

## Managing for Development Results Learning as We Move Forward

By Bruce Purdue

### MfDR Learning Programs, Tools, and Resources

#### Training Programs

A comprehensive new learning and development plan is being designed covering, among other things:

- Results-based Country Strategy and Program formulation and monitoring
- Sector roadmaps for Results-based Country Strategy and Program
- Results-based country portfolio review
- MfDR for Director level and above

#### Guidelines, papers and publications

- An Introduction to Results Management
- Results-based Management Workbook on Development Management for Senior Executives (by ADBI)
- Managing for Development Results Principles in Action: Sourcebook on Emerging Good Practice
- Practice Note on Results-based Country Strategies and Programs
- Learning by Doing: The Nepal Results-based Country Strategy and Program (A Retrospective)
- Capacity for Results Management: A Guide for Conducting a Rapid Assessment of the Capacity of Developing Member Countries to Manage for Results
- Project Performance Management System: Guidelines for Preparing a Design and Monitoring Framework
- Results Matter newsletter

#### Discussion forum

- Community of Practice in MfDR Virtual Learning Network

#### Websites

- MfDR internet website with a Virtual Resource Center
- Community of Practice in MfDR website
- MfDR intranet site for ADB Management and staff

### ADB HAS MADE PROGRESS

in implementing its Managing for Development Results (MfDR) agenda since it adopted the agenda in 2004, but more needs to be done. Achievements have been made under each of the three pillars of the MfDR agenda: (i) addressing results orientation at DMC level, (ii) taking steps to improve institutional effectiveness at ADB, and (iii) strengthening global MfDR partnerships. We must build on this beginning.

Managing for results is about making decisions by focusing on outcomes—when we plan activities, when we implement, and when we report on performance and progress. It is much less about inputs and outputs than it is about outcomes. This also means behavioral changes among senior staff and new approaches to learning that influence the way in which decisions are made, justified, and implemented.

Consistent with the MfDR approach, the Results Management Unit (SPRU) has tracked lessons from ADB's experience in implementing the MfDR agenda. In 2005, SPRU engaged Universalis, a Canadian consulting firm, to conduct an external assessment of MfDR in ADB. Based on its findings and recommendations, and ADB's own experiences in implementing MfDR, a revised Action Plan is now being proposed, emphasizing: (i) selective MfDR initiatives, (ii) shared responsibility for MfDR across ADB, and (iii) promotion of use of MfDR tools in decision-making at all levels in ADB to actually "manage" for development results.

### Results orientation in DMCs.

Results orientation at the DMC level is perhaps the most pressing issue in the MfDR agenda facing all multilateral development banks (MDBs), including ADB. We help to address this capacity development issue through technical assistance projects, some of which are financed by ADB's MfDR Cooperation Fund. ADB has raised the awareness of DMC officials on the importance of MfDR through workshops, country consultations, and conducting learning programs to introduce and explain MfDR approaches, as part of results-based country strategy and program (RB-CSP) processing missions, and in collaboration with ADB Institute. ADB has also launched the new Community of Practice in MfDR, a very important contribution as a self-help tool for DMCs, but which still faces many challenges during the pilot phase in the remainder of 2006.

**ADB's institutional effectiveness.** By adopting an RB-CSP, ADB's assistance in a DMC can become better aligned with the country's development priorities and better harmonized with other donors' assistance programs in the country. At the project level, the Design and Monitoring Framework, spearheaded by the Central Operations Services Office through an intensive learning and development program, must significantly improve the way projects are managed. Project design and performance monitoring are now more results-oriented.

To make the corporate planning process more results-oriented, results frameworks have been introduced as part of the enhanced Poverty Reduction



Vice President (Operations 1) Liqun Jin addresses the Community of Practice on Managing for Development Results (MfDR)



Members of the MfDR Community of Practice brainstorm on issues affecting development effectiveness

Strategy, last year's Work Program and Budget Framework (2006–2008), and the Reform Agenda. Under the Human Resources Strategy, various initiatives have been undertaken to improve performance management. In addition, departments and offices such as the South Asia Department and the Office of Administrative Services have taken specific initiatives to enhance their capacity to manage for development results. A learning culture is also being promoted through a wide variety of new tools such as practice notes, websites, and other learning initiatives.

