GTZ's Planning and Management Framework (1998-2009)

Lecture

at Academy of Management under the President of the Kyrgyz Republic

Bishkek, 08.07.2010

Contents :

- **Project Cycle Management**
  - the derivative of GOPP,
  - the de-standardization of PCM

- **The move towards impact orientation**
  - it's roots and development,
  - GTZ's impact Model,
  - impact chains

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Contents II:

- **Capacity WORKS:** Management Model for Sustainable Development

  - development of the CW model
  - the model, consultancy principles, tool box
  - C's further development and latest evolution

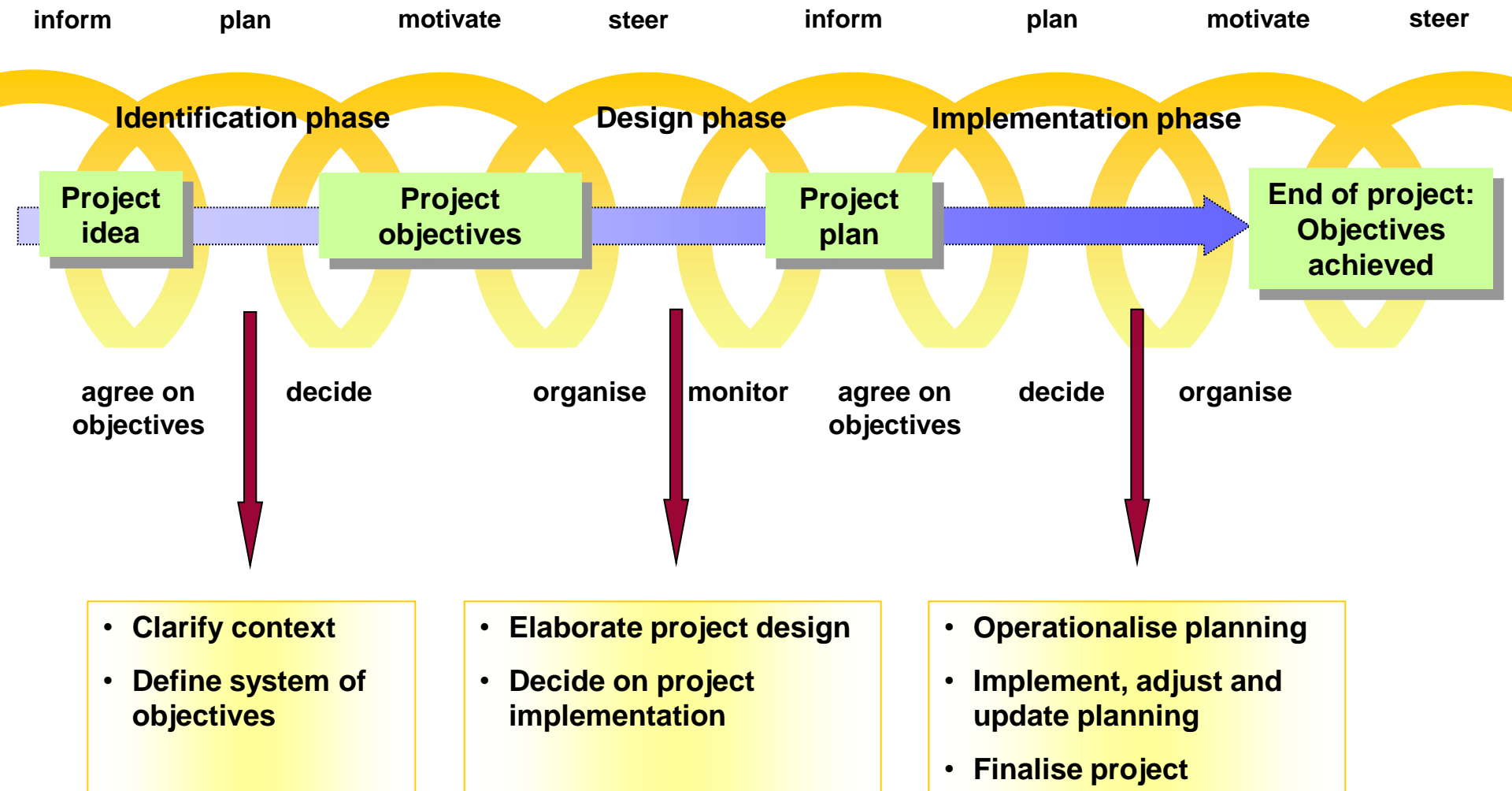# The Logical Framework Approach

Analysis Phase	Planning Phase

Analysis Phase

- **Stakeholder analysis –** identifying & characterising potential major stakeholders; assessing their capacity

