



Organizational Performance Management & Learning: The Intersection between Impact, Program Process and Program Support

In recent years, CARE has begun shifting to a bolder way of working. We are moving away from reducing the symptoms of poverty through project-based activities (poverty alleviation) to a focus on addressing the underlying causes of poverty through long-term, rights-based programming (eradication). We have also shifted from regarding budget size as the best measure of success to a belief that we should put much more importance on rewarding the quality and impact of our work.

The Istanbul workshop on the programmatic shift brought fresh clarity to CARE's strategy for 'new ways of working'; we know that the road to greater impact (lasting, broad-scale change in the lives of marginalized and vulnerable groups) is through a commitment to a program approach. To succeed in this, however, we must look at *all* aspects of our performance and be held accountable for them.

Broadly speaking, staff has already started asking the kinds of challenging questions we should be asking ourselves if we want to reward good work and not just win grants and contracts:

- Are we addressing underlying causes of poverty and social injustice, and barriers to rights fulfillment?
- Are we leading to lasting change for specific marginalized groups at a broad scale?
- Are we capitalizing on learning to improve current and future work?
- Are we matching our fundraising and resource mobilization strategies to our knowledge of what needs to change?
- Are we aligning our program support functions to support our commitment to a programmatic approach?
- Are we a distinctive partner of choice, and building or joining broad coalitions for change?
- Are we willing to have our client groups hold us accountable for the change?

Given the need for our measures of success to catch up with our changing definition of success, CARE USA is introducing "Ubora", which is the Swahili word for excellence, as CARE's new organizational performance and learning system. Ubora will provide a common framework for the organization for measuring performance across COs, RMUs, and HQ that will foster and reward program quality and impact and also promote active learning and accountability. While Ubora does not currently apply to other CI members, CI colleagues have been involved in discussions about this initiative from the beginning and have expressed interest in implementing it in future years. In the meantime, lead member engagement with the programmatic shift is a favorable way to move forward¹.

This system is not intended to be the full story of CARE's performance. Ongoing processes such as the Strategic Impact Inquiry and technical reviews will capture important in-depth qualitative information that must be viewed in tandem with Ubora information to gain a true picture of CARE's overall performance.

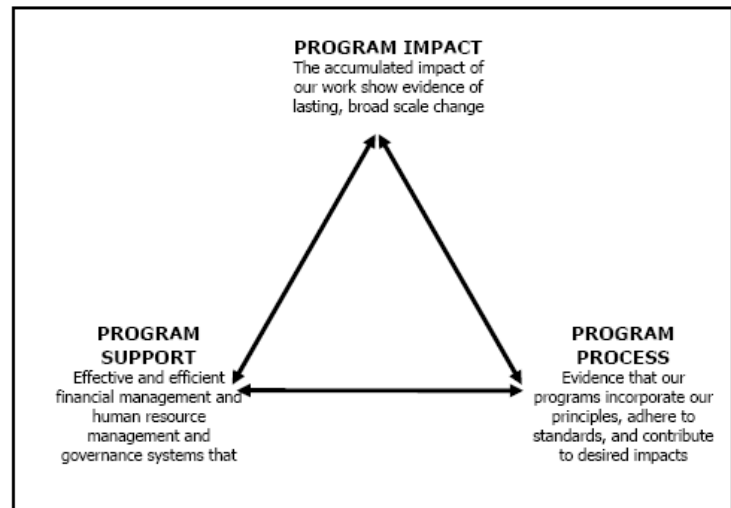
¹ CARE Australia's presence at the Istanbul workshop spurred them to consider the possibility of a Learning Lab in SE Asia.



What is good performance?

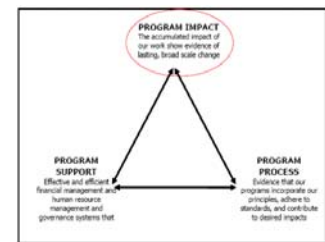
Good performance has many meanings, but it is defined in CARE as a situation in which all aspects of the organization (strategy, operations, structure and culture) are working efficiently and effectively to achieve measurable, long-term, sustainable progress toward our vision of reducing poverty, improving social justice and enhancing people's ability to live in dignity and security. Importantly, other stakeholders also believe this is true, particularly the poor themselves.

