Project cycle management

“Engineering and cooperation for global development”

LESSON - 1

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What is a project?

And a Programme...
What is a project?

- A project is a **series of activities** aimed at bringing about clearly specified objectives within a **defined time-period** and with a defined budget.

**Project limits**

- A development process requires more time than a project time-period

- A project tends to respond to sectors' needs, while people's needs are global (the phenomenon of poverty is multi-dimensional)

**Programme**

- **Set of projects**, working with the **same purpose** or general objective in the same area of intervention.
Levels planning

GEOGRAPHICAL SCALES

Domain of interest of management tools in the project cycle (PCM)

TEMPORAL SCALES

International or continental: Latin America
Sub-regional: Caribbean area
National: Colombia
Regional / Provincial: Guaijra
Prov. / department: Riohacha
Catchment: Camarones River
Interpretations of the planning

- The design is an **area of negotiation** (conflict management) within the asymmetric relationship between value systems, power and knowledge.

- The design is **the representation of reality, partially shared, and experimental**.

The design is also a methodology.
Project Cycle
- follows the life of a project from the initial idea to its completion. It provides a structure to ensure that stakeholders are consulted, and it defines the key decisions, information requirements and responsibilities at each phase, so that informed decisions can be made at each phase in the project life.
- It draws on evaluation to build the lessons of experience into the design of future programmes and projects.

Project Cycle Management
- Give a methodology for the preparation, implementation and evaluation of projects and programmes based on the principles of the Logical Framework Approach.
The actors...

1. Bengo

الناس مختلفون في طريقة توصيل أفكارهم للآخرين. وكذلك فهمهم لما يتلقونه من الآخرين.

الاجتماع الناجح يجب أن يضم كل المعنيين بالأمر

سلوك رئيس الاجتماع

- معرفة ما يريد المشاركون باختلاف مشاربهم.
- التحكم في ردود الفعل.
- إدارة النقاش.
- منع الإحرار عن أهداف الاجتماع.
- استخلاص التوصيات التي تحقق المنفعة القصوى.
Beneficiaries:
Are those who benefit in whatever way from the implementation of the operation. Distinction may be made between:

- **Direct beneficiaries /Target group(s):** the group / entity who will be positively affected by the operation at the Operation Purpose level

- **Indirect beneficiaries/catchment population:** those who, beyond the level of the target groups, benefit from the operation in the long term at the level of the society or sector at large, e.g. “children” due to increased spending on health and education, “consumers” due to improved agricultural production and marketing, or “the state” as such due to increased export earnings from improved agricultural production and marketing
• Stakeholders
  ▪ Any individuals, groups of people, institutions or firms that may have a relationship with the operation / programme are defined as stakeholders. They may – directly or indirectly, positively or negatively – affect or be affected by the process and the outcomes of operations or programmes.
  ▪ Usually, different sub-groups have to be considered.

• Local Partners
  ▪ Persons that implement projects in the country (they are also"stakeholders" and can be "direct beneficiaries").
European Union, the World Bank..pattern

- Programming
- Identification
- Formulation
- Financing
- Implementation
- Evaluation
Priorities are defined by different points of view:

- **By nature of the intervention** (development, reconstruction, humanitarian aid)
- **Geographic** (which countries)
- **Sectoral** (health, education, production ...)
- **By type of local partners** (institutions, NGOs, private sector, movements ...)

Programming

Identification

Formulation

Financing

Implementation

Evaluation

Programming
It involves the **initial elaboration of the operation idea** in terms of objectives, results and activities, with a view to determining whether or not to go ahead with a feasibility study.