- **Problem analysis –** identifying key problems, constraints & opportunities; determining cause & effect relationships

- **Objective analysis –** developing solutions from the identified problems; identifying means-to-ends relationships

- **Strategy analysis –** identifying different strategies to achieve solutions; selecting most appropriate strategy

Planning Phase

- **Developing Logical Framework Matrix –** defining project structure, testing its internal logic & risks, formulating measurable indicators of success

- **Activity scheduling –** determining the sequence and dependency of activities; estimating their duration, and assigning responsibility

- **Resource scheduling –** developing input schedules and a budget from activity schedule

Project Cycle Model

inform · · · · · plan · · · · · motivate · · · · · steer · · · · · inform · · · · · plan · · · · · motivate · · · · · steer

Identification phase · · · · · **Design phase** · · · · · **Implementation phase**

| Project idea | → | Project objectives | → | Project plan | → | End of project: Objectives achieved |

agree on objectives · · · · · decide · · · · · organise · · · · · monitor · · · · · agree on objectives · · · · · decide · · · · · organise

- **Clarify context**
- **Define system of objectives**

- **Elaborate project design**
- **Decide on project implementation**

- **Operationalise planning**
- **Implement, adjust and update planning**
- **Finalise project**

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The period after GOPP:

Emphasis on Impact
# Contract and Cooperation Management

Why emphasise impact?

- **Broad international debate on gearing project implementation to outcomes instead of inputs and outputs.**

- **Doubts about the effectiveness of bilateral development cooperation.**

- **Unclear separation of BMZ and GTZ competencies and responsibilities**

- **BMZ criticism of GTZ's monitoring and reporting procedures**

- **BMZ criticism of GTZ's evaluation system**

- **Lack of flexibility for GTZ at implementation level**

- **To enhance quality of offers and project implementation**

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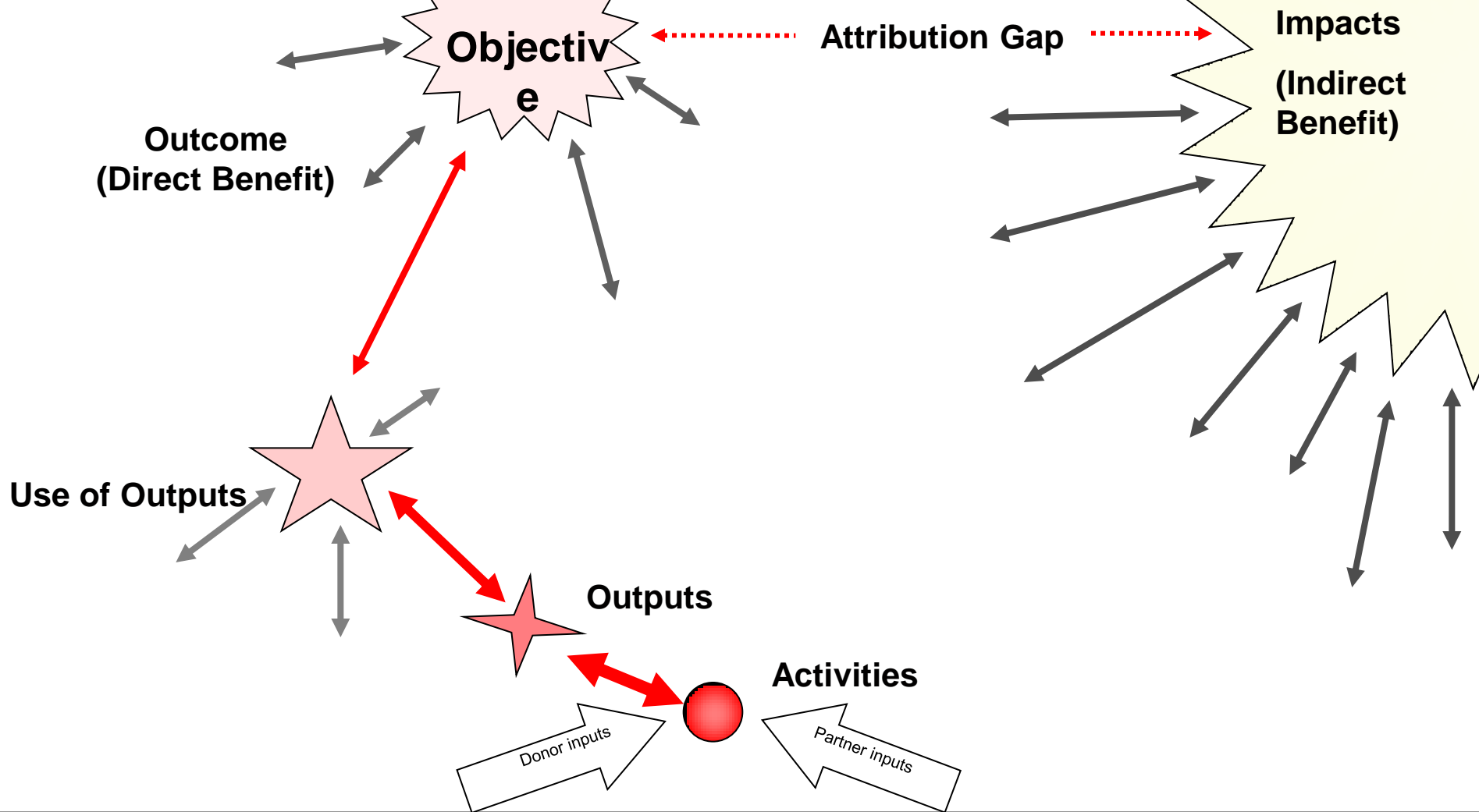
Before: Objectives-Oriented Planning

