

MEASURING RESULTS IN PRIVATE SECTOR DEVELOPMENT



Amanda Jupp, Coffey International Development's project manager for the AusAID-funded Enterprise Challenge Fund will be delivering the presentation: Designing a Results-Based Management Approach within the Private Sector during the conference.

Challenge funds have emerged in recent years as a new aid instrument and modality which can be used to support working with the private sector in a more direct partnership approach. Through challenge funds, public funds are allocated and disbursed efficiently and fairly. Organisations bid for funding and are assessed based on the quality of the response and relevance to the eligibility criteria rather than the price. Last year, the Enterprise Challenge Fund became the first challenge fund to undertake a mock audit against the Donor Committee for Enterprise Development Standard, with positive results and lessons for adapting to the Standard.

The AusAID-funded Enterprise Challenge Fund (ECF) for Pacific and South East Asia provides the opportunity for businesses to obtain grants to assist in commercialising business projects in participating countries. The fund is managed by Coffey International Development.

To assist in the evaluation of these resulting business projects, and the success of the fund, we have developed a results measurement system that compliments the needs of the private sector to provide timely information and flexibility to develop new approaches.

The results system is a management tool designed firstly to answer questions like *'what happened or what did not happen'* as well as to analyse and explain *'why something worked or has not worked'* so that the project team can learn from lessons and effectively incorporate learning for better results.

Results measurement is done in compliance with international best practice and uses the Donor Committee for Enterprise Development (DCED) Standard for Results Measurement as a quality control of the process. This is the first adaptation of the Standard to a challenge fund program. The DCED Standard provides an external audit and this approach is now being used in a number of other private sector development programs developed by AusAID and other donors worldwide including DFID, the OECD and UNDP.

The benefits of the DCED Standard include:

- The opportunity to think through the logic of results chains, leading to greater clarity around priorities
- A management tool to orient all staff efforts around those priorities, and to encourage understanding of how their work contributes to the ultimate goals

- The means to generate approximate numbers for impact (where appropriate) that have credibility; also the means to capture wider market change
- Interaction with other programs
- Recognition in the field, as being seriously engaged in the results measurement agenda
- Time saving through not having to reinvent the wheel for results measurement processes.

Findings to date show that the results system, while having taken time to implement, has led to increased efficiency in the use of information and improved the management of the projects and the overall program. The private sector has also gained access to higher quality and more timely information in order to improve their programs and benefit more poor people.