TAKING RESPONSIBILITY FOR THE SUCCESS OF DONOR FUNDED PROJECTS

Critical Success Factors For Donor Funded Projects
Dr Xavier Font
What do we mean by responsibility?

1. Rights and responsibilities - respect
2. Latin *respondeo* to answer, reply, respond
3. Contemporary meanings
   - Legally responsible, accountable in law - causal link (for blame or praise)
   - Moral obligation – stepping up to take responsibility, personal willingness to act
   - Wanting to make a difference
   - Agency brings responsibility - donors and implementers both have agency
Responsibility

- Accountability, liability, can be imposed by donors
- Respons-ability, has to be taken and requires *phronesis* – practical wisdom or prudence – even if the practice of donors does not change implementers can take responsibility.
- Donors should be holding implementers to account
Responsible Tourism and Sustainable Tourism are NOT the same thing

- Sustainability is an aim – quite possibly unrealisable.
- Responsible Tourism is about
  - More than the green agenda
  - Focusing on what matters locally
  - Taking action and being able to demonstrate impact.
  - It is about what you do.
Operative and inoperative ideas

• Nigel Harris (1968) Beliefs in Society distinguished between operative and inoperative ideas.

• Ideas can be
  – operative – guides action
  – inoperative – legitimates action

• Where does the idea of sustainability sit?
When and how does aid succeed? How do we understand failure/success?

• Success. Achieving the project’s goals and objectives, in time, cost and quality and in the context of the project’s terms of reference (Abdullah et al., 2010).

• Donors
• The business aid
• Project evaluation
• Delphi results
How does the system work? (1)

1. Donor agency develops a budget line based on the latest thinking about development.
2. Looks for proposals which meet the donor’s budget line criteria.
3. Potential implementers (government agencies, NGO’s, consultants, academics) bid to spend the money they are the experts, known to the donors.
How does the system work? (2)

4. Donor evaluates the bids and decides based on amongst other things an assessment of likely satisfactory completion rather than delivery against the policy objectives.

5. Donor then (micro-)manages the project to ensure that the money is spent according to the agreement.

6. Reports on satisfactory completion – on budget and on time
What goes wrong?

I wish that this was an exhaustive list......

- Poor ideas
- Purpose
- Language
- Slippage
- Fusion
- Failure to learn
- Unintended but not unforeseeable consequences

A poor idea driven by expediency
Purpose

- Poverty reduction or MDGs is the aim
- Donor “advertises” that funds are available
- Potential implementers prepare costed bids based on defined outputs – it is the outputs that the money will be spent on.
- The outputs define the inputs – deny responsibility for impacts
# Language

<table>
<thead>
<tr>
<th>The jargon we use</th>
<th>An example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outputs</strong> – what is funded</td>
<td>Places on MSc in Conservation Biology</td>
</tr>
<tr>
<td><strong>Inputs</strong> of resources necessary to deliver the outputs</td>
<td>Course fees and bursaries</td>
</tr>
<tr>
<td><strong>Outcomes</strong> – the results of the outputs</td>
<td>Students receive grades and either pass or fail</td>
</tr>
<tr>
<td><strong>Impacts</strong> – the change achieved</td>
<td>What the students do with their MSc</td>
</tr>
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## Language

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<tr>
<td><strong>Outputs</strong> – what is funded</td>
<td>Training days – the more days of training the better</td>
</tr>
<tr>
<td><strong>Inputs</strong> of resources necessary to deliver the outputs</td>
<td>The costs of providing the training and the time of the economically poor who attend.</td>
</tr>
<tr>
<td><strong>Outcomes</strong> – the results of the outputs</td>
<td>Completed days of training – rarely tested.</td>
</tr>
<tr>
<td><strong>Impacts</strong> – the change achieved</td>
<td>The money earned from learning to ……</td>
</tr>
</tbody>
</table>
Slippage

• This is at the heart of the project management challenge.

• Who are to be the main beneficiaries?
  – The economically poor who are used to justify the expenditure?
  or
  – The donor managers and the implementers who directly benefit from the inputs? Their careers depend on it.
Fusion: colleagueship

• A good thing?
• A relationship develops between the donor and
• standing “shoulder to shoulder” can deteriorate into collusion
Failure to learn

• Most of us recognise that we learn more from our failures than from our successes
• We want our children to learn from our, and other people’s, mistakes
• So why are evaluation reports kept secret.
You should never make the same mistake twice. There are plenty of others to choose from.

So why do we not learn from our mistakes and continue to fail to deliver on our objectives?
Insanity:

Doing the same thing over and over again

and expecting different results.

Albert Einstein
Professionalising the relationship

• Managers in donor agencies need to be held to account for the impacts of the programmes they administer. It is not enough to get the money spent on time.

• Implementers need to be held to account for the impacts of their outputs and outcomes.
SMART OBJECTIVES

• Specific
• Measurable
• Achievable or Actionable
• Realistic
• Timelined

• Most log frames require verifiable measurable indicators
• The indicators need to be of impacts not of the outputs.
• The outputs are only a means to an end.
DONORS

• lack of transparency in decision making about development assistance
• development assistance is often assumed to be apolitical, in reality practice has been closer to enlightened self-interest
• Donors prefer to finance short term, target driven projects; whereas effective aid usually requires core funding over a longer period in order to facilitate local empowerment (Birdsall, 2004).
Mosley, Harrigan and Toye (1995) have argued that staff are under pressure to meet disbursement targets and spending the budget is a primary management objective.

