INL Best Practices
Performance Measurement

Quick Reference

Four Pillars

1. The **Results Framework** forms the basic outline of the performance measurement system because it identifies specific results that a project is designed to achieve.
2. **Indicators** are pieces of data selected to represent measurable progress toward objectives.
3. **Data collection, analysis, and reporting tools** include surveys, focus groups, databases, dashboards, and other electronic repositories.
4. A coherent PMP describes the **rationale and means for data selection and processing** and assigns roles, responsibilities and schedules for collection, storage, analysis and reporting tasks.

What is performance measurement?

Every project should have a performance measurement plan (PMP) to implement and manage a performance measurement system. A PMP describes and facilitates the systematic and objective collection, analysis, and reporting of performance data throughout the lifecycle of a project.

A PMP is an integral part of program design. It is built on the results framework, which establishes the program goal and the outcomes required to reach that goal.

Why measure performance?

Project performance measurement systems will enable INL program management teams to:

- Determine whether projects are on track to meet goals and adjust project activities and inputs during project implementation;
- Provide evidence of outcomes that are attributable to our projects and programs;
- Answer reporting requirements and justify resource requests by demonstrating achievement for time and money spent;
- Learn from feedback to design more effective and efficient programs;
- Provide clear guidance and expectations to bilateral and local partners;
- Increase Bureau-wide learning.

Sometimes referred to as a monitoring and evaluation (M&E) plan, a PMP enables the systematic and objective collection, analysis, and reporting of performance data throughout the lifecycle of a project.

STEP BY STEP

Types of Indicators

Qualitative – measures people's experience and perspective

Quantitative – expressed in mathematical quantities

Threshold – sets a measurement for achievement (yes/no)

Index – composite of two or more qualitative indicators

Scorecard – an index with a yes/no scoring system

Contextual indicators – indicators generated by other sources, such as criminal justice statistics or the DOS Foreign Assistance Indictors

1. Begin with the Results Framework

The Results Framework forms the foundation of the PMP; it identifies intended results and orders the steps to achieve them in a logical sequence. (See the Guide to Results Frameworks.) Results are the effects of an intervention, and may be the project's outcomes, objectives, or goals.

2. Select indicators

Indicators are the heart of any performance measurement system and are used to measure the tangible achievement of results throughout the project lifecycle. To confirm that lower-level results lead to the achievement of higher-level results, indicators should be placed at all levels and assigned to each result in the framework. (See box.)

3. Schedule and define monitoring and evaluation

An indicator is measured periodically, usually with each reporting period (e.g. monthly, quarterly, or semi-annually). This process is called monitoring. Evaluation is the process of taking a more nuanced measurement of results at a specific point in time.

4. Create an indicator matrix

Create a matrix or table that lists several indicators under each intended result or activity. Use several indicators for each intended result: the overall project goal, the intermediate results, and the sub-intermediate results.

5. Complete an indicator reference sheet for each indicator

Indicator reference sheets provide the detailed characteristics of each indicator, including how the data will be collected, stored, analyzed, assessed for data quality criteria, reported and disseminated.

An indicator sheet includes the following:

- Description of the indicator
- Plan for data acquisition
- Data quality issues
- Plan for data analysis, review and reporting
- Performance indicator values.

6. Identify data sources and collection methods

Data collection sources and methods are largely determined by what is practical, affordable, and can be accomplished within a reporting period. Some of these, such as surveys, focus groups, and training questionnaires are highly participatory and demand hands-on work to develop and implement. Others, such as key informant interviews, gap analyses, or historical document reviews, are more exclusive and require the opinions of a few experts.

Determine whether the data collection and analysis methods are sound by reviewing each indicator against the data quality standards of validity, integrity, precision, reliability and timeliness.

7. Gather baseline measurements and set performance targets

The next step is to collect baseline measures and set performance targets for each indicator. A baseline is the pre-implementation value of an indicator, while a target is what a project intends to achieve. If no baseline data exists, program planners should arrange for baseline studies before the start of project activities. Performance targets based on the baseline data can be determined with secondary data, by analyzing past trends and projecting future ones. Targets may be qualitative or quantitative, and should be realistic, ambitious, and based on sectoral research and contextual knowledge.

8. Ensure data quality

Determine whether the data collection and analysis methods are sound by reviewing each indicator against the data quality standards of validity, integrity, precision, reliability and timeliness.

9. Manage performance data

Put the project performance measurement system into action with tools and software for data storage, analysis, and retrieval. The most commonly used data management tools are dashboards, spreadsheets, and databases. Like the dashboard of a car, a performance dashboard shows the performance indicators that measure priority or high level accomplishments. Spreadsheets can be an easy, low-cost solution for storing and analyzing performance data, but usually have limited capacity for analysis. Databases meet more complex data needs and are the preferred option for most projects.

Analysis for Knowledge Sharing

Analysis is crucial for achieving the ultimate goals of a PMP – identifying the changes that the project is responsible for, and understanding their impact.

Lessons learned and best practices should be shared within INL to inform other programs. Knowledge gained through the program can be shared with other development agencies and professionals.

Assessments

During project design, sectoral or program assessments identify feasible strategies to solve host country problems. The assessments inform the results framework and identify achieveable results. See the Guide to Results Frameworks for more details.

Definitions

A **milestone**, sometimes called an **output**, is used to describe one-time events or accomplishments rather than change over time.

Examples of milestones include:

- Workshop held and report submitted
- Counterparts drafted action plans
- Action plans 75% complete
- Training curriculum developed.

Outcomes are the more immediate and tangible results that are attributable to a project and can be intended or unintended. For example, a project can count the number of police, attorneys, judges or court personnel that receive training and equipment. However, these numbers do not demonstrate whether the project has improved the technical or management capacity of training participants and their agencies.

An **impact** is a result or effect attributable to a program in the medium or long term. Indicators that measure impacts seek to demonstrate how the project has affected the big picture issues, problems, or challenges that the intervention was designed to ameliorate.

Further assistance can be found in INL/CAP and INL/RM/PA&E.

For more information, read the INL Guide to Developing Performance Measurement Plans (PMPs), and visit the INL Doctrine Knowledgebase online at: http://rldk.category4.com/login/

Illustrative PMP Outline

Section I. Introduction
- A. Project description and approach
- B. Project Results Framework

Section II. Performance Measurement Plan
- A. Overview of monitoring and evaluation activities
  - A1. General reporting requirements and timelines
  - A2. Descriptions of data collection tools and analysis methods
  - A3. Roles and responsibilities of project staff
  - A4. Plan for generating baselines
  - A5. Plans for data quality control
- B. General description and rationale of selected indicators
  - B1. Impact indicator reference sheets (if applicable)
  - B2. Outcome indicator reference sheets
  - B3. Milestones
- C. Plan to implement Geographical Information Systems (GIS) tools (if applicable)

Section III. Optional Annexes

Annex A. Consolidated List of Indicators and Targets

Annex B. Data requirements from implementing partner/contractor A

Annex C. Data requirements from implementing partner/contractor B