orientation

responsibility

activities — outputs — objectives
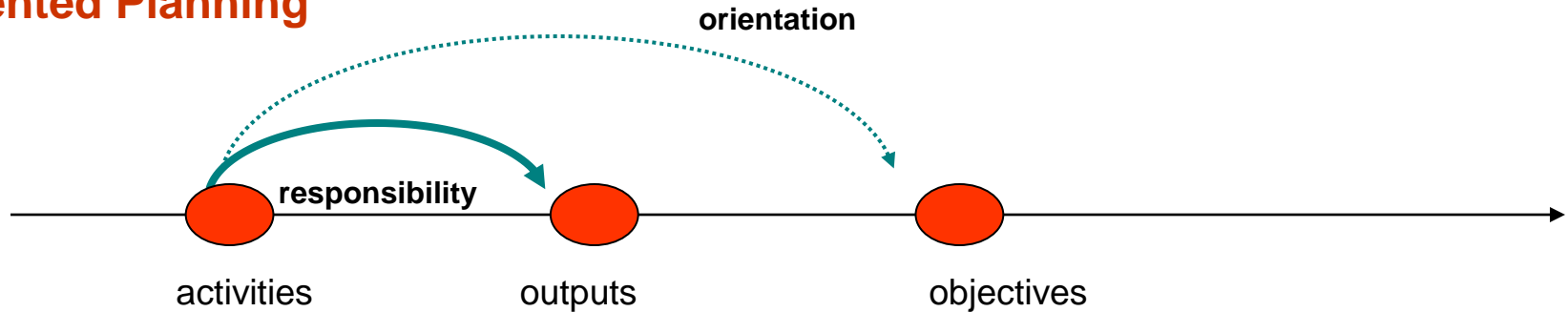
Today: Managing for Development Results

orientation

joint responsibility

activities — outputs — use of outputs — outcomes (objectives) — impacts — highly aggregated impacts (MDGs)

