CASE EXAMPLE:
Align Program to Advance Existing Strategies

Considerations List[1]	Answers
How does the program idea help achieve the goals or objectives from the relevant JRS or FBS?	*The program is focused on climate change and the goals and objectives of the JRS involve reducing GHG emissions.*
How does the program help achieve one or more ICS objectives or sub-objectives?	*The sub-objectives of Freedonia's ICS align with reducing GHG emissions thereby this program can be designed to advance these existing strategies.*
Does the scope of the program idea fit within the purview of your office, bureau, or post?	*Yes, as it is in South Region. But Mary's team will collaborate with the appropriate functional bureau.*
How have you determined what is necessary for the program to achieve the goals and objectives of higher level strategy?	*The program should be designed to focus on reducing GHG emissions in some capacity because climate change is a large sector for the program to advance existing strategies.*
How does the program concept help achieve any goals and objectives of agencies or groups outside of the State Department?	*The program will also advance the President's Climate Action Plan committed the United States to leading international efforts to combat global climate change and specifically addressed expanding clean energy use and reducing GHG emissions.*
How has the program implemented a plan to ensure continued alignment and advancement of strategy throughout program design and implementation?	*The program will review the JRS, ICS, FBS, and President's Climate Action Plan when the program design is completed after each year of implementation, and when these documents are updated.*

Table 1. Case Example, Align Programs to Advance Existing Strategies

[1] http://cas.state.gov/managingforresults/planning/

Program Design and Performance Management Toolkit

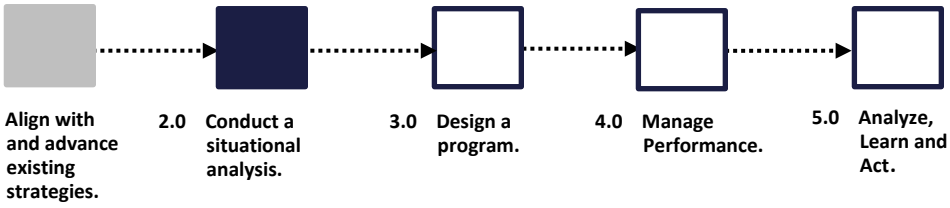
2

Section 2: Conduct a Situational Analysis

By the end of this section, offices, bureaus, and posts will conduct:

- ✓ Internal Assessment
- ✓ External Assessment
- ✓ Root Cause Analysis
- ✓ Review of the Issue

SECTION 2: CONDUCT A SITUATIONAL ANALYSIS



After assessing how best to align with the goals and objectives of existing strategies, the next step is to conduct a situational analysis. A situational analysis is a comprehensive review of the current state or conditions surrounding the program idea that could affect its design, implementation, or outcome. It will help determine if your program design approach is feasible and increase your general awareness of the program environment.

Conducting a situational analysis allows you to understand the past and present contextual factors, why these factors exist, and if any steps need to be taken to account for them. The information gleaned from the situational analysis will inform your program problem statement, goals and objectives, and logic model later on in the program design process and may help you establish baselines for performance indicators developed during the performance management section (**Section 4**).

STEP 2.1: WAYS TO CONDUCT A SITUATIONAL ANALYSIS:

The extent of your situational analysis will depend on the amount of time and resources available to you while planning your program. This section explains three possible ways to conduct the analysis: **document review**, **inter- and intra-agency coordination**, and **other external stakeholder coordination**.

1 Document Review	2 Inter and Intra-Agency Coordination	3 Coordinate with External Stakeholders
Purpose: Leverage existing information that can be collected independently and at minimal cost. **Documents to review may include but are not limited to:** • JRS/FBS • ICS • USAID Country Development Cooperation Strategy (CDCS) • Evaluations on similar programs or activities that have occurred in the region • Secondary data (data that has already been collected by sources such as the World Bank, UN, country government statistics, etc.) • Program monitoring documents and performance metrics from similar programs or activities	**Purpose:** Prevent duplication of efforts and increase the scope of your program's knowledge base by leveraging State Department and U.S. government partners. **Partners can include:** • Subject matter specialists and program officers in your office, bureau, or post • Colleagues at post and desk officers in regional bureaus • Subject matter experts in the functional or regional bureau implementing similar programs • Subject matter experts in cooperating agencies (USAID, DOD, etc.)	**Purpose:** Collect outside perspectives on your program environment. **Coordinating with stakeholders involves reaching out to interested parties, such as:** • Program beneficiaries • Local civil society organizations (CSOs) or non-governmental organizations (NGOs) • Local leaders • International NGOs working in the sector or geographic area • International donors • Private sector • Host Country Government officials

Figure 2. Methods to Conduct a Situational Analysis

STEP 2.2: TYPES OF SITUATIONAL ANALYSES:

Not every program must undergo the same level of analysis depending on its nature and complexity, but key pieces of information should be obtained to understand if the program approach is possible and necessary. Using the three methodologies in **Step 2.1**, there are four types of assessments and reviews that should be conducted in your situational analysis:

2.2.1 **Internal Assessment** reviews what is happening within your own office, bureau, or post.

2.2.2 **External Assessment** reviews contextual factors that could affect your issue or problem.

2.2.3 **Root Cause(s) Analysis** looks at causes that are not immediately observable.

2.2.4 **Review of the Issue or Problem** examines the concern the program is designed to address.

2.2.1: Conduct an Internal Assessment

An internal assessment[2] allows you to understand the capabilities within your own office, bureau, or post. It is important to understand the financial, time, and human capital resources of your office, bureau, or post prior to designing a program to validate it is within your capabilities and capacity. Important factors to consider include:

- Program budget
- Number of personnel available
- Amount of time each person has available to dedicate to the program, and available dates
- Workforce skills required to design and manage the program
- Availability of skills within your office, bureau, or post
- Method to procure the desired skills, if unavailable in your office, bureau, or post and where they can be found
- Additional training required to design and manage the program, if applicable
- Necessary Information Technology (IT) systems are in place within your organization to manage the program, if applicable

After reviewing the case example below, click **here** to use the Internal Assessment Tool.

Mary started to design the program by conducting an internal assessment of South Bureau. Her internal assessment was designed to identify the resources and skills her team possesses and to be aware of any potential gaps prior to designing the program. Using the Internal Assessment Tool in **Table 2**, Mary asked a series of questions to bureau leadership and staff and found that the necessary resources are available to implement the program idea.

Figure 3. Case Example, Internal Assessment Information

[2] http://www.thesustainablengo.org/general-management-skills/conducting-an-organizational-situation-analysis

CASE EXAMPLE: Internal Assessment

Questions	Answers
What is the budget of the program?	*$5 million*
How long are people needed?	*2 years*
How many personnel are available to work on the program?	*3 people in the bureau*
How much time does each person have available to support this program and during what periods?	• *1 program manager with 50% availability in the next two years who could manage overall* • *2 staff who could add support as needed over the next two years.*
What specific skills and knowledge are required to manage this program?	• *Climate change subject matter expertise* • *Program management* • *Monitoring and evaluation (M&E)* • *Training facilitation* • *Diplomacy and negotiation*
Are these skills available in the office, bureau, or post?	*Bureau has climate change subject matter expertise and program management experience, but no M&E experience*
If these skills are not available in your office, bureau, or post where will you find them?	• *Will contract M&E support* • *Will coordinate with Embassy for technical support in the field*
Is additional training required to design and manage the program?	*No*
Is the current information technology platform sufficient to operate the program?	*The post in Freedonia has the infrastructure to support program implementation including necessary IT (e.g., computers, internet, phones, etc.)*

Table 2. Case Example, Internal Assessment

2.2.2: Conduct an External Assessment

An external assessment is the process of surveying the environmental surroundings where the program will take place to establish baseline context and understand potential opportunities and threats. Certain portions of the external assessment may not apply to domestic programs, to conduct an external assessment use **Table 3**. Resources to use for an external assessment include but are not limited to:

- National or international regularly published surveys and indices
- Government statistics
- Secondary data (e.g., vulnerability analysis, analytical reports from other agencies, etc.)
- Coordination with external stakeholders (e.g., interviews, focus groups, surveys, etc.)
- ICS and country-specific strategies from other US and international agencies
- **F Country Data Analytics packages**, **F Interagency Network Databank (FIND)**, or other available data analytics

Factors to consider include but are not limited to:

1. **Political/Legal Factors:** These are the government actions at any level (e.g., federal, local, municipal, district-wide, regional, national, etc.) that could affect a program, including any law(s) that prohibit or inhibit similar programs.
2. **Security Factors:** These are the factors that involve information security considerations for processing classified program information, or threat to personnel associated with the program (i.e. State Department employees, implementers, or the stakeholders/recipients of the program). This is a wide range of considerations that may include but are not limited to war or instability in the region, high or critical technical threat location, violent crime rate (e.g., assault, robbery, kidnapping, hate crimes, etc.).
3. **Environmental Factors:** These are the natural surroundings that may influence the implementation of the planned program including, but not limited to:
   - Geography and the cost considerations related to implementing in the planned geographic location (e.g., mountainous, desert, landlocked, rural vs. urban, etc.)
   - Health factors (e.g., infectious disease that may inhibit implementation of the program)
   - Natural disaster factors (e.g., flooding, hurricane, blizzard, drought, etc.)
   - Climate (i.e., seasonal considerations)

   These factors may influence the size or scope of the program, cost of the program, or time of year the program can be implemented. The environment may be a major obstacle to implementing the program, but it could also be the very reason the program exists; for example it may be a response to an economic crisis or to a natural disaster.
4. **Cultural Factors:** These are the societal norms and customs that will influence the implementation of the program. This includes but is not limited to considerations for religion, gender, LGBT issues, ethnicity, language, general cultural expectations, etc.

