

ODI VALUE FOR MONEY AND ADAPTIVE MANAGEMENT WORKSHOP

OXFAM AACES VALUE FOR MONEY FRAMEWORK PRESENTATION

16 NOVEMBER 2018



BACKGROUND

- ▶ AACES was a WASH program implemented by Oxfam in South Africa in collaboration with a range of local partners, funded by the Australian Government Department of Foreign Affairs and Trade
- ▶ The assessment was undertaken as part of a wider Oxfam Australia consultancy to develop a VfM assessment framework for the organisation that supported complex programs (in-country visit, testing criteria and analysis with partners)
- ▶ Pragmatic assessment approach which also supported learning and improvement – how can we apply a VfM lens to improve quality?
- ▶ AACES had a donor imperative to formally assess VfM at the end of the program

FOUNDATIONS OF THE FRAMEWORK

- ▶ Oxfam's definition of VfM: The best use of resources to contribute to positive significant change in the most vulnerable people's lives
- ▶ Central VfM question: Could resources have been used differently to have a greater impact (to bring about the intended outcomes in the same context)?
- ▶ The approach does not seek to compare what went into the program with what resulted to determine if it was worth it
- ▶ Balancing and performing strongly in each of the four "Es" – economy, efficiency, effectiveness and equity

VFM ASSESSMENT RUBRIC

- Features a set of criteria for each of the four Es with a scoring system, with scores reached through analysis and judgement against a set of questions using evidence

VfM rubric and ratings

Economy High (6/6)	6
Sub-component 1: Theory of Change	3/3
Sub-component 2: Competitiveness	3/3
Efficiency Good (5/6)	5
Sub-component 1: Productivity	2/3
Sub-component 2: Leveraging	3/3
Effectiveness High (6/6)	6
Sub-component 1: Reach, Depth, significance	3/3
Sub-component 2: Sustainability	3/3
Equity Good (5/6)	5
Sub-component 1: Equity of Process	2/3
Sub-component 2: Equity of Outcomes	3/3

Economy questions

Component 1: Economy

Reasonable investment (time and costs) to acquire good quality inputs that will enable realisation of the desired changes

Economy Sub-category 1: Program Logic Assessment question

- Has the program invested in engaging the right program stakeholders and purchasing the right resources to achieve the changes sought?