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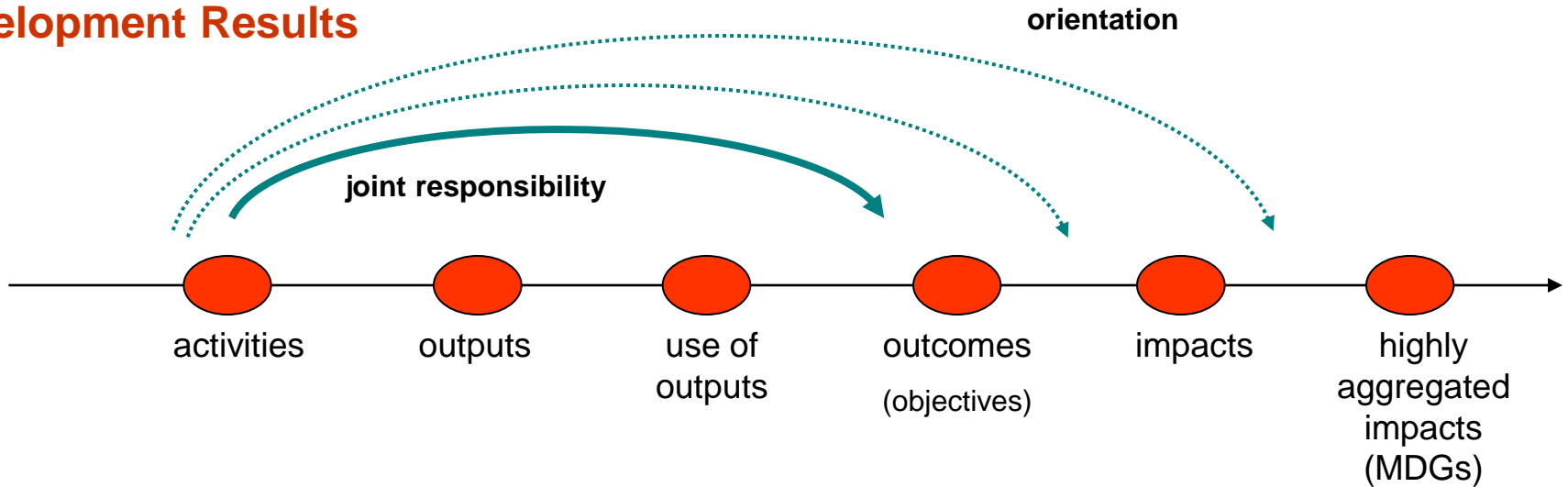
Results chain

Technical Training

Highly aggregated Impact

Reduction of Poverty

Indirect Benefit (Impact)

Increased employment and income

Attribution Gap

Direct Benefit (Outcome) — Graduate's skills match market demand

Use of Output (Intermediate Outcome) — Curricula are used in technical training

Output — Appropriate curricula for technical schools

Activities — Market research, curriculum development

Inputs — Advisers and finance

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Highly aggregated Impact   Reduction of Poverty

Results chain

Agricultural Credit

Indirect Benefit (Impact)   Increased income

Attribution Gap

Direct Benefit (Outcome)   Agricultural production increases

**Use of Output
(Intermediate Outcome)**   Farmers have access to credits and use them for investment

Output   Appropriate credit services and packages are available

Activities   Training and advisory services to agricultural banks

Inputs   Advisers, finance

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Changes achieved through AURA –
The results-oriented commissioning framework for contracts and cooperation between BMZ and GTZ

- Planning, implementation, monitoring, evaluation and reporting are geared towards development **results**.

- Implementation is made significantly more flexible: the contract specifies budget, desired outcomes (project objective) and impact, but neither activities nor outputs.

- Clearer separation of BMZ and GTZ competencies

- GTZ assumes **responsibility** for achieving objectives along with the partner.

Capacity WORKS

The GTZ Management Model
for Sustainable Development

What is the management model Capacity WORKS ?

- Supports the **management of projects** and helps to explain **how** GTZ works.

- It fits into **Contracts and Cooperation Management** on the level of 'how'.

- **Objectives and results** form the hub.

- The process is broken down into **5 Success Factors** that have to be iteratively considered, designed, monitored and honed.

- **Key questions** shape analysis and action in each success factor.

- It provides a **structured framework** to broaden the scope of options available. It doesn't offer ready made solutions.
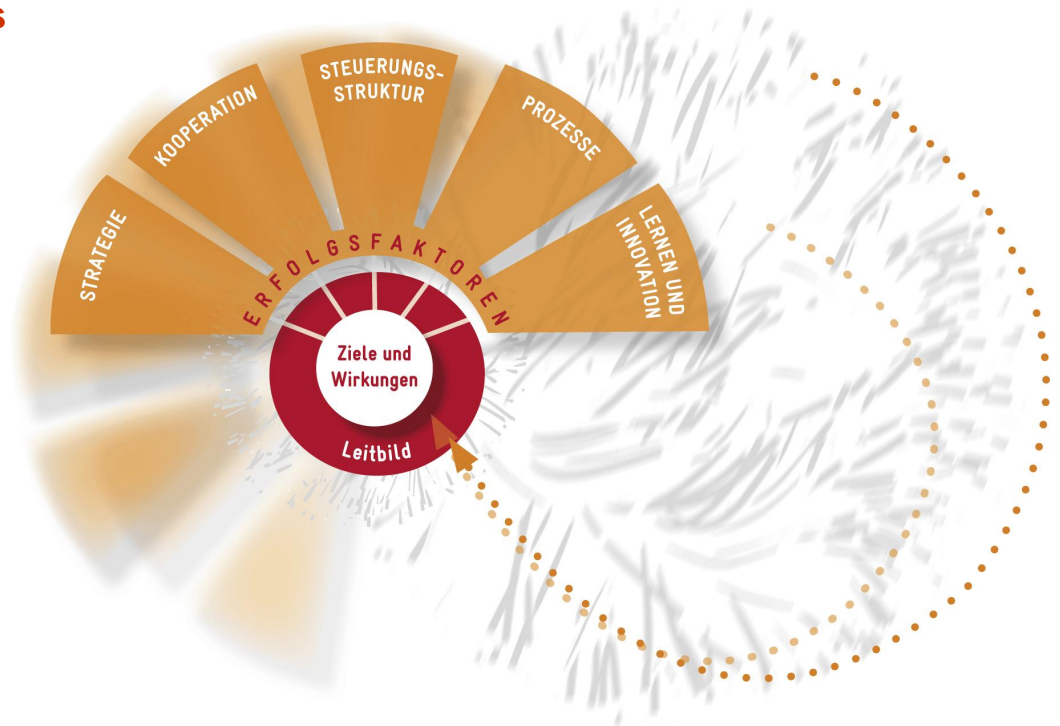
An Overview of Capacity WORKS