This involves consultation with the **intended beneficiaries of each action**, an analysis of the **problems** they face, and the **identification of options** to address these problems.
• Confirm the **relevance and feasibility** of the project idea as proposed in the Identification

• Prepare a detailed project design, including the **activities**, management and coordination arrangements,

• Financing plan, cost-benefit analysis, risk management, monitoring….
Financing

- There is a need to prepare a forecasted **budget** (direct and indirect costs) based on activity based system.
- **The projects are approved for financing.**
• **Deliver the results**, achieve the purpose(s) and contribute effectively to the objectives of the project;

• Manage the available resources efficiently and Monitor and report on progress

• It maintains a direct relationship between staff, beneficiaries and stakeholders
• The sixth and final phase of the project cycle during which the project is examined against its objectives, and lessons are used to influence future actions.

• The aim is to determine the relevance and fulfillment of objectives, developmental efficiency, effectiveness, impact and sustainability.
Definition: Project Cycle (Management)

- **Project Cycle**
  - follows the life of a project from the initial idea to its completion. **It provides a structure** to ensure that stakeholders are consulted, and it defines the **key decisions**, information requirements and responsibilities **at each phase**, so that informed decisions can be made at each phase in the project life.
  - It draws on evaluation to build the lessons of experience into the design of future programmes and projects.

- **Project Cycle Management**
  - **Give a methodology** for the preparation, implementation and evaluation of projects and programmes based on the principles of the **Logical Framework Approach**.
• The logical framework is a tool to present an intervention strategy in a logical and transparent way. It provides all information to understand an operation and to enable a follow-up of an intervention. It sets out its objectives in a systematic and logical way. This should reflect the causal relationships between the different levels of objectives, and indicate how to check whether these objectives have been achieved, and establish what assumptions and risks outside the control of the partners may influence its success.
LFA - Logical Framework Approach

• It is useful to distinguish between the LFA, which is an analytical process (involving stakeholder analysis, problem analysis, objective setting and strategy selection), and the Logical Framework Matrix (LFM) which, while requiring further analysis of objectives, how they will be achieved and the potential risks, provides the documented product of the analytical process.
Correspondence PC & LFA

Analysis Stage
- Stakeholder Analysis
- Problem Analysis
- Analysis of Objectives
- Analysis of Strategies

Planning Stage
- Logical Framework matrix
- Activities and resource
  - Budget.
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Two main phases of LFA

The Logical Framework Approach

**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 end 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** - from the activity schedule, developing input schedules and a budget
The eight Millennium Development Goals (MDGs)

Target 3:
Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation
Project cycle management

“Engineering and cooperation for global development”

LESSON - 2

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Appropriate technology

How to understand local needs?

Promoting participation and ownership

Participation and ownership are fundamental to ensuring the correct choice of technology and the success of a project

Objectives of participatory approaches

- **Empowerment**: is often a key objective of participation i.e. bringing about a more equitable sharing of power, increasing the political awareness of disadvantaged groups, and supporting them in taking actions that will allow them to take more control of their own futures.

- **Capacity building**: People learn best by doing things for themselves. If people are assisted to plan and manage their own affairs the outcomes are more likely to meet their real needs. Building capacity within local agencies and groups is thus an important objective of participatory approaches.

- **Effectiveness**: Participation can be a vehicle for increasing the effectiveness of development projects or programs. If people have a genuine stake in a development activity and are actively involved in decision making, they are likely to give a greater degree of commitment, and shared objectives are more likely to be met.

- **Efficiency**: While effectiveness is about the degree to which stated objectives are met (using whatever means and inputs that might be required), efficiency incorporates the additional consideration of cost.
Promoting participation and ownership

Key principles of participatory approaches

• Involving people as subjects not objects
• Respect for local knowledge and skills
• Ensuring influence over development decisions, not simply involvement
  • A learning process as much as an outcome
• An approach and attitude rather than a specific set of technical skills

The participatory approach is also a state of mind, an attitude. It is about having a genuine concern and respect for the values, skills and needs of others, particularly those who are least advantaged.
Promoting participation and ownership

Intensity of participation

Participation may take on **various forms**, and occur **in varying intensities** depending on the **nature of the activity** and the **roles and responsibilities** of the people and **groups involved**.

