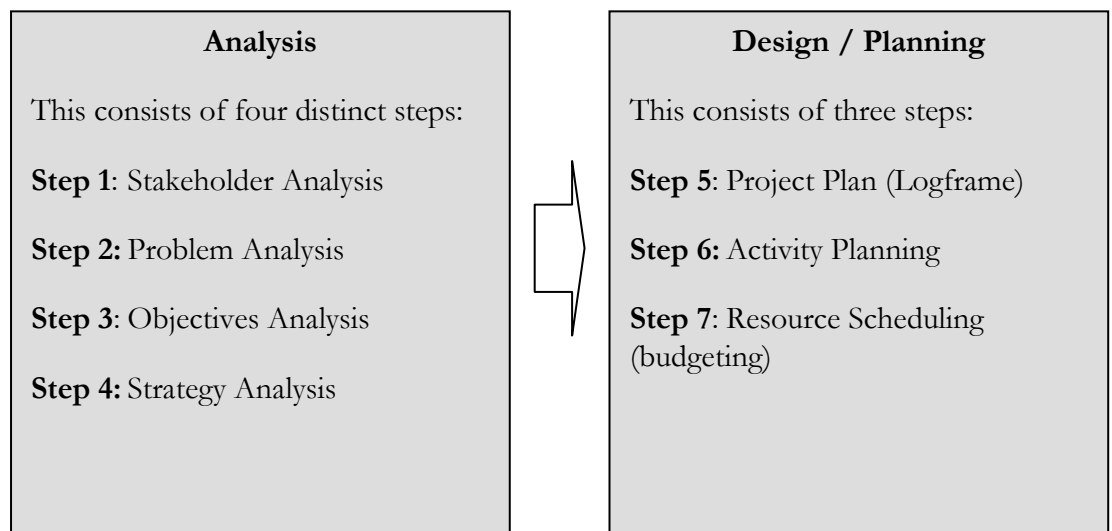
It is during the *appraisal* or *formulation* phase that the Logical Framework is used to construct a detailed project plan. The process of constructing the project plan (or “formulation”) is a systematic process, requiring rigorous application of the Logical

## PROJECT FORMULATION PHASE

Framework planning methodology. These include the 7 “steps” to constructing the project plan.

### The Steps of Logframe

There are seven distinct stages of “steps” in the LFA planning methodology. These are broadly categorised according to two processes: the *Analysis* process, and the *Design* process.



The steps are sequential – they must follow in order for the project plan to make sense!

### Why Analyse Participants / Stakeholders?

Any individuals, groups of people, institutions or firms that may have a relationship with the project are defined as stakeholders. In order to maximize the social and institutional benefits of the project and minimise its negative impacts, stakeholder analysis identifies all likely to be affected (either positively or negatively), and how. It is important that stakeholder analysis take place at an early stage in the identification and appraisal phases of a project.

Stakeholders are identified along criteria of interest and influence. For example, it is important to identify those that have a direct interest in the project, whether they have influence over it or not. On the other hand, it is vital to identify those that have influence over the project, even if they are not directly interested, as they have



## PROJECT FORMULATION PHASE

the power to determine its success or failure. Groups are often identified along political, social, class or status lines.

Gender is critically important as well. In all societies, there are differences in the roles and responsibilities of women and men, and in their access to and control over resources and their participation in decision-making. These gender considerations are important to the success of development projects. It is therefore vital to analyse the gender differences and inequalities and to take them into account in the intervention, its objectives, strategies and resource allocation. The stakeholder analysis must therefore systematically identify all gender differences, as well as the specific interests, problems and potentials of women and men among the stakeholder groups.

### Purpose of the Step

The identification of stakeholders is critical to the success of a development project.

Specifically, the stakeholder analysis is trying to:

- ☞ Identify who has an interest in the Project's success or failure, and what the interest is
- ☞ Assess who has influence over the Project
- ☞ Analyse the possible political and social impacts upon the Project

After all, development is about people – and we need to know who is involved!

### Step 1: Analysing Stakeholders

There are a number of steps to identifying stakeholders, which can be summarized as follows. It is important to apply a gender analysis in all of these steps to adequately gauge the gender specific nature of the stakeholders.

