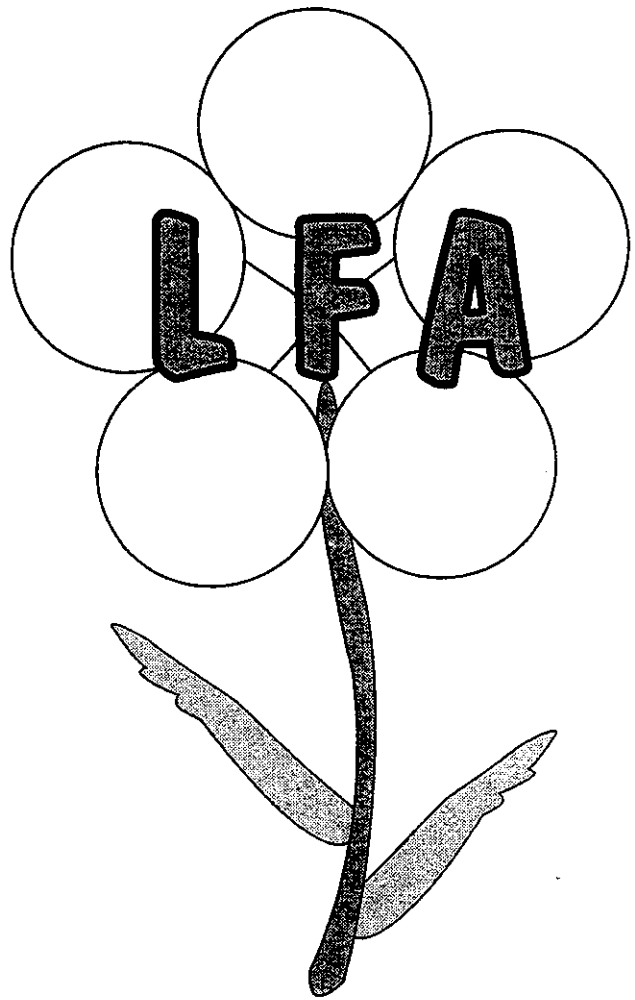# Logical Framework Approach

LFA

A Flexible Tool for Participatory Development

Danida

LOGICAL FRAMEWORK APPROACH
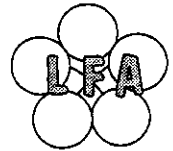
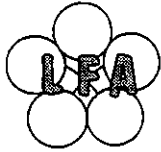# TABLE OF CONTENTS

FOREWORD BY DANIDA

READER'S GUIDE

PART I: OUTLINE & OVERVIEW

LOGICAL FRAMEWORK APPROACH

FOREWORD

Since 1989, Danida has applied the Logical Framework Approach (LFA) as a planning tool for the preparation and management of Danida-assisted development activities.

The decision to publish a new manual is based on the recognition that while LFA has served well as a common vocabulary and way of thinking about projects, it has also in some instances become a straitjacket for the participatory and flexible approach to development cooperation that Danida wishes to promote.

The new manual is not, however, a prescription on how to apply LFA to satisfy Danida's requirements. It is offered as a resource book providing guidance for people working with development and change, whether or not Danida - or any other donor - is involved. Danida's requirements for projects and programmes will shortly be published separately in "Guidelines for Sector Programme Support".

Danida is currently adopting a new strategy for Danish bilateral development cooperation, introducing a broader Sector Programme Support approach. The LFA manual deals with tools and methodologies that are expected to serve the new approach. As Danida and cooperation partners gain experience with the new approach, the tools and methodologies in the LFA manual may need revision or completion to serve those persons directly involved in Danida's cooperation with development countries.

Working approaches and tools only improve if, when applied, their virtues and shortcomings are discussed. Comments on the LFA Manual will therefore be highly appreciated and should be directed to Danida, 2, Asiatisk Plads, DK-1448 Copenhagen K, Denmark, att. the Technical Advisory Service (TSA).

Technical Advisory Service,
February 1996.

READER'S GUIDE
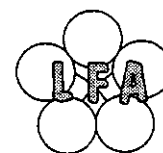
For Whom is this Manual Written?

This manual is primarily written for *change agents*: committed individuals who participate actively in making change or development happen.

The manual intends to provide practical, flexible tools for analysis and dialogue throughout the project cycle in order to foster commitment and effective project execution.

Although published by Danida, the Danish Agency for International Development Cooperation, the manual does not focus narrowly on development cooperation projects and programmes.

Special features relevant for this kind of development process are of course dealt with. But the manual is just as useful for structuring other types of social, economic or institutional development processes, with or without national or international funding, with or without external assistance.

The manual is, therefore, directed to a very broad group: Staff, executives and board level members in public institutions, private business or private institutions at local and national level, participating in the management of change and development - whether in developing or industrialized societies.

If this manual is your first acquaintance with the Logical Framework Approach, it is intended to enable you to participate in dialogue and analysis using the approach. However, you should not expect to master the use of the method. This would require additional training and practice.

If you have previous experience with the Logical Framework Approach, the manual will serve as a reference book. More importantly however, it is meant to serve as a guide to an alternative, more flexible and communicative use of the Logical Framework Approach.

A word of warning: working with development is complex, and so are some of the concepts and tools in this manual. Other manuals about the Logical Framework Approach are available that appear simpler. In our experience, their simplicity is a pedagogical strength, but a weakness when it comes to working in real life. We have in this manual chosen to deal with the complexity of the tool so that it is applicable to the complexities of change.

A Quick Reader's Guide

The manual has two parts:

Part I - Outline & Overview offers a concentrated, first-time introduction to the Logical Framework Approach, and serves as a reference to core concepts. It consist of 7 short chapters.

Part II - Details & Discussion (chapter 8-17) is an in-depth discussion of concepts, alternatives, risks and limitations, providing the background for adapting the use of the Logical Framework Approach to a given situation.
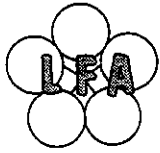
In the annexes, you will find 2 commented examples of the use of LFA, a checklist, and a glossary.

About the Use of Concepts and Terms:

Some protagonists of the Logical Framework Approach have, to a certain degree, promoted some orthodoxy with regards to the use of specific terms and concepts. Unfortunately, many different orthodoxies have been available, leading to confusion instead of communication.

In this manual, concepts and terms are used consistently in the first part of the manual. In the second, the use of terms is intentionally less strict. The purpose is to enable the reader to grasp the meaning of similar terms, and be reflective, flexible and adaptive when he or she communicates with others that may use slightly different terms to express the same meaning.
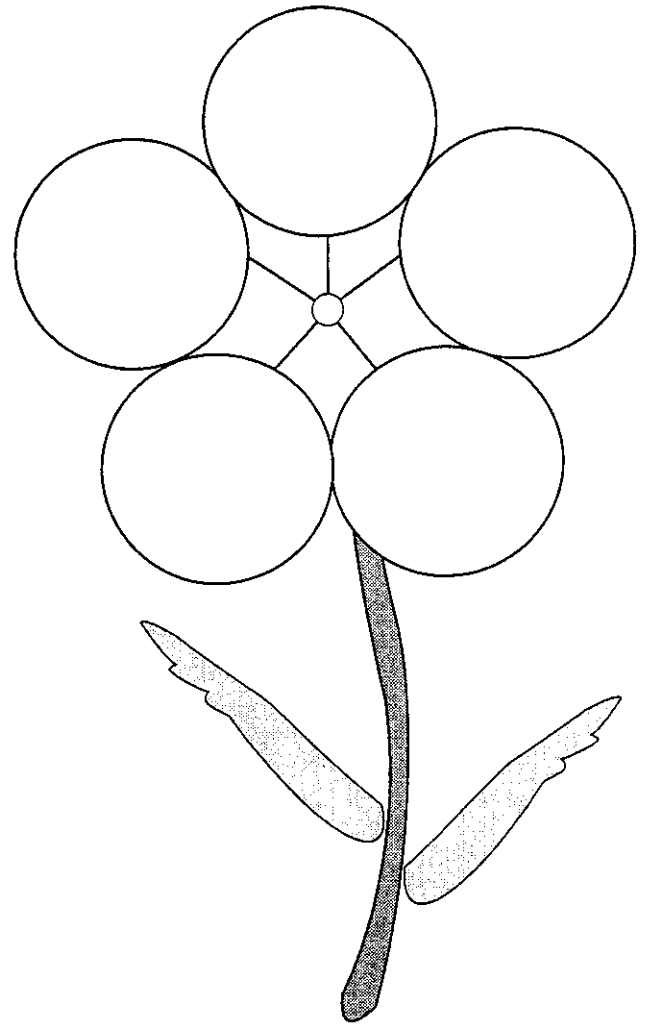
PART I:

Outline & Overview

CHAPTER 1:
MANAGING PARTICIPATORY
DEVELOPMENT PROCESSES
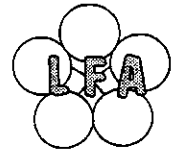
Development and Change

Development is a process of change. Change processes have some basic common features:

- A broader **context** in which we act;

- A **problem** area or present situation which we want to change;

- An **objective**, or a vision of the future, that we want to achieve;

- **Choices** about where and how we intend to move, through time;

- **Actions** we want to be implemented.

Present
Situation
    Time
Future
Situation
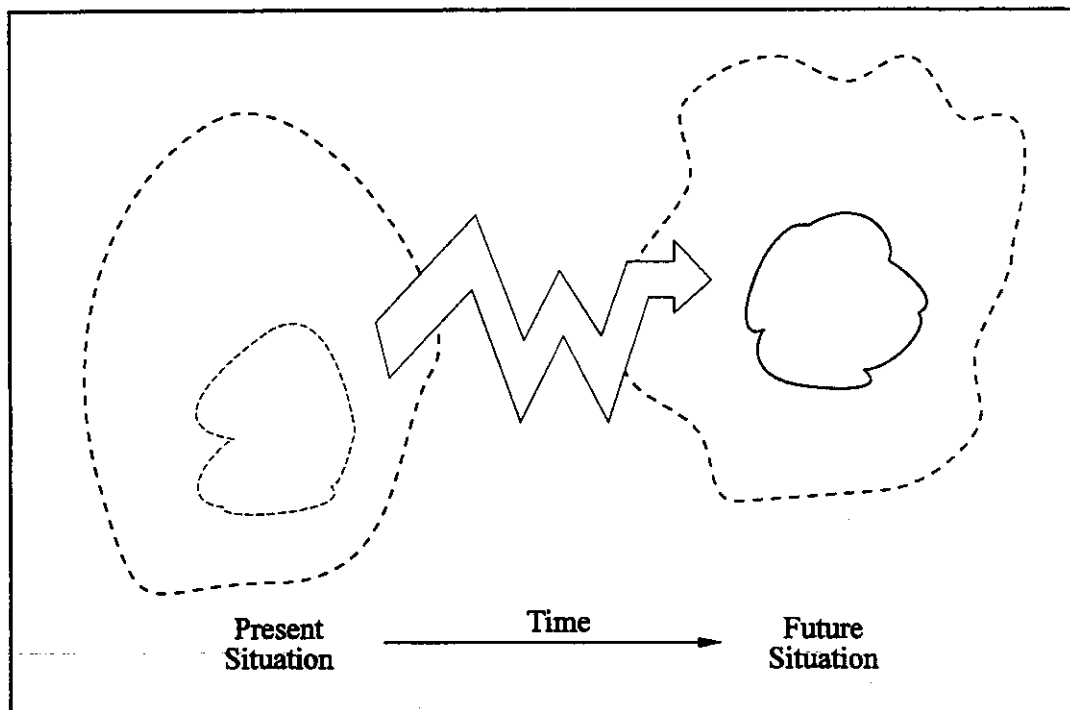
Development is a process over time. In the ever-changing world of societies, culture and human interaction, it is never straightforward nor linear. It entails uncertainty, complexity and conflicts of interest.

The context in which we act is changing over time. Perceptions and values change. New information becomes available. New patterns, relations or interests surface.
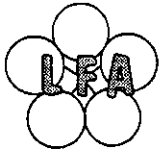
To manage development processes is therefore to learn to work with

- uncertainty
- subjective perceptions and values
- flexibility and openness
- communication

The Logical Framework Approach - A Tool for Change

The Logical Framework Approach (LFA) is a tool for managing development processes. LFA can be used simply to structure and create an overview of complex projects on a single sheet of paper. Or, as advocated in this manual, LFA can be used to foster commitment to transparent, structured, participatory and flexible development processes.

LFA is not sufficient to achieve this alone. But it can function as a "master tool" for analysis of and dialogue about development issues.

The aim of the Logical Framework Approach is opening and sharing:

- perceptions
- options
- choices

This is done by working through **Focus Areas**, where reflection and dialogue is concentrated on one of the following five issues:
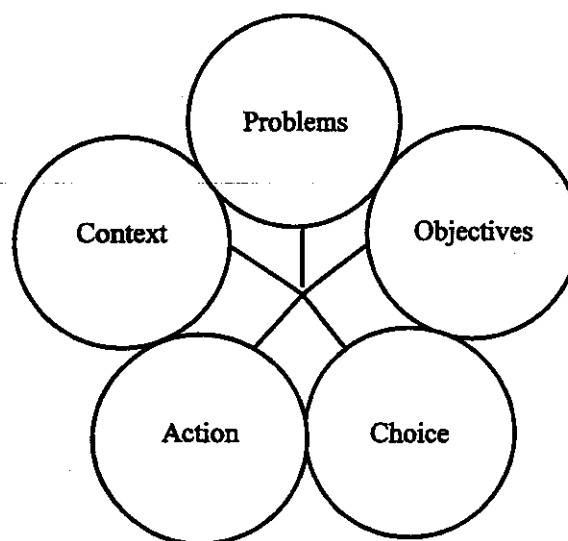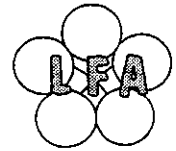
Switching between the Focus Areas allows a process of:

- creating a shared perception of the changing **context** we work in;
- creating a shared perception of the **problems or barriers** we wish to overcome;
- creating commitment to clear **objectives**
- choosing transparently between alternative options
- designing courses of **action**

In Chapter 3 to Chapter 8, each of the five focus areas are dealt with in detail.

Design, Monitor and Evaluate Change

The Logical Framework Approach is a framework for designing change processes, monitoring progress and evaluating impact.

This is achieved by ordering the elements of the change process in a logical structure, where inputs or resources are identified as necessary means for performing activities. Specific activities are then identified because they result in outputs, which again are necessary to achieve objectives.

Supply of Safe Water

Objective: Reduced incidence of water borne diseases.
↑
achieve
↑
Output: A sustainable supply of safe water to the community.
↑
produce
↑
Activities: Design and install a piped water supply scheme in a community, and develop capacity to manage and maintain it.

↑
are sufficient to perform

↑
Inputs: Pipes, tubes, pumps, labour, engineers, and an adviser on water supply management.

But change always takes place in acontext. The design, monitoring and evaluation of change processes are based on certain assumptions about the context.

LFA orders the elements of the process as follows (read the figure from below):

An example:

Objective:
Reduced incidence of
water borne diseases

achieve or
contribute to the

Assumptions about
the context:
Health authorities conduct
hygiene awareness
campaigns

will under given

Output:
A sustainable supply of
water to the community

produce the

Assumptions about
the context:
New tariff proposal
approved

Activities:
Design and install a
piped water supply
scheme in a community,
and develop capacity to
manage and maintain it.

will under given

be sufficient
to perform the

Preconditions:
The Water Utility is given
autonomous legal status.

Inputs:
Pipes, tubes, pumps, labour,
engineers, and an adviser
on water supply
management.

will under given

Project and Programme Cycles

Up until now we have been using the terms - development or change process. These terms underline a process view of change. However, the terms "project" or "programme" are much more frequently used. During the rest of this manual we will for convenience mainly use the term "project" for all kinds of development processes, including broader programmes.

A project goes through stages. An idea germinates; it then passes through steps leading to a more and more detailed clarification of the context, objectives, problems, choices and action. It is implemented, revised during implementation and finally maybe evaluated.

The entire process from the first idea to the final evaluation is called a project cycle, to indicate the cyclical nature of the process.

Danida's Project Cycle

Approval

Appraisal

Preparation

Completion

Evaluation

Implementation
&
Monitoring

Identification
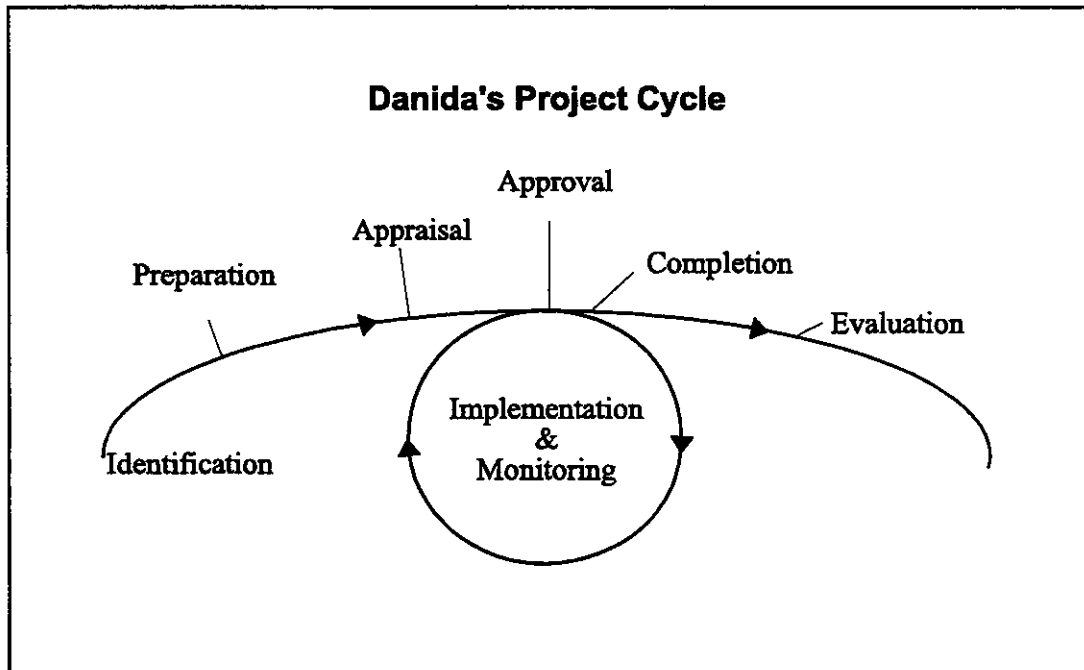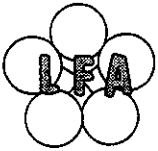
Danida, when administering Danish development cooperation projects, has adopted the cycle shown above.

Other organisations may use slightly different terms, but the basic flow is the same.

In operational terms, each stage in the project cycle can be understood as leading to a decision-point. The decision to be taken at each point is if the project should continue, **how** it should continue, and **when** it should continue.

It is a frequent misunderstanding that a project begins in earnest only after the preparation and approval stages are complete and a project document has been approved.

But projects begin much earlier. A project starts as soon as someone begins to manage it, i.e. as soon as resources are used to enter into dialogue and analysis. Already at this point, key decisions are being taken that will determine the future direction of a project in later stages of the project cycle.
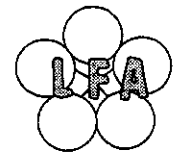
The way the process is managed in these early stages will determine whether we:

Either.....		Or......
Foster commitment	⟵⟶	*Create resistance*
Keep stakeholders informed	⟵⟶	*Marginalize stakeholders*
Open & clarify agendas	⟵⟶	*Close or reduce agendas*
Achieve clear decisions	⟵⟶	*Achieve messy decisions*
Locate ownership	⟵⟶	*Foster indifference*
Promote participation	⟵⟶	*Minimize participation*
Increase sustainability	⟵⟶	*Create a "project island"*

The use of LFA must be tailored to the above mentioned features of the project cycle:

- it must be tailored to the particular stage in the project cycle and to the approaching decision-point.

- it must be tailored with an appreciation that the process starts when the first steps are taken.

To tailor the use of LFA to a certain stage in the project cycle, we must answer the following four questions:

- What are the decisions to be taken, and who has to take them?

- What results have to be produced to enable the appropriate people to take decisions?

- What processes will be necessary to produce these results, and how should these processes be planned to enhance success in subsequent stages of the project cycle?

- Who should participate in the process and with what resources?

Answering these questions will clarify **why** we use LFA in a certain stage (the objective of using LFA), **what** we will produce (the outputs), **how** we expect to do it (the activities), and **who** should participate (the inputs). Obviously, we should also make clear **when** it has to be done.

CHAPTER 2:
WORKING WITH FOCUS AREAS
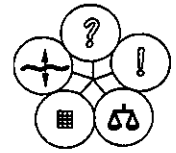
The Focus Areas

Whether working individually or in a group, focusing attention helps establish a framework, structure reflection, promote dialogue, and keep track of progress.

In the often short, concentrated periods of the project cycle when the entire project is scrutinized, it is especially important to assure that all essential features of the project are dealt with.

This is accomplished by working through five focus areas.

- Context

- Problems

- Objectives

- Choice

- Action

The Initial Focus Question

Before beginning work in any of the focus areas, it must be clarified why we - individually or as a group - are going into this work process, and what our task is - e.g.:

How can the health problems caused by the use of unsafe water be addressed?

How can we regain leadership in the market?

How can we improve project performance the next 3 months?

Formulating a focus question anchors a group by making explicit what the task is.

Once the Initial Focus Question has been formulated, we can move to work in one of the focus areas of the Logical Framework Approach.

Focus on The Context

We will depart from and act in a context; it will change over time; it will influence us and we can influence it. Relevant contextual factors are among others:

- Stakeholders

- Policy concerns that the participants must relate to

- Values and principles in the group, community or society

- Uncertainties and risks

Working in the Context Focus serves to set the frame for the project and the options available to us.

Focus on Problems

The problem focus zooms attention in on the situation that we want to address; or the issues that prevent us from achieving a desired situation. When working with problems we can:

- Identify problems and "problem-owners"

- Structure problems and relations between them

- Develop a shared perception of problems

- Develop options for which problems to concentrate on

Focus on Objectives

The objective focus is future-oriented, clarifying our vision of a desired future situation. When we focus on objectives, we can:

- Identify objectives and "objective-owners"

- Structure objectives and relations between them

- Develop options for what objectives to pursue.
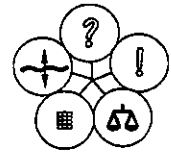
Focus on Choice

The choice focus concentrates on comparing and choosing, where the first three focus areas concentrate on developing options. When working in the choice focus we bring in elements from the other focus areas to:

- Estimate the resources that are available

- Create an overview of options

- Assess options

- Make a choice

Focus on Action

The action focus puts wheels under the strategy chosen and selects concrete, specific operations that can be monitored in relation to the context we are acting in. When focusing on action we:

- Specify objectives chosen, results, activities and resources needed

- Identify critical assumptions about the context

- Check that the project is logically consistent

- Establish indicators that allows monitoring of project progress and impact

Working with LFA focus areas is a reiterative process of shifting the focus: we go back and forth through the focus areas, until we are confident that the pertinent decisions to move on can be taken.

Working with Focus Areas

The following guidelines applies for how to work with focus areas:

1. *Work in one focus area at a time.*

2. *When switching from one focus area to another, do it together.*

3. *It is necessary to work through all focus areas to complete the picture.*

4. *Before starting work in the first focus area, formulate your Initial Focus Question.*

5. *The point of departure when starting working in the first area chosen is the Initial Focus Question.*

6. *The sequence in the process of switching from focus area to focus area is flexible and reiterative, depending on the stage of the project cycle and the particular situation.*

CHAPTER 3:
FOCUS ON CONTEXT
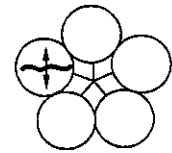
The Context

The context of a project is all the elements or factors in the situation that:

- we will depart from

- we will act in

- we can influence

- we are influenced by

Why is it important for project success to focus on the context, or the external factors outside our direct control?

- It clarifies the frontier between the project and the context.

- It clarifies the support we can expect from others and the resistance we may meet.

- It gives diverse project participants a shared view of the threats and opportunities we may meet as the project goes on.

- It identifies uncertainties and risks that can be monitored as the project goes on.

- It clarifies underlying values of participants, and the policy concerns they represent on behalf of their community, organisation or government.

Four simple procedures for analysing the context and clarifying underlying perceptions and values are presented below:

- Stakeholder Mapping

- Stakeholder Policy Concerns

- Stakeholder Values & Principles Session

- Uncertainties & High Risk List

The results of the work in the Context Focus Areas will, when working in the Choice Focus Area, serve to highlight risks and opportunities related to different strategic options. When detailing action, in the Action Focus Area, the uncertainties and high risk factors in the context will enter as important assumptions for the work to be undertaken.
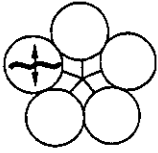
Stakeholder Mapping

Stakeholders are persons, groups and institutions that have a significant interest ("stake") - positive or negative - in the project.

Therefore, the stakeholder analysis includes direct project participants, those who "own" the project, those who are affected by it, positively or negatively, and those who wish to affect it.

Stakeholder Mapping aims at creating a common picture of the interests affecting and affected by the project. At later stages in the project cycle, Stakeholder Mapping forms an important tool for deciding if, how, and when to influence external stakeholders.

Stakeholder Policy Concerns

The intention of the Policy Concerns exercise is to align participant perceptions of the relevant guiding policies that each member of the group must relate to in their own organizational framework. Since the group members represent stakeholders, the policy concern analysis can be seen as a special, detailed segment of the stakeholder analysis, serving to clarify the "luggage" of those actors participating directly in the LFA-process.

In multi-sectorial national projects, the analysis might outline major concerns of sector ministries. In international development cooperation, it will serve to clarify policies or "conditionalities" of the donor, as well as overall national policy concerns of the recipient country.
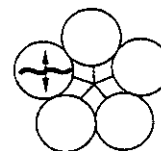
Stakeholder Mapping

1. *List all important persons, groups and institutions (stakeholders) affected by and affecting the theme outlined in the initial focus question. Distinguish groups by age, gender, ethnicity etc. when relevant.*

2. *Identify the main interest of each stakeholder in relation to the focus question.*

3. *Cluster the listed stakeholders in categories and name the categories.*

4. *Prioritize the clusters according to importance.*

5. *If relevant at that stage, detail the analysis of the important stakeholders (characteristics, interests, fears, strengths, weaknesses, how they will be affected/will influence, how they can be influenced, relative importance).*

6. *Prepare a visual representation of the work. Use it when working in other focus areas and during future revisions.*

Stakeholder Policy Concerns

1. *List relevant policy concerns that positively or negatively must be taken into account by the project (for example: environmental sustainability concerns, economic/fiscal policies, donor policies about gender, human rights etc.).*

2. *Cluster the items and name the clusters.*

3. *Identify the most important policy concerns and clarify the significance of each.*

4. *Indicate policy concerns that are unacceptable for participants or expected to have negative effects on the development process.*

5. *Prepare a visual representation the group's work. Use it when working in other focus areas and during future revisions.*
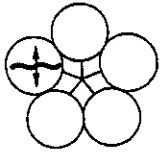
Stakeholder Values and Principles

The intention of a Values and Principles session is to clarify which important values and principles should govern our common action, i.e. what is our working philosophy.

Especially when persons with different backgrounds work together, such a session can enhance mutual understanding of different perspectives and different interpretations of reality.

Uncertainties and High Risk List

The intention of the Uncertainties & High Risk List is to enable participants to increase the robustness of the project and to anticipate and monitor risks. This is done by simply establishing a "memory"-list of uncertainties and high risks. The list serves for later work in the Choice Focus Area to assess options and choices with regard to vulnerability and sensitivity to changes in the project context.

New elements to be added to the list will often appear during work in other focus areas, i.e. the Problem and Objectives Focus Areas.
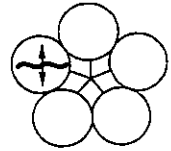
Values and Principles Session

1. Discuss in the group if and why some time should be spent on values and principles.

2. Brainstorm important values and working principles. (e.g. transparency, effectiveness, respect, accountability, loyalty etc.)

3. Clarify the meaning of each item.

4. Cluster the items and name the clusters.

5. Prioritize the clusters, if necessary. Indicate conflicting views clearly.

6. Formulate the agreed values and principles as a statement.

Uncertainties and High Risk List

1. List areas of
   - unsolved conflicting values/views
   - shortages of accurate information
   - high risk

2. Cluster and name the clusters of the list

3. Prepare a visual representation the group's work. Use it when working in other focus areas and during future revisions.

CHAPTER 4:
FOCUS ON PROBLEMS
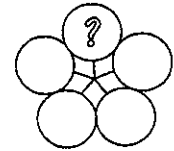
Problems and Barriers

In the Problem Focus Area, we work to create an image of reality that represents the main obstacles or negative elements in the situation, and the relationships between these elements.

When working in the Problem Focus Area, we are not starting to identify any problem we can think of. The initial focus question determines our area of attention.

Many projects have been launched where the solutions were given without first analysing the problems and their relations. This has lead to a tendency to insist that problems be discussed before solutions. Problems are in this case seen as a negative state of affairs. They have easily defined "owners" i.e. those who perceive the situation as negative.

That can work well. But problems can also be analyzed after a vision has been outlined in the Objective Focus Area. In that case, problems are seen as obstacles or barriers preventing us from realizing our vision or objective.

No matter which sequence is chosen: Problems or barriers must be dealt with, and the relation between them established.

This is done by identifying problems and, whenever possible, to establish the cause-effect relationship between them. The result of the work is a visual presentation of the problems, often called a Problem Tree.

The work in the Problem Focus Area aims at opening the perspective. Therefore, when formulating a problem, be careful of the words "lack of..", e.g.:

> "Lack of reliable pumps".