The Model comprises …
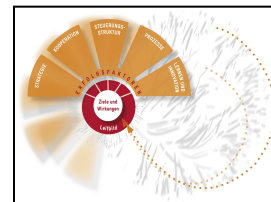
(1) An introductory text
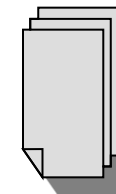
(2) Consultancy Principles
☑ 30 years' experience
☑ Technical guidelines and conceptual approach to change management

(3) a Toolbox
☑ Introduction
☑ Overview of instruments

SF1:   **SF2:**   **SF3:**   **SF4:**   **SF5:**   **other instruments for contracts and cooperation management**
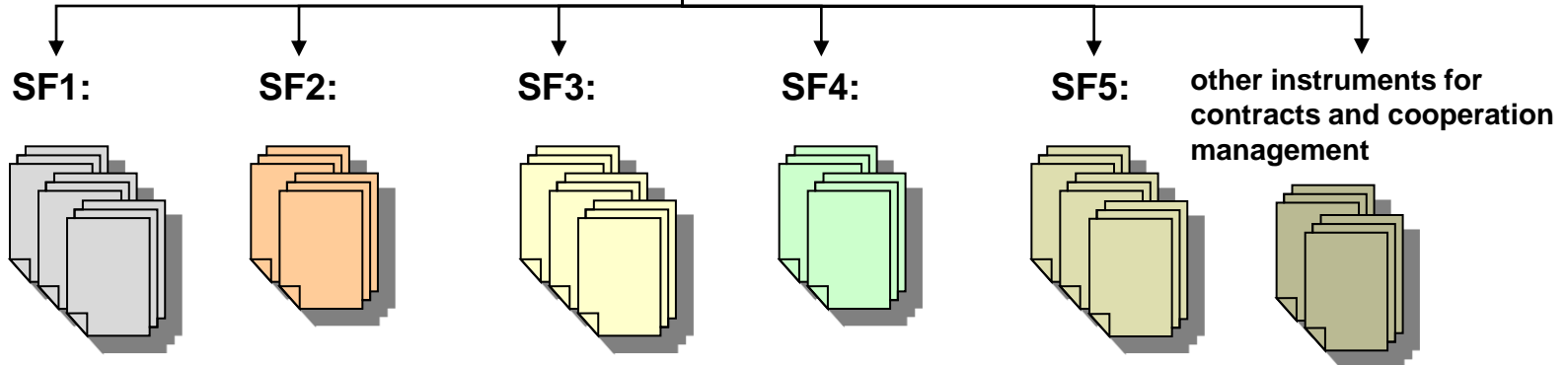
… with instruments
➔ approx. 40
➔ complete descriptions
➔ arranged according to success factor

Capacity WORKS focuses on objectives and results

- Objective and results are the **focal point** of the Model and permeate through all success factors and processes.

- The Capacity WORKS process returns consistently to the **objectives and results** in order to check their validity, to reaffirm their link to the success factors or even in some cases to modify them.

Capacity WORKS - a structured negotiation process

- Projects are **cooperation systems** which consist of many partners. They are based on political negotiation processes and act within a political context.

- The success factors facilitate the analysis of these **negotiation processes**.

- The Instruments offer **practical assistance** to the management and design of such processes.