**Four levels of intensity might be distinguished**

- **Information sharing.** This is the minimal level of ‘participation’ and often consists of little more than keeping people informed – i.e a one way flow of information.
- **Consultation.** Consultation means that there is a two-way flow of information – a dialogue. However, this dialogue may not necessarily impact on decision making.
- **Decision making.** Participation reaches a higher level when it involves individuals or groups (particularly those who are usually excluded) in actually making decisions. They have the authority and responsibility to take action.
- **Initiating action.** The highest level of participation is achieved when people take it on themselves to initiate new actions. To do so indicates a significant level of self-confidence and empowerment and the establishment of organisational and management capacity.
Correspondence PC & LFA

Analysis Stage

⇒ Stakeholder Analysis - SWOT
⇒ Problem Analysis
⇒ Analysis of Objectives
⇒ Analysis of Strategies

Planning Stage

⇒ Logical Framework matrix
⇒ Activities and resource
⇒ Budget.
Two main phases of LFA

The Logical Framework Approach

**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 end 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 - from the activity schedule, developing input schedules and a budget
A basic premise behind stakeholder analysis is that **different groups have different concerns, capacities and interests**, and that these **needs to be explicitly understood and recognized** in the process of problem identification, objective setting and strategy selection.
Any individuals, groups of people, institutions or firms that may have a significant interest in the success or failure of a project.

Either as implementers, facilitators, beneficiaries or adversaries.

The key questions asked by stakeholder analysis:

- ‘Whose problems or opportunities are we analysing’?
- ‘Who will benefit or loose-out?’
Stakeholder Analysis aim

The ultimate aim being to help maximize the social, economic and institutional benefits of the project towards target groups and ultimate beneficiaries, and minimize its potential negative impacts (including stakeholder conflicts)
I. Bengo

ANALYSIS PHASE - Stakeholder Analysis

Steps stakeholder analysis (1/3)

0° – Identify the general development problem or opportunity being addressed/considered

1° – Identify all those groups who have a significant interest in the (potential) project

Identify and produce a list of stakeholders.
If necessary, divide the groups into subgroups (men, women, ethnic groups, municipalities, departments, organizational, etc.).

The purpose of stakeholder analysis is to improve the involvement of stakeholders in the participatory process.
Steps stakeholder analysis (1/3)

1° – Identify all those groups who have a significant interest in the (potential) project
Step 1 – Identify all those groups who have a significant interest in the (potential) project

1. **Stakeholders**: Individuals or institutions that may – directly or indirectly, positively or negatively – affect or be affected by a project or programme.

2. **Beneficiaries**: Are those who benefit in whatever way from the implementation of the project. Distinction may be made between:

   (a) **Target group(s)**: The group/entity who will be directly positively affected by the project at the Project Purpose level. This may include the staff from partner organisations;

   (b) **Final beneficiaries**: Those who benefit from the project in the long term at the level of the society or sector at large, e.g. “children” due to increased spending on health and education, “consumers” due to improved agricultural production and marketing.

3. **Project partners**: Those who implement the projects in-country (who are also stakeholders, and may be a ‘target group’).
Steps stakeholder analysis (2/3)

2° - Investigate their respective roles, different interests, relative power and capacity to participate (strengths and weaknesses);

3° - Identify the extent of cooperation or conflict in the relationships between stakeholders;
4°- Interpretation of the findings of the analysis and incorporate relevant information into the project design to help ensure that:

(i) resources are appropriately targeted to meet distributional/equity objectives and the needs of priority groups,

(ii) management and coordination arrangements are appropriate to promote stakeholder ownership and participation;

(iii) Stakeholder’s conflicts are recognized and explicitly addressed into the project design.
Tools for conducting stakeholder analysis

There are a variety of tools that can be used to support stakeholder analysis.