#### Step 1: Identify the stakeholders who:

- Might be affected by the project
- Might affect the project
- Might become useful project partners even though the project may also be implemented without their contribution

## PROJECT FORMULATION PHASE

- Might become conflict partners as they may face the project as a threat for their role and interests
- Will anyway be involved in the project

### **Step 2: Categorise them according to their role:**

- Is the stakeholder group (organisation, group of people, etc.) supposed to work in the project, co-finance it, or benefit from the project?
- Is it a supporting organisation?
- Does it have a controlling function, etc.?

### **Step 3: Characterise them from a social and organisational point of view, taking as well a gender perspective:**

- What are their social and economic characteristics?
- How are they structured / organised? How are decisions made?
- What is their status?

### **Step 4: Analyse them with regard to expectations and relationships:**

- Identify their interests and expectations in the project
- Analyse the links and relationships between the various stakeholder groups.

### **5. Characterise their sensitivity towards and respect of cross-cutting issues (gender equality, environmental protection, etc.):**

- Are they sensitive to these issues?
- Do they consider impact of their tasks and activities on these issues?

### **6. Assess the potential, resources and capacities of the stakeholders:**

- What are the existing strengths on which the project could be build up?
- What are the potential contributions on which the project could be build up?
- What are existing deficiencies to be considered by the project?

### **7. Draw conclusions and make recommendations for the project**

- How to take the group into account?
- Which action to undertake?
- How to deal with the group?

## **Making Project Decisions**

At a certain point during the analysis process a decision has to be taken on which objectives to adopt for the project, i.e. whose interests and views to give priority. Ideally a consensus should be found between the stakeholders involved - realistically an attempt should be made to achieve a compromise between the different

## PROJECT FORMULATION PHASE

stakeholders' views and interests, although at times it might be more suitable to concentrate on the priorities of core stakeholders rather than on a compromise, "no-body is really committed to".

When defining objectives it is important that it is agreed upon and made transparent which views and interests are given priority to. Attention has to be paid to potential conflicts arising from setting priorities. It should be carefully considered where conflicts could arise, how they could be avoided or mediated, and what impact it would have on the project if the conflicts cannot be avoided or mediated.

In an ideal case the project / programme should be designed in a participatory planning workshop or process, involving representatives of the main stakeholders, ensuring balanced representation of the interests of women and men.

### Stakeholder Terms

Logical Framework uses specific terms to identify the different human actors in its planning process and project design. These are as follows:

**Stakeholders** are individuals or institutions that may – directly or indirectly, positively or negatively – affect or be affected by the outcomes of projects or programmes.

**Beneficiaries** are those who benefit in whatever way from the implementation of the project. Here an important distinction may be made between:

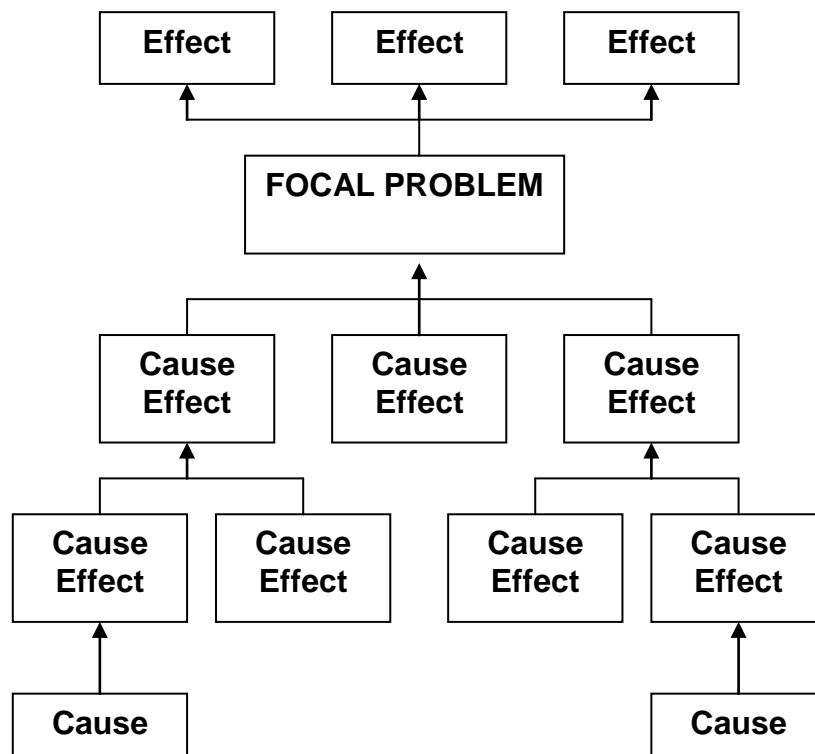
- (a) **Target group(s)** are the group or entity who will be directly positively affected by the project at the Project Purpose level
- (b) **Final beneficiaries** who are those who benefit from the project in the long term at the level of the society or sector at large, e.g. "children" due to increased spending on health and education, "consumers" due to improved agricultural production and marketing