5. **Economic Factors:** These are the external economic factors that should be considered when implementing this program. These include, but are not limited to:
   - Costs of operating in the location
   - Poverty levels in the location
   - Economic differences among ethnicities
   - Economic differences among gender
   - Factors influencing economic disparities/economic development
   - Economic factors influencing participation
6. **Institutional Factors:** This includes an analysis of specific organizations with whom you may be working and how the program, project, or process may complement or compete with other programs and activities. This may include the processes, attitudes, customs, and behaviors of organizations that may influence the implementation of the program.
7. **Infrastructure Factors:** This includes the physical infrastructure that the program will be operating in and the access to necessary amenities such as water, power, electricity, physical office space and technology (e.g., cell phones, computers, internet, etc.).

Note: Remember to consider risk throughout the program design process. Please refer to the **Teamwork@State** website for additional information on risk assessment and management.

After reviewing the case example below, click **here** to use the External Assessment Tool.

Mary conducted an *External Assessment* to learn about the environment in which the program would operate, and any key contextual factors that could affect later design steps. She considered each of the factors listed above in her assessment and included the information in **Table 3**.

Figure 4. Case Example, External Assessment Information

CASE EXAMPLE: External Assessment

Questions	Description	Answer	Could this negatively interfere with program implementation?
Political/Legal			
Are there political/legal factors that could positively or negatively affect operations or activities?	Laws, regulations, hostility towards such activity	• *Government already pledged to reduce GHG emissions by 25% by 2030 through clean energy initiatives.* • *Weak policy and regulatory environment* • *Low tariffs on petroleum and coal imports*	☐ Yes ☒ No ☐ Maybe, but not critical ☐ N/A
Notes or mitigation actions, if necessary:			
Security			
Are there security factors to consider?	Instability, violent crime	• *The region is stable and peaceful, however the country is known for crimes such as robbery, theft towards expats and wealthy residents resulting in restricted movement at night and in certain sections of urban areas.*	☐ Yes ☐ No ☒ Maybe, but not critical ☐ N/A
Notes or mitigation actions, if necessary: *Personnel travelling to the country must take precautions when travelling at night and in particular areas, and should read State Department's travel information.*			
Environment			
What are the natural surroundings that may influence the implementation of the planned program?	Geography, health, natural disaster, climate, etc.	• *The country has an ocean border and experiences occasional hurricanes.* • *Malaria is prevalent in the country.* • *The country has a diverse topography with mountains, hills, plains, and highlands.* • *The country has extensive river systems.*	☐ Yes ☒ No ☐ Maybe, but not critical ☐ N/A
Notes or mitigation actions, if necessary: *Personnel traveling to the country must take precautions against malaria.*			

CASE EXAMPLE: External Assessment

Questions	Description	Answer	Could this negatively interfere with program implementation?
Culture			
What are the cultural factors that may influence the implementation of the program?	Consider the societal norms and customs that will influence the implementation of the program.	• *General population and economic sector is heavily reliant on coal sector.*	☐ Yes ☒ No ☐ Maybe, but not critical ☐ N/A
Notes or mitigation actions, if necessary:			
Economics			
What are the economic factors that may influence the implementation of the program?	Consider the factors external to your office, bureau, or post such as the economy of the country in which the program will be implemented, economic well-being of the customers/ recipients, the costs of operating, etc.	• *Clean energy sector is extremely underdeveloped. In addition to a policy framework, the country needs private investment to support new clean energy infrastructure, operations, and maintenance.* • *Per-capita income is low and many existing businesses do not have spare capital so costs will need to be comparable to the cost of existing energy sources.* • *Coal sector is highly integrated into economic fabric, so there could be resistance to new energy sources.* • *People are unaware of business opportunities clean energy development could bring to region.*	☐ Yes ☒ No ☐ Maybe, but not critical ☐ N/A
Notes or mitigation actions, if necessary: *In addition to helping the government establish a policy framework for clean energy, the program must help attract investors and local entrepreneurs.*			

CASE EXAMPLE: External Assessment

Questions	Description	Answer	Could this negatively interfere with program implementation?
Institutional			
What are the institutional factors that may influence the implementation of the program?	Consider the characteristics of any organizations you may need to partner with such as: customs, attitudes, processes, behaviors, etc.	• *The World Bank implements a large power infrastructure program in the region called En-R-Ge, which is a potential partner.* • *The World Bank has a history of partnering with the Department.* • *The World Bank has funding available to support infrastructure that would complement the work of Mary's program.*	☐ Yes ☒ No ☐ Maybe, but not critical ☐ N/A
Notes or mitigation actions, if necessary:			
Infrastructure			
What are the infrastructure factors that may influence the implementation of the program?	Consider building space, IT (cell phones, computers, internet), water, electricity, etc.	• *The post in Freedonia has the necessary infrastructure to support program implementation including IT (computers, internet, phones, etc.).* • *Implementers will have necessary infrastructure support in the city, but less in rural areas.*	☐ Yes ☒ No ☐ Maybe, but not critical ☐ N/A
Notes or mitigation actions, if necessary:			

Table 3. Case Example, External Assessment

2.2.3: Determine the Root Cause(s)

A Root Cause Analysis is a method used to take a closer look at the source of the problem(s) or issue(s) your program will address. Often, the symptoms of a problem are observable, but the problem itself is not. In order to effectively address the true problem, one must engage in deeper analysis to uncover its root cause(s).

One way to do a root cause analysis is through the *Five Whys Approach* as seen in **Table 4**. The *Five Whys Approach* is a technique where you ask a series of "why" questions starting with an undesirable symptom you would like to address. From there, ask why that particular situation is happening. Continue asking why each situation is happening until you reach what you believe to be the original cause of the undesirable symptom. You may not find it necessary to complete all five "Whys" or may find it necessary to ask more questions.

For additional information on using the Five Whys Tool – visit the **Teamwork@State** website.

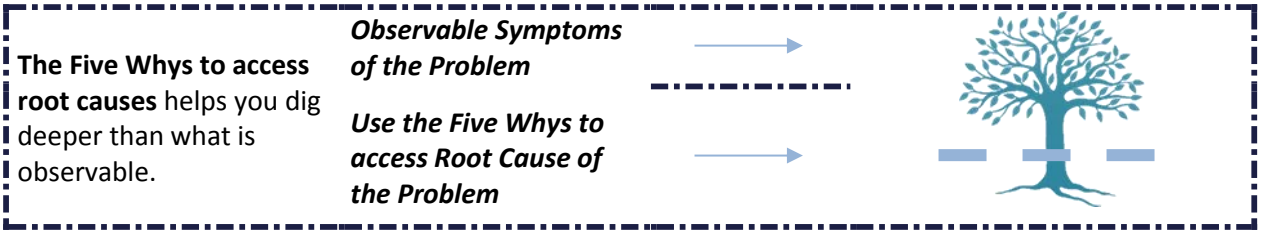


Figure 5. Root Causes Analysis Tree

After reviewing the case example below, click **here** to use the *Five Whys* Tool.

Mary and her team used the *Five Whys* Tool to understand the root cause of Freedonia's high rates of GHG emissions. Understanding the root cause will allow Mary's team to design a program that addresses the correct issues. They started by asking, "Why are there high rates of GHG emissions?" and kept asking why. **Table 4** shows how Mary's team used the *Five Whys* Tool.

Figure 6. Case Example, Five Whys Information

CASE EXAMPLE: Five Whys		
Component	**Description**	**Answer**
What is the undesirable symptom you would like to address?	The visible result of the underlying root cause. The problem we would like to solve.	*The country has high rates of GHG emissions.*
First Why: **Why is this happening?**	Why does the country have high rates of GHG emissions?	*The country has a high dependence on coal-burning energy.*
Second Why: **Why is this happening?**	Why does the country have high dependence on coal energy?	*The country lacks the infrastructure for clean energy.*
Third Why: **Why is this happening?**	Why does the country lack the infrastructure for clean energy?	• *The government does not have the funding for large-scale infrastructure projects and lacks the necessary frameworks, regulations, and policies to implement a clean energy program.* • *The private sector and general population do not demand clean energy.*
Fourth Why: **Why is this happening?**	• Why does the government lack the necessary frameworks, regulations, and policies? • Why does the private sector and population not demand clean energy?	*Historically, the country's energy has come from coal; its policies and infrastructure reflect this. Most people in Freedonia are more concerned with the cost of energy than its source.*
Fifth Why: **Why is this happening?**	Why don't the people of Freedonia care where their energy comes from?	*The people of Freedonia are unconcerned or unaware of the harmful health effects of burning coal or the economic possibilities new businesses could bring to the area.*
Team Discussion		
Does the answer to the fifth why reveal a root cause to address?	*Yes. Increasing the capacity of Freedonia's government is critical to implementing a clean energy program and decreasing GHG emissions. It is also critical to raise awareness in the private sector and the general population about the health and economic benefits of clean energy.*	

Table 4. Case Example, Five Whys

2.2.4: Conduct a Review of the Issue

The review of the issue is a close examination of the problem you would like to solve that takes into account the larger context of the external assessment and a greater understanding of the root causes. This step allows for deeper understanding of stakeholders and/or beneficiaries and what efforts are occurring in the geographic area related to this problem.

Information includes but is not limited to:

1. **Beneficiaries or customers of the program**

   After learning the root causes and perpetuating factors of the problem, you can understand who the beneficiaries or customers of your program should be. Asking questions such as:

   - Who is the relevant audience for the program? (e.g., group, age, gender, ethnicity, location, etc.)
   - What are their needs?
   - Why do those needs exist? (referring to external assessment and root cause analysis)
   - How can their needs be met considering the root cause(s) and available resources?