Some suggested options are described below, namely:

1. Stakeholder analysis matrix
2. SWOT analysis
3. Venn diagrams
4. Spider diagrams

The examples shown below, are based on an issue of river water pollution and its impact on income and health
### Example of Stakeholder analysis matrix

<table>
<thead>
<tr>
<th>Stakeholder and basic characteristics</th>
<th>Interests and how affected by the problem(s)</th>
<th>Capacity and motivation to bring about change</th>
<th>Possible actions to address stakeholder interests</th>
</tr>
</thead>
</table>
| **Fishing families:** c.20,000 families, low income earners, small scale family businesses, organised into informal cooperatives, women actively involved in fish processing and marketing | • Maintain and improve their means of livelihood  
• Pollution is affecting volume and quality of catch  
• Family health is suffering, particularly children and mothers | • Keen interest in pollution control measures  
• Limited political influence given weak organizational structure | • Support capacity to organize and lobby  
• Implement industry pollution control measures  
• Identify/develop alternative income sources for women and men |
| **Industry X:** Large scale industrial operation, poorly regulated and non-unions, influential lobby group, poor environmental record | • Maintain/increase profits  
• Some concern about public image  
• Concern about costs if environmental regulations enforced | • Have financial and technical resources to employ new cleaner technologies  
• Limited current motivation to change | • Raise their awareness of social and environmental impact  
• Mobilise political pressure to influence industry behaviour  
• Strengthen and enforce environmental laws |
| **Households:** c.150,000 households discharge waste and waste water into river, also source some drinking water and eat fish from the river | • Aware of industrial pollution and impact on water quality  
• Want to dispose of own waste away from the household  
• Want access to clean water | • Limited understanding of the health impact of their own waste/waste water disposal  
• Potential to lobby government bodies more effectively  
• Appeal willing to pay for improved waste management services | • Raise awareness of households as to implications of their own waste disposal practices  
• Work with communities and local government on addressing water and sanitation issues |
| **Environmental protection agency:** Etc | etc | etc | etc |
How to use the analysis for planning

- The conclusions that emerge from the analysis should be reported:
  - **General level / conceptual project** (introductory paragraphs). Here you have a brief summary of the analysis, taking in consideration the key stakeholders and the critical factors related to the influence and importance.

  - **In the Project Logical Framework (Logframe).** In the column of "assumptions" (external conditions) highlighted the key stakeholders and their influence / potential importance in achieving the objectives. The project should reflect the interests and impacts identified by the stakeholder analysis.
SWOT analysis Origins

• This is a technique developed more than 50 years ago as a support tool in defining business strategies in uncertain and strong competitiveness situations.

• Today the use of SWOT analysis is extended to the territorial diagnosis and evaluation of projects and programs.
What is the SWOT analysis?

Reasoned analysis of the territorial or sectorial context where the intervention is implemented

**SWOT analysis (strengths, weaknesses, opportunities and threats)** is used to analyse the **internal strengths and weaknesses** of an organization and the **external opportunities and threats** that it faces. It can be used either as a tool for general analysis, or to look at how an organization might address a specific problem or challenge.
Objectives SWOT

1. Ideas are generated about the internal strengths and weaknesses of a group or organization, and the external opportunities and threats;

2. The situation is analysed by looking for ways in which the group/organisation’s strengths can be built on to overcome identified weaknesses, and opportunities can be taken to minimize threats;

3. A strategy for making improvements is formulated (and then subsequently developed using a number of additional analytical planning tools).
Preliminary elements

**INTERNAL factors:** belong to the context of analysis and can be changed through the proposed policy or action

**EXTERNAL factors:** arise from the external environment and are not editable

ANALYSIS PHASE - SWOT analysis

<table>
<thead>
<tr>
<th>BENEFIT</th>
<th>RISK</th>
</tr>
</thead>
<tbody>
<tr>
<td>STRENGTHS</td>
<td>WEAKNESSES</td>
</tr>
<tr>
<td>OPPORTUNITIES</td>
<td>THREATS</td>
</tr>
</tbody>
</table>
SWOT Implementation