This would point directly to one solution: Reliable pumps. Using words like "lack of" point to absent solutions, and may be a signal that the perspective is being narrowed rather than opened.

An alternative problem formulation like:

> "High break-down rate of pumps"

has a different effect. It could open a discussion about alternatives to remedy the situation, i.e. maintenance customs and skills, financial management and practices, etc.
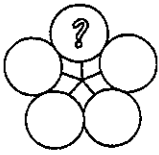
Focus on Problems

1. *Using the initial focus question as a springboard, brainstorm significant problems. Identify whose problem it is, if applicable.*

2. *Clarify the meaning of the problems.*

3. *Cluster related problems.*

4. *Analyze and organize a hierarchy or "tree" of problems according to their cause-effect relationships, within each cluster. Place the cause below the effect.*

5. *Name each cluster.*

6. *Construct a graphic representation of the interrelationship between the problem clusters. This can, but need not be a cause/effect relationship.*

Focus on Infant Mortality and Water
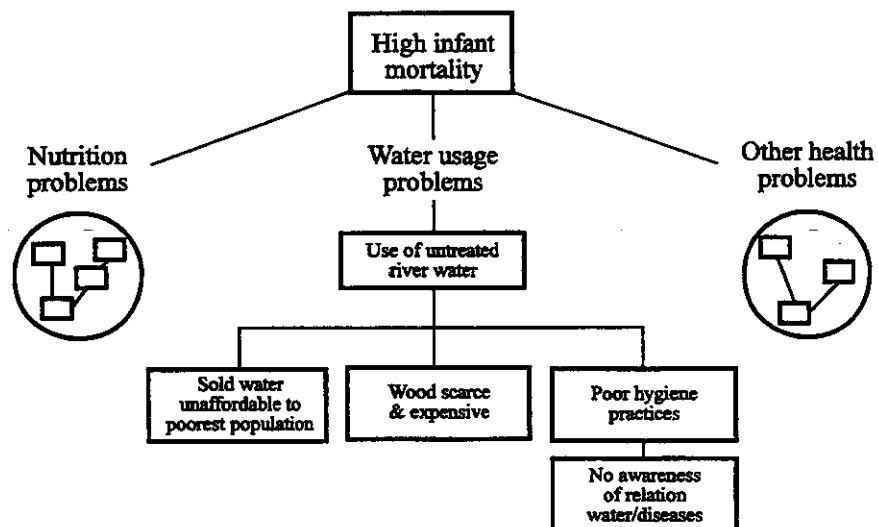
CHAPTER 5:
FOCUS ON OBJECTIVES
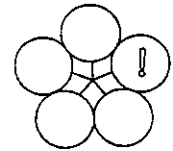
Objectives

In the Objectives Focus Area, we work to create images that represent desired future situations. Such images or visions are expressed as positive objectives, and interrelated with other aims or goals.

Exploring and detailing alternative visions or scenarios of the future allows us to keep our options open - we are not choosing in this focus area, we are designing alternatives.

The final choice of objective will depend on relevant factors in the context, underlying values and policy concerns, the resources we have available, barriers we expect to encounter etc. The choice is dealt with in the Choice Focus Area.

Objectives can vary in scope and specificity:

- An objective can indicate the direction we want to move in, without specifying how far we intend to go, e.g. "Infant mortality decreased". Such **directional objectives** serve for longer-term objectives (often called **development objectives** in LFA) or for dialogue and discussion in the early stages of the project cycle.

- Finally, an objective can be **S-M-A-R-T**: Specific, Measurable, Accurate, Realistic, and Time bound, e.g. "Infant mortality in Northern Province has decreased to 30 o/oo by end of 1998."

  The image of the future that is expected to prevail when the project - or a phase in the project - is concluded, is in the LFA called an **immediate objective**. Immediate objectives should ultimately be SMART.

Objectives are identified and formulated through:

- Brainstorming. The point of departure is the initial focus question; and/or:

- Changing identified problems from negative situations ("High infant mortality") to a positive condition ("Low infant mortality"); and/or:

- Identifying means to overcome barriers impeding the achievement of objectives.