2. **The systems, culture, and behaviors that keep the problem in existence**

   Using information from the external assessment, consider the systems, behaviors, culture, beliefs, power structures, economics, security, and other factors that perpetuate an issue or problem.

3. **Other actors and potential partners and relevant stakeholders**

   - It is important to ask if there are other organizations (federal agencies, NGOs, CSOs, local leaders, private sector partners, etc.) working in this area. Knowing this information can help you prevent a duplication of efforts, discover potential partners with whom you can work, and how you can learn from the other programs.
   - Stakeholders include anyone who may be affected during or after the program implementation.

4. **Unmet need for existing programs**

   In the process of identifying other factors, it is beneficial to assess the strengths and weakness of the programs in place. This can help you learn what programs have been successful and why. This analysis can help identify where there are gaps in current and past programs and where your program can fill a void.

After reviewing the case example below, click **here** to use the Review of the Issue or Problem Tool.

Mary conducted a document review and coordinated with interagency stakeholders to review the issue of GHG emissions in Freedonia. This information is important as it will inform the development of the problem statement, the goal(s) and objectives, the program logic, etc. The information from this analysis can be found in **Table 5**.

Figure 7. Case Example, Review of the Issue or Problem Information

"One of the great mistakes is to judge policies and programs by their intentions rather than their results."

– Milton Friedman

CASE EXAMPLE: Review of the Issue or Problem

Questions	Description	Answers
What are the root causes of the problem?	The underlying systemic causes of the problem inserted from **Step 2.2**.	• *Lack of infrastructure* • *Lack of capacity to develop frameworks, regulations, and policies needed to implement a clean energy program* • *Lack of funds* • *Lack of awareness of health and economic benefits of clean energy*
What are the systems and behaviors that keep the problem in existence?	The systems, behaviors, culture, beliefs, power structures, economics, instability, etc. that perpetuate an issue/problem.	• *Existing frameworks, regulations, and policies do not promote clean energy and reinforce coal as a primary energy source.* • *Reliance on coal for commercial and residential energy needs*
Who are the beneficiaries/ customers of the program?	Who will benefit most from the program? Who is in greatest need?	• *Freedonia Government* • *People of Freedonia* • *Businesses in Freedonia*
What are the needs of those recipients?	Consider the population you would like to target. What are their greatest needs?	• *Improved infrastructure* • *New frameworks, regulations, and policies* • *Funding and investment* • *Decreased health risks from poor air quality*
How can these needs be met?	Taking into account the root causes of the problem, immediate and long-term needs, how can the program address the needs of the recipients?	• *Support the building of hydro and wind power infrastructure by:* – *Building capacity and providing technical assistance to create sound frameworks, regulations, and policies and generate funding and investments;* – *Raising public awareness of the benefits of clean energy.*
Who are the other actors or potential partners working in the area?	Consider other actors in the area and sector who may be implementing similar programs.	*During the external assessment Mary and her team learned that the World Bank was implemented the En-R-Ge program, a power infrastructure program in Red and Blue Districts that focused on clean energy sources.*

Table 5. Case Example, Review of the Issue or Problem

Other Recommended Analyses for Consideration:

1. **Risk Analysis:** It is important to consider risk throughout the entire program design and performance management process. Please refer to the **2 FAM 30**, **Teamwork@State**, and this **webinar** for more information on risk assessment and risk management.
2. **SWOT Analysis:** Another useful tool to consider when conducting a situational analysis is the SWOT analysis tool. A SWOT analysis identifies strengths, weaknesses, opportunities, and threats of implementing a program or project.

Other Recommended Analyses for Foreign Assistance Programs:

3. **Gender Analysis:** As stated in **USAID ADS 205**, a gender analysis is important as it ascertains the:
   a. Differences in the status of women and men and their differential access to assets, resources, opportunities and services;
   b. Influence of gender roles and norms on the division of time between paid employment, unpaid work (including subsistence production and care for family members), and volunteer activities;
   c. Influence of gender roles and norms on leadership roles and decision-making; constraints, opportunities, and entry points for narrowing gender gaps and empowering females; and
   d. Potential differential impacts of development policies and programs on males and females, including unintended or negative consequences.

   When conducting a gender analysis refer to **USAID ADS 205** for more guidance in conducting your gender analysis.
4. **Country Tropical Forest and Biodiversity Analysis:** As detailed in **USAID ADS 201** the incorporation of this country-level analysis into the design and implementation process can enhance the resiliency of over-exploited natural resources, improve environmental health, and strengthen partner-country environmental governance essential to achieving goals and objectives. Refer to **USAID ADS 201** for more information on conducting this analysis.
5. **Sustainability Analysis:** Sustainability issues should be considered during program design by conducting a Sustainability Analysis as part of your situational analysis. As stated in **18 FAM 005.1-5(A)** and **USAID ADS 201**, under most circumstances, program outcomes are expected to be sustainable, meaning they continue or evolve under their own momentum or actions, without continued donor intervention. Posts are asked to analyze key sustainability issues and considerations around a host of issues including:
   - Economic
   - Financial
   - Social soundness
   - Cultural
   - Institutional capacity
   - Political economy
   - Technical/sectoral
   - Environmental

Program Design and Performance Management Toolkit

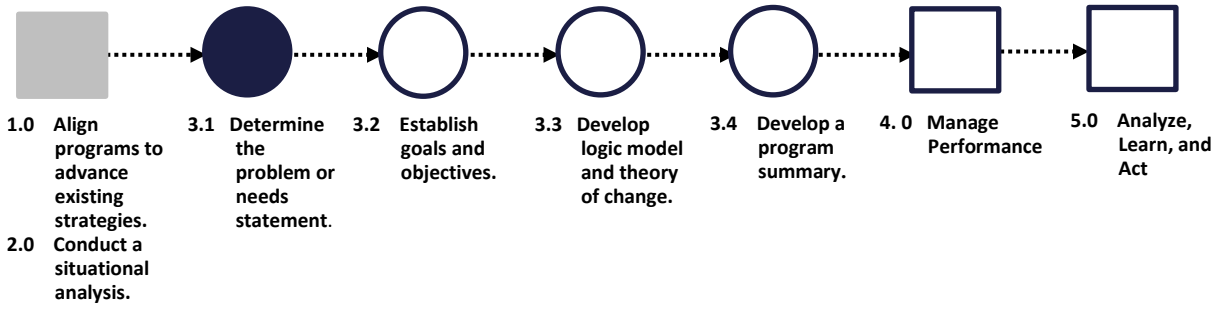
Section 3: Design a Program

By the end of this section, offices, bureaus, and posts will develop:

- ✓ Problem Statement
- ✓ Program Goals and Objectives
- ✓ Logic Model and Theory of Change
- ✓ Program Summary

SECTION 3: DESIGN A PROGRAM

STEP 3.1: DEVELOP THE PROBLEM OR NEEDS STATEMENT



The first step in Section 3 is to develop a problem or needs statement. This is a clear description of the issue, challenge, or need the program seeks to address and serves as the program focus. Use the information from **Section 2** to form a comprehensive problem statement that is aligned with your office's, bureau's, or post's goals and objectives. Problem statements should take into account the scope, context, location, demographics, and stakeholders related to the program.

Developing a problem or needs statement provides the basis and reasons for implementing a program. The problem or needs statement condenses the information in Section 2: Conduct a Situational Analysis – External Assessment (to understand the environmental context), Root Cause Analysis (to understand underlying causes of the problem) and Review of the Issue (to understand and narrow in on specifics surrounding the issue) – to form a clear, succinct, detailed description of the problem.

To develop a problem statement, answer: *who, what, where, when, why, and how*:

1. **Identify Who**
   - *Understand the demographics of the possible beneficiaries or customers*
   - *Understand the key stakeholders engaged in or who may be affected by the program's activities*
2. **Identify What**
   - *Understand the scope and subject matter of the issue*
   - *Understand the extent, or the size and scale of the issue*
   - *Understand the severity, or the gravity, and urgency of the issue*
3. **Identify Where**
   - *Describe the geographic or specific locations where the issue takes place*
   - *Understand the location of the issue or problem*
4. **Identify When**
   - *Understand the timing of the issue or problem, if applicable*
   - *Understand contextual factors that affect when it occurs*

5. **Identify Why**
   - *Understand the cultural impact surrounding the issue or problem: politics, beliefs, customs, norms, power structures, etc.*
   - *Understand the underlying root causes of the issue or problem*
   - *Understand perpetuating factors that give rise to the issue or problem*
6. **Identify How**
   - *Review the customers and stakeholders identified in "who" and discuss more specifically how this issue affects this population*
   - *Review gender analysis (if conducted)*
7. **Develop the Problem or Needs Statement**

The previous six answers combine to help form the problem statement, which should be a clear description of the issue or problem the program would like to address. Walking through the problem statement in terms of who, what, where, when, why, and how enables you to understand the context around the issue you would like to solve. A case example is provided in **Table 6** below.

After reviewing the case example below, click **here** to use the Develop the Problem or Needs Statement Tool

Mary and her team used information from the situational analysis to answer specific questions about the problem: who is affected, to what extent the problem affects them, where the issue occurs, when, why and how. Mary and her team used the Problem or Needs Statement Tool to determine the exact challenge their program will address. This information will be used in the development of the goals and objectives and lays the foundation for designing the program. Please see the information from Mary's team in **Table 6**.