As shown in the figure to the right, to manage performance and improve strategic management, it is important to monitor three key interrelated components of our work: impact, program process and program support.



Measuring Impact

As part of Ubora, it will be critical to establish program impact measurement systems that will provide summary information on contributions that CARE, working with others, is making toward eradicating poverty and achieving social justice across the globe. Implementation of the impact measurement component of Ubora assumes the phase-in of a program approach in COs across CARE (as well as other parts of the organization), such that 'impact' will refer to impact at program level. COs will therefore establish **program** impact measurement systems that will provide summary information on contributions CARE is making in working with others to eradicate poverty and achieving social justice across the globe. The shift from projects to programs and the accompanying impact measurement systems will be tested by the Learning Labs over the next two years. The key elements would need to include:



- Measurement across long periods of time (e.g., 10-15 years) rather than the shorter span of project life cycles.
- Measurement at the impact level, which is beyond the output and outcome level.
- Measurement of program initiatives, i.e., across both project and non-project activities.
- Measurement of outcomes and impacts across at least a minimum set of internally consistent and externally comparable indicators.
- Measurement of CARE's contribution to desired outcomes and impacts, and where possible, its attributable effects.
- Measurement that allows testing a program's theory of change (ToC) rather than just verifying outcomes.

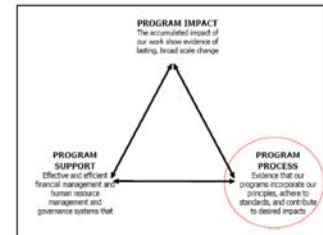
Better impact measurement will allow us to demonstrate as rapidly as possible what kinds of improved effectiveness can be achieved through shifting to a program approach, and hence its contribution to the value and relevance of CARE as an organization. Traditional monitoring and evaluation is very project and output focused and does not easily support this type of measurement. As the relationship between projects and a program theory of change gets established, we will be able to develop



integrated systems where program impact measurement is based on better impact data from project level monitoring and evaluation.

Monitoring & Measuring Program Process

CARE has developed several useful and important programmatic strategies about what it needs to do to achieve its desired impacts. These strategies include the CI Programming Principles and project standards, the CARE-USA theory of change, the Humanitarian Accountability Framework, and our emerging consensus on program approaches. To what extent are we implementing our strategies, and what evidence do we have that these strategies are contributing to our desired impacts?



Program process is therefore defined as

the extent to which our programs implement CARE's main programmatic strategies to create the impacts we seek, as well as the effectiveness of those strategies in contributing to the impacts we seek.

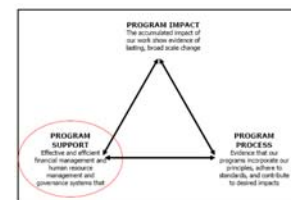
We suggest that program quality measurement focus on:

- The degree of incorporation and/or effectiveness of CI Programming Principles in our work. Because the CI programming principles are at the heart of CARE's programmatic strategy across the global organization, we are suggesting that program quality measurement focus primarily on these principles.
- The incorporation and effectiveness of a few other priority strategies, such as Learning and Knowledge Management, Resource Mobilization and Disaster Risk Reduction and Emergency Preparedness.
- Adherence to technical and project management standards.

We plan to measure the degree of incorporation of these strategies during the design, implementation and evaluation stages of program initiatives. The data collection process itself can thus become an important time for program teams to reflect on the ongoing quality of the program and can lead to immediate improvements throughout the program initiative cycle.

Program Support

We must address program and program support performance measures in tandem. Financial, administrative, human resource, and procurement norms and standards directly relate to the quality of our programming. CARE's audit results are increasingly negative and have raised concerns about our ability to conduct some of the most basic of support and project management activities. Ensuring that COs have a strong foundation is the first step to improving performance and enabling program support functions to engage in the transformation process to a programmatic approach.