**Project partners** are those agencies who implement the projects with the support of the donor directly.

## Step 2: The Problem Analysis

LFA begins from an assumption that development projects stem from existing problems that require intervention and change. If it is not broke, then there is not a need for fixing it!

But often the “problem” is not clearly defined, or may not be the actual problem. In order to determine what the real problems are, LFA tries to determine the cause and effect relationship between problems. A tool that enables this to be done is called the *Problem Tree*.



The Tree allows for many problems to be identified, and to analyse how they relate to each other. These linkages are important in deciding which problems are the ones that a project should focus on and try to address. In addition, the Tree allows for complex problems to be visualised – to be seen in a clearly diagrammatical format that is understood by all.

Constructing a problem tree involves the following steps:

**Step 1:** Identify major problems existing within a given situation (brainstorming)

**Step 2:** Select an individual starter problem

- Step 3: Look for related problems to the starter problem:
- Step 4: Establish hierarchy of cause and effects:
- Problems which are directly causing the starter problems are put below
  - Problems which are direct effects of the starter problem are put above
- Step 5: Complete with all other problems accordingly
- Step 6: Connect the problems with cause-effect arrows
- Step 7: Review the diagram and verify its validity and completeness

**Remember:**

- Problems have to be worded as negative situations as they exist
- Problems should be as specific as possible – what is the problem, who does it affect?
- Problems have to be existing problems, not future ones or imagined ones
- The position of the problem in the hierarchy does not indicate its importance
- A problem is not the absence of a solution, but an existing negative situation, that is a “lack of” something

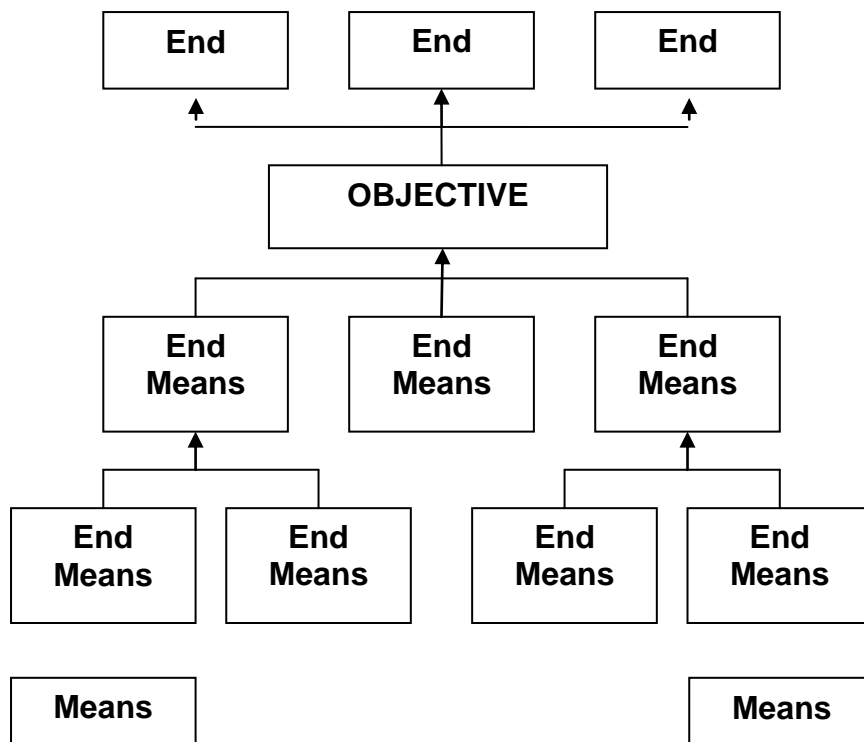
*Remember also that there is no one “correct” tree – there can be many perspectives and different problems between different people and groups!*

### **Step 3: The Objectives Analysis**

LFA is a objectives oriented planning methodology. In order for these objectives to be defined, they should reflect solutions to identified problems. In LFA the objectives should relate directly to the Problem Analysis.