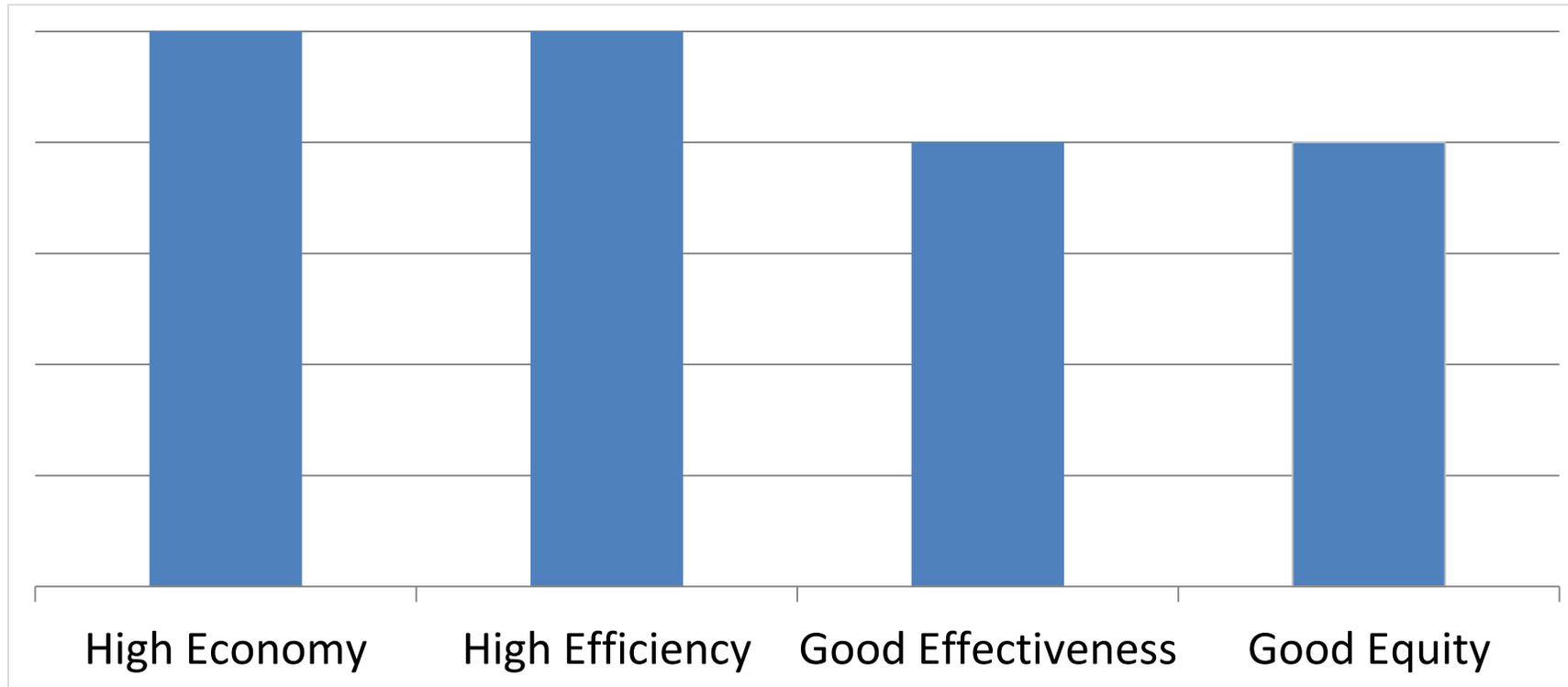
Economy Sub-category 2: Competitiveness Assessment question

- To what extent has the program kept costs reasonably low while maintaining quality in light of the operating environment?

