

# Part 4. Examples of MfDR in Development Agencies

## Overview

**D**evelopment agencies are converging around results agendas that share common elements and approaches. They aim to enhance the focus on results in their strategies and instruments, incentives, and reporting systems. Furthermore, development agencies are increasingly working together toward harmonized results-based approaches and better coordinated support to strengthen partner country capacity to manage for results.

### Results-Based Country Programming

Many development agencies are using results-based approaches to improve alignment of their country programming to country strategies. They are deriving country programming objectives directly from the results specified in partner country poverty reduction strategies (or equivalent), and linking their support to partners' national expenditure frameworks.

### Operational Products and Services

Important as country strategies and programming are, by themselves they do not achieve results. If the individual development interventions that international agencies fund are to achieve results, they must be high quality, relate to the country strategy, and have synergies with other operations at the national and sectoral levels. Many agencies are giving greater attention to the quality and impact of their operations through enhanced planning, monitoring and evaluation, portfolio management, and life-cycle management.

### Incentives

The lessons derived from processes of organizational change management suggest that when senior and middle management systematically focuses attention on a key corporate issue or practice, they give staff a clear signal to adjust human resources and budgets. In most international agencies, management is increasingly demonstrating its interest in and commitment to the results agenda. Development agencies are beginning to identify and adjust human resources and budget policies so as to provide incentives to achieving the results management agenda. There is also increased attention to building staff capacity to implement the results focus at the country level, to monitoring and reporting upon their contribution to the partner countries' development, and to providing appropriate guidance, training, and information technology systems.

### Corporate Reporting

Corporate reporting is critical for informing stakeholders – both the partner countries and the donors' funding authority – about progress on the agenda and for ensuring sustained management attention and institutional follow-through. Since Monterrey, both bilateral and multilateral development agencies have been upgrading their development effectiveness and strengthening their reporting.

### Performance-Based Aid Allocation

A few international agencies are experimenting with formalized performance-based approaches to aid allocations. There is some debate as to how this fits with other aspects of the global agenda on managing for development results. Many issues need to be taken into consideration, whether at the level of how individual agencies and partner countries operate or within the international aid system as a whole. Further analysis and debate are needed to help determine if and when such approaches should be used.

### Harmonization of Tools and Systems

The results management tools used by agencies have many common characteristics and applications, although the labels vary slightly from organization to organization. MfDR provides a common language and set of concepts around which to create a better results dialogue and stronger coordination among agencies, as well as between agencies and partner countries. Agencies are starting to share their internal tools and practices widely with each other and with partner countries, to foster further management learning and organizational change. Many examples in the Sourcebook demonstrate how development agencies are learning to apply MfDR tools effectively in their internal organizational and program management, and as the basis for stronger synergies and harmonization with partner countries – all to achieve stronger country, regional, and global outcomes. Sharing experiences among donor agencies and with partner countries should help advance the learning process in MfDR.



MfDR Principles	Examples of tools being used to manage for results in development agencies	Why these are important
Focus the dialogue on results at all phases of the development process	Agency policy/priority frameworks Country programming strategies Thematic/sector strategies Project results frameworks Stakeholder/partner planning and consultation mechanisms Logic models or results chains (integrated in all of the above)	Results-based tools and processes are used to plan for and implement intermediate results linked to country outcomes. Different tools are adapted depending on the level at which they are used, but they all show how policy, country program, thematic and project results contribute to country, regional, or global outcomes, including supporting the Millennium Development Goals (MDGs).
Align programming, monitoring and evaluation with results	Agencywide multiyear strategic plans or rolling work plans Annual program/project management plans, work plans and budgets Training and guidelines for project/program planning and results management Performance management plans	Results-based tools are used to demonstrate how agency investments and inputs will contribute to country, regional, or global outcomes, as well as to indicate how different agency management processes can support the achievement of results.
Keep results measurement and reporting as simple, cost-effective, and user-friendly as possible	M&E systems, plans and guidelines (incorporating MIS) Audit and risk management frameworks Performance measurement frameworks Program/project monitoring frameworks Audit guidelines and tools Evaluation guidelines and tools Risk analysis guidelines and tools Training and guidelines for indicator design, data collection, and analysis	Tools and guides describe the steps and processes to be used in collecting and analyzing performance data at different levels within development agencies, and form the basis for continuing skill building with agency managers and staff.
Manage for, not by, results, by arranging resources to achieve outcomes	Performance reviews and evaluations Internal/external performance monitoring processes and reviews Performance and management audits Thematic and sector studies	Performance information from monitoring and evaluation is used as the basis for assessing progress toward identified country, regional, or global outcomes at various levels.
Use results information for learning and decision making as well as reporting and accountability	Annual agency performance reports to advisory boards/committees, elected officials and their citizens Annual country program performance reports to agency decision makers/committees, elected officials, and country citizens Training and guidelines for management decision making based on results information Analysis of evaluations and reallocation of resources to better achieve results	Reports within and among agencies, and between agencies and their main stakeholders, provide the basis for ongoing agency strategic review, performance adjustment, and reallocation of resources.