**NOT PARTICIPATORY**

- The strengths, weaknesses, opportunities and threats are determined by the designer on the basis of context data
- Is based on "expert knowledge" neutral and objective

**PARTICIPATORY**

- The strengths, weaknesses, opportunities and threats are focused by working in groups using participatory methodologies
- Is based on the joint analysis between experts and stakeholders
Further analyzing the capacity of Fishing Cooperatives to represent members’ interests and manage change

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Focused on the specific concerns of a relatively homogenous group</td>
<td>• Limited lobbying capacity and environmental management skills</td>
</tr>
<tr>
<td>• Men and women both represented</td>
<td>• Lack of formal constitutions and unclear legal status</td>
</tr>
<tr>
<td>• Provide a basic small scale credit facility</td>
<td>• Weak linkages with other organizations</td>
</tr>
<tr>
<td></td>
<td>• Internal disagreements on limiting fishing effort in response to declining fish stocks</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Growing public/political concern over health impacts of uncontrolled waste disposal</td>
<td>• Political influence of industrial lobby groups who are opposed to tighter environmental protection laws (namely waste disposal)</td>
</tr>
<tr>
<td>• New government legislation in preparation on Environmental Protection – largely focused on making polluters pay</td>
<td>• New environmental protection legislation may impact on access to traditional fishing grounds and the fishing methods that can be employed</td>
</tr>
<tr>
<td>• The river is potentially rich in resources for local consumption and sale</td>
<td></td>
</tr>
<tr>
<td>• New markets for fish and fish products developing as a result of improved transport infrastructure to nearby population centers</td>
<td></td>
</tr>
</tbody>
</table>
The SWOT matrix for Congo’s case is structured as follows:

<table>
<thead>
<tr>
<th>Thematic</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
### SWOT matrix: Congo’s case

<table>
<thead>
<tr>
<th>Thematic</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social</td>
<td>• Availability of ground water supply quantity;</td>
<td>• Lack of livestock</td>
<td>• Availability of other NGOs;</td>
<td>• Lack of government support;</td>
</tr>
<tr>
<td></td>
<td>• Availability of man power;</td>
<td>• Lack of knowledge, education and management skills;</td>
<td></td>
<td>• War and political instabilities;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Lack of technical skills to extract water;</td>
<td></td>
<td>• Lack of interest by local partners;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• No welfare;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Communication Difficulties among different ethnics;</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Differences between men and women;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>• Presence of water;</td>
<td>• Illness due to water quality;</td>
<td>• Enhance life expectancy;</td>
<td>• Well contamination</td>
</tr>
<tr>
<td></td>
<td>• Participation of the hospital;</td>
<td>• Lack of knowledge about water sanitation;</td>
<td></td>
<td>• High mortality rate;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Seasonality;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Drought period;</td>
</tr>
<tr>
<td>Economical</td>
<td>• Availability of local man power;</td>
<td>• Lack of training, knowledge, infrastructure and capital;</td>
<td>• Trade;</td>
<td>• No support from government (funds);</td>
</tr>
<tr>
<td></td>
<td>• Availability of natural resources;</td>
<td></td>
<td>• Expanding agriculture;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Strategic position;</td>
<td></td>
<td>• Welfare;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Access to land;</td>
<td></td>
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</tbody>
</table>
SWOT limitations and risks

- Can describe reality in a **simplistic way**
- Risk of **subjective procedures** by team analysis
- Risk of **disconnection between the technical-scientific and social-political dimension** (especially if implemented by "expert knowledge“ without stakeholder participation)
How to use the analysis for planning

• The conclusions that emerge from the analysis should be reported:
  - **General level / conceptual project** (introductory paragraphs). Here you have a brief summary of the analysis, taking in consideration the key stakeholders and the critical factors related to the influence and importance.
  
  - **In the Project Logical Framework (Logframe).** In the column of "assumptions" (external conditions) highlighted the key stakeholders and their influence / potential importance in achieving the objectives. The project should reflect the interests and impacts identified by the stakeholder analysis.
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