- The **concept of sustainable development** implies that the negotiation process is value-oriented, process-oriented and holistic.

- The management model Capacity WORKS is intended in this sense.

Key Themes in the Success Factors

- **Strategy**: strategic positioning, options, mental barriers, consultancy strategies for Capacity Development

- **Cooperation**:
  w*ith **internal** partners*: the cooperation system ('skin'), form and content of cooperation, roles and responsibilities, networks

  *with **external** partners:* formation of partnerships, shaping exchange relationships, establishing comparative advantages, negotiating

- **Steering structure:** the steering/management model for the project, decisions, communication and responsibility in management, key topics and management ratios

- **Processes**: processes in the project (internal: process improvement, interface management). Design and composition of change management processes and projects together with the partner

- **Learning and Innovation:** design of mainstreaming and up-scaling processes – selection of processes and how they should be managed. Innovation and learning architecture

The Capacity WORKS process
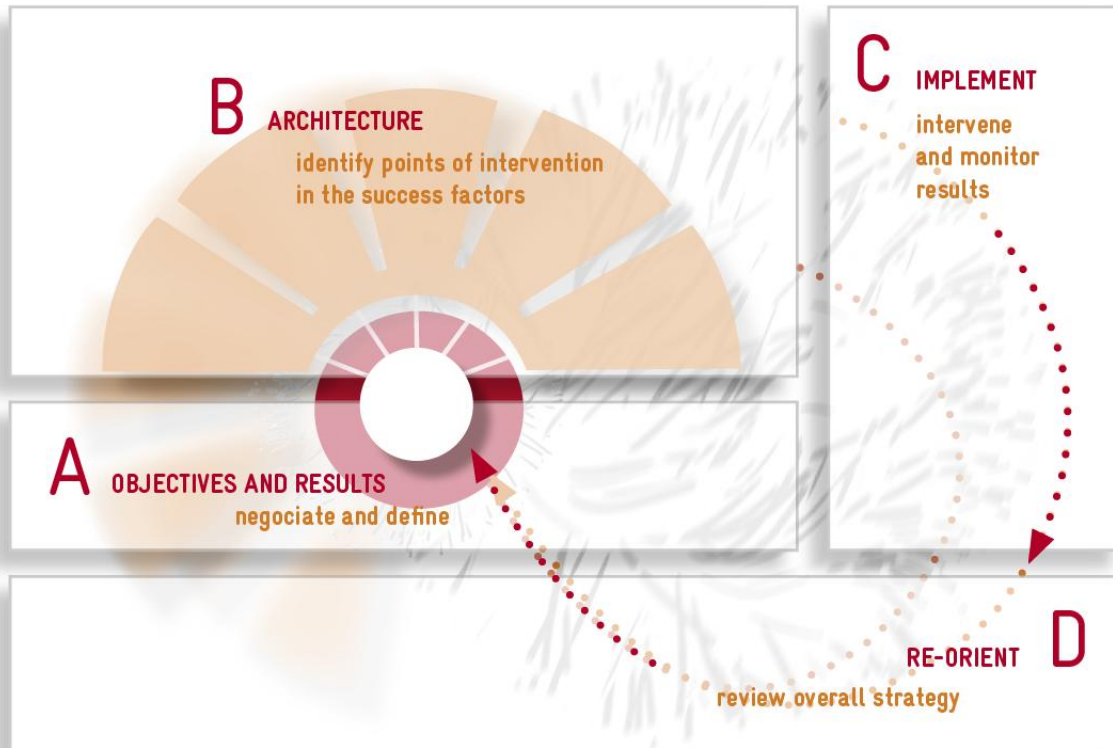
- a recurring and iterative **cycle**

- **open**

- synoptic, holistic and **interdependent** view of the success factors

- Goal: a **coherent architecture** of consultancy interventions in all success factors that ensures maximum leverage in pursuit of the project's goals

The Nature of Capacity WORKS

- Capacity WORKS picks up on existing management issues. It **improves the quality** of the project's work, and ensures that more can be achieved with the same effort.

- Capacity WORKS does not relieve the manager of the burden of thinking, designing or implementing. It offers no **instant solutions** or **off-the-peg products.**

- The advantage in consistently applying the success factors in a project is twofold. It offers improved **transparency** and enables the project manager to **communicate openly and coherently** about the questions inherent in the success factors.

- Capacity WORKS makes good practice easier to identify, describe and communicate. **Learning** on this basis becomes easier and more accessible – even between regions and sectors.

