Managing for Development Results at the Inter-American Development Bank

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Office of Strategic Planning and Development Effectiveness
Guiding Ideas of Results Management at IDB

- Combines two approaches
  - Bottom-up: Measuring results of each intervention at different points in the cycle
  - Top-down: Developing a corporate level results-framework and results-based budget
- Design and implement a tool to manage information at supervisory levels (VPs, Managers, Division Chiefs)
  - Dashboard
- Aligns corporate reports with management processes
  - Matrix Management meetings
  - Senior Management Committees – Quarterly Business Reviews (QBR)
  - Monitoring budget execution
- Develop reports for accountability and learning
  - Annual Business Review
  - Development Effectiveness Overview
Bottom up: Instruments to Measure Results of Interventions at the project and country level

• Development Effectiveness Matrix @ entry
  – Rates the evaluability of an intervention at entry (threshold of 5 for all SG and NSG projects).
  – Criteria based on the good practice standards for evaluating development programs of the MDB Evaluation Cooperation Group
  – Checklist methodology

• Progress Monitoring Report (PMR)
  – Monitors project results (inputs, outputs and outcomes), time and cost of the products achieved

• Expanded Progress Monitoring Report (XPMR)
  – Time and costs of the products achieved as of the last PMR
  – Results, evaluation methods, new calculation of return/cost-effectiveness and risk rates.

• Impact Evaluations
  – 27 percent of projects approved in 2010 have a rigorous evaluation designs
Development Effectiveness Matrix (DEM) Sovereign Guaranteed Operations

**Strategic Alignment**
- **IDB Strategic Development Objectives**
  - Strategic direction: priorities, regional development goals and outputs (RF)
- **Country Strategy Development Objectives**
  - Alignment of project results to Country Strategy and Country Program
- **Program Logic**
  - Program diagnosis, lessons learned and socioeconomic rationale
- **Economic Performance**
  - Economic rate of return (ERR) and cost effectiveness analysis
- **Evaluation and Monitoring**
  - Does the project have methodologies and metrics for monitoring and evaluating change?
- **Risk Management**
  - Assessment of the severity of the risks identified for the project
- **Additionality**
  - Use of country systems, IDB involvement provides additional improvements in labor, gender, identified knowledge gaps.

**Evaluability Index**

**Strategic Alignment**
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## I. Strategic Alignment

### 1. IDB Strategic Development Objectives

<table>
<thead>
<tr>
<th>Lending Program</th>
<th>The intervention contributes to the lending program for poverty reduction and equity enhancement, climate change initiatives, renewable energy and environmental sustainability, and regional cooperation and integration.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Development Goals</td>
<td>The intervention contributes to improving the incidence of waterborne diseases, paved road coverage, and percent of households with electricity.</td>
</tr>
<tr>
<td>Bank Output Contribution (as defined in Results Framework of IDB-9)</td>
<td>The intervention contributes to Bank output: households with new or upgraded water supply, households with new or upgraded sanitary connections, km of inter-urban roads built or maintained, and km of electricity transmission lines installed or upgraded.</td>
</tr>
</tbody>
</table>

### 2. Country Strategy Development Objectives

| Country Strategy Results Matrix | GN-2595-1 Improve design and efficiency of social protection programs for the poorest. Improve coverage and management of water and sanitation services. |
| Country Program Results Matrix | Not Available The project is Included in 2011 Country Program Document. |

#### Relevance of this project to country development challenges (If not aligned to country strategy or country program)

**Highly Evaluable**

<table>
<thead>
<tr>
<th>Evidence-based Assessment &amp; Solution</th>
<th>3. Evidence-based Assessment &amp; Solution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight</td>
<td>8.1</td>
</tr>
<tr>
<td>Maximum Score</td>
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</table>

<table>
<thead>
<tr>
<th>Ex ante Economic Analysis</th>
<th>4. Ex ante Economic Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight</td>
<td>10.0</td>
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<tr>
<td>Maximum Score</td>
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<table>
<thead>
<tr>
<th>Monitoring and Evaluation</th>
<th>5. Monitoring and Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight</td>
<td>9.6</td>
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<tr>
<td>Maximum Score</td>
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<table>
<thead>
<tr>
<th>Risks &amp; Mitigation Monitoring Matrix</th>
<th>6. Risks &amp; Mitigation Monitoring Matrix</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight</td>
<td>7.5</td>
</tr>
<tr>
<td>Maximum Score</td>
<td>10</td>
</tr>
</tbody>
</table>

**Overall risks rate = magnitude of risks’likelihood**

### II. Development Outcomes - Evaluability

<table>
<thead>
<tr>
<th>Highly Evaluable</th>
<th>Weight</th>
<th>Maximum Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.8</td>
<td>25%</td>
<td>10</td>
</tr>
</tbody>
</table>

### III. IDB’s Role - Additionality

#### The project relies on the use of country systems (VPC/PDP criteria)

- **yes**

#### The project uses another country system different from the ones above for implementing the program

- **yes** Monitoring and Evaluation. The monitoring is done by the SIIPSO system.

