

Thematic Brief

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Results-Based Management

An effective tool in organizing and executing projects

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Background to Models of Management

To effectively manage a project, it is very helpful to have a general model to follow. All successful organizations follow some type of formal model to manage their projects. Management models are as diverse as they are numerous, and all have their benefits and challenges.

One good model is Results-Based Management, or RBM. The UNDP defines this as “a broad management strategy aimed at achieving improved performance and demonstrable results”. RBM is a system of linking all of the phases of a project to ensure that the outcomes are achieved and to gain new insights informing future decision-making.

Understanding Results-Based Management

The United Nations Development Group describes RBM as “a management strategy by which all actors, contributing directly or indirectly to achieving a set of results, ensure that their processes, products and services contribute to the achievement of desired results (outputs, outcomes and higher level goals or impact). Note that the United Nations Development Group (UNDG) is a consortium of United Nations agencies that the UN Secretary-General established in 1997 to improve the effectiveness of UN development activities at the country level. The development actors in turn use information and evidence on actual results to inform decision making on the design, resourcing and delivery of programmes and activities as well as for accountability and reporting.”

Essentially, practitioners plan all their activities through analysing how each potential activity affects the achievement of their results. They will evaluate their past activities the same way, including assessing the impact those activities had on project accomplishments.

Benefits of Results-Based Management

RBM is considered a good model of management because it affords practical benefits. By evaluating activities in terms of the challenges they may bring, or the opportunities they may lead to, practitioners have a sharper and more realistic understanding of the impact of their activities. With RBM, it is much easier to identify good practices and lessons learned, which helps to better plan future projects.

Using Results-Based Management greatly enhances the evaluation and monitoring stages. With a constant monitoring of *how* activities lead to results, the way in which activities and their results are achieved come into focus. As a result, *the extent to which outcomes were reached is a direct reflection of the value of the corresponding activity*. Or, as RBM defines it, of the activity's performance.

Finally, this direct approach allows for clearer communication between project management and stakeholders. In Results-Based Management, planned activities and their expected effects are clearly understood, especially if they are developed jointly with stakeholders. This means that the project is able to realistically communicate its intention—and the expected impact those intentions will have—to stakeholders.

Challenges of using Results-Based Management

Adopting a Results-Based Management approach is not, however, an instant solution to all the obstacles associated with effective project management. While RBM is able to eliminate some obstacles, as when it creates a direct link between planned project activities and their contribution to the outcomes, it brings its own challenges. For a practitioner of RBM, these challenges are important to keep in mind.

Firstly, like with many other highly-developed management theories, there is a risk of using RBM in an

unrealistic fashion, one not based on realities in the field. Because practitioners are the ones deciding how an activity would contribute to the outcomes of the project, they need to make sure that their understanding of how the activity contributes is firmly grounded in reality. If project managers incorrectly predict the impacts their activities will have, then RBM will not be helpful in their projects.

Secondly, like with any model of management, Results-Based Management will not be helpful to those who think they are using it correctly, but actually do not fully understand it.

Implementing Results-Based Management: the Planning Phase

RBM is conducted in three main phases: Planning, Implementation & Monitoring, and Evaluating.

The first of these, the planning phase, is the most important for Results-Based Management as the actions taken in this phase guide the rest of the project. In this stage, the project identifies the goal it needs to achieve and begins working towards it.

The project develops strategies; forms implementation plans, and leverages its resources, with full management of all possible future risks, hazards, and obstacles. Additionally, projects in the planning phase work to create a sense of local “ownership” of the issue they are tackling. In this phase, they begin laying the groundwork for the monitoring and evaluating phases developing clear methods of measuring their own success. Conducting a good baseline study is very helpful at this stage as such studies provide key data against which to measure the extent to which results are achieved at the end of the project.

In the planning stage, good metrics to measure progress through monitoring must be defined. The evaluation stage leans heavily on the findings from the monitoring stage in order to work so this is an essential part of planning. However, monitoring can only be as good as the kind of measurements it is taking. So in RBM, there are high standards for the formulation of outcomes, outputs, indicators, and means of verification.

Outcomes must be well-worded, clear, and fundamental to the purpose of the project. Outputs, meanwhile, are the building blocks of outcomes, and a central focus of the monitoring phase. They need to be coherent, intuitive, and justified by their clear linkages to their related outcome. An equally strict approach must be taken to indicators, which need to relate to either qualitative or quantitative data. Finally, a project needs to be realistic and objective in establishing the means of verification for monitoring.

When projects fulfil these requirements, they have a firm foundation for their monitoring and evaluation phases.

Implementing Results-Based Management: the Monitoring & Implementation Phase

Once the project begins implementation, it moves into the monitoring phase. Monitoring plays an important role in RBM. This is a model where the overall question is not just “Are we doing what we said we would do?” but also “Are we making sufficient progress in accomplishing our outcomes?” The data collected in the monitoring phase will be an accurate representation of progress towards achieving the relevant outcomes.

Using the previously-developed methods of measuring itself (the outputs, indicators, and means of verification), the project reviews its progress towards achieving its goals, making necessary corrections if its progress is not aligned with plans.

Part of the reason Results-Based Management works so well is that it has a central focus on the role of the monitoring stage of a project.

Implementing Results-Based Management: the Evaluation Phase

When the project ends, the evaluation phase begins. Here, the main concern is whether the project achieved its outcomes, not just whether it fulfilled its responsibilities to management. The evaluation depends heavily on the data gathered in the monitoring phase to assess the project’s progress towards accomplishing results. Each phase of RBM thus carefully builds on the preceding phases.

Evaluations also assess the contributions the project has made to greater issues in the region, and the way the project handled risks, among other factors. The most important consideration in judging the project, however, is always the degree to which it achieved its outcomes, the result of the project’s actions. This is why this model is called Results-Based Management, after all. Finally, the evaluation seeks to identify

project good practices that may be used to enhance other projects, as well as lessons learned that inform future decision-making.

Therefore, the true impact the project has had should be clear in the evaluation phase. A follow up impact evaluation post project may also sometimes be needed. This is useful for projects because not only will it be easier to determine success, but also it will be simple to draw conclusions on good practices and lessons learned, two elements invaluable to the organization moving forward. When a project follows Results-Based Management and holds these exacting standards for the creation of its monitoring metrics, it is poised to be successful.

Conclusion

In closing, there are several key points to remember regarding Results-Based Management. This model has a strong basis in theory. While this makes it effective when practiced correctly, having an accurate understanding of this theory is necessary for accurate implementation. At the same time however, the project managers that use RBM must understand the realities in the field, and be able to incorporate them into the planning stage. They need to define effective outcomes and outputs, and have a realistic understanding of the impacts of project activities.

Should this all be performed the right way, then the project will receive all the benefits of Results-Based Management. Communication will be clearer, intents will be transparent, and unexpected negative outcomes are far less likely to occur. Not only will the project better help its beneficiaries, but also because RBM allows for improved evaluation of projects, it improves the understanding of lessons learned and good practices.

REFERENCES

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- ILO Policy Guides for Results-Based Evaluation – ILO - 2012
<http://capacity4dev.ec.europa.eu/iesf/document/ilo-policy-guidelines-result-based-evaluation-principles-rationale-planning-and-managing-ev>

IESF TEAM SUGGESTED REFERENCES AND RESOURCES

- Information about the UNDG- <http://undg.org/>
- An excellent resource for getting a simple, practical understanding of Results-Based Management is the website <https://www.rbmtraining.com/>.

The opinions and recommendations included in this Thematic Brief are those of the author(s) and do not necessarily reflect those of the European Commission.