In the same manner that the Problem Tree has identified key problems and causal links between different problems, the *Objectives Tree* becomes a tool for identifying the necessary solutions and the links between these solutions. Each level of the objectives tree represents a means to achievement at the next level. It can be represented graphically as follows:

## PROJECT FORMULATION PHASE



Compiling a tree of objectives involves the following steps:

**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

The Tree is a picture of the future desired situation, and the elements necessary to achieve it.

## PROJECT FORMULATION PHASE

Remember that LFA is an *iterative* process. This means that as you define your Objectives Tree based on the Problem Tree, you will check whether the problems were clearly identified, and whether the logic still holds between them. You can (and should!) be altering your Problem Tree as you go along.

***Remember! The clearer the problem is stated in the Problem Tree, the easier it is to identify the logical link between problems, and then to define clear objectives.***

### Step 4: The Strategy Analysis

As you will see from the Objectives Tree, there are many problems and potential solutions (objectives) for these. How does one choose which problems the project will focus upon and address?

This is an important part of the planning process. It emphasises the need to prioritise, and arises from the principle that one project cannot solve all problems. The *Strategy Analysis* allows for consideration of the different ways that a project can address parts of a problem.

Feasibility is an important element of the choice of strategy. Does the project have the means and capacity to address the problem identified? The assessment of feasibility is as important as the choice of the correct strategic choice to solve the problem.

**Criteria** that can be used to guide a choice include:

- Priorities of and attractiveness to target groups, including time perspective of benefits
- Resource availability:
  - funds
  - expertise required / available
- Existing potentials and capacities (of target group/s)
- Relevance for sector / agreed strategy between EC and partner country and relevance for contribution to overarching policy objectives
- Relationship and complementarity with other action
- Social acceptability
- Contribution to reduction of inequalities (e.g. gender)
- Urgency

***Remember! One project cannot solve all problems. A choice is necessary.***

## Step 5: The Project Plan

In Steps 1-4, important information was analysed and ordered to assist the project design process. By following the iterative style of planning, LFA enables the project analysis to be amended for clarity and logic. By the time you have completed Step 4, you should be able to design your project intervention.

The project planning elements in LFA are recorded and presented according to a matrix format. This format is called the Project Matrix (PM), or Project Planning Matrix (PPM), and allows for a complete project to be represented in a clear and related manner. The PPM allows for ease of understanding and sets the basis for Project Cycle Management to occur.

PROJECT PLANNING MATRIX			
Intervention Logic	Indicators	Means of Verification	Assumptions
<u>Overall Objective</u>			
<u>Project Purpose</u>			
<u>Results</u>			
<u>Activities</u>	<u>Means</u>	<u>Cost</u>	<u>Pre-Conditions</u>

The logical framework matrix is a way of presenting the substance of an intervention in a comprehensive form. The matrix has four columns and four rows:

- ☞ The *vertical logic* (or *intervention logic*) identifies what the project intends to do, clarifies the causal relationships and specifies the important assumptions and risks beyond the project manager's control.
- ☞ The *horizontal logic* relates to the measurement of the effects of, and resources used by the project through the specification of key indicators, and the sources where they will be verified.



PROJECT PLANNING MATRIX			
Intervention Logic	Indicators	Means of Verification	Assumptions
<u>Overall Objective</u>			
<u>Project Purpose</u>			
<u>Results</u>			
<u>Activities</u>	<u>Means</u>	<u>Cost</u>	<u>Pre-Conditions</u>

The diagram illustrates the Project Planning Matrix with two types of logic: Vertical Logic and Horizontal Logic. Vertical Logic is represented by a large downward-pointing arrow on the left side of the matrix, indicating the flow from the Overall Objective down to the Activities. Horizontal Logic is represented by a large rightward-pointing arrow at the top of the matrix, indicating the flow from the Overall Objective across to the Assumptions.

The PPM contains four key elements of the Project:

- a) The Objectives of the Project
- b) The project Activities, Means and Costs
- c) The Assumptions made for the project
- d) The Indicators required to monitor the Project

Step 5 is to determine these elements of the plan.