Changes in the standards and accountabilities for program quality and impact will create expectations of changes in program support norms and performance. The Learning Labs will work on attaining a new kind of collaboration and coherence between program and program support as one of the fundamental changes needed for the shift to a program approach.



The following types of changes needed in program support functions are based on an analysis of the transformation that has already begun in various parts of the organization and were validated by the Istanbul discussion forum.

1. Learning and knowledge management mechanisms that capture, accumulate and share knowledge among staff and others – and enabled through new kinds of IT support and innovation. These changes will affect all CI members; all CI members are needed for success.
2. Mechanisms to identify and develop *new competencies* that the program approach requires (e.g. related to influencing policy, testing models, scaling up tested approaches, political know-how, reflective practice, strategic thinking, and negotiation skills). These new competencies will need to influence staffing decisions by CI members and their Boards.
3. Structures, funding and accountability mechanisms that integrate projects within broader programs
 - Devising and implementing *talent management* strategies for retaining key people (and their knowledge) beyond the duration of specific projects, together with the financial strategies – particularly regarding unrestricted and other kinds of flexible funds – to enable this. Also includes negotiating with donors to enable staff to work across projects
 - Harmonizing CI member interests and back-home realities with the more strategic approaches needed at country office level for program design and implementation
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 - Rethinking effective use and levels of unrestricted and other flexible funds to reduce the cost to donors of shared costs
 - Creating wider and more consistent access for CO staff to new northern philanthropists and other emerging funding sources
 - Adapting procedures and partnership requirements to enable CARE to share functional elements and responsibilities with partners and allies
4. Integrating program support into design, implementation and evaluation of programs²
 - HR to be involved in the design and implementation phase of program initiatives to ensure adequate staffing of program initiatives (right mix of skills and competencies in the team)
 - Procurement staff to be involved in design phase of projects to ensure feasibility and timeliness of delivering project materials/inputs
 - Developing financial skills, including preparation of budgets, among program staff
 - Developing programmatic skills of finance staff, including the ability to analyze and communicate finance data in ways that will help program staff understand the cost effectiveness of different activity streams. Finance staff to be involved in preparing budgets during design phase and monitoring the use of funds Conceiving a new role for program support (finance?) that is concerned with filling the resource gaps on the program timeline, requiring an aptitude for planning the way resources are mobilized and allocated for maximum effectiveness / efficiency
5. Proactive joint collaboration of program and program support senior management in leading organizational performance management and the transition to a program approach
6. HQ program support units align their requirements with the programmatic shift agenda.
 - Finance reporting systems and requirements, e.g., ensure Serenic is able to report financial data for programs and impact goals statements (beyond fund codes for projects)

² We've said this for more than 20 years in CARE, but actually doing so and having processes and accountability mechanisms in place to ensure that we are doing so is key to good performance, regardless of the program shift.

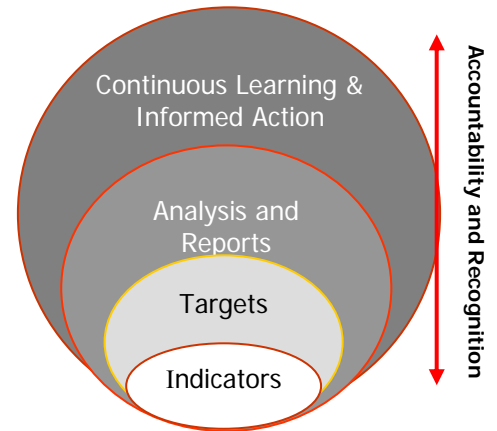


- o Talent management systems, e.g., including organizational performance management responsibilities in Technical Sector, RD, DRD and CD job descriptions and APAAs; and putting CO-level performance assessment in RDs' and CDs' APAAs
- o Global program impact and descriptive data to be reoriented toward programs while not losing the ability to capture project-level work
- o Rethink central control of northern advocacy and unleash regions to engage in northern advocacy of particular interest and concern to them