Similar to the work process described in the Problem Focus Area, it is convenient to identify and discuss relationships between objectives. This can lead to a hierarchy of objectives:

```
                    ┌──────────┐
                    │ Low infant│
                    │ mortality │
                    └─────┬─────┘
                          │
                 ┌────────┴────────┐
                 │ Sustainable access│
                 │ to safe water    │
                 └────────┬─────────┘
         ┌───────────────┼────────────────┐
  ┌──────┴──────┐ ┌──────┴──────┐ ┌────────┴──────┐
  │Financial balance│ │Effective maintenance│ │New pipe system│
  │in water company │ │& operation         │ │installed      │
  └───┬──────┬──┘ └──────────────┘ └────────┬──────┘
      │      │                              │
 ┌────┴──┐ ┌─┴─────┐               ┌────────┴──┐
 │Cost related│ │Effective│          │Investment │
 │tariffs    │ │billing  │          │funds      │
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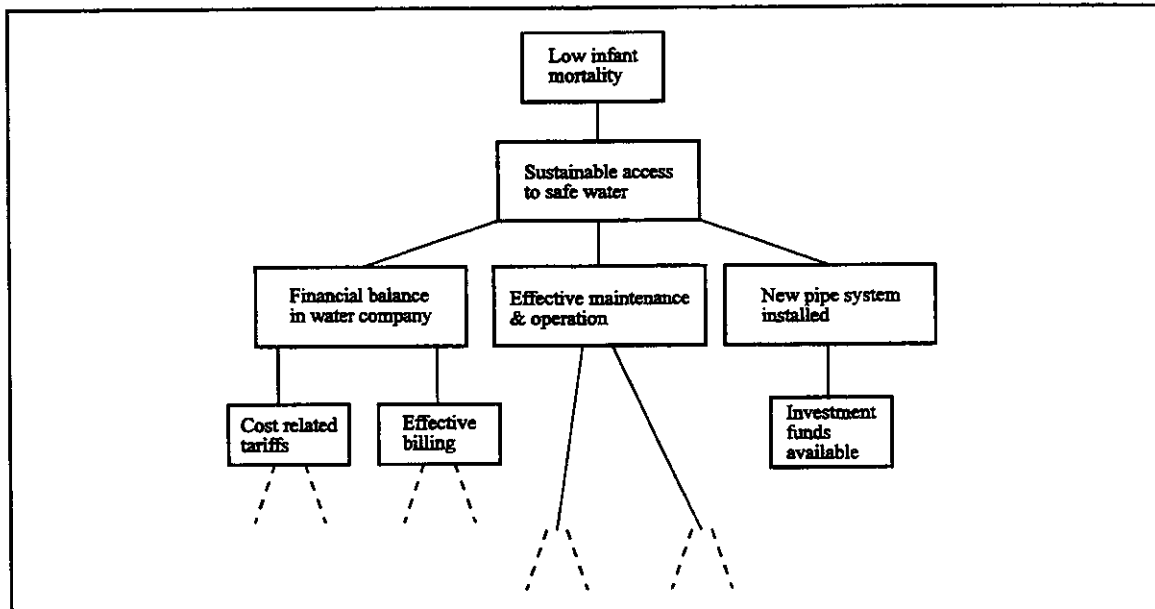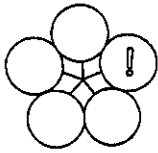
In these hierarchies, we identify assumed means-ends relationships, i.e. "Access to safe water" is a means to the end: "Lower infant mortality." The lower in the hierarchy an objective is placed, the more limited in scope it will be.

Focus on Objectives

1. *Brainstorm. The point of departure is the focus question, and/or*

   Reformulate all negative situations and barriers in the problem focus area as positive conditions in the future.

2. *Check whether rewording has led to unrealistic or ethically questionable statements.*

3. *Cluster the objectives.*

4. *Analyze and organize a hierarchy or "tree" of objectives according to their means-end relationship, within each cluster. Place the means below the end.*

5. *Add, if necessary and appropriate, objective options within each cluster.*

6. *Name each cluster.*

7. *Construct a graphic representation of the interrelationship between the objective clusters. This can, but need not be a means-end relationship.*

CHAPTER 6:
FOCUS ON CHOICE
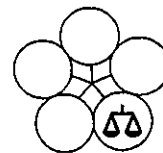
Choice

The Choice Focus weighs alternatives and compares them. It leads to choice in a transparent manner by:

- Analysing our resources, strengths and weaknesses

- Developing alternative scenarios

- Comparing scenarios

- Choosing

At some stages and in some situations, the choice of objectives and strategy may seem a straightforward matter, and elaborate procedures superfluous. But if we wish to work participatively with complexity, uncertainty and conflict, that would be very exceptional. The following procedures may serve to develop the best choice available in a structured and transparent way.

It will generally be difficult to work in the Choice Focus Area without first having worked in the Context, Objective and Problem Focus areas. Working with Choice collects insight from these focus areas. The Resource Analysis, however, is an exception which might be worthwhile doing early in the process.

Resource Analysis

In a project, knowing the resources we can count on is a precondition for choosing an objective and a strategy that corresponds to our capacity. A Resource Analysis is a simple listing of our estimated capacity.

Resource Analysis

1. *Quantify the estimated human resource availability, in suitable categories.*

2. *Quantify the estimated financial means, indicate sources.*

3. *Analyze and list the core human, managerial and institutional strengths of the possible project organisation and of important other stakeholders upon which the project depends.*

4. *Analyze and list the core weaknesses of the human and institutional capacity available for the project.*
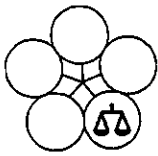
Scenario Development

Working with scenario development serves to make a number of realistic alternatives visible. A scenario is built up of elements from other focus areas, especially from the Objectives Focus Area.

Each scenario should as a minimum include a short wording of:

- The suggested immediate objective, or the situation to prevail when the project is completed.

- The strategy leading to the achievement of the immediate objective. Different lower level objectives identified as a means to achieving the immediate objective in the Objective Focus Area will often express alternative strategies.

- The stakeholder who will take active ownership of the immediate objective and strategy.

- The primary target group.

- The problem clusters or areas which the immediate objective addresses.

The options transferred from the other Focus Areas are supplemented by a brainstorm. At this stage, the purpose is still to keep options open and be creative.

Scenario Development

1. *Identify 3-6 alternative options for the immediate objective from the graphic presentation made in the Objectives Focus Area. Brainstorm further options.*

2. *Identify, for each immediate objective, the strategy for achieving the objective. If alternative strategies are feasible for the same objective, list each objective - strategy combination as a separate scenario.*

3. *Identify, for each objective option, the stakeholder that will be willing and able to commit himself/herself actively to the achievement of the objective.*

4. *Identify the primary target group for each option, i.e. the group that will be directly affected by the future situation described in the objective. Refer to the Stakeholder Analysis.*

5. *Identify the problem clusters that are addressed by each objective option*
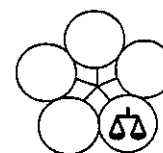
Scenarios - Water Supply

No.	Immediate Objective	Strategy to achieve Immediate Objective	Who will take ownership of the Immediate Objective?	Primary Target Group	Main Problem Area Addressed
1.	Safe water supply, 15 year horizon.	System rehabilitation, training in operation and maintenance.	National Water Authority	Population using river water	Use of river water
2.	Sustainable supply of safe water	System rehabilitation, institutional development, training in all fields.	Water company management and board chairman.	Water company staff.	Financial, technical and institutional weaknesses of water company.
3.	Decrease of water borne diseases.	Awareness promotion, health education, demonstrations.	Local health authorities, local NGO.	Women in disease affected areas.	Current hygiene practices

Comparing Scenarios

In this stage, we compare the identified scenarios. This has to be done in relevant comparison areas which can partly be drawn from work done in the Context Focus Area. Examples of comparison areas are:

- Conformity with specific policy concerns

- Likely resistance/support from stakeholders

- Costs

- Differences in secondary benefits (for example local employment opportunities)

- Anticipated specific risk levels

Each scenario must be assessed in all comparison areas.

Techniques exist that assign numerical values as a result of the assessment, enabling a simple counting procedure to identify the "best" option. We would advise against such techniques, as they tend to substitute dialogue and reflection with a decision based on adding up numbers. This tends to make participants less responsible for their choices.
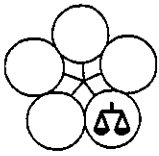
The intention here is rather to create a visual presentation that reveals the perception of the group. At this stage, however, there is still no choice.

Comparing Scenarios

1. *Identify and list priority comparison areas by:*

   - *revising the Stakeholder Mapping from the Context Focus Area*
   - *revising the Policy Concerns list from the Context Focus Area*
   - *revising the Values and Principles list from the Context Focus Area*
   - *revising the Uncertainties & High Risk List from the Context Focus Area.*

2. *Include other relevant areas, e.g. costs, relation to expected resources, other uncertainty factors and risks.*

3. *Design a comparison framework.*

4. *Identify a three-level, verbal assessment scale for each comparison area, e.g. low, medium, high.*

5. *Assess all scenarios in each comparison area.*

Comparison Framework -Water Supply

Comparison areas / Scenario	Cost	Community support	Future financial sustainability	Future institutional sustainability	Health impact	Uncertainty	Global risk
1. Safe water	M	H	L	L	M	L	L
2. Sustainable safe water, autonomy	H	M	H	H	M	M	M
3. Decrease of water borne diseases	L	M	L	M	M	M	L

L = Low, M = Medium, H = High

Choosing

At this final stage a decision has to be reached, clarified and reassessed for solidity.

It may very well be impossible to reach agreement. Conflicts of interests or values may be clarified, but they will not disappear by the procedures recommended in this manual. Compromises may not always be acceptable.

If disagreement persists, the team can either present their disagreement to the decision-makers as two alternative options for the project. Or negotiations to reach a compromise can be begin. If the LFA-sessions are composed of larger groups of people such negotiations may often require another setting and fewer participants.

Choosing

1. *All participants suggest their preferred choice of scenario.*

2. *If there is disagreement, identify the comparison areas where conflicts are located. Switch back to other focus areas to identify possible omissions or unclarities influencing the comparison scheme.*

3. *If a choice is made overruling diverging viewpoints, make sure this is done explicitly and the background for the decision clearly defined.*

4. *Clarify and summarize the purpose and strategy of the choice in a few simple, focused sentences. This is, in effect, the answer to the initial focus question.*

CHAPTER 7:
FOCUS ON ACTION
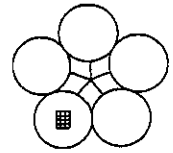
Focus on Action

In the Action Focus Area we concentrate on detailing the future operations. This is different from the efforts in other focus areas, where the work concentrated on creating shared pictures of actors, factors and the relationship between reciprocal influences. In the other focus areas we were designing options, now we are designing action.

In the Action Focus Area, elements from the other focus areas are collected, and new elements are added.

The elements are linked and presented in a logical structure that must be suitable for the next decision point in the project cycle.

The level of detail included and the graphic presentation must be adapted to answer the questions:

- What decisions have to be taken, and by whom?

- What results do we need to produce for this purpose?

The Overall Project Logic

1. "We know why we are acting." This is the **development objective** of the project, or the wider, long-term goal or purpose of our journey. Values, mission objectives, and general policy concerns can enter when defining the development objective.

2. "We know where we want to get to." The **immediate objective** is the specific "next station", the specific situation we want to achieve, and which contributes to the fulfilment of the development objective.

3. "We know what we want to produce." We must now define what tangible, specific **outputs** are necessary to achieve the immediate objectives.

4. "We know how we are going to produce the outputs" To become operational, we must define the necessary and sufficient **activities**.

5. "We know what we need in order to perform." To perform the activities, we need resources or **inputs**. These must also be defined.
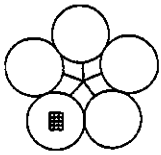
However, we are not acting in a laboratory, or in a controlled context. Therefore, the hypothesis that we can achieve our objectives depends on certain assumptions about the context both as preconditions (assumptions about the situation before we start acting) and at different levels during the implementation of the project. Thus, the project logic becomes a bit more complex:

- If inputs are available and preconditions are fulfilled, then the activities can be undertaken.

- If the activities are completed, and if certain assumptions about the context remain valid, then the outputs can be produced.

- If the outputs are produced, and if certain assumptions about the context remain valid, then the immediate objective can be achieved.

- If the immediate objective is achieved, and if certain assumptions about the context remain valid, then the project will contribute to the achievement of the development objective.
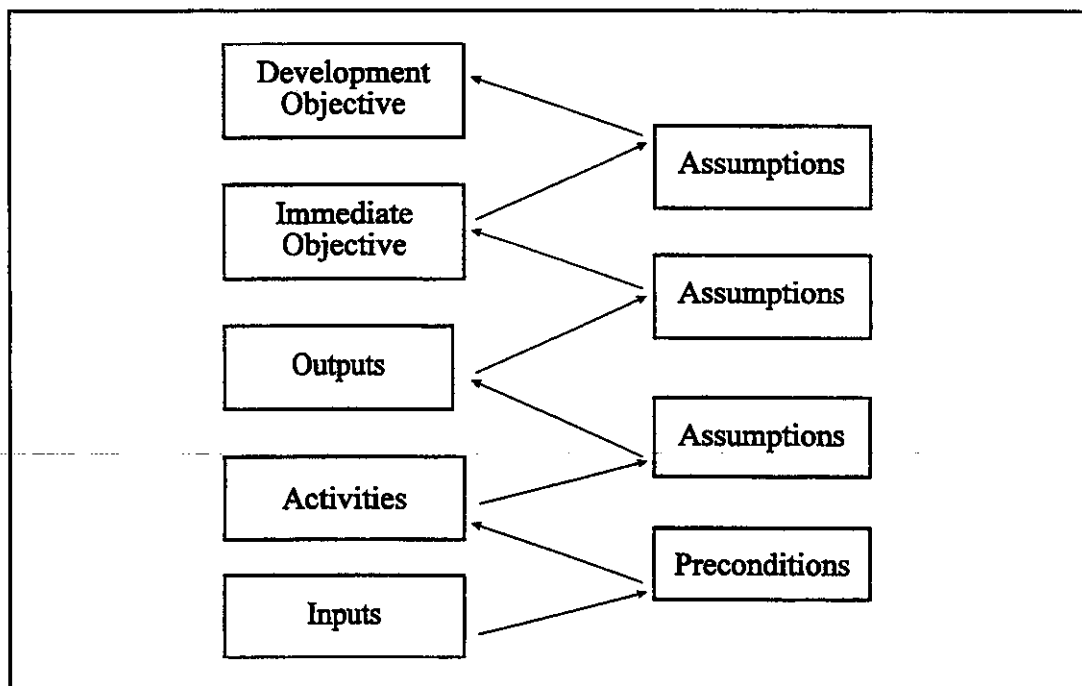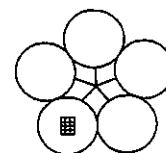
For presentation purposes, the project logic can conveniently be presented in a two-column matrix like the following:

Development Objective	Assumptions: From Immediate to Development Objective
Immediate Objective	Assumptions: From Outputs to Immediate Objective
Outputs	Assumptions: From Activities to Outputs
Activities	Preconditions
Inputs	

Below, procedures and guidelines are presented which serve for defining the elements of the matrix.
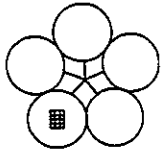
Project Elements, Assumptions and Preconditions

1. The Development Objective

The Development Objective is the wider goal or purpose to which the development process or project/programme contributes significantly, but cannot achieve alone. The development objective is derived from the Objective Focus Area and should - once the Immediate Objective has been identified - be chosen as a higher level objective to which the immediate objective contributes significantly.

2. The Immediate Objective

The Immediate Objective is the situation expected to prevail at the end of the project. It is derived from the Objective Focus Area and chosen in the Choice Focus Area. The immediate objective should, if the project is close to the implementation stage, be SMART (cf. Chapter 5.)

3. Outputs

Outputs are the tangible, specific and direct products of activities which largely are within control of the project management. The outputs must be necessary and sufficient to achieve the immediate objective, given the context the project will operate in.

Experience shows that it is often difficult to distinguish between objectives and outputs. The following four rules can help to clarify the differences:

- We must - with the resources and scope of action available to us - be able to guarantee that an output can be produced.

    "Awareness campaign about hygiene practice conducted"

can be an output, while:

    "Population has adequate hygiene practices"

cannot be an output since it is beyond the control of the project management, i.e. that is how the population behaves.

- An output must be a necessary means to achieve the immediate objective. The immediate objective should not be a more generalized way of saying the same thing that is said in the output, as in the following example:

Objective:	**Water system rehabilitated and extended**
Outputs:	**200 new connections** **Pumps changed**

To have a different level, the objective resulting from these outputs could be:

Increased and continuous supply of piped water
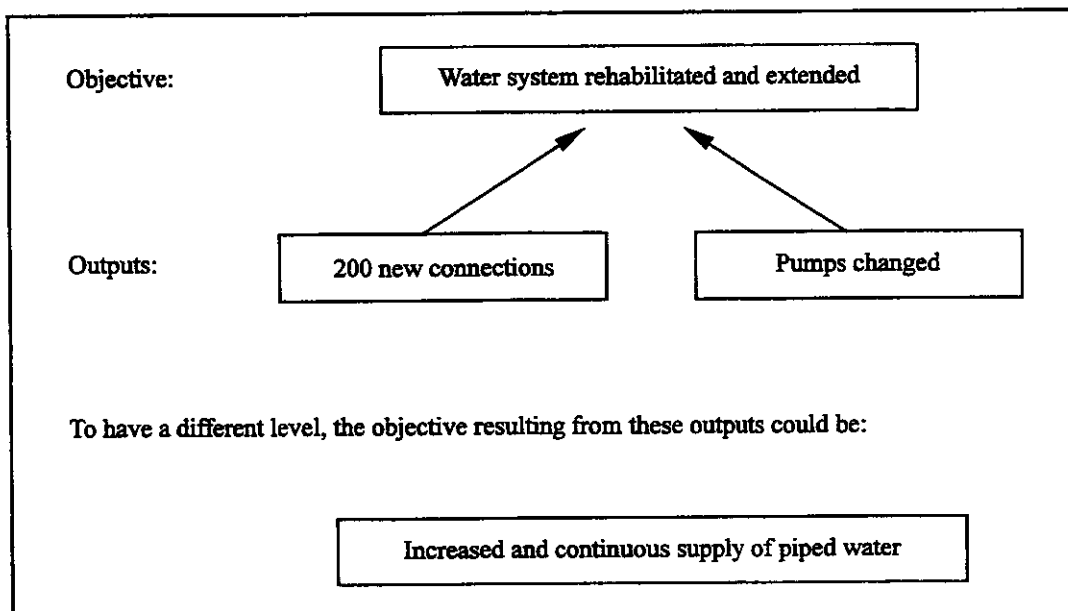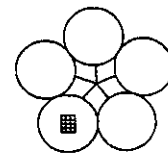
- An output can, from another perspective or because we choose another level of ambition, become an objective. But an objective cannot always become an output: only if it is within the span of control of those who are responsible for producing it.

- Outputs must be concrete, tangible and specific. That does not mean, however, that all details need to be specified here and now. That will depend on the decision to be taken and where we are in the project cycle. For example, if the outputs are listed in a workplan, they would of course have to be specified in details.

Designing Outputs

1. *Describe the outputs with a level of detail and specificity (quantity, quality, location, time) corresponding to the decision to be taken.*

2. *Verify that all outputs can be produced within the span of control of the project.*

3. *Verify that it is feasible in terms of resources, time and capacity available, to produce the outputs.*

4. *Number the outputs.*

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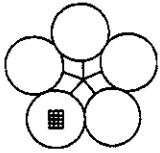
4. Activities

Activities are the tasks that are necessary and sufficient in order to produce the outputs.

Activity descriptions should indicate the methodology we intend to follow. A common problem is that activity descriptions simply repeat the outputs, and thus do not give any additional information - as in this example:.

Output 1:	5 pump mechanics
Activity 1.1:	Train 5 pump mechanics

This activity description does not add any information about how the output will be produced.

Output 1:	5 pump mechanics
Activity 1.1:	Identify training needs
Activity 1.2:	Develop participatory course
Activity 1.3:	Implement course

The methodology is outlined in this breakdown of activities.

5. Inputs

The inputs are the resources that are necessary and sufficient to perform the activities. Inputs must be under the control (to the degree this is possible) of the project management.

Typically, inputs comprise human resources, equipment, materials, and premises. These all have a cost.
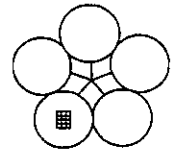
Designing Activities

1. *Choose a level of detail and specificity corresponding to the decision to be taken.*

2. *Verify that all activities contribute to a specific output.*

3. *Verify that the activities are realistic in terms of resources, time and capacity available, and that they do not have unintended negative effects.*

4. *Number the activities relating directly to the number of the output they aim at producing.*

Defining Inputs

1. *Choose a level of detail and specificity corresponding to the input decisions to be taken.*

2. *Verify that the listed inputs relate directly to the planned activities.*

3. *Verify that the inputs are, to the degree necessary, under the control of the project management.*

4. *Indicate costs.*
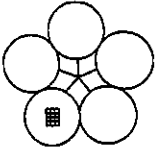
6. Assumptions

Assumptions are **important** and **relevant** situations, events, conditions or decisions which are necessary for project success, but are outside the control of the project.

The critical assumptions are those that need to be monitored, that is, those we estimate might not prevail as assumed. They represent the major external risks and uncertainties to the project.

Failure to analyze and monitor the assumptions on which a project is based is one of the major causes of poor project performance.

Assumptions are derived from various sources:

1.   From the Stakeholder Analysis (Context Focus Area)

2.   From the Uncertainties and High Risk List (Context Focus Area)

3.   From the Problem or Objective Focus Areas

4.   From the participant's general knowledge of how the real world works in relation to the chosen path of action.
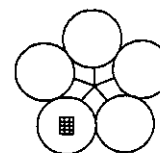
Defining Assumptions

1. *Identify assumptions on each level from activities to development objective. Start from activities and move upwards.*

2. *State the assumptions with the same level of specificity as used for the project elements.*

3. *State the assumptions as positive conditions that have to prevail.*

4. *Evaluate the assumptions for:*
   * *importance*
   * *relevance*
   * *probability*

5. *Do not include assumptions that, in your best judgment, will prevail.*

6. *If assumptions are found to be important, relevant but very unlikely to prevail, they are so-called "killer"-assumptions, that can "kill" the entire project:*

   * *Redesign and add project activities and outputs to influence the assumption, if feasible, or*

   * *Choose another strategy that makes the assumption unimportant or irrelevant, or:*

   * *Abandon the project!*
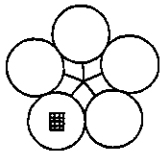
7. Preconditions

Preconditions are situations, events, conditions or decisions that are considered necessary before a project or programme can enter into the next stage of the project cycle.

Preconditions can demand action from different stakeholders (for example: the passing of a new legislation), even if these stakeholders are rather unimportant to the project in the long run.

Preconditions are often the subject of heated negotiations between project partners, and have a high conflict potential. If these conflicts are left unresolved in the early stages of a project, they can turn project implementation into a disaster for all involved.

Verifiable Indicators

The last element in the Action Focus Area is the verifiable indicators. Indicators are realistic, measurable success criteria that allow participants and relevant stakeholders to monitor and evaluate whether a project does or did what it said it would do. Indicators establish explicit criteria for monitoring and evaluation.

Indicators are defined for objectives and outputs only.

If objectives are directional, then indicators are more often an operational description, or a specification of the objectives.

If objectives are SMART, indicators are agreed upon situations, signposts or signals in the future that will be interpreted as an indication that the objective has been achieved.

As outputs must be SMART, indicators that allow a time-efficient monitoring of the project are preferred. For certain results (for example: 3 new boreholes with pumps installed), the physical result itself can be a satisfactory indicator if quality parameters can also be checked.

Example: Verifiable Indicators

Objective:	Verifiable Indicators:
2300 households use piped water only.	Random sample of 230 households use piped water only.
It would be a waste to check all 2300 households. A sample is sufficient.	
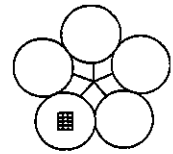
Defining Preconditions

1. *Identify important preconditions as positive requirements.*

2. *State the preconditions with the same level of specificity as used for the project elements.*

3. *Include all necessary preconditions, even if it is likely the precondition will be met.*

4. *If preconditions are found to be important but unlikely to be met, then:*

   - *Choose another strategy that makes the precondition unimportant or irrelevant, or:*

   - *Inform participants and stakeholders that it is unlikely that the project will go into the next stage.*

5. *If preconditions are conflictive, then:*

   - *Define who should negotiate and in what setting*
   - *Provide, if feasible, alternative strategies that might diminish conflict potential.*

Defining Verifiable Indicators

1. *Define SMART indicators - one or more as necessary - for each objective and each result. The indicator must state quantity, quality, time and location.*

2. *Assess pertinence of the indicators.*

3. *Define the means of verification, i.e. where the information can be found or how will it be produced.*

4. *Estimate the cost of verification, assure it is reasonable and that the project disposes of the necessary resources for the verification of the indicators.*
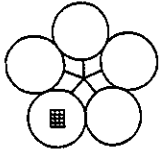
Presentation of the Project:
The Logical Framework Matrix

When all project elements and indicators are defined, they can be presented in a matrix format. This provides easy overview of core information about the project.

The advantage of a matrix presentation is that it allows a quick assessment of the consistency and coherence of the project logic.

This, however, is only the case if the matrix presentation is carefully adjusted to the decision for which the matrix will serve as an input.

Therefore, there is no "right" way to present a matrix. Different organisations use different formats.

In the early stages of the project cycle, an appropriate matrix will in general be less detailed than in later stages. For some types of planning, it is not even appropriate to prepare a matrix.

A simple matrix, suitable for a presentation to decision-makers that have not participated in the planning process, can look like this:

Project Elements	Indicators	Assumptions
Development Objective	Indicators: Development Objective	Assumptions: From immediate objective to development objective
Immediate Objective	Indicators: Immediate Objective	Assumptions: From results to immediate objectives
Outputs	Indicators: Outputs	Assumptions: From activities to results
Activities	Input	Preconditions
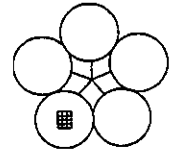
The rules guiding the choice and use of a matrix-presentation are simple:

1. Define the decision-situation that the matrix is intended to serve.

2. Decide the level of detail to be included accordingly

3. Do not let the format of the matrix govern the content: if there is nothing meaningful to put in a box in the two columns to the right, then leave it empty.

See a simple example overleaf.
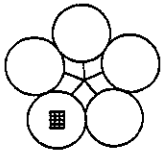
Water Supply in Nathla

Project Elements	Indicators	Assumptions
Development Objective: Incidence of water-borne diseases in Nathla South-East Area decreased by 50% in June 1998 compared to present situation.	Health clinic records study in 1998 shows min. 50% reduction of treated water-borne diseases compared to this year study. Registered infant mortality rate in area attributable to waterborne diseases shows min. 50% decrease.	Health authorities conduct hygiene awareness campaigns. Approximately 1000 latrines installed before June 1998.
Immediate Objective: Financially and technically sustainable, uninterrupted supply of safe water of 2230 households in Nathla South-East Area by June 1998.	Uninterrupted supply confirmed by company records for 2. quarter of 1998. Review in June 1998 confirms technical system quality and financial balance. Staff performance assessment (interviews, tests) in June 1998 confirms human and managerial capacity to run utility.	Continued ability and willingness to pay for piped water.
Outputs: 1. Piped system rehabilitated and extended. 2. Tariff and debtor policy, adequate for full cost recovery, implemented. 3. Operation and maintenance, finance, administration and customer service performed according to standards defined in internal procedures.	1. Engineers certificates by end 1997 have no major snags. 2. Utility operates from 1998 with min. 2% net contribution. Accumulated debtors owe less than 10 % of monthly turnover. 3. Performance according to standards confirmed in report to board by mid-1997. Standards and procedures approved by management end 1996.	Tariff Proposal approved by National Water Tariff Board. Public customers accept cut-off policy.
Activities: 1.1. Detect and repair leakages. 1.2. Design and install extension, drill 2 new wells and install clorification equipment. 2.1. Analyze existing cost structure and prepare budget forecasts, incl. depreciation costs. 2.2. Prepare new tariff proposal. 2.3. Implement new tariff and effective cut-off policy towards debtors. 3.1. Prepare standards and internal procedures. 3.2. Train staff in standards and procedures. 3.3. Define and introduce performance assessment of staff, and other staff policies stimulating performance.	**Inputs:** Water Utility Management (1/3 time). Water Utility Staff (1/3 time). Funds for contracting of local plumbers for minor repairs. Funds for rehabilitation (engineer and turnkey contract). Funds for consultancy services (procedures-staff development).	**Preconditions:** The Water Utility is given autonomous legal status.
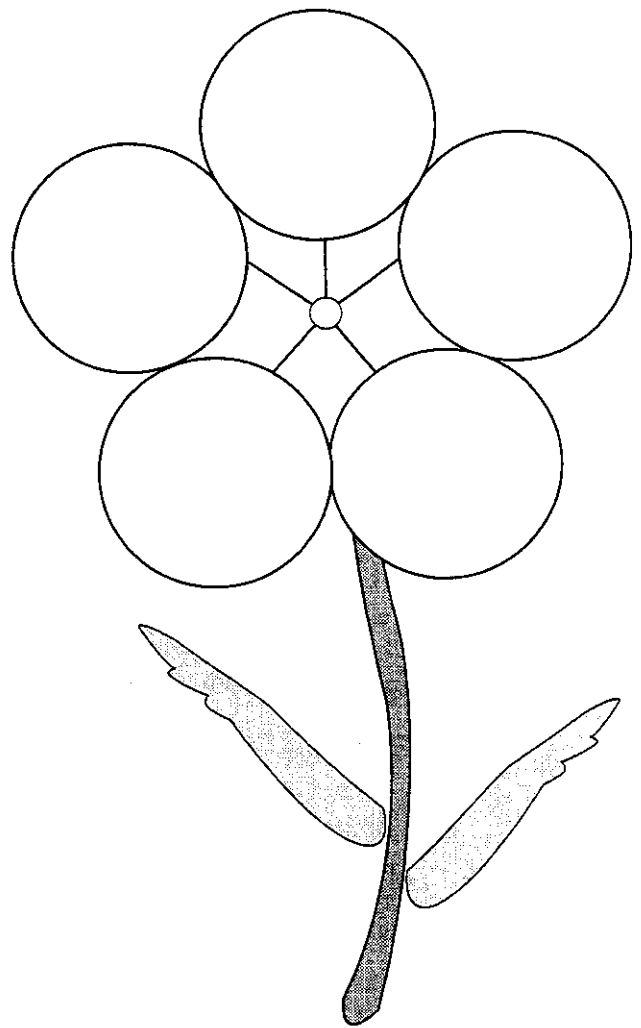
PART II:

Details & Discussion

CHAPTER 8:
MANAGING PARTICIPATORY
DEVELOPMENT PROCESSES
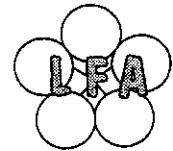
Development and Change

Dealing with development or change processes entails focusing on processes with a social, human, cultural or institutional dimension . This is very different from the domain of natural science where change is induced in a context that is as strictly controlled as possible.

Human beings and human interactions are involved in the processes we are dealing with. Whether we construct a water supply system or develop our local community, there are multiple social dimensions that must be addressed.

Managing development processes is notoriously difficult, whether it is a small process for a limited group of people, or a process on societal level.

Often, there has been a tendency to try to ignore the difficulties by acting as if natural science paradigms were suitable, as if we could control the context and create "social laboratories". In such approaches, the uncertainties, complexities and conflicts of the messy social world have been accepted as troublesome externalties. They have not been dealt with properly.

The challenge is to learn how to deal with the everchanging complexities of human interaction: uncertainties, subjective perceptions and values, flexibility and openness, and communication.

- ## Dealing with Uncertainty

   We will never have all the information. We will never know fully what new factors will emerge tomorrow influencing the outcome of our actions.

   We cannot be sure that we fully understand the relations between and the importance of different factors. Contrary to the laboratory, where cause-effect relationships are sought isolated and proved, there is no simple linearity when dealing with social change.

- ## Subjective Perceptions and Values

   Even within the smallest group, reality is perceived differently by individuals. And individuals change perceptions. Our perceptions are influenced, by among other things, the values and beliefs we hold. Uncertainty with regard to values and beliefs of others often prevail. Our ideas of meaningfulness, purpose and goals are based on subjectivity. We can - to a certain degree - make the basis for our perceptions visible, and discuss them. But they will never become objective. Conflicts - based on different values and interests - will not disappear.
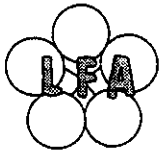
Flexibility and Openness

When launching a satellite, flexibility and openness are not necessarily an advantage if the endeavour is to succeed. There are natural laws that must be followed. However, when social aspects are more dominant, flexibility and openness are crucial to success. This means less predictability about outcomes, frequent changes of plans, greater awareness of our own limitations when acting in a changing context. It may ultimately lead to lowering our ambitions: instead of aiming at solving or eliminating a problem, we may be satisfied with transforming the problem to something less harmful, more tolerable etc.

Communication

Within the natural science paradigm, the focus is on analysis in order to get the correct answer. And, generally speaking, there is only one correct answer. Working with social development the "correct" answer in the analytical sense - if it could be found - might not be the acceptable answer to the people involved. The "acceptable" answer, on the other hand, may lead to undesirable results.

To manage development processes is to achieve the optimum balance between the "right" and the "acceptable". That is why communication is so crucial. It fosters the development of shared perceptions of reality. It clarifies where the disagreement lies in a conflict. Communication allows - during time - adaptation of objectives, strategies and actions.

The Logical Framework Approach - A Tool for Change

The Logical Framework Approach (LFA) was first introduced in the beginning of 1970'ies by the United States Agency for International Development (U.S.A.I.D.). Today it is used by many major international development agencies. It is being increasingly used as a planning tool in a number of other fields in both developing and industrialised countries.

It has changed considerably since it was first conceived. 3 phases can be distinguished:

First Phase:

Initially, it was a tool for **a standardized presentation of projects**. The purpose of having such a tool was to ease the decision-making procedure for those approving the projects. LFA was descriptive in nature.
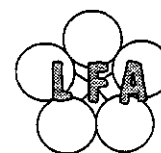
- ## Second Phase:

  In the 70'ies, LFA became a tool for **improved design of projects**. The purpose changed: Better initial design was expected to lead to **more successful projects**. LFA became **analytical in nature**.

- ## Third Phase:

  In the 80'ies and early 90'ies, LFA expanded to become a tool for **improved design, implementation and management of projects**. By including certain participative aspects, LFA was seen as a means to overcome both analytical and communicative shortcomings in the "normal" launching and implementation of projects by donor organisations. LFA **maintained the analytical focus, but communication aspects entered**. Simultaneously, LFA stiffened in many organisations to a prescriptive, formal requirement of using a certain vocabulary and certain presentation form. In practice, LFA has sometime become an instrument for narrowing perceptions, closing options and legitimizing choices already made.

The intention here is to get beyond formalism and present LFA as a general, flexible tool for both analysis of and communication about change processes. It is our experience, that LFA can open perceptions, options and choices when thoughtfully applied and adapted to local circumstances. This is not easy just as the management of social development is not easy. LFA is no wonder drug, which can substitute for experience, insight and reflexion. But it can establish a framework for sharing experience, insight, reflexion, choices - and getting to action.

Applied properly, LFA can serve to achieve:

- ## Commitment

  Successful development depends not only on the commitment of the direct actors, but also of persons, groups and institutions with interests in the outcome of the development process.

- ## Transparency

  Both for those directly involved and those interested in the process, transparency serves to reduce fear, keep track of the process and to deal with real conflicts instead of apparent conflicts.
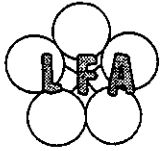
- **Structure**

  LFA offers structure to the design of a development process, as well as to the implementation, monitoring and evaluation of the process.

- **Participation**

  Participation can, if managed properly, create and maintain commitment, decrease resistance to change, build alliances and stimulate initiative, energy and creativity.

- **Flexibility**

  Flexibility is a means of adapting to the changing context that always surrounds development processes. The LFA establishes a framework that can easily be revised to cope with new opportunities and threats.

Working with Focus Areas

The concept of working in Focus Areas in LFA is a new development which draws on experience from other "soft" planning tools. The advantage of the Focus Area concept is that it forces concentration on just one element of the change process, and separates brainstorming, reflection and analysis from judgment and choice. It deliberately seeks to keep perceptions and options open until a sufficient basis for choice has been established and recognized by the participants.

Many planning and decision making tools prescribe a step-wise procedure, where one subject is dealt with before moving on to the next. Some versions of LFA applied by international cooperation organisations (among others, the European Union) also recommends a certain order of analysis. Here, we advocate a reiterative process without any strictly defined sequence of order. We advocate that a group move back and forth between focus areas until a satisfactory result is achieved.

Design, Monitor and Evaluate Change

As the name implies, the LFA is an attempt to structure the change process in a logical way. This logic is not a formal or mathematical logic which is true or false. Rather, the LFA applies a hypothetical means-to-end logic that allows meaningful debate on the consistency of proposed actions. Moreover, it establishes a framework where progress and impact can be monitored and evaluated.
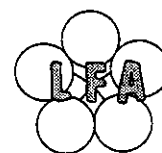
The means-end logic is as follows: Inputs or resources are means to perform certain activities, which - under certain assumptions - will produce specific outputs. These outputs are means to achieve certain objectives, which again may serve to achieve wider objectives.

However well the project is formulated, this kind of logic does represent a hypothesis and a simplified model of predicting future outcomes. The logic will never release us from dealing with the complexities and conflicts of real life. But it facilitates a **structured debate of perceptions, options, choices and actions,** thereby fostering transparency and allowing participation.

In the following chapters, two cases will be used for reference: the Water Supply Case already referred to extensively in the Outline & Overview section, and the Pollution of Lake Nathla - a more complex case.

Pollution of Lake Nathla

Lake Nathla is a lake of national importance. A great deal of fishing was done on the lake, but it has declined recently because fishing stocks have diminished. In the watershed surrounding the lake there are extensive and important agricultural and forestry activities. These cause both erosion and the drain off of pesticides and nitrates into the lake. Moreover, industrial and domestic sewage is dumped untreated in the lake. Tourist activities around the lake are considerable, but are decreasing after newspaper articles about the risks associated with bathing in the lake.

The Ministry of Agriculture, Forestry and Fishery, the Ministry of the Environment, and the Municipality of Nathla are the most important public authorities. They are characterized by having little administrative capacity, a poor and inconsistent legal basis for actions, few funds and conflicting interests.

A growing non-governmental, pro-environmental organisation has succeeded in attracting international attention to the degradation of the lake. This has resulted in offers to the government from a major international donor to fund a project to reduce the pollution of the lake.
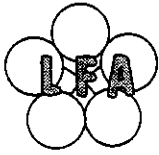
Projects

A project can be defined as:

> **A set of planned undertakings designed to achieve a certain specific objective with given resources and within a specified period of time.**

This definition puts emphasis on:

- **The objective.** Projects or development processes have, implicitly or explicitly, one or several aims, objectives or goals.

- **The resources.** Resources - whether human, technical or financial - are limited (though they may change during the project cycle and as a result of the project itself).

- **The time frame.** A project starts and ends - it is not an ongoing activity as for example maintaining water pumps or collecting solid waste.

However, building a water supply system or introducing composting to reduce the amount of solid waste are projects in the sense described above. An effort to reduce pollution in a lake can consist of several projects, for example - building a sewage treatment plant, inducing changes in agricultural and forestry practices, establishing monitoring systems, developing standards for industrial waste, or developing legal means and administrative capacity to reinforce them - etc. There may be several government or non-governmental projects which all are intended to contribute to the reduction of the pollution.

Such an array of projects or project components within an overall strategy, is sometimes clustered in what is called a programme. An environmental action programme could, consist of various sub-programmes or components, each having various specific projects. The term programme is sometimes used for describing what others would call a project, and projects can sometimes consist of various components each being a project. Confusing as the terms may be, they all describe planned development or change processes, characterized by the features described earlier in this chapter.

Project Cycles and Decision Points

A project - big or small - may be born as a vague idea. It develops to a sketch, a first proposal; it is debated, analyzed and further detailed. This may be a totally informal process, not even written down, or a very structured "pre-investment" exercise. It is - if so decided - followed by implementation, and during that phase both objectives, resources and time span may change or be changed various times. At the end, some kind of reflection about the project and it's impact is often done.

The terms used for describing the stages in this project cycle vary considerably. In international development cooperation, each funding agency may have their "own" version of the project cycle. An investment bank may use other concepts.
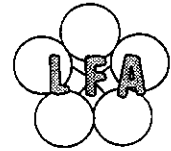
Behind the different terms is the same logic: each stage ends because someone has taken a decision. For example, when a project has passed through an identification phase (an early phase), the decision options are in principle three:

• Move on to further detailing and analysis, possibly with some modifications already decided upon.

• Reject further development of the project and abandon it.

• Request a comprehensive revision without totally abandoning the project, thus repeating the same stage in the project cycle one more time.

The emphasis on decision-points is crucial because it means that managing a development process - a project - is preparing the best possible ground for decision-making. LFA is, therefore, a decision support tool.

Project Management is Process Management

Projects are often conceived to be starting only once they have been prepared, and funding, if necessary, is available. Often, the preparatory phases are handled without involving those affected by or interested in the project: the construction of a water supply scheme may be decided and initiated by a national water authority without involving the population and institutions in the area, who will have to pay for and maintain the system.

In international development cooperation, projects are often identified and prepared in a very short period of time, and the formulation process may primarily be in the hands of international consultants or staff from the donor agency. A water supply project may, for example, be formulated in just three weeks time. Perhaps only one or two weeks are spent in the project area. Afterwards, the project is negotiated, changed and dealt with in lengthy internal negotiations between the government and the funding organisation.

Perhaps the project starts two years later. Suddenly a number of experts arrive in the community; and pipes, pumps, vehicles etc. appear. Maybe the interested parties in the area have forgotten everything about the project, or maybe they were not even informed that the project would start.

Circumstances like that will heavily influence the outcome and impact of a project. Whether project implementation starts in a atmosphere of positive expectations or reserved scepticism is largely determined by the way the preparation process is managed.

Project management is essentially about managing the change process. Therefore, project management must be considered as starting at the very beginning of the process. LFA is a tool for managing the entire process, and must be carefully tailored to the stage of the project cycle we are working in.
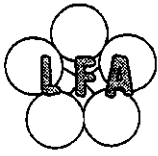
Tailoring the Use of LFA

There are three main parameters to decide upon when designing how to use LFA in concentrated periods of planning, review or evaluation of a project. They are interrelated, and depend on the decisions that have to be taken and the desired direction of future project work. They are:

- Which results are necessary for the decisions to be taken?

- What process is necessary to produce these results?

- Who should participate?

Sometimes there is a request for simple rules of thumb in order to tailor the use of LFA to a given situation. There is no simple rules for this. Some international donors using LFA have advocated workshops of a certain "typical" length when designing a project, depending on the complexity and the stage of the project cycle we are in. Obviously, the more complex and closer we are to major decision points and resource commitments, the more extensive the LFA-process must be.

In lieu of hard and fast rules, we advocate a careful process of reflection about results, process and the level of participation desired. Projects and project stages are so different, that general rules might easily lead to distorted results. Reflection on the design and use of LFA can, of course, be done by an individual or by involving potential participants and important stakeholders.

Results, Process and Participation

1.   The Results

The result of a planning or review exercise is normally some kind of written material. But whether intended or not, the result of a working exercise will also be perceptions and feelings of the participants. When deciding on the desired results of a LFA exercise, two questions should be answered:

- What kind of **overview** should be the result of the LFA exercise for decision-makers and stakeholders?

This will determine the **level of details** and specificity to be included in presentation material (reports etc.). Different participants, stakeholders or decision-makers may need different amounts of information. The level of specificity will depend on the stage in the project cycle. It should also be considered if material produced during an LFA event (papers, flip-charts, etc.) are to be used in later stages for review, further detailing etc.
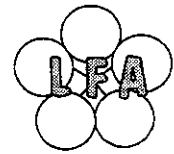
- What **perceptions and feelings** should prevail with the participants at the end of the exercise? Who should feel committed, who should take ownership of future actions?

Even if the participants at the workshop are not taking the final decision on whether to move on or commit resources, their perceptions and feelings will be important for how they will contribute as the project moves through the following stages.

2. The Process

Once the desired results are defined a process must be decided on that leads to these results. Major options - not exclusive - and design parameters are:

- To use LFA **individually**, mainly concentrating on presenting an adequate overview to others. Obviously, individual use will not foster participation in the same way as working in groups, but it can be very useful and necessary in some stages as a complementary or summary exercise. For some very technically oriented projects (certain construction projects) LFA may only be used for descriptive purposes, since other well established project management tools will be used during implementation.

- To use LFA for **group processes**, typically in workshops, where LFA techniques can lead to shared perceptions of the focus areas of the project. An introduction to facilitation of LFA workshops is presented in chapter 17.

  Workshops sessions should be chosen with as much care and attention as individual sessions. Workshops may easily turn into apparent participation, where strong participants or interests dominate the arena, or where the desire to reach consensus may hide real conflicts. If mediation between interests is necessary, a workshop may not be the best setting for a constructive negotiation. Large workshops may also exclude room for individual reflection, if not managed properly.

  Running separate small workshops for different stakeholders or interested parties may give better results than trying to convene everyone in one event where both the number of participants and the different backgrounds and interests may ruin the workshop process.

- The **length and intensity** of a LFA-process must be decided not only in relation to the very next decision-point in the project cycle, but also in relation to the longer term decision-points that will arise. A combination of individual work, interviews, meetings and dialogue among the parties and short workshops repeated appropriately during all preparatory phases could be better than one lengthy 6-12 day workshop early in the project cycle, which is not followed up by anything before project implementation.
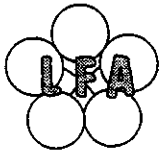
LFA permits different modes of work, as a general tool for structuring our thinking and communication about change. There is no rule defining the correct mix of different working modes except that, normally, a carefully managed mixture of modes is necessary if participation is to serve as a means to achieve commitment to a change process. That is, neither exclusively working individually nor exclusively using workshops will be the best choice.

3. The Participants

Who should participate in the LFA-process? That, again, depends on the project and the stage of the project cycle. Relevant considerations are:

- Who are important in this stage for project success - as direct participants, as target group representatives, as information providers, as powerful stakeholders?

- Should they participate directly - and if not, should they contribute indirectly, and how should they be informed afterwards?

No participation may be as destructive to a project as too much participation that broadens the scope of participation beyond practical and reasonable levels. Participation can easily create expectations, which if frustrated can create resistance in later stages of the project cycle. It can also lead to decisions based on apparent consensus where none of the participants are prepared to commit themselves actively to the decisions reached.

In the very early stages of the project cycle, the choice of participants has a tremendous effect on which problems, objectives and strategies that will be given priority. A group of medical doctors and nutrition specialists that were requested to formulate a project to address a high infant mortality rate would most likely reach another conclusion than a group of water supply engineers given the same task. The outcome would most likely also differ if the target group were represented.

The choice of participants will implicitly reflect decisions on the means and ends of a project. The narrower the professional, social and institutional composition of the participants, the lower the likelihood that the outcome will be based on a broad vision of possible alternative objectives and strategies.

CHAPTER 9:
WORKING WITH FOCUS AREAS
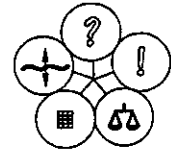
The Initial Focus Question

When commencing a work process in relation to a project - whether we are developing a project idea or reviewing an ongoing project - we do not start from scratch. There is a reason why we enter into the process, whether we do it on our own initiative or prompted by others.

Creating or designing the initial focus question serves the purpose of making this initial driving force visible and open to discussion. It marks our field of attention: if the initial focus question is "How can we address the pollution of Lake Nathla?", then we have an initial guideline as to which problems and which objectives are relevant to analyse.

Choosing the focus question serves as a starter to the work process. In preparing an LFA session the first task should be to agree on that question. Seen from the viewpoint of the different participants, the formulation of the starting question could indeed be important: Fishermen around the lake might want to focus only on the consequences to fish stock, while the tourist industry might want to focus on getting waste and sewage discharge further away from the hotels.

Who should, then, formulate the focus question? Generally speaking, it should be those who are expected to have or already have "ownership" of the project, that is, those who are responsible, or will be responsible, or without whom a project cannot be expected to be successful. It is not at all easy to identify who should have a say at this point.

In the case of the water supply scheme, should it be the potential users, the local water company, the health authorities, or the national authorities? In such situations, the initial focus question should be open-ended, e.g."How can we address the health problems caused by the use of unsafe water?". This type of question may not even lead to a water supply scheme. On the other hand, a question like "What is the cheapest option for a piped water supply system?" does not invite discussion on purpose and relevance.

If we are dealing with a complex project, it may be advantageous to formulate the initial focus question in a **design conference**. A design conference is a mini-workshop, where the parties responsible for the LFA-process can formulate and agree upon:

- The initial focus question

- The outputs expected from the LFA-process (reports, changed perceptions, action plans and agreements).

- The process itself (timing, duration, balance between individual work and workshops, etc.).

- Initial, important policy concerns that should be known up front by all participants.

A design conference addressing these question would enable the facilitator of the LFA-process to prepare a detailed plan of the proceedings.
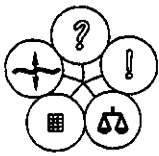
In international development cooperation, consultants or staff from donor agencies are often facilitators for processes using the LFA. Clarifying and agreeing on the focus question between a donor agency and the government (or another entity) in the cooperation country, would usually serve to level mutual expectations and allow a smoother path to the appropriate decision.

Focus Areas

The concept of focus areas is crucial to successful work with LFA. It is the core feature that helps to avoid confusing the elements of a project and helps to structure the reflection and dialogue with regard to actions and decisions.

The five focus areas serve different purposes in the process, and are characterized by a different emphasis in the working mode.

In the context, problem and objective focus areas, emphasis is on **brainstorming and ordering**, and less on **weighing and choosing**.

Brainstorming implies working in a non-judgmental and non-analytical mode. It encourages the presentation of information and viewpoints, without discussing the possible relevance, interrelation and weight of each element presented. It is opening perceptions and options.

Ordering implies an analytical process of defining relationships. Ordering clusters factors in the context that according to the participants are similar or related. Ordering brings overview, clear options and allows reflection.

In the choice and action focus areas, the emphasis shifts to comparing the importance and relevance of different elements outlined in the other three focus areas, and to choosing or negotiating options with the aim of becoming operational.

The border lines between the focus areas are not and should not be strictly defined. What is in one moment located as an issue of the context can later be considered as part of the problem to be acted upon. For example, low public salaries can be considered as an factor in the context that cannot be influenced when trying to improve performance of staff in a specific provincial environmental administration. When focusing on problems and barriers, low public salaries could move to this area as the core problem affecting performance, leading to the formulation of different options for overcoming the problem, e.g. topping up from other sources, overtime-payment, reduction of working hours without reduction of salaries, putting pressure on the Ministry of Finance, making a public outcry etc.
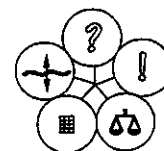
Switching Focus Areas

Other presentations of the LFA and other decision support tools prescribe a sequential process to formulate action proposals.

- LFA has traditionally recommended:

  1) Problem analysis

  2) Objective analysis

  3) Strategy analysis

  4) Action

  The factors relating to the context have mainly been treated as "left-overs", i.e. problems and objectives that have not been selected have become external factors or assumptions to be monitored during implementation.

- Many strategic planning approaches have recommended:

  1) Focus on the context

  2) Focus on objectives

  3) Focus on problems, seen as barriers to achieve objectives.

  4) Focus on choice

  5) Focus on action

We do not recommend a specific order. Often, the initial focus question implicitly indicates a broad vision or objective, as in the example: How can we address the pollution of Lake Nathla? So, starting in the Objective Focus Area would most probably lead to the formulation of a possible objective like "Decreased pollution of Lake Nathla". This could serve well as a starting point.

Starting with objectives or visions may often lead to creative thinking about a changed situation with radical new elements. A bold vision like "transform agriculture to ecological sustainable practices and increase farmers' revenues by 25% in 5 years in the watershed area" may never even be discussed and analyzed if the point of departure is a focus on the complaints of tourist about the bad smell of the lake.

On the other hand, starting with an objective or vision can sometimes mean that a solution is defined without even asking what the problem is and whose problem is it. For example, a
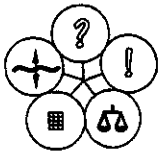
vision of "reliable piped supply of safe water" may lead to no one questioning whether the problem is that there is lack of piped water, or whether other problems - health practices, poor nutrition etc. - are more significant with regards to high infant mortality rates.

The decision as to which focus area to start in will depend on the situation. However, it is rare that you would start in the choice or action focus areas unless you wanted to record for later analysis some already formulated ideas in these areas. These ideas are often there, and all participants will enter into a LFA process with preconceived ideas, formed by their cultural background, interests, training and experience. Working with focus areas - and switching back and forth between them - permits these ideas to be aired without taking control over the process.

When working in a group with LFA, it is important that the participants are constantly aware in which focus area they are working. The group can switch as often as it wishes, and work for longer or shorter periods of time in each area as required. Working reiteratively in the focus areas gradually builds up the elements of the project that finally allows choice and action.

CHAPTER 10:
FOCUS ON CONTEXT
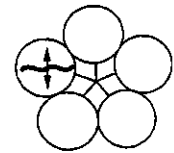
The Context

One of the major reasons for success of projects is careful attention to the context in which the project is taking place, and careful attention to the interaction between the project and the context.

Often, however, projects are conceived of as isolated from the influence of external factors - which they can never be. Or, it is assumed that the frontier between the project and the context is sharp or can be made sharp: what is "in" the project is considered to be under the full control of project management, and what is "outside" are factors where project management has little or no influence.

But in reality, nothing is under the full control of project management. Project staff can suddenly resign for personal reasons, or perform differently than expected and planned.

Similarly, few factors in the context are totally beyond possible influence. Even a small water supply project initiated by a community group and aimed at reducing the many hours used for fetching water could influence general policy at national level. This could be done by using the mass media or by making contacts to influential persons - for example to demand that the public should pay otherwise prohibitive investment costs.
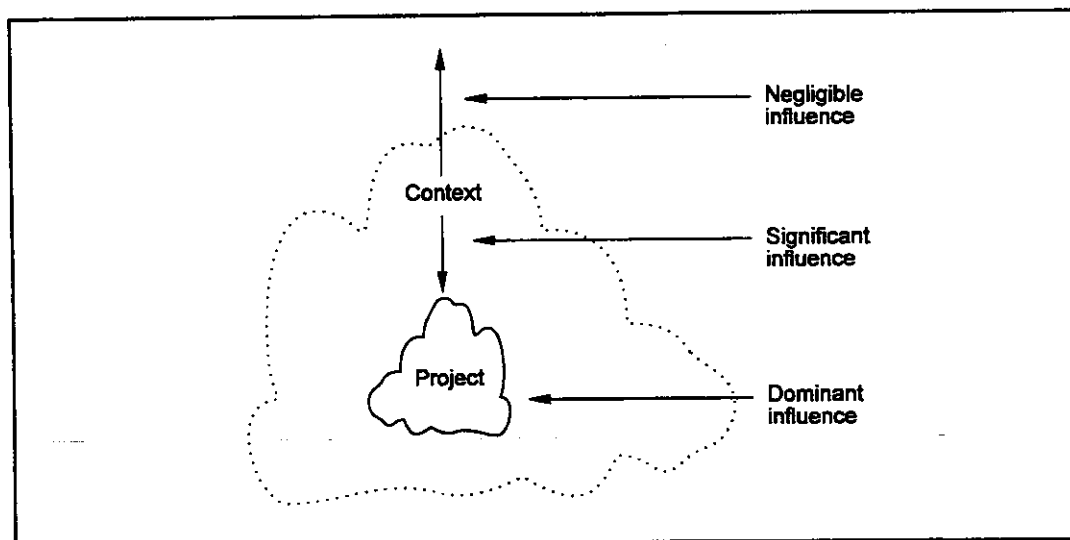
The issue of determining what the context of a project is and what the project itself is, is more than anything else a decision. It is a decision to try to influence or to try to get support from persons, groups or institutions, or not to do so.

The basis for these decisions - that have to be taken over and over again throughout the entire project cycle - is the important factors in the context. An overview of these factors can be created, updated and reviewed using the techniques described below.
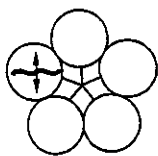
The focus on the context serves different purposes during the project cycle:

- In the **preparatory stages** - that is, the early stages of the project cycle, before major resources are committed - the context focus allows us to analyze and decide who to include or exclude in the preparatory phases as well as later on. It also allows an analysis of uncertainties and high risks that could cause the project to fail in the end.

> *A project aiming at reducing pollution in Lake Nathla may be discussed and designed by a group of concerned environmentalists and officials from the Ministry of the Environment. Both the nature of the project and the chances of success will very much be determined by the decision of whether to and how to include parties who may be strongly opposed to the project, for example owners of forests in the watershed surrounding the lake, or farmers using pesticides to protect their crops.*

Project success will most often depend on actions by others, or that certain policies or economic conditions are maintained or even changed. Analysis of these areas and identification of the uncertainties that are implied for a certain project design could allow for modifications or, if needed, abandonment of the project before major resources are committed.

- In the **implementation phase,** focus on the context serves to monitor whether external factors "behave" as we assumed that they would behave when the project was designed. If they do not, project management can try to exert influence, or modify the project concept by adapting it to the changing context.

The issue of analysing the context and deciding what to include and what to influence, is closely linked to the complex issue of **ownership of projects.** The term ownership is not to be understood in formal, legal terms. It rather identifies who actually takes charge (or assumes responsibility) and who is in charge at different levels of the project.

The decision of what to include in the project and what to consider as part of the context of the project is dependent on where the effective ownership of the project is or will be located. In the same way, management of stakeholders and monitoring of factors in the context depend on who is managing the project.
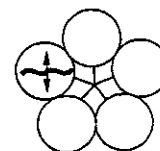
A community water supply scheme, including local capacity building, may be driven and managed by a national authority or even an international donor. Alternatively, local authorities may take charge and be allowed to maintain ownership from the beginning.

In the first case, those who are to operate the system afterwards may be outside the project, appearing only as trainees at training events arranged by the project.

In the second case, the assistance from national authorities or an international donor is assistance to the locally owned project, and the donor can become an external stakeholder to be managed by the local project management.

The issue of ownership will be touched upon in more detail in the following chapters. A concluding discussion is presented in chapter 15.

Stakeholder Analysis

In this manual, we use a broad definition of stakeholders. This definition includes direct project participants. This underlines that participants can have significant stakes in the project: the project can be an important employment source, or a step in a career development.

We are not using the term "project beneficiaries". This term assumes a priority that a project will produce benefits. Although this may always be the intention, experience shows that it is not always the case. Furthermore, what some consider to be benefits others consider to be burdens. Rather, we suggest the term "target group", which is neutral.

The stakeholder analysis seeks to answer questions like:

- Who depends on the project?

- Who are interested in the outcome of the project?

- Who will influence the project?

- Who will be affected by the project?

- Who will work against the project?

Early in the project cycle - before a project has been identified - stakeholders are identified and analyzed in relation to the initial focus question.
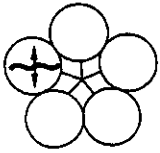
When working in the Choice and Action Focus Areas, decisions will have to be made about which stakeholder management activities to include in the project action plan. Often, these activities will not appear as operative decisions in the earlier stages of the project cycle. Unfortunately, this often means that important stakeholders, who are not participating in the design phase, are neither informed nor consulted until the project is launched.

At later stages in the project cycle, the initial stakeholder analysis should be revised, refined - and transformed into specific tasks for project management.

Stakeholder Mapping

To achieve a common picture of stakeholders, their relation and relative importance, the following technique can be applied:

1. *The participants put the name of each stakeholder on white, circular cards of approx. 10 cm in diameter, and put them on a big table, or the floor or a wall (with removable adhesive).*

2. *When no more suggestions for stakeholders are presented, the main interests of each stakeholder are identified in relation to the focus questions.*

3. *The cards are organised in clusters of related interests. When agreement has been reached, the white cards are replace with coloured cards, one colour for each cluster. The name of the stakeholder is transferred to the coloured card, and the main interests of the stakeholder are written on the card below the name.*

4. *The coloured cards are organized in starlike fashion along a line for each cluster where the center of the star is the project or the initial focus question. Using group judgements, the cards are placed at a distance from the center corresponding to the importance of the stakeholder for the project. The cards must be fixed with removable adhesive, allowing later modifications of the visual presentation.*
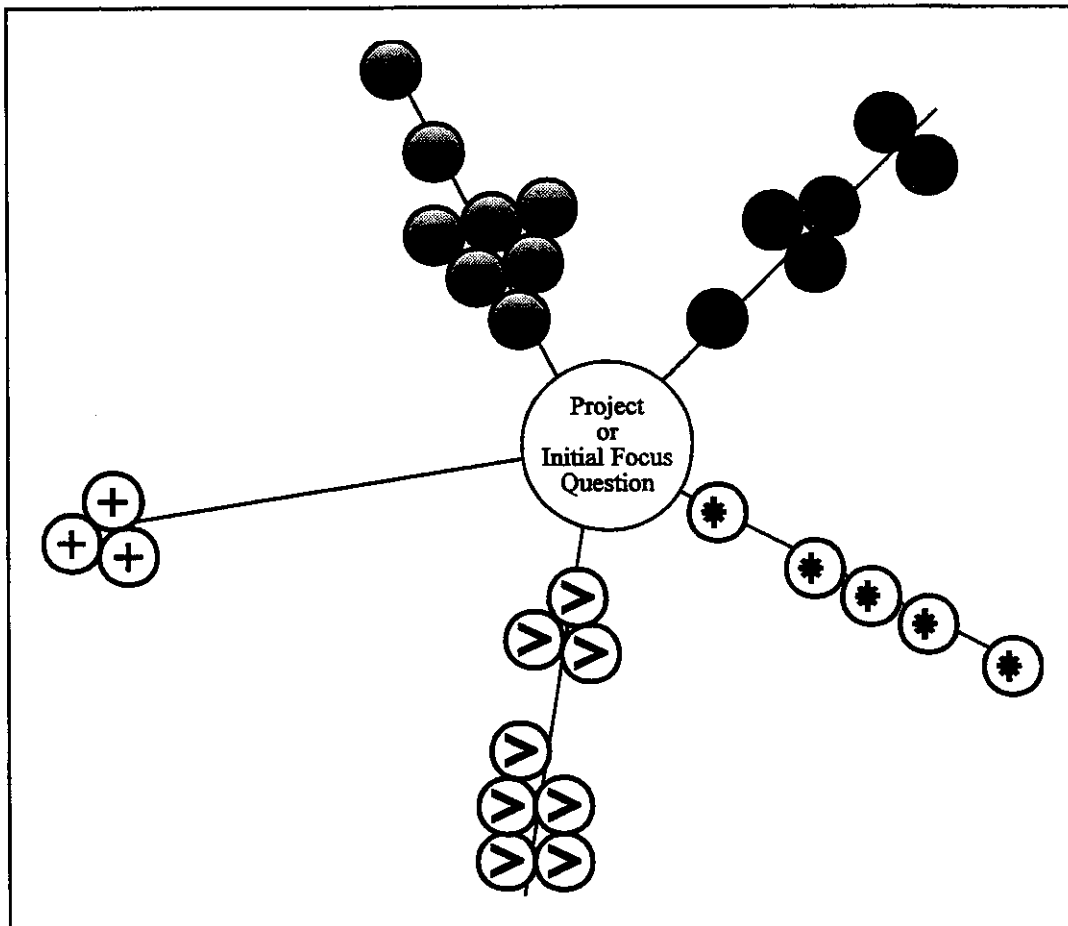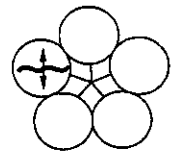
In early loops in the Context Focus, in the early stages of the project cycle, it may not be possible to organise the visual presentation, since the project may not even be identified yet. In that case, only the first two steps are relevant.

The visual presentation of the stakeholders can, when appropriate, be supplemented by a written analysis. This is especially relevant when a complex project will operate in a context with many conflicts of interests.

The written analysis is analytical rather than decisional. It serves to anticipate interests, fears, and expectations of the important stakeholders, and to identify (but not decide on) options for managing the most important stakeholders. A format as presented below can be used:
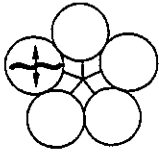
Stakeholder	Interest in the project	Fears	Strengths	Weaknesses	How will they influence the project?	How can the project take advantage of the stakeholder?	What can the project do for the stakeholder?	Relative importance of the stake-holder?

Policy Concerns Analysis

The Policy Concerns Analysis is a special part of the Stakeholder Analysis. It is especially useful when persons from different institutions and different countries work together to design a project.

A national water authority, when considering a water supply scheme, will act according to national policies: there may be standards for service level, a subsidized national tariff structure, low autonomy for local water units etc.

A donor who is considering financial assistance to a water supply scheme may have a different policy framework: non-subsidized tariffs, environmental concerns, gender considerations, financial and institutional autonomy and sustainability, and purchase of goods and services in the donor country.

Local authorities may be concerned about user complaints if the water price is high, and have on their agenda short-term political goodwill from the constituency.

Making policy concerns explicit - simply listing them - allows a group to identify areas of potential conflict where negotiation and compromise may be necessary. A list of policy concerns permits participants to design the project so as to respect the relevant concerns, since this will normally be necessary to achieve a decision to move on in the project cycle.
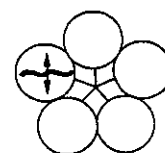
Values and Principles Session

LFA is an objective oriented project planning and management tool, emphasising that the change process or project must have an objective and a vision of the future situation to be achieved. Important as this is, the objective only represents the end-of-project situation, and does not guide the process as such with regard to how to get to the desired end.

How to get to the desired end is not only a question of "technical" strategies. The people who carry out the work will be more or less comfortable depending on whether the values and principles guiding the work are in accordance with their personal values and principles.

> *Disregarding values and principles can lead to distortion of objectives: If a water supply project aims at building a sustainable institutional capacity to manage the supply system, it might counteract this objective by, for example, offering higher salaries during project implementation even though that would speed up execution. If the salaries cannot be sustained afterwards, it could lead to resignation of key staff, lower performance etc.*

Listing values and principles in the early design phase will serve as an input later on when project implementation starts, and an effective project team has to be built.

The team could then formulate what is often called a **mission statement**, serving to outline not the specific objectives and strategies of the project, but the values and principles that make the participants perceive it as worthwhile and meaningful to contribute to the project.

> *A mission statement for a environmental programme to reduce the pollution in Lake Nathla could be:*
>
> *"We wish to achieve a significant reduction of the pollution of Lake Nathla through multi-disciplinary teamwork based on scientific and technical criteria. Our workprocesses and management procedures will be transparent, efficient and effective, to achieve the confidence of the affected institutions, interest groups and the population. We will value and respect all staff of the programme and the tasks they perform, and actively seek opportunities to learn and develop the professional capacity of the team".*

A mission statement can of course turn into a mere formality. But it can also, if taken seriously and referred to, be an important "constitution" of a project, and serve as a guideline for daily work. If it is formulated by those using their time and energy in the project, the discussion and formulation process can in itself be an important team-building exercise.
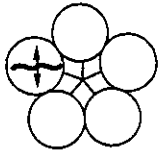
Uncertainties and High Risk List

The list of uncertainties serves as a reference point to collect issues that either have to be dealt with later (as collecting additional information) or have to be considered when designing strategies and actions.

It will thus often, when working in other focus areas, be convenient to return to this part of the context focus to add new elements to the list.

Once getting to action, elements from the uncertainties list will enter as assumptions about how the project context is expected to develop. But these assumptions are uncertain, and must therefore be monitored during implementation.

Focusing on uncertainties allows a project team to seek the most robust decisions. The consequences of such an analysis could be phasing a project, where a shorter initial phase would serve to get further detailed information or to work intensively with key stakeholders to get their support to the project. Or the uncertainties could lead to planning a revision after a fairly short time of implementation in order to make room for necessary corrections. Or it could be the choice of a strategy less sensitive to the uncertainties, conflicts and complexities surrounding the project.

CHAPTER 11
FOCUS ON PROBLEMS
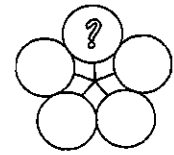
Problems and Barriers

The work in the Problem Focus Area aims at establishing an **overview of problems and an overview of the relations between problems**. This has two important consequences:

- The level of detail must be suitable to create overview. Too many details will confuse instead of creating clarity.

- The relations between problems are never simple. The relations between problems may appear to be linear cause-effect relationships where one level of problems are direct causes of other problems. However, problems in the real world cannot be isolated and be traced to a single cause or set of causes as it is maybe possible to do in a laboratory.

The purpose of the Problem Focus is to share perceptions of reality, by simplifying the real complexities. This is useful - and necessary - to get to action, but it is essential that the limitations of the shared perception is kept in mind all the time.

Work in the Problem Focus is not limited to the early stages in the project cycle. It can be as helpful during later stages, where the focus of attention may no longer be on the problems that the project intends to address, but on implementation problems of the project (team conflicts, resistance from stakeholders, slow progress etc.).

A notoriously difficult concept when working with problems is the general rule that a problem should not be formulated as the absence of a solution, i.e. a "lack" of something - but as an existing negative state, i.e. a state that somebody finds negative. As an example, we can look at a single string of apparent cause-effect relationships:

```
        Effects            High infant mortality

          ▲                        ▲
          |                        |

                           Frequent use of
                           infected river water

                                   ▲
                                   |

                           Unstable supply
                           of piped water

                                   ▲
                                   |

                           Frequent pump
        Causes             breakdowns
```
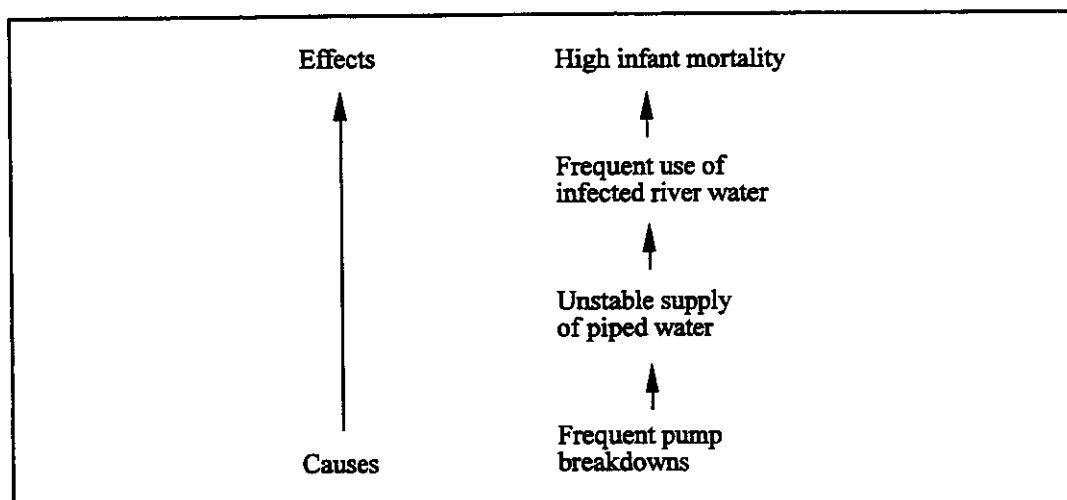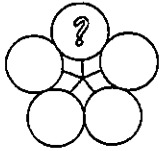
All these problems are negative states. But looking for causes for the frequent pump breakdowns will inevitably lead to problem formulations that - directly or indirectly - are absences of solutions:

No stock of spare parts (= *lack of spare parts*), or
Poor maintenance practice (= *lack of good maintenance practices*)

Both these problem formulations are pointing to absent solutions. This implies that the problem formulation easily induces a specific strategy: supply spare parts or improve maintenance practice.

These strategies may be the best answer in the situation. The point is that we may overlook other valid alternatives, for example substituting the pumps with technology that does not require difficult maintenance etc. When starting with a problem analysis - before outlining a vision or objective - we run the risk of letting an only apparent objectivity (the cause-effect relationships) determine our choice of strategy.

To avoid jumping to conclusions, the recommendation is - when working in the Problem Focus Area before working in the Objective Focus Area - to stop the problem analysis when the causes to problems become the "lack of..." type problems. Switch then to the Objective Focus Area, and formulate alternative options for objectives and visions. Once this is done, work can continue in the problem focus area. However, now the focus is on barriers impeding the achievement of the alternative objectives identified. These barriers can be of the "lack of..."-type. The picture is now complete for the moment without predetermining the strategy to be followed.

If the team wishes to detail the analysis of problems and barriers without a switch to the Objective Focus area, this can of course be done. If a graphical presentation of problems is prepared, then a line should be drawn between negative state of affairs ("problems") and absence of solutions ("barriers"). Reflection about whether all relevant barriers have been included is essential.

A first problem presentation of the pollution of Lake Nathla could, according to the discussion above, look like:

Lake Nathla Problems

| Decreased fishery yields | Health risks | Tourism decreased | Biodiversity threatened |

Regenerative capacity of Lake Nathla surpassed

Industry	Domestic	Agricultural	Forestry	Other
Industrial sewage Cooling water from energy plants Strong power position of industrialists and power plants	Sewage Filtration from solid waste deposits and landfills	Pesticide filtration, nitrate filtration Erosion Strong power of landlords Cultivating practices	Erosion Forests considered natural resources for exploitation rather than cultivation	Organic and inorganic waste from fishery and transport

The problem analysis serves only to identify main areas contributing to the problem. It does not address "lack of.."- aspects like: low institutional capacity to implement protective measures, weak legislation, lack of standards and norms, lack of capital for investment in treatment and cleaner technology solutions, lack of environmental education.

Note that the very general problem formulation: "Regenerative capacity of Lake Nathla surpassed" allows simplicity in the presentation that does not correspond to reality: The causes for health risks may be very specific (for example bacteria from sewage and heavy metals). And the decrease in tourism may (apart from other causes not identified above) be an effect only of a local pollution problem near the hotels, and not the general state of pollution of the lake.

Within each of the problem clusters identified above, objectives can now be identified in the Objective Focus Area. A tentative partial objective could be:

Pollution from industrial sources reduced in concerted cooperation between industry and environmental authorities.
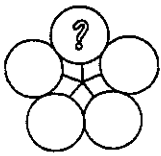
Then obstacles or barriers for addressing the problems can be identified:

- *Legislation and regulation instruments inadequate and/or not reinforced*

- *Limited institutional capacity of environmental agency*

- *Mistrust and hostility between industry and environmental agency*

- *Lack of technological capacity to implement cheap mitigating measures*

- *Poor environmental behaviour in industry*

- *Capital for investment in improved environment not available*

- *Public pressure on industry weak*

The cluster of industry-related problems and barriers could then look like:

Problems and Obstacles, Lake Nathla
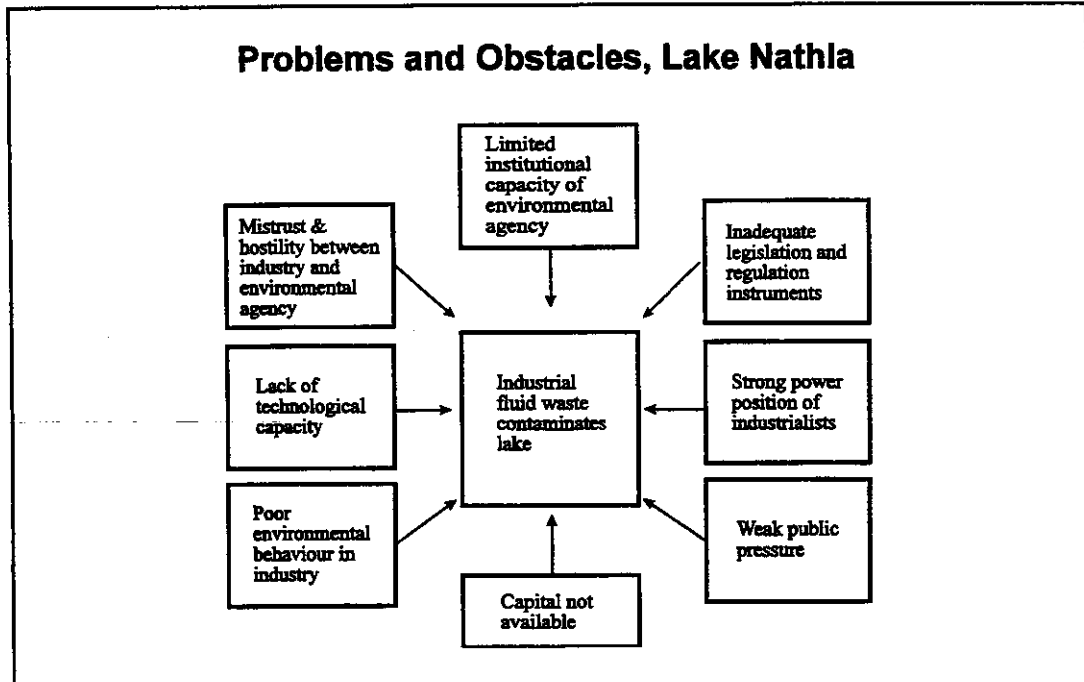
CHAPTER 12:
FOCUS ON OBJECTIVES
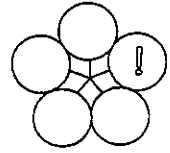
Objectives

The work in the Objective Focus Area is about objectives (purpose, goal, aim, vision) and about their relationships. Objectives are the driving forces in project work, and they can often be a combination of our sense of general purpose (why is this project worthwhile or important for me, or for the group or institution I represent) and the specific objective (or specific aim or purpose), that the project should achieve.

LFA shares the focus on objectives with many other planning and management traditions. The importance of objectives is beautifully expressed in the proverbial phrase: "If you don't know where you are heading, every step is in the right direction".

In the Objective Focus Area, the aim is to develop alternative options or scenarios for the future, but not to choose between them.

Objectives can vary considerably in scope, specificity and level, and will serve different purposes depending on how they are formulated. The options developed in the Objective Focus Area serve to stimulate dialogue about which objectives to choose in the Choice Focus Area, and should therefore represent a broad range of different alternatives.

What Are Objectives?

It is useful to distinguish betwen:

- Directional objectives
- Specific or SMART objectives

Directional Objectives

Directional objectives state the direction we want to move in, without stating how far we expect to get. "Reduced pollution of Lake Nathla" is an example of a general directional objective.

Directional objectives can be useful in the very early stages of the project cycle, or to state long-term objectives where it is premature to be more specific.

Both projects and organisations can have directional objectives that serve to attach overall meaning to the activities undertaken and to state important values guiding these activities. Such objectives are normally considered as worthwhile ends in their own right (and not as means to higher ends). A world-famous cartoon producer has as a mission "to make people happy".
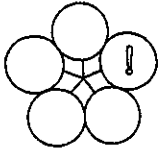
Obviously, this purpose will never be achieved, since the company can go on forever striving to make people happy. The objective serves as a guiding star for the kind of products to be made.

A project - which will be completed some day - could have as a mission to "work for improved environment". This sense of purpose and direction does not give any indication about what to do tomorrow or next year, but could still serve as guiding star in specific decision-making.

In projects, mission objectives (or broader: mission statements, see also the discussion in chapter 10) mainly serve to state common values and outline very broad, overall directions. They may therefore be more important to guide project staff and stakeholders in the implementation stage than in the design stage, where analysis of feasibility and impact are more important.

Specific or Smart Objectives

A SMART objective is Specific, Measurable, Accurate, Realistic and Time-bound.

> *"Financially and technically sustainable, uninterrupted supply of safe water (average consumption 30 litres pr. capita per day) of 2230 households in Nathla by June 1998"*

is a SMART objective (assuming realism!). It quantifies (how much water to how many), state quality (uninterrupted supply, safe water), location, and time.

The image of the future situation that we want to prevail when a project or project phase is concluded, is called the **immediate objective**. If it is not SMART, it really means that the project is free-wheeling: no outsider or insider will be able to know for certain whether the project achieved what it intended to achieve. A water supply project with an immediate objective like "improved water supply" has in principle improved the water supply when one additional household is connected to the net, or when service hours are extended just five minutes.
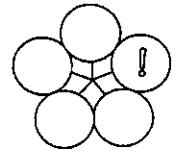
Objective Levels

Apart from being directional or SMART, objectives can be at different levels in relation to each other. These relations are often seen as means-to-an-end relationships:

Objective Hierarchy
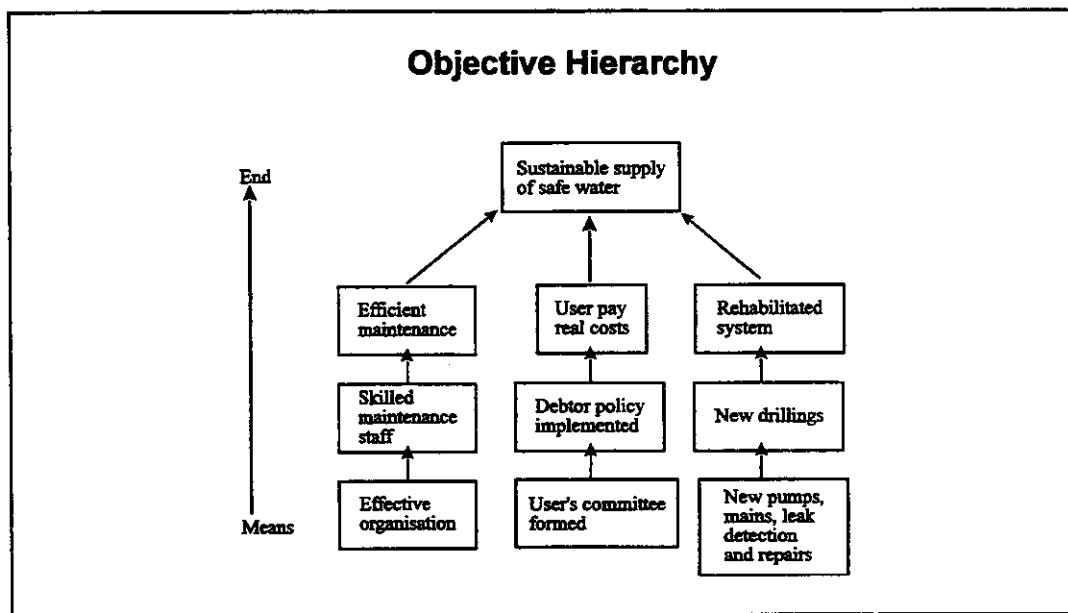
The logic is hypothetical: Users' committees formed and debtor policies implemented are stated as means to the end that users pay real costs of water supply. This, again, is a means to the end: sustainable supply of safe water. But users paying is only stated as a necessary means, not as a sufficient: Efficient maintenance and a rehabilitated system are seen as other necessary means, and only the three together are seen as sufficient in the example above.

It could easily be questioned whether the implementation of a debtor policy and the formation of users' committees are sufficient to achieve that users pay the real costs. An adequate price structure and efficient invoicing could be other necessary lower-level objectives to achieve the higher level objective.

This kind of analysis is the core of the work in the Objective Focus Area. Maybe the participants are convinced that the existing price structure is adequate and invoicing effective. Then these should not be stated as objectives to be achieved. The participants should be satisfied that the analysis of objectives and their relations includes all major means to achieve higher-level ends in the hierarchy.

It is very important to assure a real difference between levels of objectives in the hierarchy. This means that higher-level objectives should not be phrased in such a way that it is a repetition of lower level objectives, for example:

```
                    ┌─────────────────────────┐
                    │ Increased institutional capacity
                    │ of Nathla Environmental Authority
                    └─────────────────────────┘
        ┌──────────────┐   ┌──────────────┐   ┌──────────────┐
        │ Skilled, motivated │ │ Efficient   │ │ Increased    │
        │ staff and managers │ │ procedures  │ │ budget       │
        └──────────────┘   └──────────────┘   └──────────────┘
```
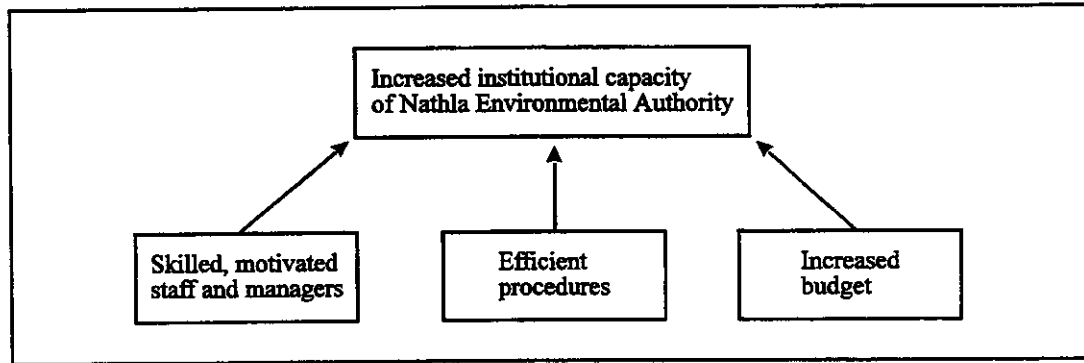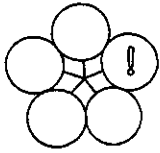
"Increased institutional capacity" is just another, general way of expressing what is implied by skilled and motivated staff, efficient procedures and increased budget. The hypothesis: "if skilled staff, efficient procedures and increased budget are achieved, **then** increased institutional capacity will be achieved" is not a hypothesis, because the "if-" and the "then-" statements are really identical behind the different wording.

To assure and check the difference between levels of objectives is extremely important for project design. Otherwise, the project hypothesis that certain results will lead to the achievement of a certain objective may become a tautology, making it impossible to monitor impact and learn from experience.

In the example above, a difference in levels would be clear as follows:

```
                    ┌─────────────────────────┐
                    │ Efficient performance    │
                    │ of Nathla Environmental Authority
                    └─────────────────────────┘
        ┌──────────────┐   ┌──────────────┐   ┌──────────────┐
        │ Skilled, motivated │ │ Efficient   │ │ Increased    │
        │ staff and managers │ │ procedures  │ │ budget       │
        └──────────────┘   └──────────────┘   └──────────────┘
```
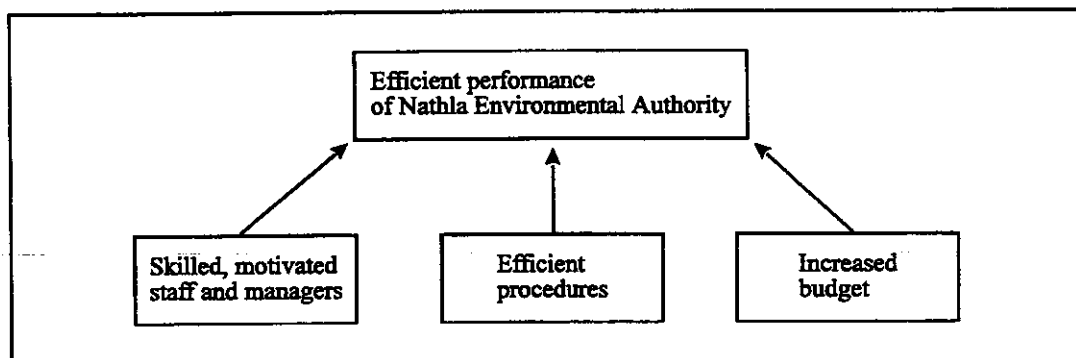
In this example, the hypothesis is: if skilled staff, efficient procedures and increased budget, then efficient performance will be achieved.

Note that in the examples just mentioned, all objectives are directional. This would serve well to discuss relations between objectives, but not for expressing exactly what should be achieved. Depending on the stage in the project cycle and the decisions to be taken, it may be necessary to develop these objectives into SMART objectives.
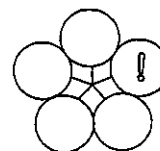
How to Formulate Objectives

It is difficult to formulate objectives. Three issues deserve attention:

Objectives are future situations, <u>not</u> activities.

Language invites formulations such as:

> *"the objective is to strengthen the environmental authority..."*,

or,

> *"the objective is to reduce pollution"*.

But "to strengthen..." or "to reduce pollution" are actually processes, and not end-situations. It may seem - and can be - a formality to change the wording to "the environmental authority strengthened" and "pollution reduced". The most important is not whether the wording is changed, but whether the participants are discussing the goal or objective they wish to achieve, or whether they are discussing the process leading to the objective.

Objectives should be at one level only.

Often, objectives are formulated like:

> *"Reduced infant mortality through safe supply of water"*

or

> *"Reduced pollution of Lake Nathla by decreased discharge from industry"*

Both these formulations include means-end relationships, or objectives on different levels. This can create confusion about what the objective really is.

Small changes of wording are significant.

The wording of an objective can have significant consequences for the identification of the necessary means to achieving the objective:

> *"Safe water to households in Nathla South-East"*

would not allow any specific identification of necessary means. It is a directional objective.
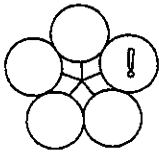
"Supply of safe water (average consumption 30 litres pr. capita per day) to 2230 households in Nathla by June 1998"

could be achieved without bothering about the capacity of the water company to maintain the network.

"Financially and technically sustainable, uninterrupted supply of safe water (average consumption 30 litres pr. capita per day) of 2230 households in Nathla South-East Area by June 1998"

would require whatever necessary measures (financially, organisational, managerial) to enable the company to maintain operations, including depreciation of capital investments.

"Financially and technically sustainable, uninterrupted supply of safe water (average consumption 30 litres pr. capita per day) of 2230 households in Nathla by June 1998, and capacity to expand network by 300 connections annually thereafter"

would take the project a step further, since it would imply that the water company has surplus funds for new investments and technical capacity to design network extensions (or to direct and supervise consulting engineers providing technical specifications etc.).

The objective could also include a vision on how the water utility is managed:

"The water utility of Nathla, by June 1998, is autonomous, with a Board with a majority of water consumers; is financially and technically sustainable; supplies uninterrupted safe water (average consumption 30 litres pr. capita per day) of 2230 households in Nathla by June 1998; has capacity to expand network by 300 connections annually thereafter; and conducts regularly successful campaigns for appropriate water use as part of the utilities normal operations".

These examples should demonstrate that objective formulations such as: "Safe water to households in Nathla South-East" can be fine for the initial overview of relations between objectives, but not for stating the exact future situation that a project is intended to achieve.

Ownership of Objectives

Objectives are somebody's vision of the future. Some stakeholders or some persons affected by the objective may be enthusiastic, others may be indifferent, some may be passively opposed and some may try their best to impede the achievement of an objective.

"Reduced pollution of Lake Nathla" may be enthusiastically endorsed by the environmental non-governmental organisations and the tourist industry, and bitterly opposed by farmers that may fear for their future income opportunities.
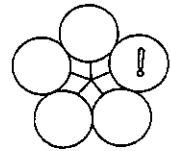
Often, objectives seems to be neutral, without "owners" or protagonist.

Examples of such objectives are:

> *"Reduced pollution of Lake Nathla"*, and

> *"Financially and technically sustainable, uninterrupted supply of safe water (average consumption 30 litres pr. capita per day) of 2230 households in Nathla South-East Area by June 1998"*

None of these formulations indicate who is taking or should take ownership for achieving the objective, or who is really interested and willing to fight for the objective.

If it is a non-governmental organisation fighting for an improved environment that has adopted the first objective, the organisation will naturally feel ownership - it is, simply, their objective, whether shared by others or not.

If the second example has been adopted after a lengthy design process with participation of water company management, representatives from a national water authority and an international donor, it may be that none of the participants feel that it is "their" objective.

This does not necessarily create any trouble in the early design stages of the project cycle. But when implementation is due, it must be possible to define a person, a group or an institution that takes ownership of the objective, and has a commitment to achieve the objective.

This can be the team that is assigned to implement the project. Usually, however, that is not sufficient. If no stakeholders have active interest in the project objective, the project will most probably run into serious troubles, and if the objective includes sustainability elements, these will most probably not be achieved once the project team is dispersed.

When defining alternative objectives for later decision in the Choice Focus Area, it is therefore important to assure that all alternatives have owners. Agreeing on a middle ground that awakes no protest may lead to failure if it also implies that no one will commit themselves actively to the objectives.

Examples of Objective Hierarchies

Below, three examples are given of objective hierarchies. In the first, directional objectives are used, in the second, SMART objectives. In the third, an element indicating ownership has been added to the SMART objectives where possible.

Objective Hierachy, Lake Nathla - Directional

- Industrial pollution of Lake Nathla reduced
- Industry cooperates
- Industrialists exposed to positive international experiences
- Effective performance of Nathla Environmental Agency
- Skilled, motivated staff
- Efficient procedures & systems
- Adequate legislation
- Training
- Incentives
- Access to institutional experience
- Increased operating budget

Objective Hierachy, Lake Nathla.
SMART Objectives

Medium concentration of heavy metals A, B and C in lake water reduced to X, Y and Z, and no fenol traces found, by the end of 1998.

At least 3 initiatives have, during 1998, been taken jointly by industry and the Environmental Agency in relation to industrial pollution, and at least 5 industry owners have approached the Environmental Agency to seek advice on mitigating measures.

Nathla Environmental Agency, by the end of 1998, has initial response time of maximum 2 weeks on requests for environmental permissions, and a maximum of 2 complaints annually to the national board on the substance of decisions. The agency is able to give advice on mitigating strategies to 75 % of the industry in the area, to monitor water recipient quality according to UNEP's monitoring standards in 7 rivers and in the lake, and to conduct 2 major environmental awareness campaigns directed to industry employees annually, in cooperation with industrialist association.

10 board members, 10 managing directors and 10 shop stewards have spent 2 weeks studying environmentally advanced sister industries in other countries before end of 1998.

By the end of 1996, a law and pertinent bylaws have been approved establishing reference norms to be achieved by industry in 2006, and definition of authority of local environmental bodies in relation to inspections, monitoring and power to impose sanctions.

Objective Hierachy, Lake Nathla,
SMART Objectives with Ownership

Nathla Environmental Agency's monitoring programme shows that medium concentration of heavy metals A, B and C in lake water is reduced to X, Y and Z, and no fenol traces found, by the end of 1998.

At least 3 initiatives have, during 1998, been taken jointly by industry and the Environmental Agency in relation to industrial pollution, and at least 5 industry owners have approached the Environmental Agency to seek advice on mitigating measures.

Nathla Environmental Agency, by the end of 1998, has initial response time of maximum 2 weeks on requests for environmental permissions, and a maximum of 2 complaints annually to the national board on the substance of decisions. The agency is able to give advice on mitigating strategies to 75 % of the industry in the area, to monitor water recipient quality according to UNEP's monitoring standards in 7 rivers and in the lake, and to conduct 2 major environmental awareness campaigns directed to industry employees annually, in cooperation with industrialist association.

The Environmental Committee formed by Industrialists Association and the Industrial Trade Unions, has organised that 10 board members, 10 managing directors and 10 shop stewards have spent 2 weeks studying environmentally advanced sister industries in other countries before end of 1998.

By the end of 1996, a law and pertinent bylaws have been approved by the Parliament after extensive consultation with industry and environmental organisations, establishing reference norms to be achieved by industry in 2006, and definition of authority of local environmental bodies in relation to inspections, monitoring and power to impose sanctions.

CHAPTER 13:
FOCUS ON CHOICE

Choice

> To reduce contamination of a lake which is a recipient of waste water and filtration from households, industry, power plants, agriculture and forestry, is a challenge full of complexity, uncertainties and conflicts.
>
> Maybe a biological damage assessment of the lake would conclude that agriculture is the main cause when it comes to reducing the fishing stock. Maybe the Ministry of Health would focus on the content of heavy metals from industry in fish used for consumption. The inhabitants may feel most bothered by the smell from the sewage.
>
> If the choice is made to try to decrease pollution from agriculture, this may encounter strong resistance from politically influential farmer's association. So a soft approach to a gradual reduction of industrial pollution may be more feasible, even though the overall impact may be smaller...

Choosing objectives and strategies for projects is complex, because it implies weighing pros and cons, expectations and fears, cost and benefits and so on. All to often, when designing or redesigning projects, the working methods tend to lead to predefined choices or to choices reflecting the will of the strongest participant in the group, without any clarity as to the background for the choice.

The Choice Focus Area offers tools for structuring the choosing process and making it as transparent as possible. This is not to say that conflicts and disagreement can or should be avoided. But working with explicit criteria for choice can make conflicts as well as agreements transparent. Negotiations about what people accept as real conflicts are then possible, rather than unstructured fighting about apparent or only perceived conflicts.

Resource Analysis

When designing or redesigning projects, the resources available for the project are limited. These limits may change during time or through skilful interventions by the project staff, but they will always remain limited.

Listing the resources expected to be available, and the strengths and weaknesses of these resources, helps us see how objectives and strategies match resources. Alternatively, if necessary, we might abandon the project if objectives that realistically correspond to the resources are considered not to be worthwhile.

Listing the resources touches upon the issue of delineating what is or will be under the dominant influence of the project and what is or will be outside such strong influence of the project. This is not a straightforward matter. It touches the issue of project ownership as the following example demonstrates:
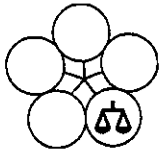
The mayor of Nathla, participating in the design of a project aiming at reducing the pollution of Lake Nathla, offers the staff of the Environment Department of the Municipality as a project resource.

However, during the discussions, it becomes clear that the staff will have to attend to their normal duties in addition to project tasks, and that they can only be expected to spend one day a week on the project.

To satisfy the Ministry of Agriculture, it is suggested that the project is established as an independent unit referring to a Steering Committee with representatives from the Ministry of Agriculture (who chairs the committee), the Municipality, and industrial and agricultural associations.

Since the municipal staff will continue to refer to their managers in the municipality, who may be less enthusiastic about the project if it is outside their organisation, they may turn out not to be the expected resource. They are not under the direct control of the project manager.

This does not necessarily mean that they should not be considered as a resource. But if they are counted on, the project may have to include carefully designed elements that make it worthwhile for the municipality to give priority to project tasks and release the staff from their other duties.

Scenario Development

The Scenario Development serves to describe feasible alternatives - and not yet to choose between them. By the term scenario we mean both an objective and a strategy leading to the achievement of the objective. The level of specificity and detail to be included depends on the stage in the project cycle and the decisions to be taken. In the first working sessions in this focus area, the scenarios may be fairly general: immediate objectives may be directional and strategies indicative. In the Action Design Focus Area, the details have to be prepared, and it can be necessary to switch back to the Choice Focus Area if the detailed action design work reveals that a chosen scenario is not feasible.
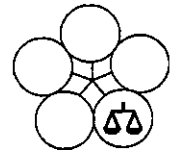
1. Choosing the Immediate Objective

When selecting options for immediate objective, it is important to allow participants to have their preferred objective selected. The process must not be exclusive at this stage.

As the normal rule, a project should work to achieve one immediate objective only. If a project has several objectives at this level, it may loose its sense of direction or enter into conflicts about the priority of different objectives. In Chapter 14, the issue of multi-objective projects is further discussed.

The selected options for immediate objectives should preferably be on different levels in the means-end relationships established in the Objective Focus Area. This will allow us to compare the alternatives and identify the highest level at which the project will be able to (nearly) control the means to achieving the immediate objective.

2. Choosing Strategy Options

The strategy outlines how to get to the future situation. There may be several valid strategies leading to the achievement of an objective.

Means-end hierarchies prepared in the Objective Focus Area may indicate alternative or complementary strategies. Experience from similar projects is another source of identification of strategy options.

If two or more strategy options are identified for the same immediate objective, there will be two or more scenarios - one for each combination of the objective and a strategy. For example:

Two Scenarios

1. *Immediate objective: Reduce industrial pollution. Strategy: Strict enforcement of legisla-tion, frequent control.*

2. *Immediate objective: Reduce industrial pollution. Strategy: Economic incentives, adviso-ry services.*

Stakeholder Commitment

Above, it was argued that an immediate objective should be on a level where the project management can control, to the degree possible, the means to achieve the objective.
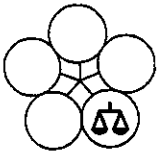
As discussed in Chapter 12, another important aspect is whether a specific stakeholder or a group of stakeholders will "own" the objective. Ownership in this sense means commitment or active interest in the achievement of the objective.

If no clear ownership can be identified, then it may be a signal that the immediate objective is too high-flying, i.e. beyond what anyone feels is his or her interest in term of obligations or opportunities.

See also the discussion in Chapter 15 on ownership and multi-objective projects.

Comparing Scenarios

The exercise of comparing alternative scenarios is well known in project work, and specialised tools are available that supplement or give input to the overview analysis suggested here.

How do we compare the various immediate objective and strategy options? That is up to participants in the LFA process to decide. Often, comparison areas like the following are used:

- Cost in relation to benefits. For some types of projects, an expected cost-benefit ratio for each alternative can be calculated and compared.

- Conflict potential.

- Conformity with important policy concerns.

- Environmental impact.

- Negative side-effects.

- Risks, uncertainties and sensitivity to changes in the context.

When listing comparison areas, it is important to balance specificity and the need to have a relatively small number of comparison areas. Too many areas will not enable overview.

The assessment of the scenarios in each comparison area can vary between the participants. Differences in assessments may often be clarified through factual arguments.

Choosing

After intensive work in other focus areas, and lengthy debates about relations between problems and objectives, and importance of stakeholders etc., it may seem very undramatic to make the final choice of project (or revised project) to be presented to decision-makers.
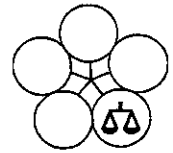
This is an important feature of LFA. Both the emphasis on brainstorming all opportunities and barriers and the emphasis on ordering and clarifying relation makes it possible to reach consensus where consensus is possible.

But often, consensus is not possible, because conflicts of interests or of values persist. LFA cannot - and should not - be used to make conflicts disappear, but rather to clarify their content, thereby making compromises more feasible. As such, LFA can prepare the ground for negotiation, but LFA is not a negotiation tool.

The Acid Test on Clarity

Once a choice has been made, it is suggested that the group phrase the chosen objective and strategy in few, simple sentences. This serves to make it clear to the participants whether they actually mean the same thing in terms of the option they chose. If they don't they can clarify their thinking. It also serves as a description of the main thrust of the preferred option for other stakeholders.

A short statement at this stage serves as a summary of the work done so far, and can be seen as the answer to the initial focus question. The ability to formulate and agree on such a statement in a clear and concise way demonstrates that the participants have a clear idea of the option chosen.

The Lake Nathla Project in Short

The objective is to reduce industrial and agricultural discharges in Lake Nathla by financial incentives and by the gradual introduction of regulative measures, in as close a cooperation with the polluters as possible.

CHAPTER 14:
FOCUS ON ACTION
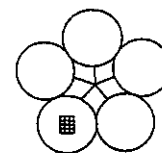
The Overall Project Logic

The hypothetical logic between the elements of a project extends from inputs to development objective, and includes relevant preconditions and assumptions.

The presentation of the project in a logical structure serves various purposes:

- It allows discussion of logical consistency and comprehensiveness of the project, also by people who did not participate in the design of the project.

- When properly presented, it provides an easy overview of the project.

- During project implementation, it maintains the content of the project clearly formulated, forcing changes in project elements to be visible.

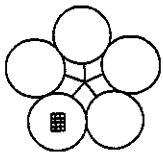An example of the overall project logic is presented overleaf.

Project Elements, Assumptions and Preconditions

1. The Development Objective

The development objective is often conceived of as a wider goal (in scope), or a long-term goal (opposed to immediate goals). Further, a development objective is often required to be an end in itself, and not (only) a mean to other ends.

The best way to decide which kind of development objective to select is to analyze the function of the development objective for decision making or for project work. This function differs for different stages of the project cycle and for different projects:

- In early, preparatory stages, the development objective serves to underline the broader rationale of the project, or to put the specific objective in a context. The development objective has no direct operational function, but serves to inform decision-makers.

- For a project that is implemented in a temporary institutional structure without a solid "anchor" in a permanent institution, the development objective can serve as a guiding star for the team, to maintain overall sense of direction in daily work. If a project is part of a wider programme, the development objective can serve to remind the project team that it is part of a broader undertaking (see chapter 14 for more details on projects/programme-relations).

- For a permanent institution defining and implementing a project (for example, increasing capacity to prepare and monitor adherence to environmental standards), the development objective would normally be the institution's general, institutional objectives (the mission statement of the institution).

Development Objective: Pollution of Lake Nathla from all important sources reduced.	
Immediate Objective: By 1998, Nathla Environmental Agency (NEA) regulates most important economic and domestic activities affecting Lake Nathla by an appropriate, mostly accepted and efficient mix of instruments.	**Assumptions:** From immediate objective to development objective Regulation does not stimulate behaviour leading to new types of pollution. Bylaws are grossly respected and sanctions effectively followed up by judicial system.
Outputs: 1. Reference standards for discharges established. 2. Bylaws for gradual introduction of norms, permits, incentives, sanctions and inspection procedures prepared. 3. Staff and management skilled in environmental management. 4. Monitoring programme established. 5. Credit fund for mitigating measures functioning.	**Assumptions:** From outputs to immediate objective Polluting interest groups accepts dialogue and compromises. Transparency and standards for civil servants performance maintained.
Activities: 1.1 Collect and analyse international and regional standards. 1.2 Prepare national norms for effluents. 2.1 Prepare and approve regulatory strategy. 2.2 Prepare draft bylaws. 3.1 Define staff development policy and training plan. 3.2 Identify and use external training courses. 3.3 Organise internal seminars and On-the-Job training. 4.1 Establish database on pollution sources and recipient quality. 4.2 Subcontract laboratories and universities to perform field monitoring. 5. 1 Define credit fund objectives and mechanisms. 5.2 Prepare legal and procedural basis. 5.3 Promote fund and finance pilot schemes. 5.4 Seek additional funding based on pilot experience.	**Assumptions:** From activities to outputs Bylaws and norms are approved by Ministry of the Environment. Civil Service reform provides sufficient incentives for continuity of staff in NEA. Laboratories and universities willing and able to cooperate. Polluters willing to make use of Credit Fund.
Inputs: NEA staff (half-time), NEA Director is Project Manager. Additional operating budget for 1995-1998. 24 workmonths technical assistance financed by.... Initial funding for Credit Fund.	**Preconditions:** National Assembly approves General Environmental Law giving NEA sufficient legal faculties.
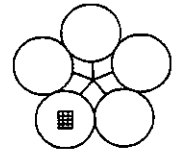
2.   The Immediate Objective

The formulation of Immediate Objectives is extensively discussed in chapter 12, Focus on Objectives. Only one issue will be discussed further: whether and when Immediate Objectives should be SMART (Specific, Measurable, Accurate, Realistic, Timebound).

In this manual, it is argued that Immediate Objectives must be SMART when implementation is upcoming. In earlier stages, a directional formulation may serve for overview purposes or initial decision-making.

The insistence on SMART objectives is based on the experience from many projects, where a specific vision of the future situation to be achieved was never discussed. Many projects - not least in international development cooperation - have had vague immediate objectives like "strengthening institutional capacity", "improving health services", "reduce pollution" etc.

Such projects may have delivered the defined outputs. It has, however, been impossible to assess afterwards whether the impact of these outputs was actually the desired impacts.

The inability to evaluate project impact is maybe not the worst consequence of vague immediate objectives in project work. It is perhaps even worse when project management and project stakeholders simply disregard the vague objectives and concentrate on the tangible outputs.

Taken to an extreme we can imagine this leading to the construction of the world's largest bridge, where all responsible parties are focusing on the technical wonders of the bridge, and no one is able to explain what the purpose of building the bridge actually is.

Opposed to the argument in favour of SMART objectives is the viewpoint that being too specific too early will mean that a strait-jacket is forced on the project, reducing the necessary room for flexibility.

This is certain, if bureaucratic approval procedures makes it cumbersome or even impossible to modify an immediate objective, once defined. The problem, then, is the bureaucratic procedures rather than the SMART objective!

A specific statement in a planning process - an objective, a result, a time-table - will always be a strait-jacket if plans cannot be changed when the situation so warrants.

> **We advocate specificity in planning because this allows for transparency and communication as regards the constant modifications of forecasts or plans which form the essential feature of planning with complexity, uncertainty and conflicts.**
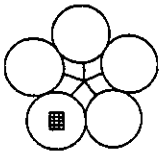
3.   The Outputs

Outputs or results are the tangible, specific and direct products of activities which largely are within our control, under given assumptions about the context the project will operate in.

The difference between objectives and outputs is difficult to handle. An example:

"Five tanneries reduce discharge of chrome by 85%"

Could that be an output of a project managed by an environmental authority, who would maybe - as activities - perform inspections, establish norms and, if necessary, apply sanctions, and facilitate conversion of technological processes in the five tanneries? These activities could be performed under the assumption that the tanneries would cooperate.

Or should it be considered an objective, expected to be achieved by outputs like: 3 inspections in each tannery performed, seminar held for industry on technological options, norms and sanctions established and published?

Since the actual behaviour of the industry can be influenced indirectly by the project only - the industry being a stakeholder (and target group) outside the project - then the reduced discharge should be an objective. It is not the direct result of the activities performed, i.e. the difference in level between the means (the activities) and the end (the output) is too big.

The problem that may arise if outputs are not the direct result of activities, is that the if-then hypothesis between activity and output becomes too complex and too dependent on factors in the context. This will, in operational terms, tend to make the responsibility and accountability of project management unclear, since it will be nearly impossible to determine whether they delivered the required results or not.

To see whether an output can become an objective, study the example:

"Seminar held for industry on technological options"

For a staff member entrusted specific preparatory tasks - producing invitations, inviting speakers, hiring seminar facilities - the objective may be that the seminar is held under perfect logistical arrangements. For the organisation hosting the seminar, the objective could not be to hold the seminar, but rather to produce some behaviour or awareness change among participants, or even some more ambitious objective.

4.   The Activities

In the very early stages of the project cycle, it may not be necessary for overview or decision purposes to list the activities required to produce the outputs.
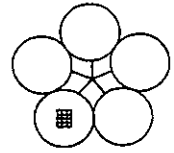
When major resources are about to be committed to a project, then the activities should be outlined to a level of details that allows an appreciation of the methodology to be applied.

The design of a extension of a water supply system may for example be done with or without involving the inhabitants in the area. The activities should indicate to the reader how the design will be done.

Work planning for implementation will require further details and use of tools like bar-charts, work breakdown structure etc. This should not be included in overview presentations.

5. The Inputs

The resources required for the performance of the activities must be available - that is, project management must be able to manage the human resources, the money, equipment and premises as required.

This does not always mean that the resources are available to the project on a full time basis. A commitment of these resources for an agreed duration of time must, however, have been given.
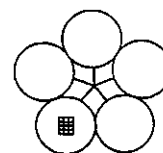
Simple as these principles may be, they are often violated when projects are designed, leading to major problems during project implementation. Two errors are common:

- Resources are included as input without checking their availability and seeking a specific commitment with regards to their participation.

- Commitments are given vaguely and verbally only.

6. Assumptions

Critical assumptions are included in project design to enable assessment and monitoring of important external factors. Two types of critical assumption should be included:

- Assumptions, which - to the best of our judgement - will prevail, but, which - if they contrary to expectations should fail - would have serious consequences for the project's ability to produce outputs or achieve objectives.

- Assumptions for which the risk that they may not prevail is deemed fairly high, but which would not imply serious consequences if they fail.

Finally, assumptions for which the risk that they will **not prevail** is high and where consequences are **serious** if they fail are so-called killer assumptions.

By definition, a killer assumptions cannot appear in a project presentation, since the identification of such an assumption must lead to the modification or abandonment of the project.

Whether an assumption should be included in the project presentation or not can be checked by following the flow chart below.

Assessment of Assumptions

Is the assumption critical?

Critical   Not critical   Don't include

Is it likely to fail?

Yes   No   Don't include

Include and monitor add
activities or outputs

Can the project
be modified?

Yes   No: Killer assumption!
Abandon the project

Add activities or outputs

Verifiable Indicators

A project with directional objectives and loosely described outputs cannot be monitored for progress and impact compared to planned progress and impact.

But even SMART objectives and results may be difficult to monitor. Take the objective:

> "By June 1998, the water utility of Nathla is autonomous, with a Board consisting of a majority of water consumers; is financially and technically sustainable; supplies uninterrupted safe water (average consumption 30 litres pr. capita per day) of 2230 households in Nathla by June 1998; has a capacity to expand network by 300 connections annually thereafter; and conducts regularly successful campaigns for appropriate water use as part of the its normal operations".

Part of this objective may be fairly easy to verify (the existence of a Board, for example). But other parts - like technical sustainability - may be difficult, since it is not clear precisely what it means and how it can be determined whether this technical sustainability has been achieved or not.

This is where indicators serve. They are agreements made before the project starts on how to verify the achievement of objectives and results. They are *indicative* - to verify uninterrupted supply of water it would not make sense to monitor water supply 24 hours a day, 365 days a year. Instead, the reporting system of the Water Utility would be checked for possible breakdowns of supply.

A set of indicators for the above mentioned objective could be:

For autonomy and Board composition:

- *Board Meetings Minutes reflect composition of Board; budgets, tariffs, investment and operation plans are approved at Board level.*

For financial sustainability:

- *1998 audited accounts show positive net profit after depreciation, disregarding possible extraordinary incomes or other abnormal elements.*

For technical sustainability:

- *Sample performance observation of 2 work shifts, 2 planned pump maintenance jobs, and the installation of 2 new connections, confirm adequate adherence to standards as described in Operations and Maintenance Manuals of the Utility.*
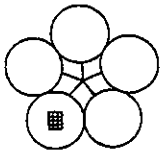
For uninterrupted water supply to 2230 households, and capacity to expand the network:

- *Records confirm min. 2230 households connected, with min. 200 added in 1997, and average consumption of 120-150 l per day per connection, and stock of tubes, valves and meters for min. 200 additional connections.*

For successful campaigns on water use:

- *60% of people from 40 connected households can, when interviewed, state main content of at least two messages regarding water use propagated by the water utility during the last year.*

It may seem quite elaborate to prepare verifiable indicators in this level of detail. And, in practice, it is often not done even though LFA is claimed to have guided project design.

But if it is not done properly, there will be no yardsticks enabling us to learn precisely how far we got. For a project worth maybe 1 million US$, it represents a small effort to become measurable so that outsiders can check what is going on.

Indicators have been used extensively in engineering project work for centuries. Whether constructing a bridge or an aeroplane, work is performed according to detailed specifications, and conformity to specifications is tested in various ways - from test of concrete quality to X-ray tests of welding.

The concept of verifiable indicators in LFA introduces this well known and well reputed practice in relation to projects in socio-economic areas.

Presentation of the Project:

The Logical Framework Matrix

The LFA matrix was, in early versions of the Logical Framework Approach, nearly synonymous with the approach itself.

In this manual, the matrix is only a way of presenting an overview of the project. Therefore, it is not essential whether the matrix has 3 or 4 columns, and 4 or 5 rows: the essential thing is that the relevant information for a given decision is presented as clearly as possible.

An alternative matrix that is frequently used is the following:
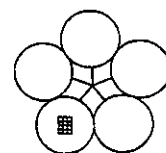
Project Element	Verifiable Indicator	Means of Verification	Assumptions
Development Objective			
Immediate Objective			
Outputs			
Activities			
Inputs			

The column for "Means of Verification" is used to indicate where to find a specific indicator defined in the Verifiable Indicator-column.

The matrix recommended in this manual (see Chapter 7) is simpler compared to this and other versions. This simplicity is based on the experience that too many cells in the matrix tend to reduce clarity, and that the cells tend to force people to write something - even though there may be nothing relevant to write (this goes for verifiable indicators-, means of verification- and assumption-cells).

Whenever a matrix is used, it should be supplemented by text. The limitation of the matrix is that it does not allow all the necessary details to enter without loss of overview.

If no detailed, written text is added, then the project may most likely end up being unspecific in all aspects. If decision-makers are willing to approve such projects, there might be very little incentive for project management to seek specificity.

If there is a risk that the use of a matrix could lead to such an outcome, then it should not be used at all. The LFA as a tool for project management is not dependent on the matrix.

In the annex to this manual, commented examples of matrices are included.

CHAPTER 15:
COMPLEXITIES OF THE
LOGICAL FRAMEWORK APPROACH
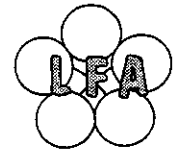
Introduction

Working with social, economic, institutional and cultural development projects is complex. Applying a method like LFA permits ordering project work, but is does not make it simple.

In this chapter, some of the complexities of using LFA are presented and discussed, including particular problems related to international development projects and programmes.

The issues dealt with are:

- Ownership

- Project Management and LFA

- Multiple objectives in projects

- Programme assistance/project assistance

- A dual project concept for development cooperation

- Frequent critique of LFA

Ownership of the Project

The concept of ownership has been mentioned in several previous chapters. The importance of ownership and commitment has been stressed both in relation to problems, objectives and choice.

The relationship between ownership and project work is not linear: projects are not designed and afterwards "sold" to the highest-bidding owner. Nor is it the other way around. The availability of owners at different levels does not determine how the project will be designed.

Ownership evolves in no particular order. The direct participants in the process can try to involve potential "owners" in relation to a specific idea - and to modify an idea in relation to specific "owners".

The basic viewpoint is the same: a project - or a change process - must be in the hands of someone who has an active interest in seeing the project through. Otherwise, it will most likely fail.

This general statement can be qualified now: ownership can be located at different levels of a project.
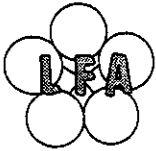
Ownership of the Problem Area

Whose problem is it that a project addresses? Normally, if a group of people or a company enters into a development process, they will do it because they feel a need for change in an area. The ownership of the problem can be easily located.

This is not so easy in situations where a group of people or an institution wishes to address the needs of others. This is typically what many public institutions are created for (health, education, social services).

In international development cooperation, the same situation persists: the parties involved in project design are typically not the direct problem owners or directly affected by the problem.

The ownership of the problem area - understood as the active desire to see the problem solved or diminished - does not have to be embedded in the same group/institutions who will later take ownership of the project in operational terms. But if the two owners are distant or do not communicate, then the project may end solving the wrong problem!

A way to mitigate this situation is obviously to invite representatives for those affected by the problem to participate in the design of the project. Those affected will often be the ultimate target group of the project designed, and their participation early in the process may greatly enhance the chances for success in later stages.

## Ownership of the Development Objective

As discussed in previous chapters, the development objective is not necessarily operative, but can serve as a guiding star or a simple indication of overall direction.

Even so, there can be stakeholders who are, in global terms, owners of such broader objectives. For projects in the public sector, it would be the relevant national ministries (health, environment etc.). For projects in the private sector, where development objectives often correspond to broader mission statements of the company, it could be the board or the highest executive level of the company.

If those who care for the development objective do not see - or are informed about - the relation between the project and their concern, then the project may loose important stakeholders that it cannot afford to lose.

Ownership of the Immediate Objective

Who would make some kind of sacrifice, if necessary, to assure that the immediate objective of a project is achieved? At this level, it should be possible to identify the project-owner. In a private company, it would usually be the line manager to whom the project manager reports.
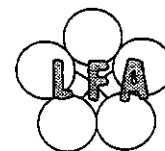
Implementing a new staff appraisal system could be managed by staff from the Personnel Division assisted be external consultants. They could report to the Head of the Personnel Division, who is keen on achieving improved selection of future managers.

Similarly, internal projects in public institutions aiming at developing improved services or increased internal efficiency, may have the relevant department head or director as objective-owner.

In international development cooperation, ownership is often located in a project steering committee composed of various members, representing both donor and national authorities. This can create difficulties if none of the members of the committee really take responsibility. The larger the distance between project and steering committee - in geographical or institutional terms - the bigger the risk that nobody takes active ownership of the immediate objective.

Ownership of the Outputs

The outputs should be in the hands of the project management. It is their job to produce the outputs and to assure that relations to stakeholders are managed in such a way that this is possible, and so that the results will be sufficient to achieve the immediate objective.

Project management (and project staff) must be fully committed to outputs. But they cannot normally disregard objectives. If the output is a bridge, and the objective is decreased travel time, then the project manager responsible for the construction of the bridge might care little about reduced travel time.

If the objective is a sustainable water supply, and the outputs are a rehabilitated system, tariff and debtor policy, and procedures performed according to standards, then project management would have to monitor carefully if the outputs continue to bear relevance to the immediate objective.

If project management is owner not only of outputs, but also of the immediate objective, then the risk is that the project will end as an island, with no outsiders really interested in the project. Such an island could still be very efficient producing the defined outputs. It would be vulnerable to opponents of the project, since it would have no strong outside supporters. Moreover, if the project intended to create lasting institutionalised structures, it could hardly succeed.

Ownership of the Activities

In many larger projects, the responsibility for different activities and the corresponding outputs is divided between different technical teams. The team rehabilitating the water system would not be the same as the one developing new internal financial procedures.
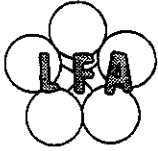
For each technical team, the timely and efficient production of the outputs is the logical immediate objective. It is a core task of project management to ensure that this kind of commitment is created in the technical teams of the project.

It may seem confusing that project elements that are labelled as outputs can be immediate objectives from another perspective (in this case: technical team members). But this only underlines that objectives always are objectives from someone's perspective.

Ownership of the Inputs

In relation to inputs, the ownership issue is often the question of whether ownership of the resource has been explicitly handed over to project management. This can be part-time or full time.

Staff from other institutions - or even from within the same institution - supposedly at the disposal of a project, may turn out not to be so.

Ownership of the Context Or the Assumptions

The definition of the context emphasises the various factors over which the project does not have a dominant influence.

However, it has already been stressed that it is more a decision of where the line between the project and context is drawn, and that this line is never firm or fixed.

This everchanging complexity of the relation between the project and the context demands that both immediate objective- and output-owners take command of this relation to the context, monitor it, try to influence it where possible or alternatively modify the project if necessary. In that sense, the project must take ownership of the context, or the assumptions on which the project logic is based.
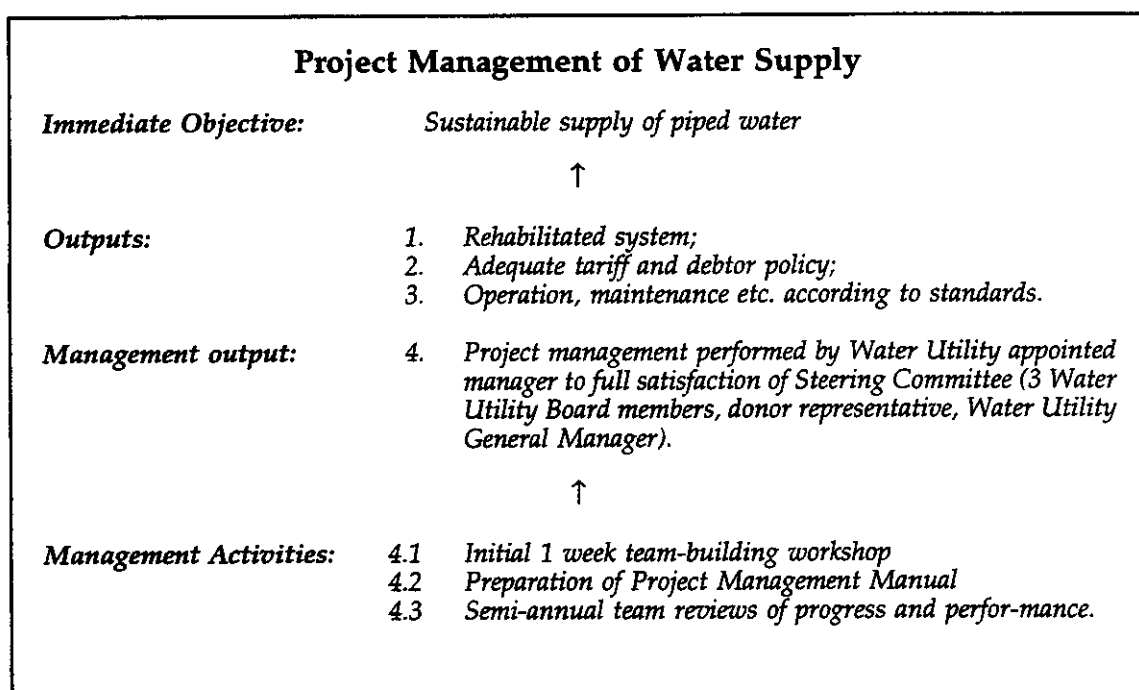
Project Management and LFA

The discussion of ownership relates closely to the issue of project management throughout the project cycle. Project management starts, as described in Chapter 1, when the first small resources are invested in developing a vague idea into something more that might eventually become a project.

The decision on who should manage the project at different levels throughout the project cycle is not directly reflected in the matrix presentation of a project in the Logical Framework Approach. The matrix presentation focuses on the elements and their logical relationship, and does not in itself highlight the ownership - or management responsibility - at the different levels of the project.
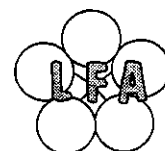
If convenient for the decision to be taken, internal project management activities can be entered and detailed as separate activities. These management activities would lead to management outputs that only has relevance because they are necessary to produce the "substantial" outputs necessary for the immediate objective:

Project Management of Water Supply

Immediate Objective: Sustainable supply of piped water

↑

Outputs:
1. Rehabilitated system;
2. Adequate tariff and debtor policy;
3. Operation, maintenance etc. according to standards.

Management output:
4. Project management performed by Water Utility appointed manager to full satisfaction of Steering Committee (3 Water Utility Board members, donor representative, Water Utility General Manager).

↑

Management Activities:
4.1 Initial 1 week team-building workshop
4.2 Preparation of Project Management Manual
4.3 Semi-annual team reviews of progress and perfor-mance.

In most cases, it may be more appropriate to detail the project management activities and principles in a descriptive text. The important thing is that the project management issue is dealt with appropriately during the entire project cycle.

Multiple Objectives in Projects

In the discussion of immediate objectives in Chapter 12, it was mentioned that projects as a rule should only have 1 immediate objective.

The reasoning behind this rule is that several objectives may lead to internal conflicts about priorities and resources, and loss of sense of direction.

However, useful as it is to be able to formulate one vision of the future situation, this is often impossible and inconvenient.
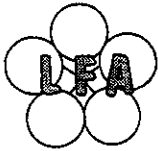
It may, for example, be convenient to emphasise different elements of the future desired situation. They may belong to the same overall picture of the desired end-of-project situation, but deserve separate attention. Effectively, they may represent a detailing of an otherwise very general and broad objective.

One or Several Objectives?

"Increased institutional capacity of Nathla Environmental Agency"

could be one objective. But it may not be different from the more specific breakdown into 3 objectives:

1. Skilled and motivated staff and managers
2. Efficient procedures
3. Increased budget

Of course, these 3 objectives could be formulated in one sentence to appear as one objective. That would not make any difference! Potential conflicts between efforts spent on making procedures and efforts spent on training would be the same, no matter how the objective is formulated.

As the example shows, one objective is no guarantee against internal conflicts over priorities. As a matter of fact, these conflicts - and the need for priorities and planning - will appear whenever the same resources are supposed to produce several outputs, i.e. the same person preparing procedures and training staff, or the same person maintaining water pumps and training others to do the same.

If a project is proposed to have several objectives (whether formulated as one or several statements), the relevant considerations are:

- Are the objectives **compatible?**

A project intending to increase agricultural production per area unit, and at the same time, to diminish contamination of ground water of pesticides and nitrates, may try to combine incompatible objectives.

- Are the objectives **complementary?**

If the objectives are complementary in the sense that both contribute to the same higher level objective, then it may be justified to maintain them in the same project i.e. if project management is responsible for the outputs and resources relevant for both objectives. If there is no such overlap, then two separate projects should be formulated, both having the same development objective.
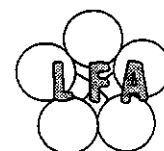
- Are the objectives at **the same level?**

Several objectives, that between each other represent means-end relationships, may make the direction of the project unclear. If the immediate objectives are:

1. *Reduced pollution of Lake Nathla*
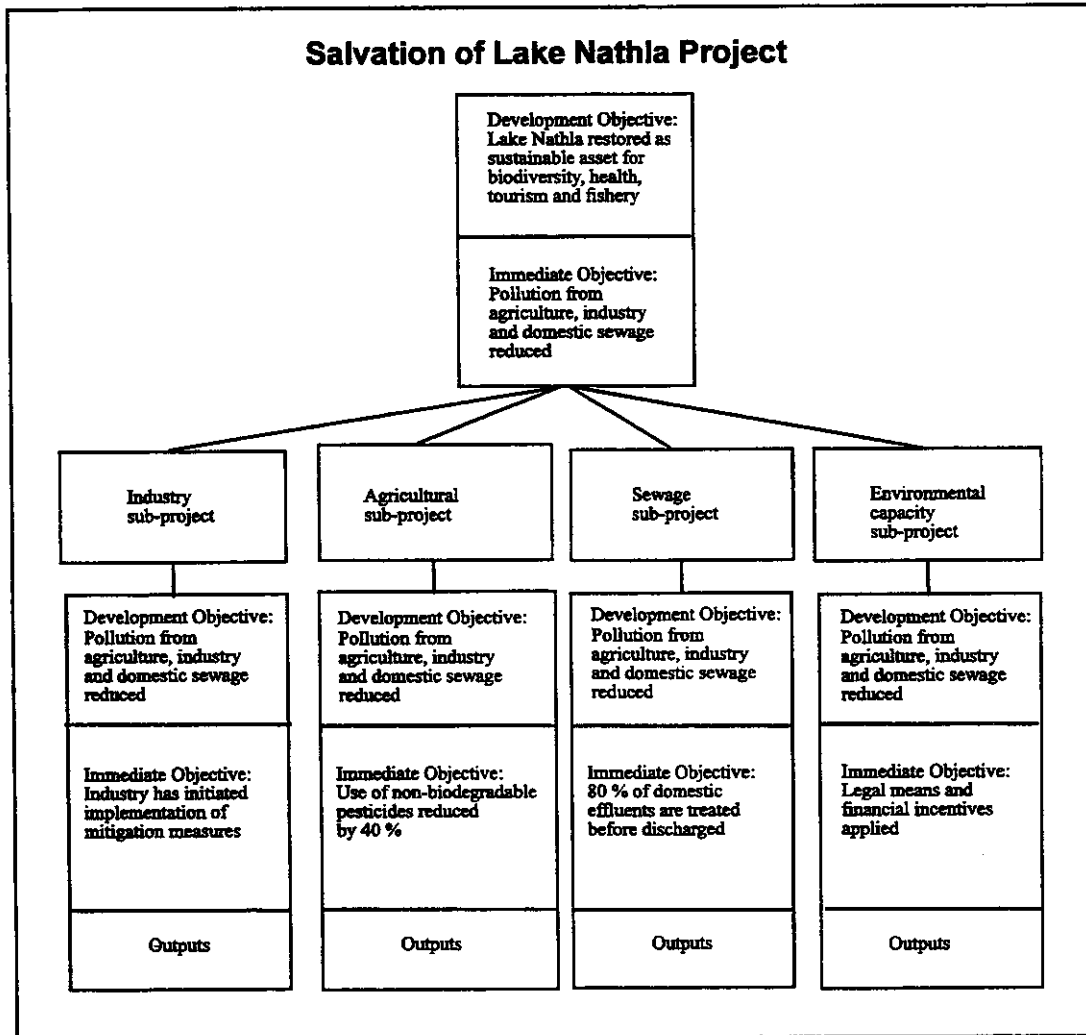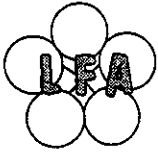
2. *Efficient Nathla Environmental Agency*

- then immediate ad-hoc actions aiming at the first objective may dominate long-term capacity development, or, alternatively, the project may focus on the broad capacity creation of the Environmental Agency, which may serve other environmental objectives than those related to the lake.

From a project management viewpoint, projects are most manageable with one clear immediate objective. But this may be an ideal only rarely achieved.

The general recommendation is therefore:

- to split up projects in sub-projects or components when outputs, activities and resources can be, in managerial terms, clearly split between sub-projects. (Resources can serve different sub-projects or components if the management structure permits allocation of the resources according to priorities).

- when multiple objectives are relevant, the possible incompabilities, conflicts and unclarities should be analysed and dealt with by the project management.

The logic of multi-objective projects that are split up in components (or subprojects) is shown overleaf.

Salvation of Lake Nathla Project

Development Objective:
Lake Nathla restored as sustainable asset for biodiversity, health, tourism and fishery

Immediate Objective:
Pollution from agriculture, industry and domestic sewage reduced

Industry sub-project	Agricultural sub-project	Sewage sub-project	Environmental capacity sub-project
Development Objective: Pollution from agriculture, industry and domestic sewage reduced	**Development Objective:** Pollution from agriculture, industry and domestic sewage reduced	**Development Objective:** Pollution from agriculture, industry and domestic sewage reduced	**Development Objective:** Pollution from agriculture, industry and domestic sewage reduced