Figure 8. Case Example, Problem or Needs Statement Information

CASE EXAMPLE: Develop the Problem or Needs Statement

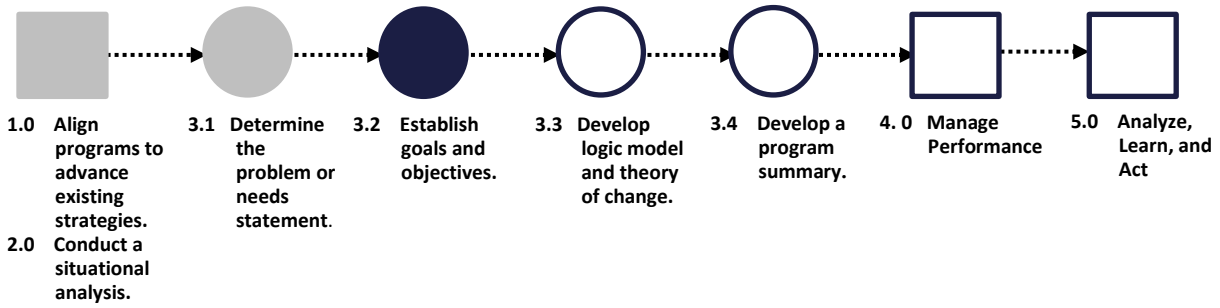
Question	Category	Definition	Answer
WHO	***Stakeholders and/or Beneficiaries***	Describe who is involved in the issue or challenge	• *Government officials at the Ministry of Interior Bureau of Energy lack capacity to create a clean energy program.* • *Private manufacturing sector does not want to invest in clean energy.* • *World Bank En-R-Ge Program has committed to building wind and hydro power systems in Red and Blue districts.* • *General population lacks awareness of climate change and the benefits of clean energy.*
WHAT	***Scope, Extent, Severity***	Describe the: • Sector, area, or subject matter • Scale or magnitude • Gravity and urgency	• *Sector: Clean Energy – based on geography and previous studies, wind and hydro are the best forms of clean energy for Freedonia* • *Scale: implement clean energy programs in Blue and Red districts* • *Urgency: Freedonia pledged to decrease GHG emissions by the year 2030 by 25%*
WHEN	***Context***	Describe when the issue or challenge takes place. Be sure to include any specific context or circumstances under which the issue or challenge occurs such as time of day, time of year, or time in one's life.	*At the national level the need is persistent, and becoming more urgent as the time for meeting the GHG reduction commitment approaches. At the local level, the need for clean energy is most acute, as rates of respiratory illnesses are increasing.*
WHERE	***Location***	Describe the geographic or specific location where the issue occurs.	• *Districts of Red and Blue report the greatest dependency on coal energy for both industrial and personal use.* • *Red and Blue districts have the geography to support wind and hydro energy.* • *World Bank program in these districts*

CASE EXAMPLE: Develop the Problem or Needs Statement

Question	Category	Definition	Answer
WHY	***Causes***	Describe the root causes of the issue or challenge.	• *Lack of infrastructure* • *Lack of capacity to develop frameworks, regulations, and policies needed to implement a clean energy program* • *Lack of funds* • *Lack of awareness of health and economic benefits of clean energy*
HOW	***Effect***	How does the issue affect the customer or beneficiary?	• *Burning coal has polluted the air and led to a high incidence of respiratory illness.* • *The pollution has made it unfeasible to develop a tourist industry.* • *There are no clean energy jobs in Freedonia.*
Problem Statement	Using the information described in the six categories above, write a detailed problem statement to guide the program design process.	*Current GHG emission levels should be curbed or reduced to improve long-term health and economic outcomes in Freedonia, but the government lacks the capacity to create and implement the policy and regulatory frameworks necessary to develop a Clean Energy sector and citizens are not aware of the benefits of clean energy sources.*	

Table 6. Case Example, Problem or Needs Statement

STEP 3.2: DEVELOP PROGRAM GOALS AND OBJECTIVES



The terms *goals* and *objectives* are often used interchangeably, as both point toward the anticipated results of the program, but each serves a different purpose. *Goals* are broad and indicate overarching aims that the program contributes to, but may not necessarily be achieved within the timeframe of the program. *Objectives* are narrower, more specific, and should be realized within the program timeframe. Program objectives should articulate desired results that will help accomplish program goals. There are usually two to five program objectives per program goal. Note that goals and objectives can be created separately, or as part of your logic model exercise described in **Step 3.3** of the Toolkit.

Program Goal(s) explain the overall intent or purpose of the program to which program objectives and subsequent activities are expected to contribute. Goal(s) focus on the desired outcomes. Program goal(s) should be:

- **Broad and visionary:** Program goals are ambitious in nature but also realistic. They should be specific enough to clearly communicate program aims, express future direction and vision by using active or directional verbs, and avoid overly technical terms or acronyms.
- **Long-term:** Program goals may extend beyond the timeframe of the program.
- **Not program resource-dependent:** Program goals should not be limited by program resources because they represent a broader desired end state to which the program is contributing.
- **Strategy alignment:** Program goals should align with and advance existing strategies.

Objectives are the highest level result the program can affect or achieve towards accomplishment of the program goal(s). They are statements of the condition(s) or state(s) the program is expected to achieve within the timeframe and resources of the program. To enable sound performance management, objectives should ideally incorporate SMART principles: Specific, Measureable, Achievable, Relevant, and Time-bound.

- **Specific:** Describes the desired result in concrete and clear terms such that anyone reading it should interpret it in the same way
- **Measurable:** Can be evaluated and/or assessed against some standard such that it is possible to know when the objective is met
- **Achievable:** Attainable within allotted time and resources
- **Relevant:** Linked to achieving the program goals

- **Time-Bound:** If applicable, describes when the objective will be complete and any check points relevant to program goals, activities, or resources

After reviewing the example below, click **here** for the Develop Program Goals and Objectives Tool. For more guidance on developing program objectives, consider using the **SMART principles** – Specific, Measureable, Achievable, Relevant, and Time-bound.

Mary and her team used information from the situational analysis to develop the problem statement: *Current GHG emission levels should be curbed or reduced to improve long-term health and economic outcomes in Freedonia, but the government lacks the capacity to create and implement the policy and regulatory frameworks necessary to develop a Clean Energy sector and citizens are not aware of the benefits of cleaner energy sources.* This information will be used in the development of the goals and objectives in **Figure 10**. Upon developing the goals and objectives, Mary and her team will develop the Program Logic Model.

Figure 9. Case Example, Develop Program Goals and Objectives Information

"Not everything that can be counted counts, and not everything that counts can be counted."

– Albert Einstein

CASE EXAMPLE: Develop Program Goals and Objectives

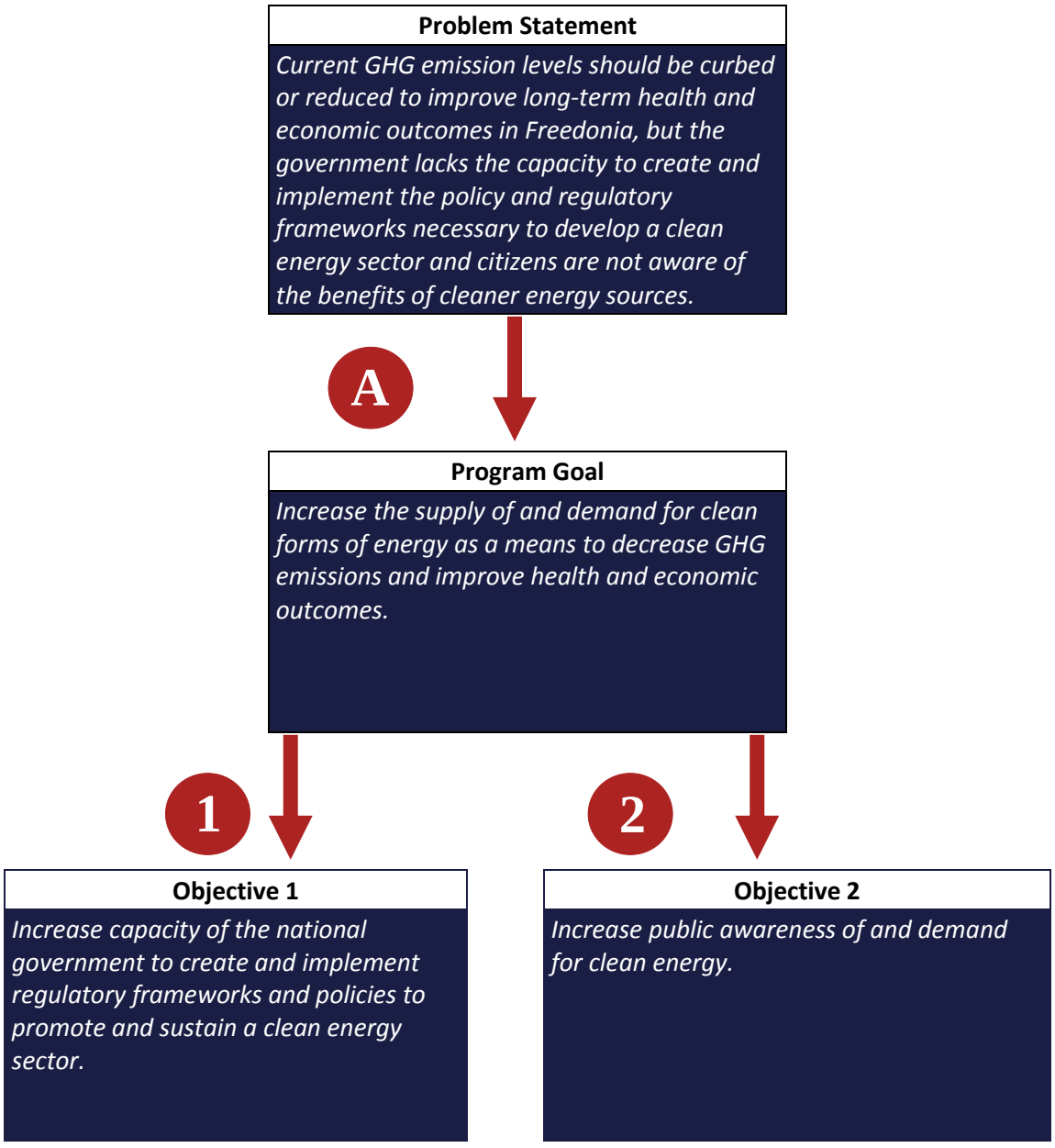
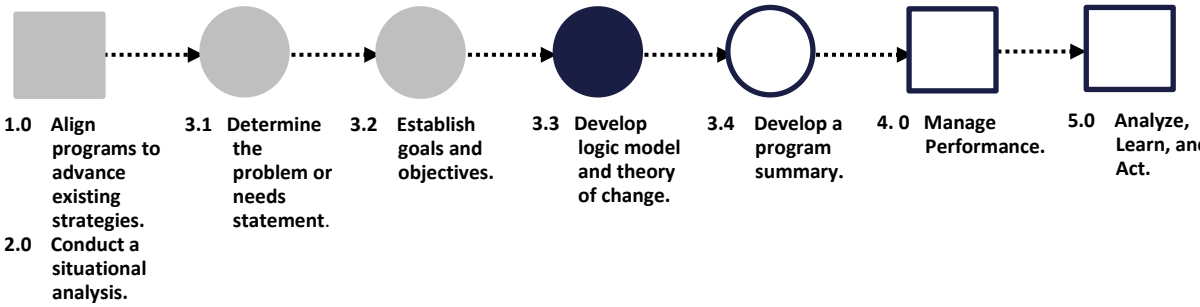