## The PPM Objectives

The first column of the PPM is called the intervention logic. This refers to the objectives and activities for the Project. The objectives of the PPM are represented at different levels. These can be described as:

### Overall Objective:

This is a general development objective that refers to the long term benefits to an

## PROJECT FORMULATION PHASE

entire population, but is outside of the Project control, and is what the Project will contribute to. Normally the overall objective relates and links to a national objective.

### **Project Purpose:**

This refers to what the specific objective of the project is, and describes the changed situation the Project should result in if it achieves its results. The Project Purpose should define the sustainable benefits for the target group/s. It may reflect a change in the target group's behaviour, or the benefits which will accrue to them. There is normally only one project purpose.

### **Results:**

The results are a statement of the outcome, or the effects of the activities undertaken. If all of Results are achieved, we would expect that the Project Purpose is achieved as a consequence. Although they are numbered, Results are defined according to logical areas and not sequential (they do not have to happen in order), Results are within the control of the Project - they are what the Project guarantees it can deliver. They describe the effect of the completion of the activities.

*The objectives in LFA are stated as outcomes - that is as if they have already happened. We therefore state at the beginning of the project what our expected situation is at the end of the Project!*

## **Activities and Means**

The activities and inputs of a Project describe what is to be done, and what is needed to do this.

### **Activities**

These are the sequential steps necessary to achieve a result. They are the tasks to be carried out according to each result. Each activity needs to be specific and detailed to allow for complete clarity as to what is to be done, and to allow for budgeting. The activities must be numbered in sequence according to the relevant result!

### **Means**

These are the necessary means to undertake the activities. They include personnel, materials, and infrastructure. They describe the resources required for the successful

implementation of the project activities. They are also basically a list of items that will need to be budgeted for.

### **Cost**

This states the overall cost of the project, and the expected sources. It is *not* a detailed budget!

## **Defining Assumptions**

For the purpose of Project planning, it is essential that the external context is given consideration in the plan. These key considerations are in the form of *assumptions*. This will allow for recognition of why a project has not succeeded due to factors outside its control.

The assumptions made in the Project design must be recorded. These are the conditions that:

- ☞ Are outside of the Project's control; and,
- ☞ Must exist or take place for the Project to be successful.

In order to define which assumptions are to be included, first determine assumptions you make for each level of the objectives in the PPM. These may include:

- ☞ The actions of certain groups, or Project stakeholders
- ☞ Certain economic or social conditions, such as the absence of conflict
- ☞ Political conditions, such as stability
- ☞ Conditions of climate

## **Project Indicators and Means of Verification**

Indicators are important monitoring mechanisms for assessing the progress of a plan. They allow for ongoing measurement with the Project Cycle. They are how the performance standard to be reached will be measured.

## PROJECT FORMULATION PHASE

Indicators can be outputs (the tangible products produced from our activities) or impact indicators (measurements of change in situations or groups). Indicators do need to be:

- ❑ *Independent*: they measure only the objective, purpose or result to which they are linked
- ❑ *Factual*: they are based on factual measurement
- ❑ *Plausible*: it must be believable that they are measuring the change attributed to the project
- ❑ *Objectively verifiable*: we can verify whether they have been achieved

Much of the emphasis placed in plans is on quantitative units of measure – the number of participants, the number of workshops etc. For development projects impact indicators are as important – changes in attitude and behaviour, changes in quality of life etc. Impact indicators are often difficult to describe.

Indicators must also have a means of verification (MoV). The MoV is the source of data that serves as the “proof” for the indicator. In many cases this may be documents, or statistics.

A useful guide to determining indicators is to use four guiding criteria:

- What is the *quantity* we are assessing?
- What is the *quality* we are expecting?
- What is the *timeframe* we expect it in?
- What is the *location* it will occur in?

**REMEMBER! Try to keep your indicators specific, achievable, realistic, and directly attributable to the Project.**

### Step 6: Activity Scheduling

Project planning requires a detailed scheduling of activity – detailing what and when will be implemented in the life of the project. In LFA the project activity schedule is

**PROJECT FORMULATION PHASE**

organized according to the Results, and is shown in a graphic format called a Gantt chart.