Immediate Objective: Industry has initiated implementation of mitigation measures	**Immediate Objective:** Use of non-biodegradable pesticides reduced by 40 %	**Immediate Objective:** 80 % of domestic effluents are treated before discharged	**Immediate Objective:** Legal means and financial incentives applied
Outputs	Outputs	Outputs	Outputs

What is considered as a sub-project from the point of view of the owners of the highest level immediate objective may be a project from the point of view of other stakeholders: the municipality will consider the sewage sub-project as a project. This sub-project may have it's own subprojects or components, which again are considered - and are - projects in their own right at this level.
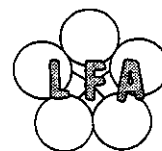
Programme Support/Project Support

The discussion above bears direct relevance for the use of LFA in relation to a new trend in international development cooperation called Sector Programme Support. Danida has, in its new strategy, adopted the Sector Programme Support approach. The approach is described in detail in Danida's "Guidelines for Sector Programme Support" (February 1996).
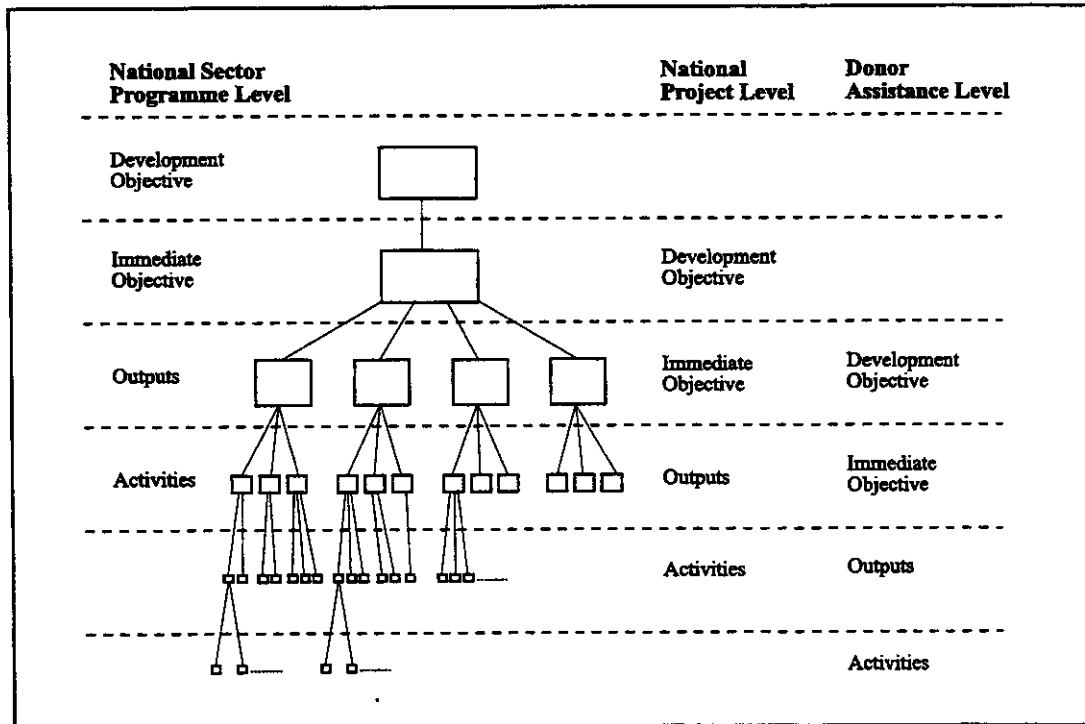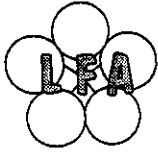
The concept implies that a country and a donor agree on a broader cooperation within a sector, concordant with a national sector policy framework or national sector plan. Within this framework, the donor may offer budget support and/or finance specific components. Such specific components will be projects, i.e. change processes within a given time-perspective, with given resources and specific objectives.

Within the Sector Programme Support concept, a donor may decide to cover operational costs of a permanent unit in a ministry for 5 or 10 years, or to approve a block grant for medicine purchase as budget support to the health ministry. These types of assistance can still be analysed and dealt with like projects since they are supposed to achieve specific objectives and end some day.

LFA is, thus, well suited to formulate and create an overview for Sector Programme Support:

- Sector policies and strategies can be expressed in terms of objective hierarchies, and eventually be conceived of as the highest level project, or a political and conceptual "umbrella" for specific projects.

- Objectives at sector level may often be directional. The application of LFA-indicators may, in an appropriate moment, greatly enhance specificity and allow impact assessment.

- Preparation of sector policies and strategies can be accomplished using the focus area concepts. The Objective Focus Area will take on special importance, and in Action Focus, it may be sufficient to identify main intervention areas (project or component titles).

Graphically, the relation between sector programmes and the elements of a programme can be illustrated as shown overleaf:

National Sector Programme Level		National Project Level	Donor Assistance Level
Development Objective			
Immediate Objective		Development Objective	
Outputs		Immediate Objective	Development Objective
Activities		Outputs	Immediate Objective
		Activities	Outputs
			Activities

Sector policies and strategies are often formulated using other tools than LFA (strategic planning methods, for example). The same concepts of context, objectives, problems are normally applied, choices are made and the specification of a certain level of action done.

A Dual Project Concept for International Development Cooperation

Most international donor agencies and non-governmental organisations working in development today have a dominating policy concern when entering into a cooperation project: the project impact must be sustainable once the project ends. OECD defines project sustainability like this:

> A project may be said to be sustainable when it can deliver benefits to the target group for an extended period of time after the main assistance from a donor is at an end. (OECD, DAC, Principles for Project Assessment, Paris, 1988)

Experience has shown that this is very hard to achieve in practice. There is not a single reason for this, but poor project design is often mentioned as one cause of poor project sustainability. The widespread use of LFA during the last 15-20 years has not changed this situation significantly.
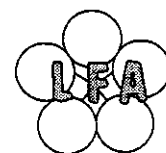
LFA can, however, be used specifically to address the sustainability issue of development assistance projects. This use is closely related to the ownership issue discussed throughout this manual, and to the multi-objective discussion above.

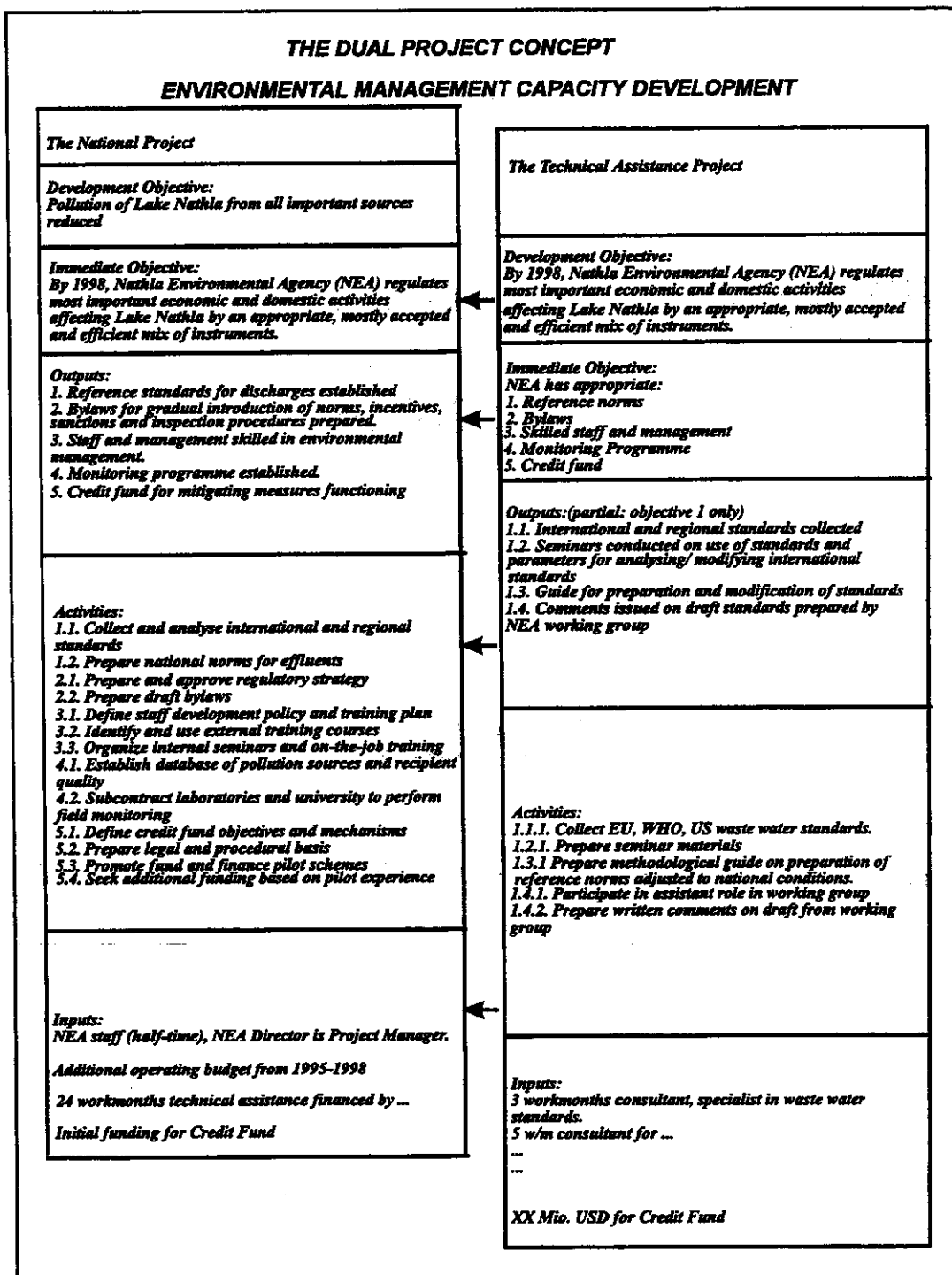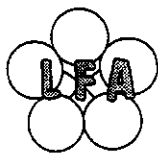This is done through the use of **the dual project concept** i.e. distinguishing clearly between:

- **the national project or programme of the recipient country.** Ownership of this project must be firmly located in a national institution. If such an institution is not capable of assuming operational ownership (project management), the capability must be developed still under ownership of the institution. If that is not feasible either, then sustainability aspirations should normally be abandoned.

- **the technical assistance project.** Ownership of this project must be firmly located with the donor. The technical assistance project has its own objectives, outputs and activities which focus on assisting the national project. The outputs of the national project could typically become the immediate objective of the technical assistance project.
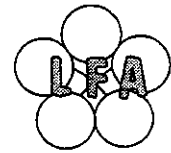
See the example on the next page.

The dual project concept aims at clarifying roles and responsibilities. It allows separate monitoring for both the progress and impact of the national project, and for the services offered to the project through technical assistance.

In terms of the use of LFA, the first step would be to define the national project. Then, the resources needed to implement the project could be listed, and the technical assistance project defined.

The focus when using the dual project concept is to define the national project as a national, and not a donor project. In practice, this distinction has rarely been made. This has resulted in questions and confusion with regard to ownership, authority and responsibility of many national projects supported by development assistance.

THE DUAL PROJECT CONCEPT

ENVIRONMENTAL MANAGEMENT CAPACITY DEVELOPMENT

The National Project

Development Objective:
Pollution of Lake Nathla from all important sources reduced

Immediate Objective:
By 1998, Nathla Environmental Agency (NEA) regulates most important economic and domestic activities affecting Lake Nathla by an appropriate, mostly accepted and efficient mix of instruments.

Outputs:
1. Reference standards for discharges established
2. Bylaws for gradual introduction of norms, incentives, sanctions and inspection procedures prepared.
3. Staff and management skilled in environmental management.
4. Monitoring programme established.
5. Credit fund for mitigating measures functioning

Activities:
1.1. Collect and analyse international and regional standards
1.2. Prepare national norms for effluents
2.1. Prepare and approve regulatory strategy
2.2. Prepare draft bylaws
3.1. Define staff development policy and training plan
3.2. Identify and use external training courses
3.3. Organize internal seminars and on-the-job training
4.1. Establish database of pollution sources and recipient quality
4.2. Subcontract laboratories and university to perform field monitoring
5.1. Define credit fund objectives and mechanisms
5.2. Prepare legal and procedural basis
5.3. Promote fund and finance pilot schemes
5.4. Seek additional funding based on pilot experience

Inputs:
NEA staff (half-time), NEA Director is Project Manager.

Additional operating budget from 1995-1998

24 workmonths technical assistance financed by ...

Initial funding for Credit Fund

The Technical Assistance Project

Development Objective:
By 1998, Nathla Environmental Agency (NEA) regulates most important economic and domestic activities affecting Lake Nathla by an appropriate, mostly accepted and efficient mix of instruments.

Immediate Objective:
NEA has appropriate:
1. Reference norms
2. Bylaws
3. Skilled staff and management
4. Monitoring Programme
5. Credit fund

Outputs: (partial: objective 1 only)
1.1. International and regional standards collected
1.2. Seminars conducted on use of standards and parameters for analysing/ modifying international standards
1.3. Guide for preparation and modification of standards
1.4. Comments issued on draft standards prepared by NEA working group

Activities:
1.1.1. Collect EU, WHO, US waste water standards.
1.2.1. Prepare seminar materials
1.3.1 Prepare methodological guide on preparation of reference norms adjusted to national conditions.
1.4.1. Participate in assistant role in working group
1.4.2. Prepare written comments on draft from working group

Inputs:
3 workmonths consultant, specialist in waste water standards.
5 w/m consultant for ...
...
...

XX Mio. USD for Credit Fund

Frequent Critique of the LFA

LFA is often criticized for being a strait-jacket on creative project work, for promoting rigidity and inflexibility, and for focusing on the results instead of focusing on the process.

LFA has, in practice, often had these results. It has been used as a "blueprint"-planning tool (once the blueprint is made, it cannot be changed), and the willingness to adapt outputs and objectives to changing circumstances or experiences has sometimes been very limited.

Many of the critical observations about LFA are similar for all planning tools that are applied without room for adaptation. The critique is therefore rather directed against the institutional context in which LFA is used than against the tool itself. If institutions or bureaucracies are inflexible and rigid, then the planning tools will be used to reinforce inflexibility and rigidity.

Another frequent observation about development processes in the sphere of human interaction is that the process in itself may be as important as the results. For example, a group of young people joining a project aiming at producing a musical may benefit more from the creative process of composing, practising and organising than from the final, official public performance.

But this process is only "more important" because it leads to results that were not considered when the project was designed. If the results had been: participants learn group work, composing techniques, purposeful cooperation etc., then it would again be the results, and not the process, that were in the forefront.

In most cases, focusing on the process is important because **any process will produce some results**. Forgetting them, focusing only on "end-results", is a narrow perspective. In the LFA process, this is stressed when the results of a LFA workshop are defined not only as a project design, but also as changed perceptions, feelings and commitment of participants.

In conclusion, the process is always important. Precisely because it produces results.
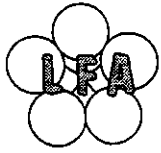
CHAPTER 16:
APPLICATION OF LFA AND OTHER
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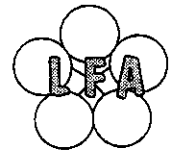
LFA and Other Tools

LFA is a master tool, and not the only tool available and necessary for good project management through the project cycle.

Important other tools are listed below. Full explanations of these tools can be sought in the vast literature about project management and development assistance methodology.

- Cost/benefit analysis

  By calculating the costs of a project and estimating the benefits in terms of money, a cost-benefit ratio is calculated. This enables comparison of estimated benefits of different project alternatives.

- Cost/effectiveness analysis

  If benefits cannot be measured in monetary terms, different project alternatives can be compared measuring the costs and the effectiveness of the project. This is often useful when projects produce services, training etc.

- Sensitivity Analysis

  A sensitivity analysis compares different alternatives' sensitivity to changes in assumptions. The technique can, when assumptions, cost and benefits can be expressed in numerical terms, show the comparative risk of different project options.

- Work Scheduling

  Several techniques for work scheduling are available, from simple bar-charts (also called GANTT-charts), to sophisticated techniques that analyse dependencies between activities (CPM - Critical Path Method, PERT - Project Evaluation and Review Technique).

- Environmental Impact Screening and Environmental Impact Assessment

  The growing concern for the environmental degradation has lead to the development of methodologies for analysing the environmental impact of projects. Environmental Screening is a quick method that allows for deciding whether a comprehensive Impact Assessment is required.

  Governments as well as international development agencies are increasingly demanding environmental impact screening or assessment of projects before approval.

- Gender Analysis

  The Gender Analysis is a tool for analysing roles, needs, participation and impact. The Gender Analysis forces attention to important gender specific differences, that for many projects must be taken into account to achieve success or to produce benefits for both sexes in a target group.
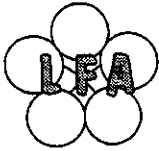
- Rapid Rural Appraisal (RRA) and Participatory Rural Appraisal (PRA)

    RRA and PRA are a range of information-gathering techniques aimed at learning directly from community members how they analyse their situation and what they think should be done.

- Institutional Assessment/Management Audits

    Several specialized tools for analysing institutional and organisational capabilities, including management and staff capacity, are available.

- SWOT-analysis

    The SWOT-analysis looks for (internal) Strengths and Weaknesses, and (external) Opportunities and Strengths. In this manual, elements from the SWOT-analysis are included in the Context, Problem and Objective Focus Areas, and in the Choice Focus Area (Resources Analysis).

- Team Building and Project Start-Up

    Structured Teambuilding and Project Start-Up are important tools at the beginning of project implementation. These tools have, as project work is becoming a normal part of life in most organisations, developed significantly, and are increasingly recognized as important factors for successful project work.

- Budgeting and Accounting

    Budgeting, accounting and auditing tools are natural ingredients of project management. The strong focus on objectives in LFA invites the application of objective-oriented budget and accounting principles. Such principles will, from the beginning, force attention to issues regarding availability of resources.

LFA in the Project Cycle

LFA is useful in all stages of the project cycle. This can be in major revisions of a project, where all focus areas are revised and the project reformulated. It can be in a short discussion of a specific solution to a problem, where the structure offered by LFA focuses attention on the important areas to be considered in decision making.

The intensive LFA-process, where systematic work in the five focus areas is done in a combination of individual and group work, is most relevant for project design work and for major revisions.
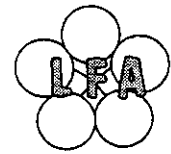
However, a team can always - in the middle of implementing a project - take the decision that they have to start a new project within the ongoing project to achieve a necessary or desired change. They may wish to slow intensity and overtime work down, or improve team communication, or improve the image of the project. If the focus question opens a new field of attention, then a more comprehensive work process through the focus areas may be required.

Apart from this general application of LFA, some specific advice follows when using LFA in relation to the different stages in the project cycle and in relation to certain commonly used instruments in project work.

Project Identification

As thoroughly dealt with in this manual, LFA is a strong communication tool in the early stages of the project cycle. If a major project is to be identified and formulated, LFA demands considerable effort and time. The time span may be as critical as the number of days invested: too concentrated a process may not give the necessary time for contemplation and reflection.

Project Appraisal

Project Appraisal is often used as a final check on a project before major resources are committed. In many organisations, it is a requirement that the appraisal is performed independently, i.e. by persons that did not participate in the formulation and that will not participate in the implementation of the project.

This independency is both a strength and a weakness. The strength is that fresh eyes are reviewing the work done so far. The weakness may be that the "outsiders" may change the results of a lengthy process, and thereby reduce commitment by those involved.

A basic advantage of LFA is that it allows outsiders to review the perceptions behind the project (context analysis, problems, objectives, and alternative scenarios and comparison areas) as well as the resulting project. If visual techniques have been applied during the project preparation stages and the results recorded, then the appraisal team will have excellent possibilities to assess the solidity of the presented project.

Work Planning

Work planning will often be done using other techniques (barcharts etc.). However, the LFA should result in an identification of major activity groups related to specific outputs, and these activity groups are a natural starting point for preparing work plans.
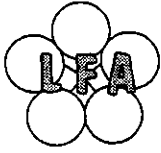
A useful addition to activity charts is to indicate the specific result of a group of activities. For operative purposes, such a result will normally not be the comprehensive results appearing in the LFA matrix, but partial, intermediate results.

These results functions as visible, tangible milestones against which progress can be measured. It gives an easy check on the quality of the activity plan: if the activities do not result in tangible, relevant outputs, then they should be reformulated. An example:

> *Activity: Study relevant documents*

This activity does not point to any output (except that, hopefully, the person studying the documents grow wiser). If the formulation is:

> *Activity: Prepare issue list based on relevant documents*

then the result - an issue list - is defined, and it can be checked whether the activity was actually performed.

When preparing activity plans for projects, it is necessary to include activities that often may not appear in the LFA matrix presentation of the project. This can be specific start-up activities at the beginning of project implementation, project management and reporting activities.

Reporting

Projects report to their owners to keep them satisfied that progress is as expected or even better, to alert them to existing or envisaged problems, to request assistance or to share important lessons learned. Internal reporting in a project serves largely the same purpose.

Progress reports focus not only on progress. Developments in the project context are as important as the physical progress, and the continued relevance of activities, outputs and objectives should also be observed and commented on if necessary. If required, reports will recommend changes in the project design.

If a project is structured with LFA, progress reporting can be done with easy reference to established activities, results and objectives, the indicators for results and objectives, and the critical assumptions that the project is monitoring.

Some projects end up reporting monthly on all activities and partial results, and go through all assumptions.

This may in rare cases be adequate, but in most cases it will drown the reader - especially the executive reader - in useless information in relation to the decisions he or she may have to take.
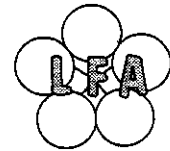
A more appropriate reporting system may be **exception reports** focusing only on deviations from plans. This is a parallel to the reporting mechanisms in for example power plants: as long as operating parameters (temperature, pressure etc.) are within the established range, the information is registered. Only when a range is exceeded, will the information be reported - by an alarm going off.

Reports are an important tool for flexibility during project implementation. They allow registration of changes decided by the project management, and presentation of suggested changes that need approval from other levels.

Project Review

A project review is a comprehensive review of the project performed during implementation. The purpose is to enable decisions about more comprehensive changes in the project. Reviews are often a regular feature in international development cooperation projects.

A review process opens for many of the same initial considerations that characterizes the first stages of the project cycle: what is the specific purpose, what are the tangible results of the review, and who should participate?

Depending on the scope and characteristics of the project, a review can repeat the work cycle in all five focus areas of the LFA with two different, but related initial focus questions:

- Are the initial design considerations still valid?

- Is the current project the best way to proceed?

The first focus question will prompt a review of the hypothesis and the assumptions on which the initial project design was based. Reviewing the visual presentation made maybe a couple of years earlier may greatly enhance understanding of possible problems in the present situation, and also give excellent opportunities to learn about weaknesses and strengths in the initial design process.

The second focus question concentrates on the perceptions of the current situation, including context, barriers, objectives, strategy and planned future actions. It is forward looking, concluding in revised perceptions, new choices and a revised LFA matrix or presentation of the project.

Predefined indicators and milestones are indispensable for assessing progress compared to planned progress. The importance of this possibility of comparison is not whether progress and planned progress are identical, since differences may be enriching, or may reflect poor planning as well as poor performance. The real importance is that predefined indicators allows a factual assessment of progress compared to plans, and consequently reflection and learning based on shared perceptions of what has happened.
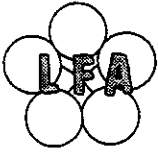
Project Evaluation

Project evaluation is done after the project is completed. An evaluation seeks to answer questions like:

- Was the project effective in achieving the objectives, did the project have the desired impact? Did it have unforeseen impact, positive or negative?

- Was the project efficient when producing the outputs?

A project evaluation is an ex post check on the hypothetical logic of the project, including a check on the assumptions that form part of this logic.

Project evaluations are, in this sense, not different in principle from project reviews. However, more emphasis will be put on impact assessment and whether the applied methodologies were appropriate, corresponding to the dominating learning purpose of evaluations.

Evaluations are totally dependent on the availability of an orderly project description. If this is not available - i.e. if LFA has not been applied - the first steps in an evaluation process will normally be to reconstruct what the project did intend to achieve. LFA is an obvious tool but not the only one for all steps in evaluation work.

Terms of Reference

Terms of Reference (TOR) are frequently used to describe the services required in relation to a project. The services can be an initial formulation, a feasibility study, an environmental impact assessment, a review, or the implementation of a specific project activity etc.

The services can be performed by a project team member, or an external consultant, or a staff member from a stakeholder institution. It is a job description or task description, often including background information about the project.

TOR describes services in relation to a project. But these services are a project on their own. They have an objective (why has the work to be done?), they result in some output, require resources and are limited in time. The successful delivery of the services may depend on various assumptions (availability of information, logistics etc.).

Therefore, LFA serves to structure TOR.

Often, for TOR relating to the preparatory stages of the project cycle, there is no development objective.
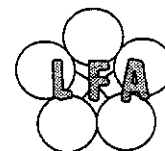
The **immediate objective** will often be to enable someone to take a decision to move on to the next stage in the project cycle:

> "National Water authority able to approve a project effectively addressing problems of water borne diseases."

All too often, however, the objective of TOR is formulated as:

> "The objective is to study (or review or analyse) the problems of water borne diseases and propose a project.."

This kind of objective describes the activities to be carried out (study, propose), and not the purpose that the results of the study and the proposal shall serve.

The **output** of TOR for preparatory work is often a written product, typically a report, agreed minutes and/or a briefing note.

Valid as this is for documentation and decision making, a good set of TOR should specify the quality/quantity of the written products, possibly indicating main content requirements. Many international development agencies, including Danida, have detailed, specific requirements for reports in different stages in the project cycle.

Further, it should always be carefully considered if TOR for preparatory work should only produce written records. Other outputs could be agreements, action plans, changed perceptions, stakeholders informed or conflicts clarified, or preliminary teams formed for further work etc.

This broader spectrum of outputs corresponds to a process oriented perspective on planning. The planning process is more important than the resulting plan. This is often said with reference to the many tons of planning reports that collect dust in many ministries and institutions around the world.

Whether such a statement is true or not, can be argued. However the process is only important if it produces other types of results that are more effective in achieving the objectives.

Activities are often called "Scope of Work" in many TOR. Activities would be a better phrase from the LFA point of view. Contrary to the activity descriptions found in many project matrixes, TOR would usually spend a lot of energy on detailing the areas and methodologies of studies and analysis, of institutions to be involved etc.

Indicators are only rarely applied in TOR, except when these relate to project implementation activities. It would, in many cases, be a healthy exercise to formulate indicators to verify the specificity of TOR's.
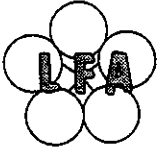
CHAPTER 17:
FACILITATION OF LFA WORKSHOPS
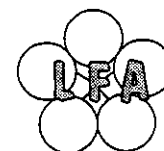
Introduction

Using LFA in a participatory manner often implies structured group processes, where the participants work for a day or various days in shifting combinations of plenary brainstorms, discussions, group analysis, preparation of visual presentations etc.

Smaller groups (4-6 people) with previous experience from such events may easily be able to do so on their own, without any formal moderator or facilitator of the work process.

In larger groups, there may be a need to have a facilitator whose exclusive task is to organise the work process. If all participants represents stakeholders, then it may be even more important to have a neutral facilitator.

Between the extremes of no facilitation and a full-time neutral facilitator a lot of LFA-processes are conducted, where structured facilitation is needed from a participant that may also contribute in a professional capacity in part of the process.

This chapter intends to provide a short practical guide about basic facilitation techniques for such situations. It will not suffice for becoming an excellent, experienced facilitator, but it can help to avoid the most simple mistakes.

Three basic requirements for good facilitation are discussed:

- Preparation

- Role awareness

- Communication

One specific technique is presented:

- Cardstorming

Finally, the balance between plenary and group work is discussed, and practical requirements are shortly listed.

Preparation - The Key to Success

The facilitator will normally be responsible for preparing a programme for the LFA process, assuring that sufficient time is available to get to the desired results - or that the available time is used in such a way that the desired results are achieved.

The preparation of the programme can be done in a **design conference** with important stakeholders, where objectives of the process, results, content and focus questions are outlined.
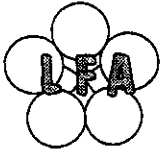
However, the facilitator has to make a much more detailed plan.

The plan can conveniently be written as a "drama" manuscript, describing the "scenes" and activities in each scene, as small instructions to the facilitator.

For example:

> *"9.00 - 9.30: Introduction*
> *Give warm welcome and introduce yourself. Ask for short presentation of participants.Ask about their expectations of two days work, write on flip-over. Explain own idea: write focus question. Distribute programme, explain briefly. Ask whether this is seen in concordance with expectations.Level expectations. Explain programme can be modified if necessary....*

A manuscript like this forces the facilitator to think through

- The process

- The main messages

- The handouts, materials etc. needed

The manuscript is not a strait-jacket. On the contrary, having been through the detailed planning process allows to deviate from the manuscript when required, because the manuscript is there as a supportive handrail if the process is getting out of tune.

The Role of the Facilitator

A basic requirement for facilitation is that the facilitator is, at all times during her performance, clearly aware of the objective of the facilitation and her corresponding role as facilitator.

The objective of facilitation is typically to create a process where others pass through steps enabling them to reach an insight, conclusion or decision that they would not have been able to reach without the assistance of the facilitator.

Doing this, the facilitator must be able to distinguish clearly between:

- Content

- Procedures

- Process
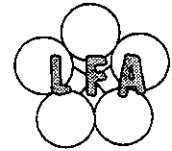
Content refers to the substance of the information that needs to be gathered, clarified or discussed.

Procedures are the specific steps the facilitator has outlined and is taking the group through in order to reach the desired outcome or objective.

Process refers to issues regarding how the members of the group relates to each other, and how the resources of the group are used.

The facilitator will always have to focus on the procedures and the resulting process. These are the principal areas of responsibility.

In relation to the content, the facilitator can be:

- Neutral

- Analyst

- Stakeholder

The **neutral facilitator** will give all control of content to the group. She will not formulate additional proposals or give own opinions, but merely ask questions to clarify meanings, get further viewpoints from the participants and structure the proceedings of the group.

The **analyst facilitator** will actively take part in and influence the subject matter analysis, i.e. express views, argue in discussions, formulate proposals, etc. Even if this is done from a "disinterested" position, ie. assuming that the facilitator has no future stakes in the project, it is another role than the role of the neutral facilitator.

If the facilitator is also a **stakeholder** with specific interests in the subject matter, this may cause severe limitations to the possibility of facilitation. The facilitator may become more of a leader of a meeting, accepted as such by the participants, but not accepted as a neutral facilitator.

There is not necessarily a free choice of facilitating role. The options available depend much on the participants' perception of the facilitator.

A neutral facilitator may be the best choice when mediation between conflicting views is envisaged. The analyst facilitator may serve when the subject area is unclear to the participants and when the facilitator, through professional insight, can enhance understanding of relevant elements and relations.
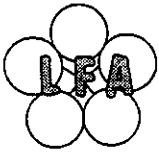
No matter what role the facilitator has in relation to content, it is important to:

- bear the role constantly in mind

- concentrate on procedures and process

A facilitator that is perceived as a participant, i.e. concerned more about content than facilitation may have serious troubles regaining authority and confidence as facilitator.

Communication

The key tool of the facilitator is communication. The communication style - including verbal and non-verbal communication, and the use of flip-overs, wall-charts and boards etc. - is critical for successful facilitation.

As most people will have experienced from participation in a workshop or a seminar, the signals that the facilitator sends out influence the general mood of the seminar. This goes from they way the facilitator is dressed to the way he or she shows commitment and interest, and creates an open and friendly environment for the work process.

Developing good communication skills for facilitation is a long-term task, and it is beyond the scope of this manual to enter into details about effective communication.

Careful awareness of how the communication works during the facilitation is essential:

- Is the focus on **creativity**, then participation can be encouraged by active appreciation of contributions, and avoidance of any arguments about the presented ideas.

- If the focus is on being **factual**, then value-statements should be discouraged, and questions should be asking for facts about an event or a situation.

- If the focus is on being **reflective**, then emotions, feelings and associations in relation to a factual situation should be stimulated. It can often be difficult for people to voice how they felt about a situation - the facilitator may, in such cases, set an example by airing her feelings.

- If the focus is on **interpretation** of the meaning or significance of a situation, then arguments are invited. Disagreement may appear, and the facilitator need not resolve disagreement, but can invite and record other viewpoints.

- In all groups there will be strong, talkative participants that can easily dominate the arena. The facilitator can assure **broad participation** by asking directly for others viewpoints and contributions.
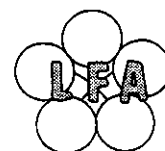
Workshops change climate as they go on. They may start enthusiastically, and then drop into deep collective depression and confusion, for afterwards slowly climbing up to satisfaction and sense of achievement.

The way communication is handled becomes especially important if there is a sense of frustration in the workshop. A golden rule in such cases is to **acknowledge crisis and frustration**, instead of trying to act as if it is not there. Making the frustration public may be what is needed to move on and climb up again.

Cardstorming

Cardstorming is a brainstorming technique using cards. Instead of using large sheets of paper or the blackboard to record brainstorm ideas, cards are used, giving the advantage that they can be easily moved and rearranged to create a clearer overview.

The procedure is the following:

Set the Context

1. Prepare the focus question that the group will brainstorm on

2 Give the group a context, i.e. why is it relevant to deal with this question at this time.

Brainstorm Data and Ideas

3. Allow time for an individual brainstorm. Give people time to organize their thoughts, and write down ideas individually on a note pad.

4. Suggest that the ideas are shared with the person sitting next, and ask the parts to agree on the 4-6 most important or relevant ideas.

5. Ask the two-person groups to put the best ideas on cards (approx. 10 x 15 cm). One idea per card, using only a few words per card.

6. Ask that each team pass up a card, one at a time. Place it on the wall (use removable adhesive or similar). Ask if the text needs clarification. Continue in this fashion until all the cards are up on the wall.

Organize

7. Ask the group if they see any connections among the cards. Group these cards. The group can be asked to do the physical grouping themselves.
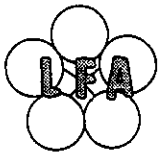
Name

8. When clusters of cards begin to emerge, ask the group to come up with temporary titles for the clusters. These titles might have something to do with the content, action or the arena of activity described by the cards.

Evaluate

9. Once the cards have been clustered, evaluate what you have done. Is anything missing? Does anything need to be adjusted?

A few practical hints when using the cardstorming technique:

- Be sure to have the team members write in large letters on the cards.

- If you bypass step 3 in the procedure above, you are inviting only the quick thinkers or those with axes to grind to begin the discussion. Giving room for individual reflection is important in all facilitation of group processes.

- Make sure you ask the group where to put a card. It is tempting to place the cards where you as facilitator think they should go.

The Balance Between Plenary, Group and Individual Work

Facilitating a process between a group of people implies making space for use of all the resources in the group.

Human resources are not available for use independent of the context and mode of work.

Some people may contribute best when concentrating alone, others may work fine in small groups, while some may be stimulated of bigger assemblies.

When designing a facilitated LFA process, it is therefore important to achieve the right balance between different modes of work.

The main advantages and disadvantages of plenary, small group and individual work are briefly discussed below, as well as some practical hints.

Plenary Sessions

Plenary work can collect insight from several people, and stimulate to border-crossing creativity. But even the most excellent facilitator will have difficulties avoiding that some participants fade into the background and others conquer the center stage in discussions in plenary.
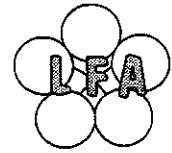
At the same time, plenary sessions offer little room for reflection.

Some techniques to spread participation, create room for reflection and enhance plenary sessions are:

- Using rounds, inviting all to contribute one after the other. This technique can, though, be counterproductive if overdone or if people feel forced to contribute when they do not feel they have valid contributions.

- Using initial, individual reflection periods (3-5 minutes are usually sufficient), before ideas, arguments or comments are invited. The participants should be encouraged to make written notes of their viewpoints - otherwise they may easily forget them when the first two or three persons have contributed in different directions.

- A plenary session can be broken by small team consultations, where the participants discuss an issue briefly with the neighbour, i.e. without moving.

- Plenary sessions should be concluded, i.e. the facilitator must assure that a summary or a conclusion is drawn. If it is felt that the session just faded away, it will create frustration.

- If a plenary session is long, it is important to include features allowing people to move physically, or regular breaks.

Group Work

Group Work allows intensive, in-depth and detailed discussion with broad participation. Generally, participants will feel they contribute more intensively in group sessions than in plenary sessions. However, the absence of a facilitator in the group opens for excessive dominance of one or two persons.

Some of the same techniques listed above may serve in groups. Other practical hints are:

- Groups should be kept small. More than 6 persons in a group will restrain participation.

- Terms of reference for the group session should be clear, explicit, and preferably handed out to the participants. They should include the questions to be addressed, the products to be produced, the time available and the reporting expected from the group.
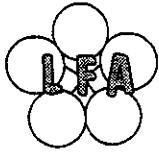
- The groups should be encouraged to assign, as first thing in the group work, one or more of the following functions:

  - **A moderator.** This should not be the same person in all group sessions. The moderator is responsible for assuring that all group members participate and feel comfortable about the process.

  - **A Time Manager.** The only responsibility of the Time Manager is to assure that the group produces the required output within the assigned time. Time Managers may be especially necessary in longer workshops where participants are deeply engaged and motivated, and therefore often very poor managers of their own time.

  - **A Rapporteur.** The rapporteur should be selected when the group session starts, and be responsible for taking notes and, if required, report to plenary.

- It is important that groups can report their work, and that other participants can comment on the work. But this can often lead to lengthy, uninspiring plenary reporting sessions, where the selected rapporteur gives a long resumé of what the group did. To shorten reporting, groups can be requested to report in writing on flip-charts. These can be exhibited, and reviewed by all participants who can then ask further questions.

  If such a reporting procedure is used, it should be communicated before group work is started. Otherwise, the rapporteur, who expected to have the floor and everybody's attention, may feel frustrated.

Individual Work

Workshops can be interrupted for shorter or longer periods to give room for individual work. This can be for further information gathering, or for production of issue papers, resumées, special presentations etc.

The individual work mode is appropriate for the production of larger written materials - for example to add flesh and blood to ideas born in a plenary brainstorm.

Often, it can be an advantage to split up the participants so that some work individually, while others work in group or in plenary. Using LFA in workshops is not a training situation, where it is relevant that all participants are present in all plenary sessions and participate in the same group sessions.

Making room for individual work or sending two or three people off on a "commission" to deal with a conflictive issue or to detail the perceptions in a focus area, may greatly enhance efficiency and the feeling of dynamism and achievement in the workshop.
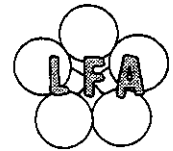
Practical Requirements

A facilitated LFA event does not require sophisticated surroundings. It can be done almost everywhere, from a village school in a developing country to a conference center with advanced audio-visual equipment.

Key practical considerations are:

- **Space**

The requirement for space is determined by the number of participants and the possible need for group work for which separate rooms may be needed. But space is also needed on the walls. LFA has as a core feature that the participants produce visual presentations in five focus areas, and the plenary room must have sufficiently free wall space to host flip-over charts or wall paper in five clearly separated areas.

The "ideal" LFA-room is hexagonal - five walls for visualisations, one for each focus area, and the sixth for a black- or white board! This is very rarely found, and sufficient empty wall space will and can do.

- **Flip-Charts or Wall Paper, Cards, Adhesive**

Overview for a group is not created on small papers with small letters. Working on flip-charts or pieces of wall paper or other types of paper of approx. 50x80 cm allows listing main subjects or issues. Several papers can be joined for more complex presentations.

Cards to be used for cardstorming, possibly in different colours, speedmarkers and removable adhesive, are the essential requirements in addition to the flip-charts. With these few remedies, a LFA workshop can be held nearly anywhere.

Modern technology (for example, personal computers in a network for the participants, and a transviewer allowing to display the computer screen on a wall) can enhance productivity. Care should be taken, however, that all participants master the technology they are supposed to use.

- **Orchestrating**

Due consideration should be given to:

- Seating arrangements. The two most practical options are the u-formed table or 3-4 round tables with no chairs with the back to the facilitator/blackboard. Group rooms should have necessary equipment (boards, flip-overs, or, as a minimum, a wall where paper can be fixed and used as a board).

- Lights in and decoration of the rooms. Participants must feel comfortable.

- Breaks and refreshments.

ANNEX I
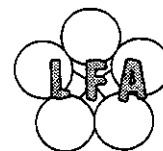
Project Planning Matrix Examples

Example I: The Bridge

Introduction

Bridges have been built for hundreds of years - without the use of LFA. So elaborate participatory methods may seem unnecessary for "hard" projects.

In the case below, the county administration of Campoden wished to connect two important regions by a bridge instead of the time-consuming river-ferries crossing the river Granfaja. Funds were applied for in an international development bank. LFA was never used.
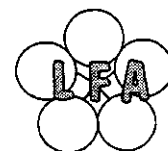
As it turned out, the project ran into some trouble. The purpose of building the bridge was strongly questioned, and environmental risks lead to outcry from fishermen and environmental pressure groups. The communities on the river bank that had for centuries operated the ferries, feared for loosing their jobs, and the avanced technology used for the construction proved vulnerable to the local conditions, causing heavy delay and cost-overrun.

Would the extensive use of LFA have helped? Below, the LFA is reconstructed which seem to have governed the project, even though it was never made. And, a planning matrix is shown that might have lead to more consideration of the "soft" issues.

The Granfaja Bridge I:

Development Objective: Increased economic growth in the Campoden County	Verifiable Indicators: None defined	Assumptions (immediate objective to development objective): None
Immediate Objective: Travel time crossing river Granfaja reduced by 45 minutes from January 1995, and price for crossing reduced 25% by 1997.	Verifiable Indicators: Not defined	Assumptions (output to immediate objective): None
Output: A 4-lane hanging bridge of 1.050 meters lengths by December 1994.	Verifiable Indicators: Progress according to schedule of contract.	Assumption (activities to output): None.
Activities: 1. Prepare specifications and tender material 2. International licitation 3. Construction of the bridge	Inputs: Design and supervisory engineers Contractor Funds (credit) from international development bank. Local county funds.	Precondition: Environmental Permit

The Granfaja Bridge II:

Development Objective: Increased economic growth in the Campoden County	Verifiable Indicators: Investments in Campoden country rises at least 10% anually from 1995-1997. Net employment rise attributable to the bridge is 200 by end of 1997.	Assumptions (immediate objective to development objective): Macroeconomic stability. Unchanged market situation for Campoden's principal products.
Immediate Objective: Bridge is perceived as opportunity for local and national business, and welcomed by majority of population. Local and regional traffic over river Granfaja increased by 20% in 1997. Travel time reduced by 45 minutes from January 1995, and price for crossing reduced by 25% by end 1997.	Verifiable Indicators: Request for investment information from Campoden Investment Bureau increases 40% from 1993-1995 Survey shows approval of bridge to rise from 55% to 85 from 1993 - 1998. Traffic statistics.	Assumptions (output to immediate objective): Interest rate on loans does not rise beyond 4.3% Competing counties do not offer extraordinary benefits to attract investors. Environmental taxes do not diminish transportation in general or favour railway transport. General ecological/environmental trend in public opinion will not be further reinforced. Cost estimate of bridge is accurate.
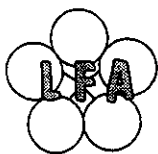
The Granfaja Bridge II (continued):

Output:	Verifiable Indicators:	Assumption (activities to output):
1. A 4-lane hanging bridge of 1.050 meters lengths completed on time by December 1994. 2. A high-profile multi-annual promotional campaign for the bridge conducted. 3. 70% of ferry staff has been offered relevant alternative jobs.	Progress according to schedule of contract. The campaign recieves positive media coverage as being honest and thorough. Project statistics.	Geophysical conditions correspond to test results. Surveillance of environmental impact of construction process does not lead to unforeseen delays or additional costs.
Activities:	**Inputs:**	**Precondition:**
1.1. Prepare specifications and tender material 1.2. International licitation 1.3. Construction of the bridge 2.1. Meetings with all lobby- and interest groups 2.2. Plan campaign including careful attention to critics and opponents 2.3. Conduct campaign. 3.1. Establish programme with Employment Service Office. 3.2. Establish relevant re-training programmes etc. 3.3. Identify and/or create alternative job-opportunities.	Design and supervisory engineers. Contractor. Funds (credit) from international development bank. Local county funds. Advertising agency. County officials team in relation to employment service.	Environmental Permit.
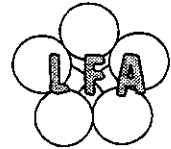
Comments:

The second, more elaborate version, highlights two issues: The potential conflicts relating to the construction of the bridge (loss of jobs, interest groups), and the risks that the bridge may be more expensive than envisaged, or may not be used, or may not have the expected economic benefits.

In this case, the use of LFA would maybe have clarified some of these issues and could have decreased the conflicts and turmoil while the bridge were built. But the bridge would have been the same, and who remembers the protests and problems afterwards, except the ferry-staff who will continue to tell the tales of the river to the next generations?
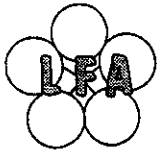
Example II: Local Government Development in Decentia

Introduction:

The government of Decentia (GOD), a developing country in Latin America, has initiated a comprehensive decentralization reform, transferring certain competencies, rights to implement some taxes (property tax being the most important) as well as a symbolic annual budget (USD 10 per habitant) to the municipalities. The municipal institutional capacity is, outside the major provincial capitals, virtually non-existing. The municipal council members are elected, but only about 30% of possible voters participate, and the councils are totally dominated by male descendants of the colonialists, while the indigenous majority of the the rural population is relying on their own traditional organisations. The reform acknowledges the important role of the indigenous organisations, and define certain rights in relation to the municipality.

The municipal reform has attracted support from many donors. Below, some general considerations on objective levels in relation to reforms and programmes are offered, and then three matrixes are presented: One for the reform programme at the overall level (1), one for a project (Municipal Strengthening) (2), and, finally, a technical assistance project of a donor in support of the municipal strengthening programme (3). The matrixes are partial only.

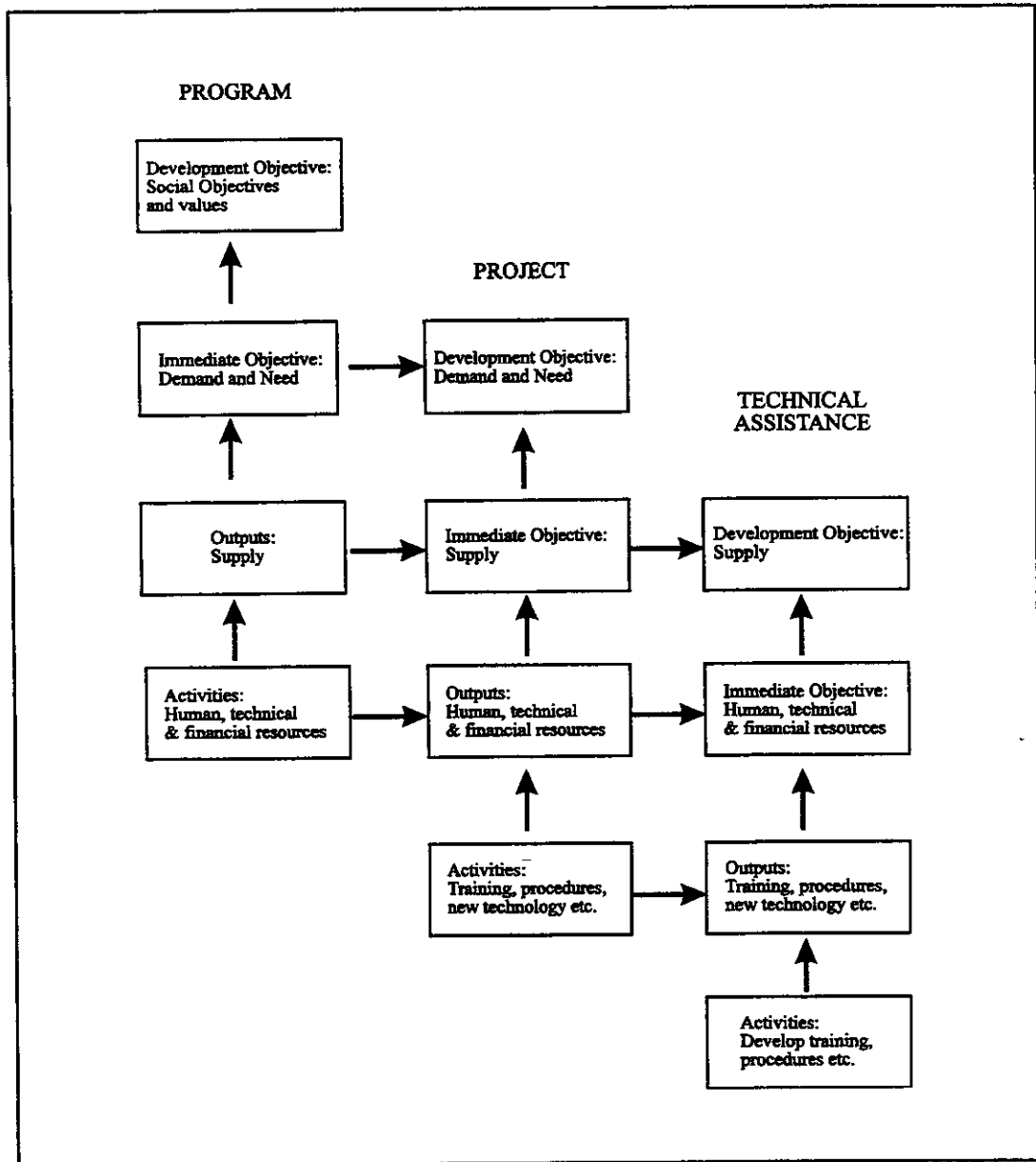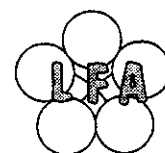In a graphic presentation, the relation of the three matrixes is as follows:
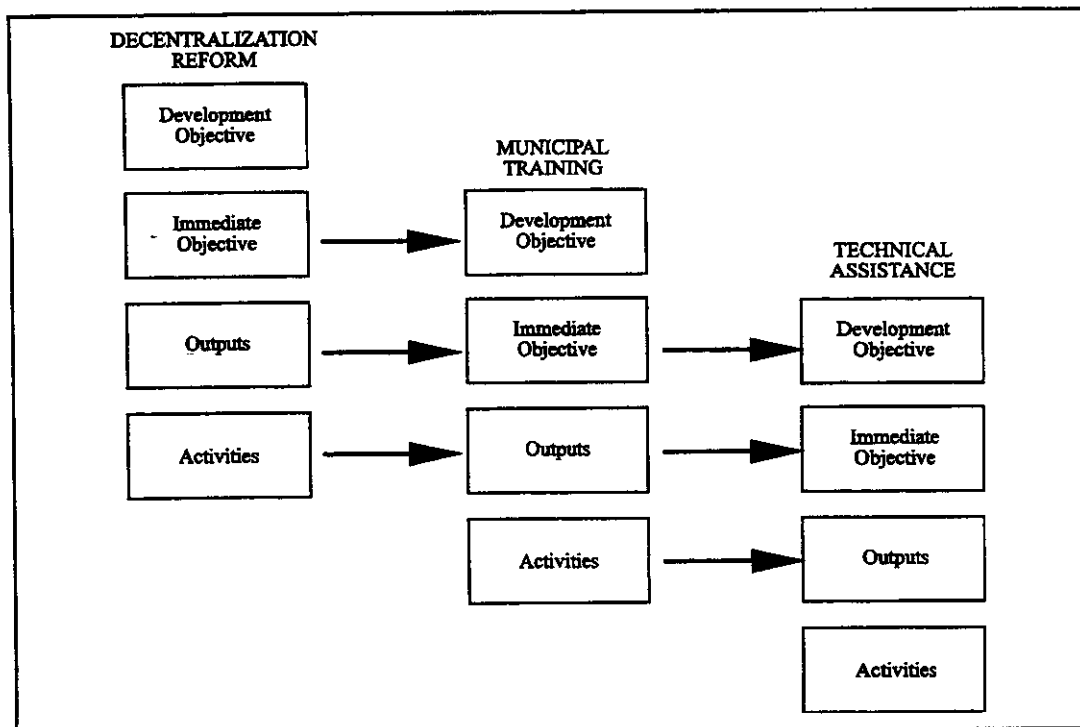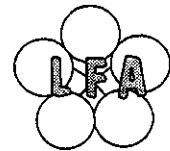
When reforms (or projects) deal with changes in public or private organisations or institutions
- and most reforms do - it can often be useful to distinguish between objective levels according
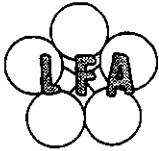to the following logic:

Ends

General desirable social objectives and values,
(democracy, well-being, certain behaviour etc.)

↑

Customers or citizens demand or need
for products, services or regulation
(crime rate, school enrollment, infant mortality rate)

↑

The supply of products, services or regulation
by the organisations/institutions
(police, social programmes, health care system)

↑

The resources necessary to deliver the products,
services and regulation
(human resources, organisation, technology, finances etc.)

↑

The activities and resources necessary to introduce
required change
Means (policies, change of laws, funding, research, consultants etc.)

The first four levels all represent different levels of the vision of the future situation. The lowest level represents the means to achieve the future situation. For diffetent components of the reform (programme, project, technical assistance),these different objective levels serve as development objectives, immediate objectives and outputs respectively:

PROGRAM