Figure 10. Case Example, Program Goals and Objectives

STEP 3.3: DEVELOP A PROGRAM LOGIC MODEL AND THEORY OF CHANGE



A **logic model** is a tool to systematically document and visually represent program investments, activities, desired results, and the relationship between them. The process of creating a logic model is one of the most critical steps in both program design as well as performance management. It allows the program team and key stakeholders to work through how and why they think the program will work to achieve established goals and objectives and it becomes the basis for designing monitoring and evaluation plans. Establishing *what* the program is expected to achieve sets the foundation for what to monitor and evaluate progress against. This section describes each logic model component and how to work through its completion. A **theory of change** is a brief statement that ties your logic model together by summarizing *why*, based on available evidence and consideration of other possible paths, and the changes described in your logic model that are expected to occur.

One of the key benefits of creating a logic model is that it gets all program stakeholders on the same page in terms of how and why the program will be implemented. When creating a logic model, it is therefore critical that all key stakeholders are involved or consulted, including program implementers, managers, key decision-makers, monitoring and evaluation staff, and possibly even intended program beneficiaries or customers.

The components of a logic model include:

- Short- and Long-Term Outcomes – what we achieve
- Outputs – what we get
- Activities – what we do
- Inputs – what we invest

Using the diagram in **Figure 11** as a reference point, each component from left to right is intended to build on or result from the previous one. *Outcomes* are the intermediate and long-term results of the outputs. *Outputs* are the results of the activities and *activities* are based on the planned program *inputs*. When initially creating a logic model, however, it is most helpful to start from right to left whereby stakeholders first discuss and agree upon the intended outcomes so the other components lead to these desired long-term results.

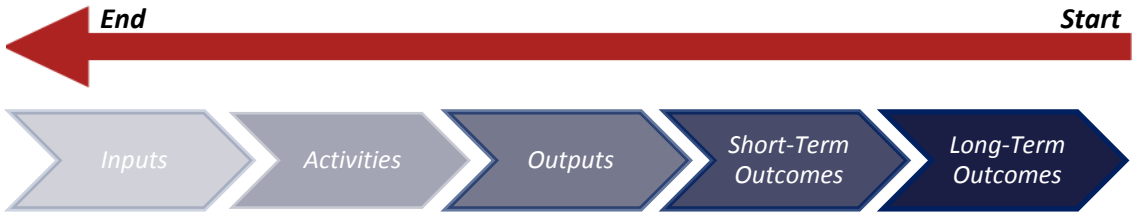


Figure 11. Completing a Logic Model

3.3.1: Develop Long-Term Outcomes

Long-term outcomes describe system- or societal-level results, and can focus on behavior, normative, and policy changes the program seeks to achieve. Though often not realized for years after program implementation, long-term outcomes are based on what success would look like if the program goal(s) were ultimately achieved. **Figure 12** provides an example of a strong long-term outcome. **Figure 13** below provides an illustration of how the program goal(s) can be used to develop the long-term outcomes section of the logic model.

Long-Term Outcome
Reduction in incidence in air-quality related disease.
This is a strong long-term outcome because although it will not be realized during the timeframe of a single climate change program, it is a logical long-term extension of a climate change program and it is a measurable/observable change at the broader societal level.

Figure 12. Case Example, Long-Term Outcome

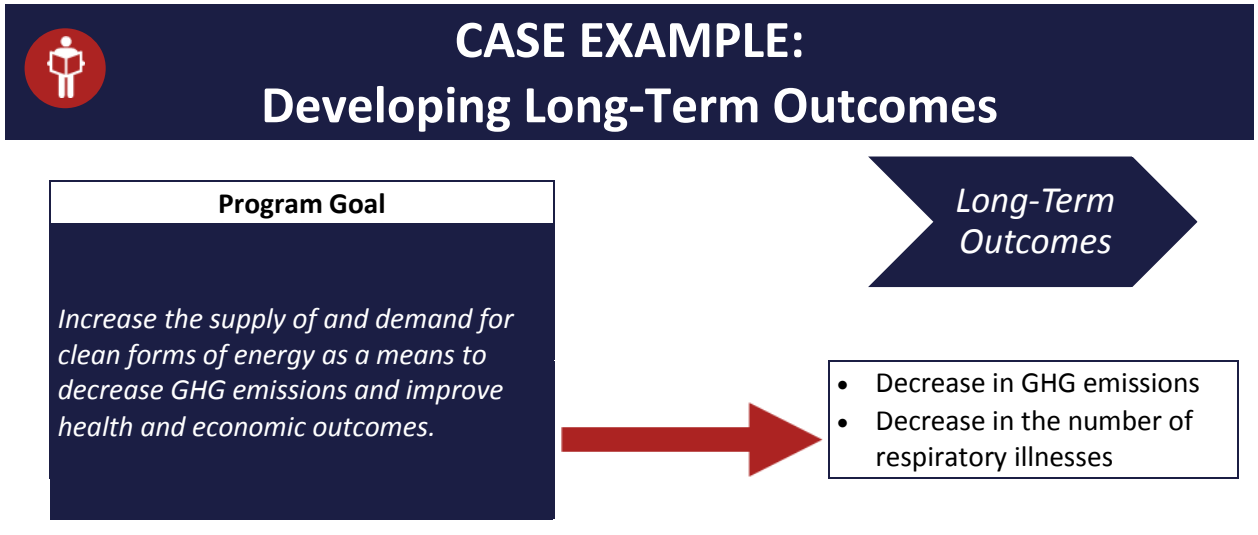


Figure 13. Developing Long-Term Outcomes

3.3.2: Develop Short-Term Outcomes

Short-term outcomes describe the immediate effects of the program and often focus on changes to the knowledge and attitudes of the program's beneficiaries or customers, such as a change in attitude as a result of an awareness campaign or a change in behavior due to a training program. The short-term outcomes of the program should be linked to the program objectives. **Figure 14** provides an example of a strong short-term outcome. **Figure 15** provides an illustration of how the program objectives can be used to develop the outcomes section of the logic model.

Short-Term Outcome
New clean energy policies, plans, regulations and frameworks implemented.
This is a strong short-term outcome because this is the result of the capacity building program and indicates a behavioral change among the participants and can be accomplished within the timeframe of the program. It is directly tied to Objective 1 of the Case Example: *Increase capacity of the national government to create and implement regulatory frameworks and policies to promote and sustain a clean energy sector.*

Figure 14. Case Example, Short-Term Outcome

> *"Without information things are done arbitrarily, and one becomes unsure of whether a policy or programme, will fail or succeed. If we allow our policies to be guided be empirical facts and data, there will be noticeable change in the impact of what we do"*
>
> **– Director of Policy,**
> **National Action Committee on AIDS (Nigeria) 2003**