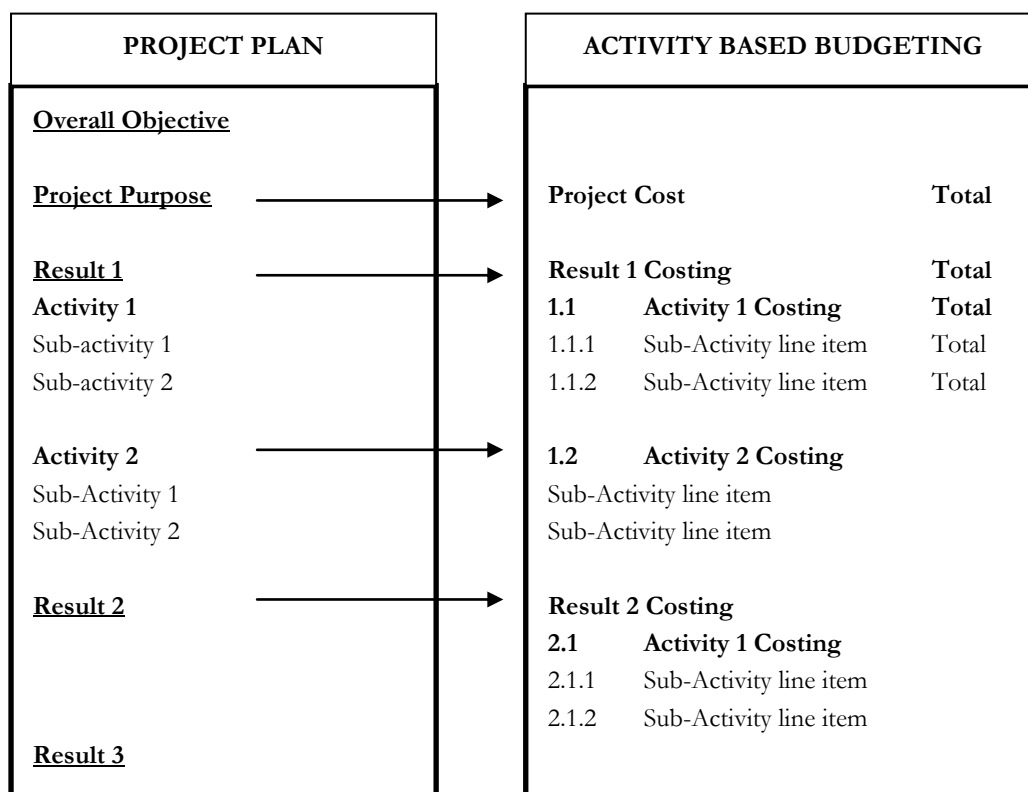
The specific *Gantt Chart* for each project may vary according to the nature of the project, but should convey the following information:

- The specific *activity* to be conducted, organized sequentially according to results
- A specific *time* when this activity is to be undertaken and for how long
- *Who* is to take responsibility for this activity

***Remember! Activity scheduling gives a good sense of the pace and detail of the project!***

**Step 7: Project Budgeting (“Resourcing”)**

Project budgeting in logical framework follows a detailed activity based costing framework. In essence the budget needs to directly correspond to the Project Logframe or plan. Each project result, activity, and sub-activity need to be clearly identified and costed for the purpose of budgeting.



## **Implementation Phase**

### **Learning Outcomes for this Section**

- ☞ Understanding the purpose and process of the Implementation Phase of PCM
- ☞ Understanding and being able to implement the structures and formats required for implementation of projects
- ☞ Understanding the importance of project monitoring and being able to apply the LFA monitoring system

## The Implementation Phase

Once a project has been planned and financial support been secured, implementation can start. The agreed resources are used to achieve the Project Purpose and to contribute to the wider, Overall Objectives. Progress is assessed (“monitoring”) to enable adjustment to changing circumstances.

Usually, projects and programmes are implemented over several years. Project management is responsible for implementation, the latter generally being composed of the following *periods*:

1. Inception / start-up period
2. Main implementation period
3. Final / closure period

Throughout the implementation of the project and depending on the modalities set out in the financing agreement, three major principles apply:

1. **Planning and re-planning.** The initially prepared *Implementation Schedule*, *Logframe* and *Activity Plans* and *Budgets* need to be regularly reviewed, refined, and updated accordingly.