```
Development Objective:
Social Objectives
and values
```

↑

PROJECT

```
Immediate Objective:        Development Objective:
Demand and Need     ─────►  Demand and Need
```

↑

TECHNICAL
ASSISTANCE

```
Outputs:            Immediate Objective:       Development Objective:
Supply      ─────►  Supply              ─────► Supply
```

↑   ↑   ↑

```
Activities:         Outputs:                   Immediate Objective:
Human, technical    Human, technical           Human, technical
& financial resources ──► & financial resources ──► & financial resources
```

↑

```
Activities:                Outputs:
Training, procedures,      Training, procedures,
new technology etc. ─────► new technology etc.
```

↑

```
Activities:
Develop training,
procedures etc.
```

1. Programme Level: Decentralisation Reform

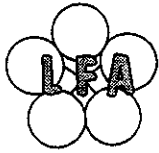| Development Objective:	Verifiable Indicators:	Assumptions (immediate objective to development objective):
Promotion of democracy and participatory social and economic development. Changing the traditional centralized power structure and giving voice to marginalized groups.	[At this level, it would probably be hard to agree on indicators, since the objectives are guiding stars or directional objectives, and not specific. It might not serve useful purposes to establish indicators.]	Indigenous groups will accept certain integration in the public administration system. National and regional political power elites will accept gradual transition to less dominant role, and in practice respect indigenous rights. Macroeconomic growth prospects do no change significantly.
Immediate Objective: 1. Strong and well-organised popular participation in municipal affairs. 2. Basic needs for social security, education and health, covered on municipal level. 3. Increased political, financial, and administrative autonomy of the municipalities.	**Verifiable Indicators:** 1.1. Surveillance Committees composed by Neighborhood Council representatives registered and operational in 90% of municipalities by end 1997. 1.2. Minimum 60% participation of potential voters in municipal elections in December 1996. 2.1. Neighborhood Council social investment proposals covers min. 40% of municipal investment budgets from 1998. 2.2. Primary school enrollment increases 4% annually from 1997. 2.3. Infant mortality due to diarrhoae decreases 5% annually from 1998. 3.1. Operational authority for primary health and education fully in municipal hands by end 1998. 3.2. Municipal taxation increases 30% in 1997, 10% in 1998 and 5% annually thereafter.	**Assumptions (output to immediate objective):** Local political or ethnical conflicts do not worsen. Traditional gender roles do not inhibit female participation. Voters find registration purposeful and electoral process thrustworthy. Line ministries (health, education) willing and able to change to a regulatory and facilitating role.

Outputs:	Verifiable Indicators:	Assumption (activities to output):
1. Community leaders of both sexes, and municipal councils members trained in new law and their future role.	1.1. Survey of training efforts shows that 5 persons per 1000 habitants participated on average on national level.	Funding for municipal credits available.
2. Provincial legal offices able to register Surveillance Committees	2.1. No more than 5 complaints nationally recieved during 1996 over unability.	
3. Voter registration effectively offered in 95% of the territory, in time for municipal elections.	3.1. Statistics of the Supreme Electoral Council confirms appropriateness and coverage.	
4. Transfer of central government funds (10 USD per habitant annually) effective by end 1996.	4.1. Ministry of Finance statistics and sample spot-check of 15 small municipalities confirms transfer.	
5. Primary health and education service supply increases 5% annually from 1997.	5.1. Investment, staff and operating expenditure shows average min. 5% increase in survey of 15 municipalities.	
6. Municipal tax collection capability increased.	6.1. Survey of coverage, delay in collection and bad debtors shows improvement at end 1997 compared to baseline survey in early 1996.	
Activities:	**Inputs:**	**Preconditions:**
1.1. Conduct training and awareness campaign 2.1. Prepare procedures and train provincial legal officers. 3.1. Plan and conduct registration campaign. 4.1. Establish or revise rules for municipal financial management, auditing etc., and train staff. 5.1. Establish municipal credit fund for rehabilitation of infrastructure, establish provincial re-training centres for teachers and health staff. 6.1. Issue procedures, organize training and sharing of experience.	[On the programme level, the inputs would be the aggregate of all the inputs needed for the projects under the programme. If a special group is in charge of general monitoring of the reform process, it should also be included here.]	
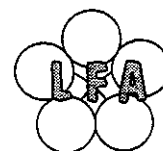
2. Project Level: Training of Community and Municipal Leaders

Development Objective:	Verifiable Indicators:	Assumptions (immediate objective to development objective):
1. Strong and well-organised popular participation in municipal affairs. [The other elements of the reform's immediate objectives are left out because the project focus is on the above mentioned obejctive only.]	1.1. Surveillance Committees composed by Neighborhood Council representatives registered and operational in 90% of municipalities by end 1997. 1.2. Minimum 60% participation of potential voters in municipal elections in December 1996.	Local political or ethnical conflicts do not worsen.
Immediate Objective: 1. Community leaders of both sexes, and municipal councils members trained in new law and their future role.	**Verifiable Indicators:** 1.1. Survey of training efforts shows that 5 persons per 1000 habitants participated on average on national level. 1.2. Participants' evaluation of training (sample of 1000 trainees) show that more than 75% give high marks for impartialty, comprehensiveness and quality of materials. 1.3. At least a 30-70% distribution of participants by gender.	**Assumption (outputs to immed. objective):** Sufficient number of suitable, bilingual local trainers can be identified. Traditional gender roles do not inhibit female participation.

Outputs:	Verifiable Indicators:	Assumptions (activities to outputs):
1. Train-the-trainer teams organized in all provinces by end 1995.	1.1. Project progress reports confirms establishment.	
2. 400 local trainers trained by mid-1996.	2.1. Performance test of 20 trainers shows adequate competency.	
3. Training materials developed in 5 main languages by mid-1996.		
4. Advisory councils with respected community and municipal leaders established in all provinces by mid-1996.	4.1. As 1.1.	
5. App. 3000 training events/sequences implemented by mid-1997.	5.1. Observation of random sample confirms acceptable quality.	
Activities:	Inputs:	Preconditions:
1.1. Identify, contract and train multi-skilled and gender-balanced train-the-trainer teams.	National full time core team in the Ministry of Home Affairs.	
2.1. Identify local trainers, organize and implement training.	Provincial teams (full time) Specialists on participative training, community mobilisation and communication.	
3.1. -- Define and develop training materials in cooperation with local leaders.		
4.1. Establish, through indigenous and other representative organisations, incuding political parties and the Churh, advisory councils.	Transport Funds for salary to local part-time trainers, allowances, translation, printing.	
5.1. Organize and implement local training sequences.		
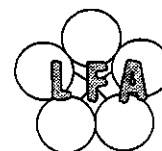
3. Technical Assistance Level: Assistance to Training of Municipal and Community Leaders.

The matrix for the technical assistance is comparatively simple. Please note that the technical assistance will not cover all elements of the project, and that it will, as normally when advisory services are contracted, play an advisory role without taking over implementation responsibility for the project. None the less, the technical assistance has well-defined outputs and activities.

Development Objective:	Verifiable Indicators:	Assumptions (immediate objective to development objective):
Community leaders of both sexes, and municipal councils members trained in new law and their future role.	1.1. Survey of training efforts shows that 5 persons per 1000 habitants participated on average on national level. 1.2. Participants' evaluation of training (sample of 1000 trainees) show that more than 75% give high marks for impartialty, comprehensiveness and quality of materials. 1.3. At least a 30-70% distribution of participants by gender.	Sufficient number of suitable, bilingual local trainers can be identified. Traditional gender roles do not inhibit female participation.
Immediate Objectives:	**Verifiable Indicators:**	**Assumption (outputs to immed. objective):**
1. Train-the-trainer teams organized in all provinces by end 1995.	1.1. Project progress reports confirms establishment.	
2. 400 local trainers trained by mid-1996.	2.1. Performance test of 20 trainers shows adequate competency.	
3. Training materials developed in 5 main languages by mid-1996.		
5. App. 3000 training events/sequences implemented by mid-1997.	5.1. Observation of random sample confirms acceptable quality.	

Outputs:	Verifiable Indicators:	Assumptions (activities to outputs):
1.1. Proposal for establishment and training of multi-skilled and gender-balanced train-the-trainer teams.	1.1. Proposal available and approved by February 1996	
2.1. The Train-the-trainer team trained.	2.1. Training confirmed in Progress Report	
3.1. Workshops implemented with the core team to define and develop training materials.	3.1. Workshops confirmed in progress reports	
5.1. Proposal for evaluation of local training sequences.	5.1. Proposal approved by April 1996.	
Activities:	**Inputs:**	**Preconditions:**
1.1. Prepare job profiles, qualification requirements and training programme.	9 workmonths (during 18 months period) assistance from a consultant team covering:	A project manager and a project steering committee must be nominated.
2.1. Implement participatory training programme	- Adult education, including forms adapted to local learning traditions	Funds from the Ministry's own budget must be made available before the techn. ass. can be provided.
3.1. Prepare and facilitate 3 workshops, and suggest consultative process with local leaders.	- Community mobilisation and participation - Training material preparation	
5.1. Prepare evaluation proposal with participatory evaluation techniques.	Funds, available for the project management in the Min. of Home Affairs, for transportation, office running etc, as per budget.	

ANNEX II
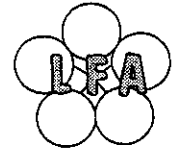
Checklist

The following 31 points serve to check consistency and comprehensiveness of a LFA project formulation exercise:

The Formulation Process:

1. The actual or future owners of the project participated in the formulation process and are fully committed to the project.

2. The project reflects strong priorities of core stakeholders rather than being a compromise that nobody is committed to.

3. Viewpoints of groups that may be positively or negatively affected by the project were collected and considered.

4. All sensitive issues and potential conflicts were dealt with during the formulation process.

The Context:

5. Important stakeholders and their positive and negative influence on the project are identified.

6. Assumptions, risks, uncertainties and preconditions are thoroughly addressed at the various logical levels of the project design.

The Problems:

7. The project addresses specific problems, not imagined ones.

8. There is a proper relation between the magnitude of the problems and the size of the project.

9. Barriers to project success, in so far as they can be strongly influenced by the project, are being addressed by specific interventions of the project.

The Objectives:

10. Objectives represent a vision of a future situation, and not the activities leading to an undefined situation.

11. Objectives have owners to whom the objectives are important.
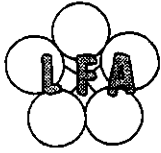
12. Objectives are expressed with a level of specificity appropriate to the next decision point.

Choice:

13. Several alternatives were explicitly considered and weighed before a conclusion was reached.

The Action:

14. The if/then relationship between development and immediate objectives is logical and doesn't skip important steps

15. The development objective level indicators are objectively verifiable in terms of quantity, quality, time and source of information.

16. The project has only one immediate objective, or if more, the objectives are compatible, complementary and at the same level.

17. The immediate objective is not a reformulation of the outputs, but a higher level objective.

18. The immediate objective is to some extent outside the management responsibility of the project.

19. The immediate objective, or the verifiable indicators, are SMART.

20. The immediate objective and the attached assumptions describe the critical conditions for contributing to the development objective.

21. The indicators at the immediate objective level are independent from the outputs. They are not a summary of outputs but a measure of the immediate objective.

22. All the outputs are necessary for accomplishing the immediate objective.

23. The outputs are tangible and SMART.

24. The relationship between the outputs and the immediate objective is realistic.

25. The outputs define the management responsibility of the project and they can, under reasonable assumptions, be achieved with means under the control of the project management.

26. The activities indicate the methodology for producing each output.
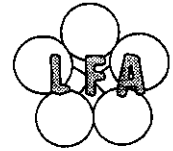
27. The inputs are necessary and sufficient to perform the activities, and they are under the authority of the project management.

28. The inputs described define the resources required for accomplishing the immediate objective, and there is a proper relation between inputs and scope of objectives.

29. The vertical logic among inputs, activities, outputs, immediate objective and development objective is realistic as a whole.

30. Project management issues are dealt with as appropriate to the stage of the project.

31. When reviewing the matrix, an evaluation plan for the project can be defined.

ANNEX III
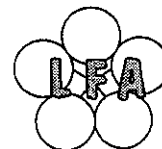
Glossary

Activity

Work undertaken within a project in order to obtain outputs.

Aim

See: Objective

Appraisal

A term used in international development cooperation for an overall assessment of the relevance, feasibility and sustainability of a project, prior to a decision of funding.

Assumptions

Important events, conditions or situations which are necessary for project success, but which are largely or completely beyond the control of the project management. Assumptions are factors in the context.

Barriers

Blocks or contradictions that obstruct the realization of a vision or achievement of an objective. Barriers are existing realities, not absences or vacuums. See also: **Problems**.

Beneficiaries

A term used in international development cooperation for the intended target group of a project.

Context

The relevant factors (persons, institutions, physical, social and cultural factors etc.) and the assumed relation between factors, in which a project is defined and implemented.

Development Objective

The wider or longer-term objective that a project is intended to contribute to, but not achieve.
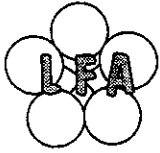
Effectiveness

The extent to which a project achieve its objectives.

Efficiency

The productivity (speed/cost/quality) of the work of a project.

Environment

See: Context.

Evaluation

An independent examination of a project to determine its efficiency, effectiveness, impact and sustainability, with a view to drawing lessons that may be more widely applicable.

External Factor

See: Assumptions.

Feasibility study

A normally detailed and technically oriented study following the identification or pre-feasibility stage in the project cycle. If the feasibility study is positive, the next step will normally be appraisal.

Focus Area

Working areas in the Logical Framework Approach, where brainstorming, analysis and/or choice and ordering is carried out systematically.

Goal

See: Objective

Identification

The very early stage in the project cycle where a project idea is developed, often into Terms of Reference for the following steps.

Immediate Objective

The future situation expected to prevail when the project is completed.
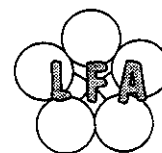
Impact

The positive and negative changes produced by a project, directly or indirectly, intended or unintended.

Implementation

Usually implementation is used to describe the stage in the project cycle where major resources are spent.

Indicators

Specific, measurable and operational measurements of performance allowing monitoring of output and objective achievements.

Input

Human, material and financial resources, under the control of the project management, which are necessary to perform the activities of the project.

Matrix

Presentation format with columns and rows allowing an overview of a project.

Mission

A statement of an organisation or a project synthezising it's *raison d'etre* or reason for existence, often combining general purpose and fundamental value statements.

Monitoring

Continuous or periodic surveillance of the progress of a project. In LFA, the monitoring will use verifiable indicators as milestones or benchmarks.

Objective

A vision or image of a future situation. Goal, target, aim, purpose, end are other terms frequently used.

Objective Hierarchy

A graphic representation of assumed relationsships between objectives, often arranged in levels where lower level objectives are means to higher level objectives (ends).
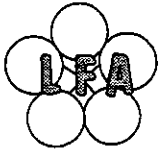
Output

Tangible results of the activities of a project. The productions of outputs are, under given assumptions about the context, under the control of the project management.

Overall Objective

See: Developement Objective

OVI

Abreviation for Objectively Verifiable Indicator. See: Indicator.

Precondition

Assumptions about the context or events that must happen before a project can start.

Problem

A present state of affair considered negative. Problems are real situations, not absences. See also: Barriers.

Problem Hierarchy

A graphic representation of assumed relationsships between problems, often arranged in levels where lower level problems are causes of higher level problems (effects).

Programme

Often used to describe a group of related projects, services or sub-programmes which together contributes to the same development objective.

Project

A planned undertaking designed to achieve certain specific objectives within a given budget and within a specified period of time.

Purpose

See: Objective

Resources

See: Input
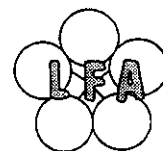
Result

See: Output

Review

A rather comprehensive, but not in-depth evaluation of a project during implementation. See also: Evaluation and monitoring.

Sector Programme Assistance

A concept in international development cooperation, where a donor finances a broader range of assistance closely integrated with the recipient country's sector plans and policies.

SMART

Easy-to-remember abbreviation for Specific, Measurable, Accurate, Realistic and Time-bound (SMART) objectives and outputs.

Stakeholder

Persons or organisations who have, or will have, a positive or negative interest or stake in the project.

Strategy

An approach to get from one situation to another.

Sustainability

The ability of a project to deliver benefits to the target group for an extended period of time after the main assistance from a donor is at an end (OECD, 1988).

Target Group

The group intended to be affected by the project.

Vision

See: Objective

ANNEX IV

Acknowledgements