CASE EXAMPLE: Developing Short-Term Outcomes

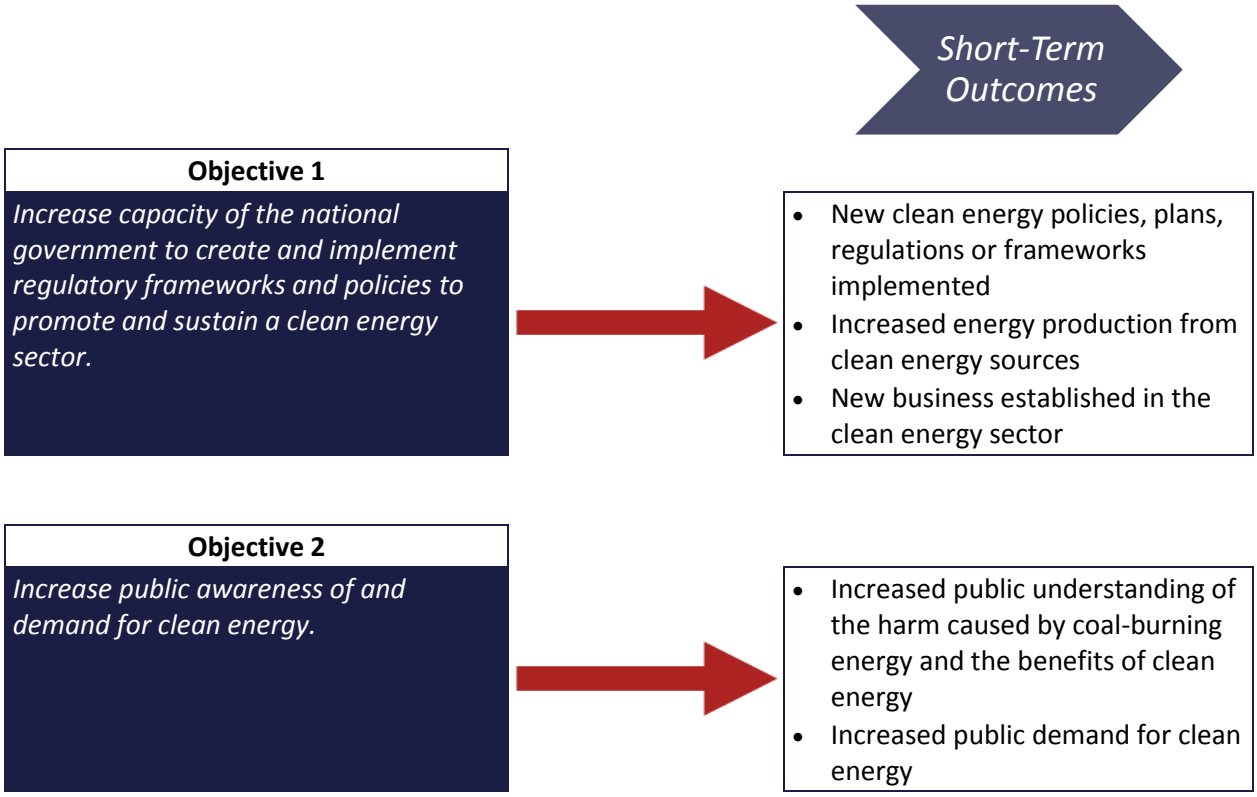


Figure 15. Developing Short-Term Outcomes

3.3.3: Develop Outputs

Outputs are the direct, tangible results of program activities. They are often easy to count, such as number of people trained or number of awareness campaigns conducted, and generally measure the amount or quantity of the activities or beneficiaries/customers. **Figure 16** provides an example of a strong output.

Output
Government personnel receive technical assistance on clean energy policy, plans, regulations, and/or frameworks.
This is a strong example of an output because it is a direct result of the program activity. This output is measurable; it is specific and relevant to the program activities and long-term outcomes.

Figure 16. Case Example, Output

3.3.4: Develop Activities

Activities are the actions or events undertaken by the program or partners to ultimately produce desired outcomes. Activities identify measurable action steps to achieve the program's goals or objectives, such as conducting outreach, providing training, or developing a communication campaign. They should be feasible from an economic, social, and political perspective, and should have a clear link to addressing the intended issue or challenge identified in the problem statement. **Figure 17** provides an example of a strong activity.

Activity
Exchange programs for members of the Ministry of Interior Bureau of Energy to visit the US Department of Energy and Department of Agriculture to learn about clean energy programs.
This is a strong example of an activity because explains who will receive technical assistance and what type of technical assistance. It directly relates to Objective 1: *Increase capacity of the national government to create and implement regulatory frameworks and policies to promote and sustain a clean energy sector.*

Figure 17. Case Example, Activity

Additional examples of activities include the following: developing curriculum, handling customer inquiries, delivering workshops, generating media stories, coordinating stakeholder meetings, making grant applications, providing technical assistance, producing brochures, delivering trainings, implementing awareness campaigns, or conducting educational exchanges. **Figure 18** shows how activities should align with program objectives so objectives can be achieved.

CASE EXAMPLE: Developing Activities

Activities

- Technical assistance (TA) initiatives to strengthen the Ministry of Interior's Energy Bureau's (MOI EB) ability to revise, develop, and implement clean energy policies, regulations, and frameworks
- TA to MOI EB to strengthen partnerships among the private sector to improve clean energy program
- TA to MOI EB to plan and implement a clean energy program including planning goals and objectives
- MOI EB educational exchange to US Dept. of Energy and Dept. of Agriculture

→

Objective 1

Increase capacity of the national government to create and implement regulations, policies and frameworks regarding clean energy.

- Implement a public awareness campaign to increase people's knowledge on the benefits of clean energy and health hazards of pollution.
- Targeted outreach to businesses about benefits of clean energy

→

Objective 2

Increase public awareness and the demand for clean energy.

Figure 18. Developing Activities

3.3.5: Develop Inputs

Inputs are the resources invested to start and maintain program implementation. They include, but are not limited to, financial resources, time, personnel, materials, equipment, and monetary or in-kind contributions of your or any other organization. It is important to consider how program inputs may affect the scope of your program, the size or number activities, and what outputs and outcomes can be achieved. **Figure 19** provides an example of a strong activity.

Input
Flyers for awareness campaign
This is a strong example of an input because it shows how this will be used to implement an activity of the program.

Figure 19. Case Example, Input

At this point in the program design process you have successfully reviewed the key components of developing a program logic model. **Figure 21** illustrates the completed logic model for the case example.

After reviewing the case example below, click **here** to use the Logic Model Tool.

Now that the goals and objectives of the program are developed, Mary and her team can develop the program logic using the Program Logic Model Tool. In doing so she can determine how the program's inputs will lead to the long-term outcomes of the program. See the case example of the Program Logic Model in **Figure 21.**

Figure 20. Case Example, Logic Model Information

CASE EXAMPLE: Completed Program Logic Model

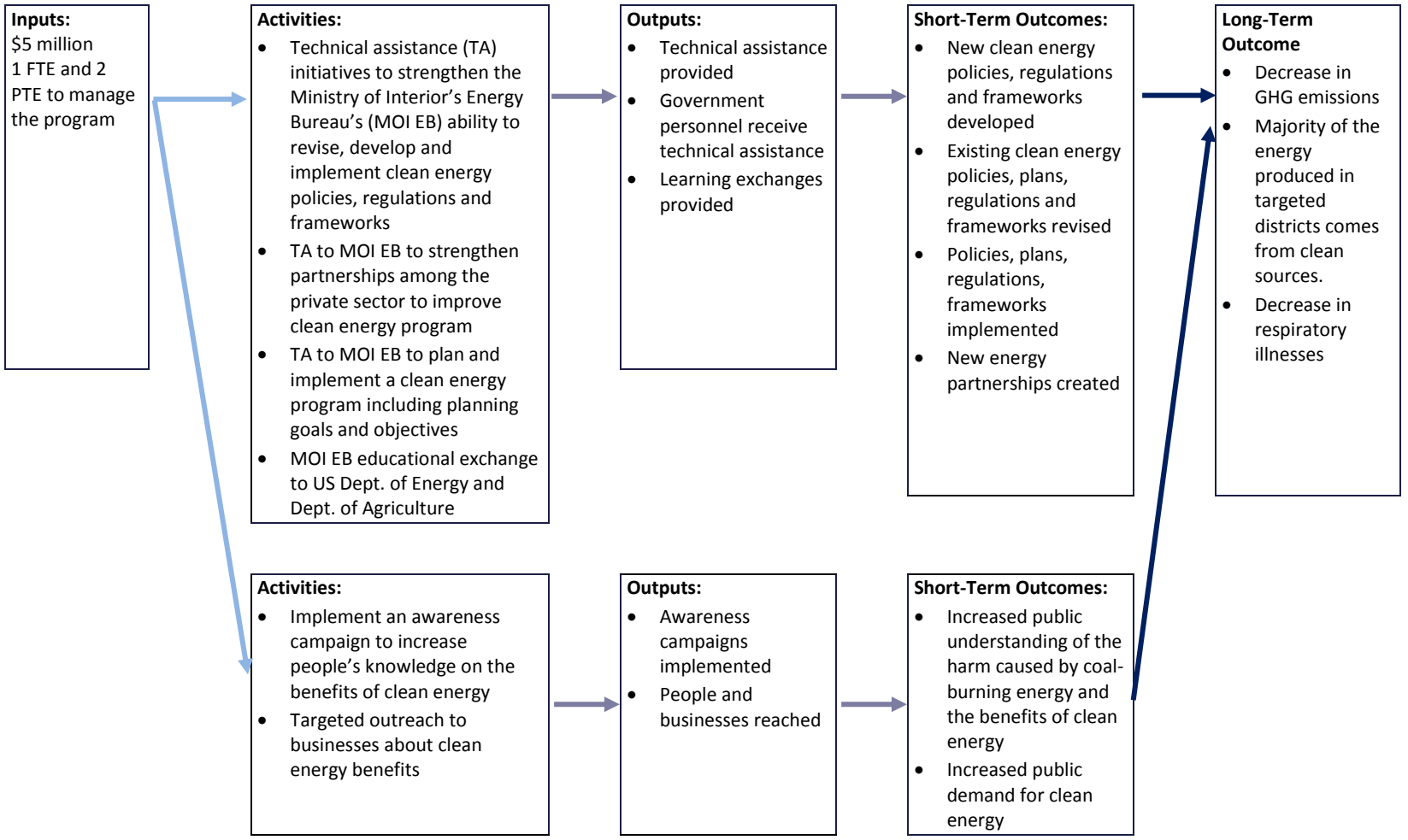


Figure 21. Case Example, Program Completed Logic Model

3.3.6: Develop Program Assumptions

Program assumptions describe the conditions that need to exist in order for one step in the logic model to succeed and lead to the next step. These could include conditions over which program implementers may or may not have control. Assumptions should be considered at each stage of the logic model, and examined to determine if any content in the logic model needs to be adjusted.