The MfDR experience across all major MDBs, including ADB, points to the importance of leadership from Management and senior staff to move from measurement of results, toward management for outcomes. ADB is expected to mainstream RB-CSPs; make projects more results-oriented; institutionalize results reporting in ADB corporate management systems; undertake systematic internal capacity development, with a focus on senior staff; and improve communications on MfDR. ADB also needs to consider the adoption of a simplified monitoring framework or scorecard to track performance. But the experience of all MDBs in these areas is salutary—the process takes time and requires determined effort and commitment.

**Global MfDR partnership.** ADB is an active member of the emerging global partnership that encourages MfDR among development stakeholders. It has initiated joint development of the Common Performance Assessment System with other MDBs, to provide a common source of information on how MDBs are contributing to development results and how they are improving their contributions over time. ADB has also actively contributed to the Global Monitoring Report and the MfDR Sourcebook on Emerging Good Practices. Its experience indicates that ADB should continue its engagement in knowledge sharing with MDBs and other development partners with focus on specific issues.

ADB is set to consider the revised Action Plan to mainstream MfDR, building on lessons and experience to date. While ADB can point to progress, this agenda remains challenging and engaging, particularly for Management, heads of departments, and divisional managers. ■

1 Bruce is the inaugural Chair of the MDB Working Group on MfDR and the Co-Chair of the OECD-DAC Joint Venture on MfDR.

# A Balancing Act

## OAS Scores



By Cathy Reyes-Angus

WHILE THE GREATEST impact of the Reform Agenda is on ADB's operations side, the new directions, principles, and priorities affect its administrative services also. To support the goals of the Reform Agenda, OAS has developed a cohesive plan in close consultation with staff.

Guided by the OAS vision, a strategy and objectives were formulated. The concept was endorsed by Vice-President **Khempheng Pholsena** in June 2004, followed by the establishment of the OAS Reform Agenda Working Group (RAWG).

The RAWG led the activities and projects, designed to further enhance the Reform Agenda's progress.

The RAWG played a leading role in developing the OAS Balanced Scorecard, a comprehensive framework that translates a strategy into a coherent set of performance measures (Kaplan & Norton, *Harvard Business Review*, January 1992). OAS believes that one cannot improve what one cannot measure.

You can't tell when you're winning—and making a difference—if you don't keep score. The scorecard is one way of improving organizational performance, which is critical to realizing the goals of the Reform Agenda.

The scorecard helps track the department's and its staff members' hits and misses. It takes off from OAS's strategy map, which illustrates three action themes: (i) quality goods and services at optimum value, (ii) effective and accountable asset/financial

management, and (iii) safe and secure work environment.

Recognizing the need to transform OAS from a bureaucratic and budget-driven department to a value-adding and strategy-driven department, the OAS corporate Balanced Scorecard suggests that we view the organization from four perspectives—(i) learning and growth, (ii)

business process, (iii) customer, and (iv) financial—and develop metrics, collect data, and analyze activities relative to each of these perspectives.

The Balance Scorecard builds on key management concepts, such as Total Quality Management, customer-defined quality, continuous improvement, employee empowerment, and measurement-based management and feedback.

In August 2004, the RAWG members underwent the Six

Sigma training with all OAS professional staff and national officers. Three months later, the initial draft of the OAS Corporate Scorecard was rolled out in a town hall meeting. The scorecard was then cascaded to the business unit level to develop initiatives and measure staff performance. Today, OAS uses the Balanced Scorecard format for the staff work plan exercise and translates it into the Performance and Development Plan. The methodology helps OAS staff to focus on a single direction that unifies all parts of the business. It proves to be a very effective tool in promoting OAS's teamwork, improving results on the ground, and moving forward to realize the institution's Reform Agenda. ■

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