Key Processes

Uбора consists of a suite of processes:

- Measuring and collecting key *indicators* of impact, program quality and program support;
- Setting *targets* and assessing progress against those targets
- Systematic *analysis* of performance trends within and across different levels of the organization (the 'why' and 'how' behind the data)
- *Continuous learning*, informed decision-making and action that leads to improvements in performance
- Mechanisms for ensuring accountability and recognizing achievements

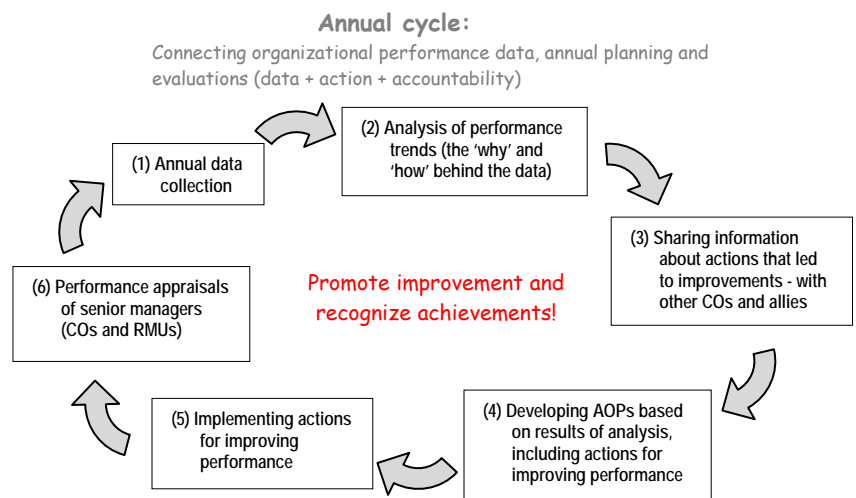


To ensure that the organizational performance data leads to learning and specific decisions and actions that improve performance over time, strong links between data, learning, action, and accountability need to be created at different levels.

COs are encouraged to incorporate discussions on Uбора data into existing senior management meetings and AOP review and planning events, documenting what was discussed and key learning and outcomes. See graphic of anticipated annual cycle of processes at the CO level to the right.

Additionally, COs and regions will need to set up mechanisms for ensuring accountability and recognizing achievements, such as:

- performance appraisals for RDs, DRDs, CDs and ACDs that include CO performance results,
- organizational performance management responsibilities embedded in key job descriptions and tracked as part of key staff APAAs;
- policies that institutionalize key organizational performance processes; and
- rewards that recognize important achievements of staff in improving organizational performance.



We will be working with Learning Labs throughout FY09 to test models of how to best use Uбора for learning and improvement and how to building internal and external accountability and recognition mechanisms into the system, and would welcome suggestions from all COs and regions.



Challenges Ahead/Next Steps

It's important for all of us, as we move forward this type of consistent and increasingly rigorous impact and performance measurement, to recognize that, over time, work is needed around:

- a) building the information systems to actually provide indicator data;
- b) building staff understanding/consensus about indicator definitions;
- c) carefully cascading CO-level indicators down to programs, and projects, and being ready to banish indicators that prove too unwieldy, or too costly, to use;
- d) establishing reliable technical assistance/advice to COs as they try to mainstream these indicators into their work;
- e) building into CARE the skills, sensibilities, and reward systems for good reflective practice at project, program, and CO levels, RMUs, and HQ units;
- f) building a culture that encourages critical and honest conversations and critical and honest reporting, ensuring that data is useful and accurate for decision-making and planning;
- g) determining the right balance between flexibility for contextualization and the need for coherence across the organization.

As an initial stage, the testing steps in the Learning Labs will help to work out the kinks in the measurement system. The Learning Labs process will also shed light on the finer details of the transition towards achieving the coherence between program and program support and will better articulate information flows in Ubona. This will facilitate the uptake throughout the rest of the organization.

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