- The model offers an approach to management that is structured and **flexible**, enabling the **individual needs** in **different sectors** and regions to be taken into account.
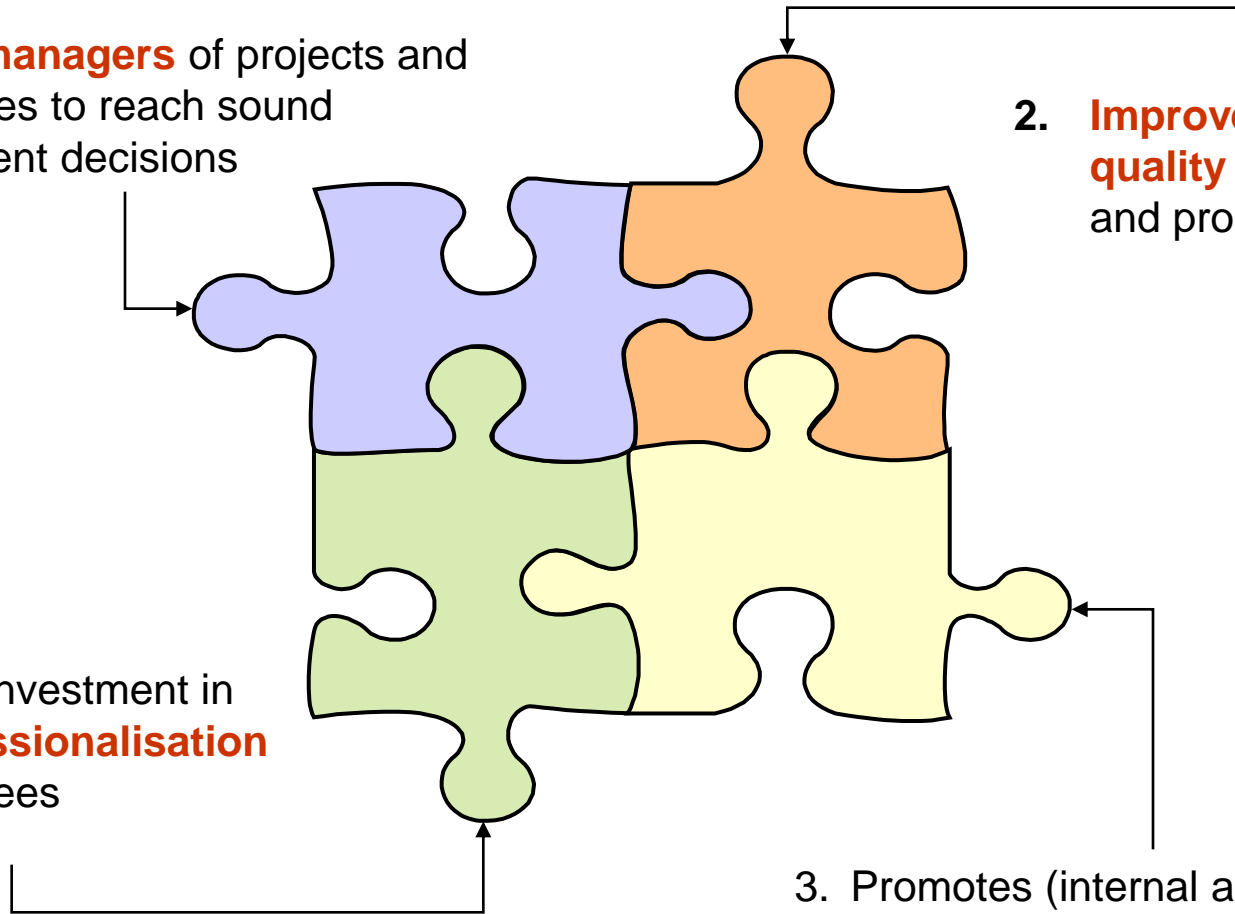
The Benefit of Capacity WORKS

1. **Enables managers** of projects and programmes to reach sound management decisions

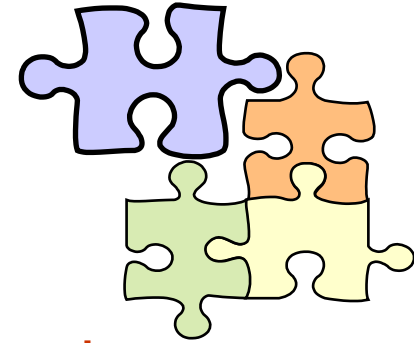2. **Improves the quality** of projects and programmes

4. Leads to investment in the **professionalisation** of employees

3. Promotes (internal and external) **communication on the level of 'how'** GTZ works

Capacity WORKS – Why? (1)

1. **Enables managers of projects and programmes to reach sound management decisions.**

- through a structured model – consisting of **proven success factors based on experience** which allow the project manager to evaluate the project or programme with 5 "spotlights"

- through **well-documented tools** – to provide support to the project manager in obtaining and assessing relevant information within the success factors and in arriving at better decisions.