After reviewing the case example below, click **here** to use the Develop the Program Assumptions Tool.

While developing the logic model, Mary will also determine the program assumptions. In doing so, she will articulate the external factors that either must be in place for the program to be a success or over which the program implementers have no control.

Upon completion of the logic model and program assumptions, Mary and her team will write the theory of change. The theory of change will explain why they believe an awareness campaign and capacity building program will address the problem determined in **Step 3.1**: *Current GHG emission levels should be curbed or reduced to improve long-term health and economic outcomes in Freedonia, but the government lacks the capacity to create and implement the policy and regulatory frameworks necessary to develop a Clean Energy sector and citizens are not aware of the benefits of clean energy sources.*

Figure 22. Case Example, Program Assumptions Information

CASE EXAMPLE: Program Assumptions

Inputs → Activities → Outputs → Short-Term Outcomes → Long-Term Outcomes

Assumptions	Assumptions	Assumptions	Assumptions
• World Bank will support infrastructure program as planned • Department of Energy and Department of Agriculture will support exchanges • $5 million will be made available for TA and awareness programs	• Visitors providing technical assistance will not encounter barriers to entering the country or accessing employees of the MOI EB. • The public awareness campaign will reach its intended targets.	• The government and economy of Freedonia will remain relatively stable during program implementation. • Energy usage will remain the same or increase somewhat.	• There will be no new source of significant GHG emissions. • There will be no change in other factors related to respiratory illnesses, e.g., smoking.

Figure 23. Case Example, Program Assumptions

3.3.7: Develop Theory of Change

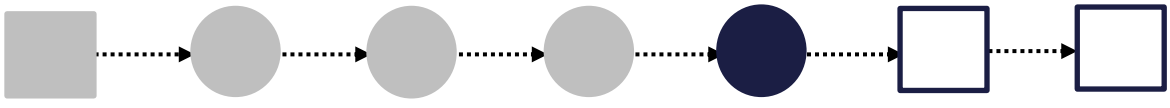
A Theory of Change (TOC) is an evolving set of theories about how and why a specific program will work that can be tested and improved over time. TOCs often include narrative statements that describe *why* it is believed one step will lead to another (e.g., what is the basis for asserting increased knowledge leads to behavior change in this program context?). A TOC can be made more robust when based on literature, research findings, past evaluations, policy, or leading practices such as anything uncovered in your situational analysis.[3] TOCs may be established theories pulled from existing sources; they can be customized based on evidence related to your particular program context, or a combination of both. Depending on how the TOC evolves over time, you may need to consider requisite changes to the program design and/or logic model. It is recommended to work with a representative team of stakeholders, including consultations with anticipated beneficiaries or customers if possible, when developing both the TOC and logic model. Consider the following when developing a TOC:

- **Changes:** What needs to occur to move from the problem that currently exists, to achieving program goals and objectives?
- **Theory of Change Hypotheses:** Overarching statements of how you believe change will occur to solve the problem. These can be written as "If____, then____ because _____" statements to link existing conditions and desired changes.
- **Source/Evidence:** Any source or evidence that supports these theories. This could include examination of well-established theories, previous program evaluations, discussions with stakeholders, input from program beneficiaries or customers, and research or literature review. If there is no current evidence to support the theory or assumption, note that, but continue and consider whether support for your theory could be explored as part of your monitoring and evaluation plan.

Consideration of these factors allows the program team to summarize why, based on available evidence and consideration of other possible paths, the particular changes described and predicted in your logic model are expected to occur. The theory of change can be noted on your logic model document, or separately, and should be reviewed periodically to determine if it should be modified as any new information becomes available.

[3] https://assets.publishing.service.gov.uk/media/57a08a5ded915d3cfd00071a/DFID_ToC_Review_VogelV7.pdf

STEP 3.4: DEVELOP A PROGRAM SUMMARY



1.0 Align programs to advance existing strategies.
2.0 Conduct a situational analysis.
3.1 Determine the problem or needs statement.
3.2 Establish goals and objectives.
3.3 Develop logic model and theory of change.
3.4 Develop program summary.
4. 0 Manage Performance.
5.0 Analyze, Learn, and Act.

All of the tools you have completed in sections 1-3 of the Toolkit combine to comprise your program summary and provides a high level overview of your program's key considerations, plus its goals and objectives and plans for achieving them.

- Align Program to Advance Existing Strategies
- Internal and External Assessments
- Root Cause Analysis
- Review of the Issue or Problem
- Program Goals and Objectives
- Logic Model

Use the program summary to share and communicate the program internally among leadership and staff, as well as with external stakeholders, interagency or non-governmental partners, or implementers. The program summary can also be used as a knowledge management and orientation tool during times of staff or partner movement or turnover.

Your program summary, combined with the performance management plan you will create using the tools in **Section 4** and **Section 5** of the Toolkit will comprise your complete program information documentation.

"What gets measured gets managed."

\- Peter Drucker

Program Design and Performance Management Toolkit

4

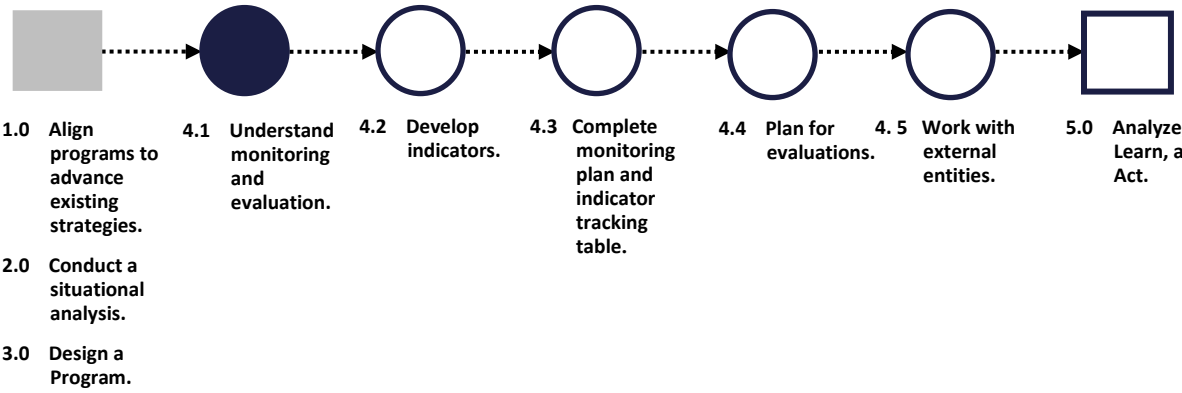
Section 4: Manage Performance

By the end of this section, offices, bureaus, and posts will:

- ✓ Understand monitoring and evaluation
- ✓ Develop indicators
- ✓ Complete a monitoring plan and indicator tracker
- ✓ Plan for evaluations

SECTION 4: MANAGE PERFORMANCE

STEP 4.1: UNDERSTAND MONITORING AND EVALUATION



Completing sections 4 and 5 of the Toolkit will provide program managers with a **Performance Management Plan (PMP)**, which establishes how program progress and results will be measured and assessed through monitoring, evaluation, and the analysis and use of performance information. Performance management is the ongoing process of collecting and analyzing information to monitor program performance against established goals and objectives and using the information to make any necessary adjustments to improve efficiency or effectiveness. Sound performance management begins in program design, is conducted throughout program implementation, and is used on an ongoing basis to make informed decisions for current and future programs. PMPs are useful not only for internal management purposes, but also for coordinating and communicating program efforts and accountability measures with implementing partners.

Monitoring and evaluation, often referred to as "M&E", are key components of performance management. Monitoring data generally describe what is happening throughout the program, and evaluations can help determine how or why. Monitoring and evaluation provide the data necessary to assess ongoing progress and results, conduct internal learning and accountability, and respond to external reporting and communication requirements.

Monitoring involves ongoing data collection against key performance indicators or milestones to gauge the direct and near-term effects of program activities and whether desired results are occurring as expected during program implementation. Monitoring data tell us *what* is happening and help us determine if implementation is on track or if any timely corrections or adjustments may be needed to improve efficiency or effectiveness. Monitoring data can also indicate when an evaluation is needed to understand how or why certain results are being observed and can provide useful inputs into an evaluation.

Evaluation is the systematic collection and analysis of information about the characteristics and outcomes of programs, projects, or processes as a basis for making judgements, improving effectiveness, and informing decision-makers about current and future activities. Evaluation is distinct

from assessment, which may be designed to examine country or sector context to inform project design.[4]

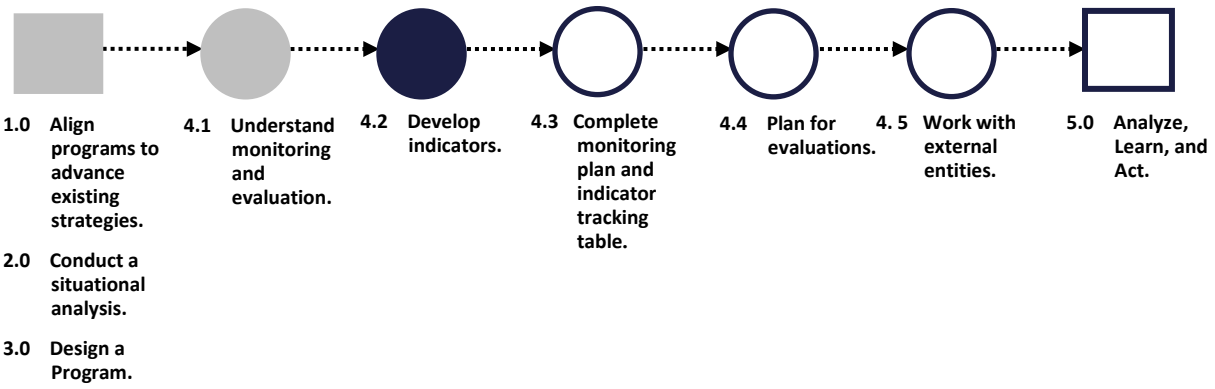
Evaluations can not only help determine what a program has achieved, but also provide insight into *how* and *why*. Evaluations are designed to answer questions that address efficiency, effectiveness, impact, sustainability, and relevance and are undertaken with the intent to improve the performance of existing programs or policies, assess their effects and impacts, or to inform decisions about future programming.