Failure to disburse funds may be seen as an indicator that there are problems in the country department which reflects badly on staff (Edgren, 1996).

Budgets are committed to interventions based on pledges, not performance, or when the latter is taken into account, it relates to procedural due diligence and not impact (Svenssson, 2003).
THE BUSINESS OF AID

• principal–agent relations. Agency problems from having unclear aid contracts that do not provide sufficient incentive to the recipient to use aid effectively (Paul, 2006)

• Rent-seeking behaviour arising from aid dependency (Svensson, 2000)
Project coordinators

• Coordinators of development projects perceive success of their own projects based on the management performance (as commonly defined, by time, cost and quality) and on the project’s profile (visibility/ reputation/ image)

• Project impact (performance against objectives in the logical framework) not an important criteria for coordinators of projects. All about getting the job done on time, on budget and on spec, and being seen to do a good job (Diallo and Thuillier, 2004)
Donor or need driven?

- technical assistance projects are donor-driven and not based on the local needs (Godfrey et al., 2002),
- the result of having limited knowledge of the local realities (Williamson, 2010).
- All too often donors have not shown respect for the knowledge of others (Chambers, 1997),
- and then wondered why the intermediaries and implementers do not do as they are told.
Learning needs

• Fallen short of its intended purpose, failing to adapt to local conditions, being used as a short term fix, not measuring or reporting the impacts, and lacking in consistent approaches (Wilson, 2007).

• Learning needs to take place collaboratively, and slowly, based on trust and mutual respect (Wilson, 2007).

• Technical assistance rarely creates communities of practice for joint and long term collaborative learning (Johnson, 2007).

• Self-reliance does not happen overnight, changing mental structures and allowing the recipients to see for themselves what can be achieved is far more complex (Briedenhann, 2011).
PROJECT EVALUATION

• How all stakeholders learn from previous experience through project evaluation, as impacts of interventions are rarely reported.

• The argument that since all impacts cannot be captured it is not worth reporting, needs to be resisted.

• We know more about whether programmes met the expected milestones and spend on the right budgets than about the impact of these interventions (Savedoff, Levine and Birdsall, 2006).
What is valued

• Valuing the timely spending of budgets and accomplishing of outcomes over the achievement of measurable impacts
• SNV’s focus in monitoring and evaluation was on outputs and outcomes, not impacts (Hummel and van der Duim, 2012)
• lack of incentives and the numerous technical, bureaucratic and political challenges that impede good impact evaluations (Savedoff, Levine and Birdsall, 2006).
DELPHI RESULTS
The top six reasons for project failure

1. unprofessional project management,
2. lack of understanding of the local situation,
3. unskilled/unprofessional implementation,
4. lack of leadership,
5. Lack of collaboration and communication between stakeholders and
6. poorly defined project scope and scale
<table>
<thead>
<tr>
<th>Importance/likelihood</th>
<th>Low importance</th>
<th>med</th>
<th>High importance</th>
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</table>
| High likelihood       | Relevant administrative procedures | Monitoring and evaluation | Partners believing in the project  
The project is well-defined  
Effective budget management  
The project is appropriate for the location |
| med                   | Political support and stability  
Multi-stakeholder involvement  
A stakeholder management approach | Having access to market  
Coherence between resources and scope & scale, early strategic thinking  
Professionalism and skill of staff  
Public/private engagement  
Collaboration & communication between stakeholders  
Realistic timeline  
A consistent and stable project team | Sustainability of the project  
The involvement of local people  
Leadership  
Professionalism of project management |
| Low likelihood        | Synergies with other ongoing interventions  
Flexible/dynamic project  
Innovative project | | Sufficient funding  
Realistic and achievable project  
Rationale and objectives clearly understood by all |
# Feasibility-desirability gap in policy options

<table>
<thead>
<tr>
<th>Issue</th>
<th>Gap</th>
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</thead>
<tbody>
<tr>
<td>Engage local people in the project approval process</td>
<td>34%</td>
</tr>
<tr>
<td>Ensure there is a mechanism for ensuring that the development of</td>
<td>34%</td>
</tr>
<tr>
<td>supply does not outstrip demand</td>
<td></td>
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<tr>
<td>Gather credible evidence that the project will be sustainable and</td>
<td>33%</td>
</tr>
<tr>
<td>will not be donor dependent</td>
<td></td>
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<tr>
<td>Not fund projects unless all positive and negative impacts will be</td>
<td>32%</td>
</tr>
<tr>
<td>monitored and reported publicly</td>
<td></td>
</tr>
<tr>
<td>Ensure experts effectively transfer knowledge and skills so as to build</td>
<td>31%</td>
</tr>
<tr>
<td>local capacity</td>
<td></td>
</tr>
<tr>
<td>Determine the Return on Investment of the project</td>
<td>30%</td>
</tr>
<tr>
<td>Ensure there is a clear market, tourists or tourism businesses, for</td>
<td>28%</td>
</tr>
<tr>
<td>the goods or services</td>
<td></td>
</tr>
<tr>
<td>Ensure the difference between project success and failure is clear</td>
<td>28%</td>
</tr>
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