#### The IDB’s involvement promotes improvements of the intended beneficiaries and/or public sector entity in the following dimensions:

- **Gender Equality**
- **Labor**
- **Environment**

#### Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project

- **yes**

#### The ex-post impact evaluation of the project will produce evidence to close knowledge gaps in the sector that were identified in the project document and/or in the evaluation plan.

- **yes**

**Note**: The impact evaluation is the first experimental evaluation of neighborhood improvement projects, and includes a qualitative component which completes the study. Thus, the evaluation contributes to strengthening the national evaluation system and to close knowledge gaps on how to address urban poverty.
Progress Monitoring Report (PMR)

- Earned Valué Management
- Measure and monitor variance in costs, time and results
- Provide practical summarized information through the Performance Index (PI)
- Identify risks, their magnitude and likelihood of occurrence
- Monitor implementation of mitigation measures
- Track outputs, rather than inputs
- Identifying issues as they arise
- Provide actionable ways to address them

Title
Project number
Loan number
Type of instrument
Executing agency
Sector
Related operations
### PMR: Impact contribution and outcomes

**Objetivo del Proyecto:** Ampliar la cobertura de servicios sostenibles de agua y saneamiento en las áreas rurales

**Año inicio del Proyecto:** 2007  **Año Fin del Proyecto:** 2014

#### Impactos

<table>
<thead>
<tr>
<th>Indicador</th>
<th>Unidad de Medida</th>
<th>Línea de Base</th>
<th>Año Línea de Base</th>
<th>Fin de Proyecto (2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incidencia de enfermedades transmitidas por el agua</td>
<td>Casos</td>
<td>0,00</td>
<td>2010</td>
<td>0,00</td>
</tr>
</tbody>
</table>

#### Resultados

**Objetivo del Proyecto:** Ampliar la cobertura de servicios sostenibles de agua y saneamiento en las áreas rurales

**Año inicio del Proyecto:** 2007  **Año Fin del Proyecto:** 2014

**Calidad de vida de los beneficiarios mejorada**

<table>
<thead>
<tr>
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<th>Año Línea de Base</th>
<th>Fin de Proyecto (2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hogares con suministro de agua mejorado</td>
<td>Hogar</td>
<td>0,00</td>
<td>2010</td>
<td>0,00</td>
</tr>
<tr>
<td>Hogares con suministro de agua nuevo</td>
<td>Hogar</td>
<td>0,00</td>
<td>2010</td>
<td>0,00</td>
</tr>
<tr>
<td>Hogares con conexiones sanitarias mejoradas</td>
<td>Hogar</td>
<td>0,00</td>
<td>2010</td>
<td>0,00</td>
</tr>
<tr>
<td>Hogares con conexiones sanitarias nuevas</td>
<td>Hogar</td>
<td>0,00</td>
<td>2010</td>
<td>0,00</td>
</tr>
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**Sostenibilidad del servicio de agua potable y alcantarillado mejorada**

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<th>Año Línea de Base</th>
<th>Fin de Proyecto (2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empresas con equilibrio financiero</td>
<td>Empresas</td>
<td>0,00</td>
<td>2010</td>
<td>94,00</td>
</tr>
</tbody>
</table>
Results-Based Budget

- New methodology started implementation for the 2011 budget
- Resource allocation based on outputs (products to be delivered).
- It will allow for the estimation of effort needed to achieve specific products in terms of human and administrative resources needed (activity-based costing).
- It will provide Management and the Board with information on the flow of resources to the IDB-9 priority areas.
- As use of the methodology progresses, the Bank will be able to plan and allocate resources more effectively
- Next step is to evaluate the costs associated with certain standardized quality attributes of Bank products.
Develop a tool for results management – Dashboard

• Link corporate strategy with goals and metrics at the unit level. With one set of performance metrics, reporting and a single-source of information to improve transparency and communication within the organization.
Challenges

- Improve planning and objective setting in the matrix structure
  - Improve collaboration and coordination
  - Align workload to resource allocation in the planning exercise

- Allocate resources more effectively
  - Improve reporting of time used and input costs incurred for any given product
  - Link unit products to results at the corporate level

- Link performance evaluations to results
  - The performance evaluation of units and individuals needs to reflect their contribution to corporate results

- Improve the transparency and timeliness of information
  - Improve information system integration and analytical capacity