2. **Monitoring.** Project management has the task of establishing sufficient controls over the project to ensure that it stays on track towards the achievement of its objectives. This is done by monitoring (internal) which is the systematic and continuous collection, analysis and use of information for management control and decision-making.

In this instance implementation is seen as a continuous learning process where experience gathered is analysed and fed back into planning and updated implementation approaches.

3. **Reporting.** The project management or implementing agency will have to provide reports on progress. The aim of these reports is to provide sufficiently detailed information to check the state of advance of the project in light of its objectives, and the hoped for Results and the Activities to be carried out. These reports cover also details of budget implementation, and include the details of the future budgetary provisions for the following reporting period. Progress reports are most likely to be submitted on a quarterly basis.

These principles are reflected in the approach to documentation to be followed during implementation.

## Monitoring Projects

Project monitoring is an integral part of day-to-day management. It provides information by which management can identify and solve implementation problems, and assess progress. The *Logical Framework*, the *implementation schedule*, *activity schedules*, and *project budget* provide the basis for this monitoring. The following basic issues need to be regularly monitored:

**Weekly:** Which Activities are underway and what progress has been made?

**Monthly:** At what rate are means being used and cost incurred in relation to progress in implementation?

**Quarterly:** Are the desired Results being achieved?

**Six-Monthly:** To what extent are these Results furthering the Project Purpose?

What changes in the project environment occur? Do the Assumptions hold true?

Project management checks how the objectives are met, and analyses the changes in the project environment including key stakeholder groups, local strategies and policies. If progress falls short, corrective action has to be taken. Details of any action have to be included in the next progress report.

## Reporting on Progress

During the inception period of a project, mechanisms for communication have to be established to ensure that the necessary information is generated and utilized in a timely and effective manner. In this context:

***Progress review meetings*** are useful to review progress against the plan. This may be also an opportunity for written reports to be presented and discussed, or simply for a rapid oral assessment of current issues and problems.



## IMPLEMENTATION PHASE

*Project progress reports* provide periodic summaries of project progress incorporating key information from the physical and financial indicators included in the logframe, Activity Schedule and budget.

Progress reports are to be written in a standard format allowing for comparison between reports over time. The purpose of progress reports is to provide updates on achievements against indicators and milestones, in order that data about *intended achievements* is compared with data on *actual achievements*, to identify significant *deviations from plan*, as a basis for identification of *problems and opportunities*, to identify *corrective action and alternatives*.

## **Evaluation Phase**

### **Learning Outcomes for this Section**

- ☞ Understanding the purpose and process of the Evaluation Phase of PCM
- ☞ Understanding the purpose and processes of the Mid-Term Review and the End-of-Term Review
- ☞ Understanding the criteria used in evaluations

## The Evaluation Phase

Evaluation is an assessment, as systematic and objective as possible, of an ongoing or completed project, programme or policy, its design, implementation and Results. The aim is to determine the relevance and fulfilment of objectives, developmental efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors.

## Types of Evaluation

An evaluation can be done during implementation (“mid-term”), at its end (“final evaluation”) or afterwards (“ex post evaluation”), either to help steer the project or to draw lessons for future projects and programming. A typical evaluation is conducted by a team appointed by the donor agency, and is conducted in the form of a “mission” that would last several weeks. Evaluations can therefore take place at the following points in the project cycle:

***When the project is still under way***, and such interim evaluations are usually under-taken at mid-term (*mid-term evaluation or review*), to review progress and propose alterations to project design during the remaining period of implementation.

***At the end of a project*** (*final or end-of-project evaluation*), to document the re-sources used, results and progress towards objectives. The objective is to generate lessons about the project which can be used to improve future designs.

A number of years ***after completion of the project*** (*ex post evaluation*), often focusing on assessing the impact of development projects, which take place some period after its completion.

## Criteria for Evaluation

Given the integrated nature of logical framework, it is to be expected that the evaluation framework is closely linked to the Project Logframe. In fact, the Logframe establishes the basis on which the project will be evaluated. In essence there are five key criteria used during project evaluations:

☞ Relevance

## EVALUATION PHASE

- ☞ Impact
- ☞ Efficiency
- ☞ Effectiveness
- ☞ Sustainability

## Evaluation Criteria and the Logframe

### Linking Evaluation Criteria to the Logframe