Combined, monitoring and evaluation can answer questions about progress and results at all stages of the program logic model (developed in **Section 3**), the project work breakdown structure (developed in **Appendix A**) or the process map (developed in **Appendix B**). Monitoring and indicator data are typically more useful to asses ongoing activities, outputs, and some near-term outcomes of the program, but are less useful in answering questions about how or if the program itself contributed to the desired long-term outcomes, and why. Evaluations often use mixed methods of data collection that are much broader in scope than performance indicators. In doing so, evaluations are better suited to address questions about the extent to which a program contributed to desired outcomes and causation.

> *"Planning without action is futile, action without planning is fatal."*
>
> **– Anonymous**

[4] http://cas.state.gov/evaluation/files/2014/05/2016-Evaluation-Guidance.pdf

STEP 4.2: DEVELOP INDICATORS



Performance indicators are used to monitor progress and to measure actual results compared to expected results.

The program logic model should be used to assist in indicator development. Consult the completed logic model and determine how progress or results at each stage could be objectively observed or accounted for. For example, if one key activity associated with your program is the delivery of training, counting the number of people trained (output indicator) could be an indication about if and how the training is progressing, and measuring changes in knowledge or attitude before and after the training (short-term outcome indicator) could indicate the extent to which the desired result of the activity is occurring. Some questions to consider when developing indicators include:

- What do we expect to be different as a result of this program, project, or process and its associated activities?
- How will we be able to recognize the desired difference?
- What data would be most useful and actionable for decision makers (type and amount)?
- What are the strengths and limitations of collecting various data?

Developing indicators is both a science and an art, as certain rules should be followed to ensure the quality and utility of the information collected, but at times creative thinking is needed if certain variables cannot be directly measured or if the most desirable and direct indicator data cannot be feasibly obtained. The steps in this section are designed to aid in developing the right set of indicators that will have the greatest utility.

4.2.1: Types of Indicators and Data

Different kinds of data and indicators can be collected to track progress and results along the logic model toward program goals and objectives:

- **Quantitative Data.** Quantitative data express a certain quantity, amount, or range. When appropriate, measurement units are associated with the data, such as inches, tons, or pounds, etc. Many output indicators, for example, are quantitative.
- **Qualitative Data.** Qualitative data describe the attributes or properties possessed by the unit of analysis (e.g., a person, object, system, etc.). Qualitative data can provide helpful context and a

more in-depth description of something. It can be an important tool for contextualizing quantitative trends, such as program participants' feedback about why they could not participate in a program activity, and also for communicating program outcomes. Examples include observations collected at a program site or opinion, attitude, or perception data obtained via interviews, focus groups, or surveys.

- **Outcome Indicators.** Outcome indicators focus on measuring the desired results of the program, *or what we achieve*. They should be indications of progress toward, or achievement of, program goals or objectives, and they should relate to the short- and long-term outcomes in your logic model. There are two key types of outcomes: short-term and long-term. Note that depending on specific program context, results that represent short-term outcomes for one program might be considered long-term outcomes for another, and vice-versa, but the key is that the program team thinks through the useful outcome indicators for their particular program.
  - **Short-Term Outcome Indicators** capture and measure the effects of the activities undertaken in the program and often focus on changes in the knowledge and attitudes of the program's intended beneficiaries. Depending on the program context, short-term outcomes can also include behavior, policy, or normative changes, but for some programs these may be considered long-term outcomes.
    - Creation of a country-wide clean energy framework
    - Number of media outlets featuring public awareness campaign information
    - Change in public's knowledge of clean energy
  - **Long-Term Outcome Indicators**, sometimes called impact, refer to the desired end-state or ultimate results of the program you hope to achieve. They can take years to realize and may be observed outside the timeframe of your program. These are linked to the overarching results that could stem from achieving program goals. Examples may include:
    - Percent decrease in air-quality related disease
- **Output Indicators.** Output indicators measure the direct, tangible results of program activities. They answer the question, "What was the immediate product of the activity – what did we get?" Output indicators measure the outputs in the program logic model. Examples of output indicators include:
  - Number of government officials completing exchange programs
  - Number of contacts made to news outlets about a public awareness campaign
- **Contextual Indicators.** Contextual indicators measure the environment within which the program is implemented. They provide additional context about factors that may influence program implementation or results but are often beyond the control of program implementers. Contextual indicators are useful to illustrate and track the operating environment of a country, sector, or program, but not to describe the effects or impacts of the program activities.
  - Percent of the population living on less than $1.25 per day
  - Ease of doing business rank
  - Growth in real gross domestic product per capita

- **Milestones.** Milestones measure progress toward a desired outcome by dividing the progress into a series of defined steps, or by defining a single desired end state to mark a key achievement (e.g., policy adopted). Milestones require a clear definition of each step or milestone, criteria for assessing whether the step or the milestone has been achieved, and an expected timeline for when each step will be achieved (if appropriate). Below is an example of a set of milestone indicators:
  - Development of regulation, policy, or framework for clean energy program by Year 3
  - Establishment of oversight committee or agency in Year 1
  - Implementation of regulation, policy, or framework for clean energy program in Year 3
- **Rating Scale.** This is a measurement device that quantifies a range of subjective, and often qualitative, responses on a single issue or single dimension of an issue. One example of a simple rating scale is when survey respondents are asked to provide a quantified response to a survey question (such as overall satisfaction with an activity on a Likert scale of 1 to 5). Use of complex rating scales that require respondents to possess technical expertise to choose the appropriate response require a clear definition of each number on the scale, and how respondents should rank their answers.

4.2.1: Developing Indicators and Indicator Reference Sheets

To the extent practicable, program indicators should be objective, practical, useful, direct, attributable, timely, and adequate (OPUDATA)[5]. The OPUDATA tool and indicator reference sheet tool are designed to help the program team work through and address these considerations when designing indicators. Some of these considerations require tradeoffs, such as trading the most direct indicator for one that is more practical to collect data against, and it is up to the program team to determine what set of indicators will best suit their data needs and uses. An example of a weak and strong indicator can be seen in **Figure 25**.

- ***Objective.*** Performance indicators should only measure one thing and be unambiguous about what is being measured. All subjective terms that could be interpreted differently by various stakeholders should be clearly defined in the indicator reference sheet so the program team as well as any partners use and interpret the indicator correctly and consistently.
- ***Practical.*** Consider the feasibility of collecting the data. Certain indicator data that, on their face, could be extremely useful to gauge progress or results may be impossible to obtain due to budget, geography, time, availability, quality, or other constraints.
- ***Useful.*** Data collection can require considerable time and resources. Consider what questions and decisions could arise during program implementation and beyond, and validate the data captured in your indicators. Have a clear utility for learning, tracking, informing decisions, or addressing ongoing program needs.

[5] https://www.usaid.gov/sites/default/files/documents/1870/203.pdf

- ***Direct.*** When feasible, indicators should directly measure the desired program result (e.g., measuring GHG levels to indicate changes in GHG levels). When this is not possible, program teams can use **proxy** indicators, which measure variables that can approximate or represent something that is too difficult or infeasible to measure directly (e.g., measuring a variable that is known to be consistently affected by changes in GHG levels to serve as a proxy for changes occurring in GHG levels).
- ***Attributable.*** The program team should include indicators in its overall monitoring plan that measure factors that are the direct result of program activities. *Output* and *short-term outcome indicators* often measure results that are directly attributable to program activities. This is important data for the program team to use to establish whether or not these aspects of the program logic model are on track and producing expected results. Note that although *long-term outcome indicators* typically measure effects that the program only *contributed* to, they are also important to include in the overall monitoring plan in order to assess the full breadth of the program logic model. **Figure 24** helps illustrate the difference between attribution and contribution.

Attribution	Contribution
Example: *Number of policies, regulations, and frameworks implemented*	***Example:*** *Percent decrease in respiratory illnesses in target districts*
Explanation: If a new framework resulted from a year of ongoing technical assistance and capacity building, this result is directly attributable to the program because it would not have occurred in this way without the program.	***Explanation*:** While a new clean energy framework should in turn lead to increased clean energy production, a reduction in GHG levels, and ultimately a decrease in respiratory illnesses, there are several other factors outside the scope of this program that influence changes in health.

Figure 24. Case Example, Attribution vs Contribution

- ***Timely.*** Performance indicator data must be available in time for it to be used in decision making or the other purposes for which it is intended. Perfect data that come in after decisions had to be made or after a report deadline are not useful.
- ***Adequate.*** Because data collection can be costly, the program team should have only as many indicators in their overall monitoring plan as are necessary and feasible to track key progress and results, inform decisions, conduct internal learning, and meet any external communication or reporting requirements. Note that foreign assistance-funded programs should reference the list of standard foreign assistance indicators and include applicable indicators in their monitoring plan.