- through **relevant key questions** – these provide guidance in consistently focusing on results, incorporating external factors and revising the general orientation of the project or programme.

- through practical assistance for the **design and content of negotiation processes** with partners – the success factors give direction to the relevant topics, the tools provide ideas for appropriate settings.

- through its **specified approach** – instead of many "home-made" approaches to theories, tools, etc.

Capacity WORKS – Why? (2)

2. **Improves the quality of projects and programmes**
   by consistently linking all interventions (activities and outcomes) and respective interdependencies to the intended results.
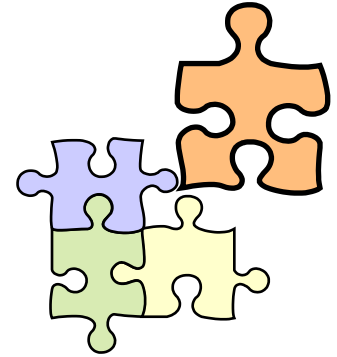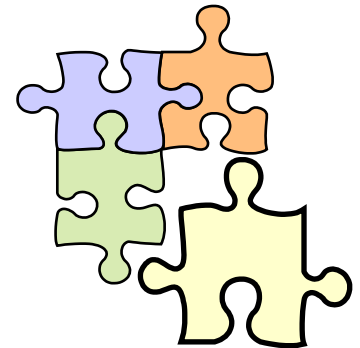
3. **Promotes communication on the level of 'how' GTZ works in terms of**

- *internal communication:*
  - in management processes and in teams
  - with partners
  - in knowledge management systems
  - trans-sectoral
- *external communication:*
  - with the public
  - with other donors
 - in development/ international cooperation forums

Capacity WORKS – Why? (3)

4. With the pilot phase, the company is investing in the professionalisation of its employees.

- It is about developing, spreading and differentiating a specific kind of management know-how for the design of GTZ projects and programmes.

- It is about providing on-the-job support for employees and promoting professionalism. How to deal with constantly changing requirements and complex situations is addressed with know-how forming the basis of the success factors.
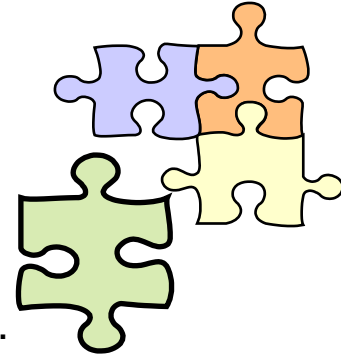
The Launch of Capacity WORKS

- At the **end of 2006** the **Committee of Executives** adopted Capacity WORKS as the GTZ Management Model for Sustainable Development and launched its pilot phase.

- **2007:** 67 projects and programmes worldwide were involved in the pilot phase, which was designed as a **learning process**. The feedback from all pilot projects and programmes is evaluated and forms the basis of the further development of Capacity WORKS.

- **2008:** The pilot phase continues, feedback is incorporated into the Model

- The **up-scaling process** of Capacity WORKS **from 2009 onwards** embraces
  - the establishment of **regional centres** of excellence
  - the adjustment of GTZ **standard procedures** according to the Capacity WORKS logics (e.g. Project Progress Review, Preparatory Mission, etc.)
  - The redesign of the GTZ **Contract and Cooperation Management course**

Shared Responsibilities

The **Consultancy Team MODeLS** (**M**anagement and **O**rganizational **De**velopment in **L**iving **S**ystems) and the **Organisational Development Section** (Corporate Development Unit), share the responsibilities for the pilot process as follows:

Consultancy Team MODeLS:

- Consultancy and training (for external consultants, officers responsible for contracts and cooperation, project managers)

- Initiating the required feedback mechanisms

- Placement of Capacity WORKS consultants

Organisational Development Section, Corporate Development Unit

- Structuring, processing and consolidation of feedback

- Further development of tools and model, based on feedback

- Integration of Capacity WORKS into relevant GTZ procedures and instruments (EFQM, Contract and Cooperation Management, Project Progress Review, e-Val, etc.)

Thank you