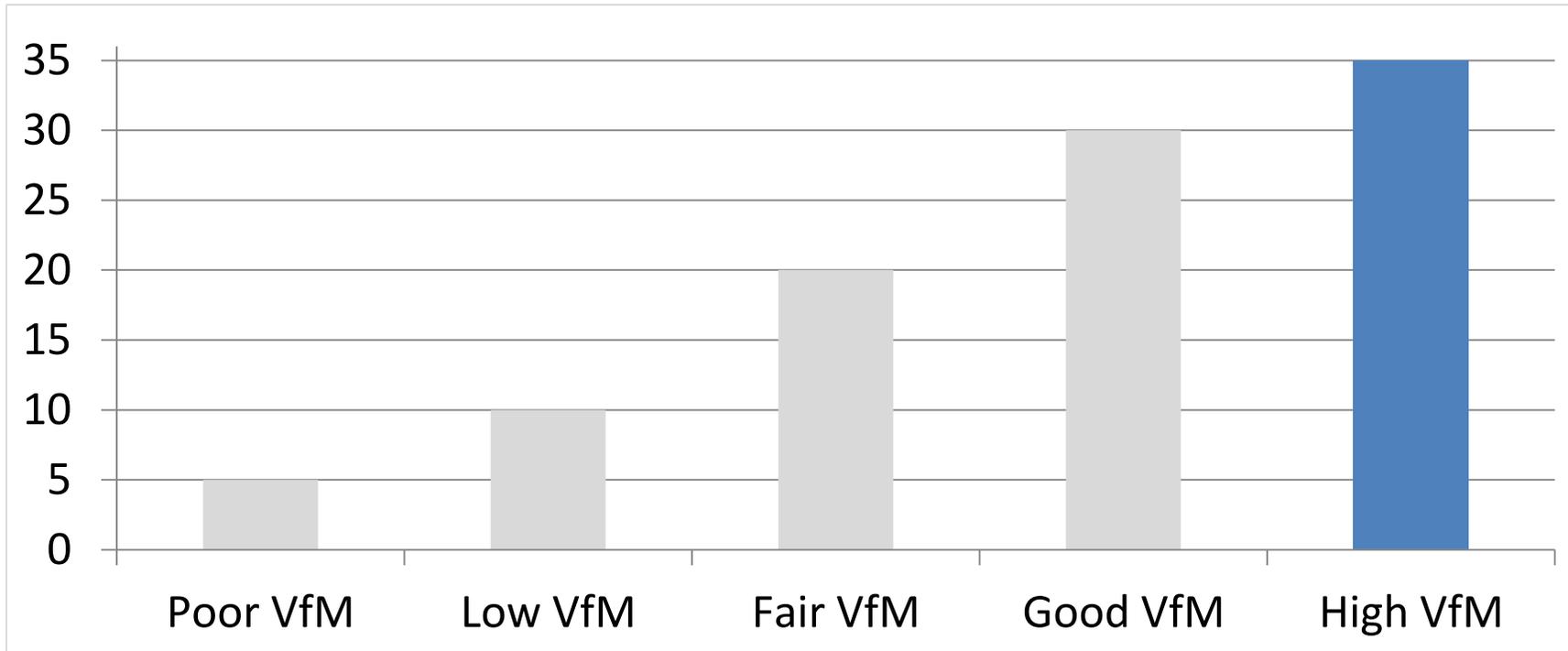
Economy rating framework

Overall Economy Rating: Economy ?/ 6 (2 – Poor Economy, 3 Low Economy, 4 Fair Economy, 5 Good Economy, 6 High Economy)			
Program Logic: ?/3 How well has the program directed resources to bring about planned outcomes?		Competitiveness: ? / 3 Have costs been kept reasonably low while maintaining quality?	
U	It is not clear if resources have been closely linked to outcomes; a judgement cannot be formed	U	It is not clear if investment has been kept low and quality maintained; a judgement cannot be formed
1	Investment directed to achieve changes is largely inappropriate	1	Program costs are either unreasonably high or too low affecting quality
2	Some forms of investment directed to achieve changes are appropriate with scope for improvement	2	Some costs are reasonable and some costs could have been reduced or redirected
3	Investment directed to achieve changes is largely appropriate	3	Costs are largely reasonable and quality has been maintained

Summary of Program VfM component ratings



Overall Program VfM rating



VFM ASSESSMENT APPROACH

- Uses evaluation approaches – assessment is based on the evaluator’s judgement, drawing on a range of evidence
- Recognises that an assessment can only be made on the basis of evidence
- Anchors VfM in a program logic / theory of change and explores how well recourses, management and governance arrangements, partnerships and other processes are used to achieve outcomes
- Does not seek to compare across contexts; recognises that development programs are delivered in complex settings and that context specific factors determine VfM options and considerations

VALUE OF THE APPROACH

- Flexible enough to adapt the rubric (criteria and questions) to the specific project and operating environment
- Simple and easy to use and integrate into evaluation processes
- Promotes transparency around how judgements about VfM are reached
- Helps program teams to use financial data in evaluative processes alongside program data, and consider how well resources are linked to outcomes (ie rather than the achievement of activities)
- Adaptive programming – aligns with strategy testing / regular revision of ToC and alignment of resources
- Accommodates complexity and mixed methods (including qualitative data)

CHALLENGES AND LIMITATIONS

- Selective; some areas are included and have more of a focus, while other things are not considered
- Overlap between efficiency and effectiveness (seeks to separate components that are integral and connected)
- Obtaining sufficient data to form the basis of the assessment (not integrated into M&E from the outset)
- Lack of other models, strategies, comparators available to assess against
- Partners and stakeholders – whose inputs and contributions are included?