

Impact-oriented Steering – the Concept of NGO-IDEAs “Impact Toolbox”

The NGO-IDEAs “Impact Toolbox” has been developed with a group of NGOs all of which are active in the area of saving and credit in South India. This compilation of methods to apply in impact-oriented steering was devised by the executive staff of the Indian partner NGOs, also known as the Resource Persons, in 2006 and tested from late 2006 to early 2007.

At first glance, the approach may appear to be highly specialised and hardly transferable. However, it does in fact follow some principles that can be adapted for several NGOs in other countries and in other sectors. The following article gives an account of the concept that the NGO-IDEAs “Impact Toolbox” is based upon.

1 Aims and values

The NGO-IDEAs “Impact Toolbox” serves the purpose of enabling the NGO and the grass-roots organisations or the population involved to steer projects in a manner that will enhance positive impacts and reduce negative ones.

The instruments of the NGO-IDEAs “Impact Toolbox” are simple and participatory. Simple means: setting out from people’s knowledge and know-how, easy to learn and efficient in terms of the time and financial effort required. Application can easily be fitted into the “normal” activities of the NGOs or grassroots organisations. The participatory character contains democratic elements promoting a “Culture of Learning” that the people can assimilate.

Key **features** of the NGO-IDEA “Impact Toolbox”:

- The Toolbox offers a combination of a small number of instruments that are attuned to one another. They form a methodical whole but may also be applied individually to reduce complexity if required.
- The Toolbox is based on instruments that many NGOs are well familiar with and use. This enables them to be introduced without any major consultancy effort, and in several cases, they can also be used independently by the grassroots organisations.
- The indicators may be represented quantitatively. While this facilitates the aggregation of data, the survey results can also easily be disaggregated if required: For example, not only is a differentiation of impacts possible according to sex, but also according to poverty groups or other social criteria, depending on what is required.
- These instruments encourage reflexion and demand steering decisions based on the continuous establishment of impacts. They can also be used in reporting, should this be needed.

2 Instruments

The following instruments have been included in the Toolbox:

2.1 PWR – Participatory Wealth Ranking

PWR groups households according to **affluence / poverty criteria**:

This is a familiar instrument taken from the Participatory Rapid Appraisal (PRA) context that is already being used by a large number of NGOs. It serves the purpose of poverty-oriented target group selection and assignment of impacts according to wealth or affluence / poverty criteria.

Instructed by NGOs, contact persons from the village or urban district develop affluence or poverty categories and the corresponding criteria. At least four affluence / poverty criteria need to be selected at least two out of which have to lie above and two below the poverty line (e.g. simple affluence; poverty in subsistence; severe poverty; extreme poverty). In different procedures, all households are subsequently assigned to one of the categories, and the result is evaluated by the community.

As a rule, the PWR is valid ahead of commencing the project measures but only after a sufficient level of confidence has been established between the NGO and the population. Usually, it cannot be conducted on an annual basis but is possible after an appropriate period of three to five years. Thus it is not suitable for the direct monitoring of changes in the affluence or poverty situation of households; as mentioned above, it serves the purpose of a differentiated perception of impacts.

2.2 SAGE – Situational Analysis and Goal Establishment

SAGE establishes changes among individuals and households:

This instrument, which was developed in NGO-IDEAs, sets out from the assumption that the people in the target group create their own vision of their future living conditions. The aim is to establish to what extent each member or each household has developed towards these targets.

At the beginning of the project measures, the NGO develops a vision of a better life together with the members of the community that is to apply to each member or each household, e.g.:

- Each household has sufficient income to provide healthy food for all members.
- Each household has a small kitchen garden close to the house.
- Each household sends all children required to attend school to school.
- Each household avoids violence, also in the domestic area.
- Each household regularly participates in the community activities.

Here, there are no bounds to the creativity of members as far as concrete criteria of a better life are concerned to which the project can also contribute.

Following the thus described areas of life (e.g. income, food, education and training, violence in the family, engagement for the community) that the participators explicitly wish to change with the project, they have thus described criteria (indicators) that they themselves can monitor and evaluate changes with.

Once this vision has been developed, it can be established criterion by criterion in how far the members or households of this group that have already attained this status. The result of the first survey is regarded as a baseline. Subsequently, the group can periodically establish on its own to what extent the situation of the group members is moving towards these targets and compare this with the initial status.

An appropriate mode of conducting this stocktaking needs to be found; it makes sense to do this in the group, have the self-assessments evaluated there and discuss the results together.

In order not to turn impact monitoring into a cumbersome interrogation over very personal data, it ought to be integrated into the normal procedures of the NGO or the group: For example, if the NGO proposes monthly priority topics in its activities, it can introduce a topic (e.g. food) with a stocktaking:

- What is the group's position regarding food? Here, not only is the criterion referred to that the vision relates to, but further criteria may also be explored (and recorded).
- What has changed since the last stocktaking? What has changed since the project commenced?

Further questions may contribute to an action-oriented dialogue.

2.3 PAG – Performance Appraisal of the Groups

PAG establishes changes in groups:

This instrument is used to assess the performance of a grassroots organisation. It was derived from a form used by Indian banks with the groups – albeit with other assessment criteria. In PAG, the NGO and the group agree on the criteria that the group's quality as a whole can be measured with.

The individual criteria are differently weighted, so that different points may be scored. There is a graded assessment for targets that have been partially attained. The overall number of points represents a reference number for group performance.

Options to develop SAGE and PAG

After a little practice, the group itself can apply the two instruments SAGE and PAG. In spite of this, it will probably make sense in many cases for an external person to support self-evaluation and corresponding reflexion as a facilitator.

SAGE and PAG above all use numbers to describe the situation of the individuals / households or the group. While this offers many advantages in aggregating or analysing the results, it does also have disadvantages compared to descriptive methods. In the NGO-IDEAs trial phase, there were also reports concerning PAG of problems arising from assessments assuming too much of a “school mark” character.

In attributing numerical values, there were three options to assess the attainment of a target:

1. With YES / NO answers: with YES standing for: I have attained the status that I desired when the self-help group (SHG) was set up.
2. With percentage statements: with 100 % standing for: I have wholly attained the status that I desired when the SHG was set up. The numbers between 0 and 100 % stood for the gradual attainment of the target, with assessments being given according to feelings.
3. With graded numbers of points: for each criterion, “growth levels” were established each of which was assessed with a certain number of points.

Whereas concrete examples appear to prescribe a certain type of application of the Toolbox, in reality, there are a considerable range of design options.

This applies all the more if a quantitative representation does not meet the requirements of the context: each SAGE and PAG criterion can be described considerably more accurately with words. A descriptive representation can either support quantitative “measuring” or it can replace it completely. Here, NGO and groups can choose the form they find suitable.

First and foremost, SAGE and PAG measure or describe changes. Provided that this is done without any further analysis of the causal links, it is assumed that the group and the NGO have jointly made a considerable contribution to the changes, so that this is an impact that their activities have had. With many and strong external influences that may simultaneously have an effect, this can be plausibly justified with factual evidence if the NGO clearly explains to the group members how they can make use of external offers and developments to move

closer towards their commonly designed targets.

However, if such a logical assignment does not suffice, in establishing the changes, their impact contexts can respectively be separately reflected and established in the group process. As a rule, the NGO will conduct a more comprehensive analysis of impacts, as will be described below for PANgo.

2.4 PANgo - Performance Assessment of NGOs

PANgo serves an in-depth analysis of impacts:

PANgo is the impact-analysis instrument of the NGOs. It sets out from the methods of self-assessment of changes among individuals / households and in the group (SAGE and PAG), elaborating their results with the aid of a number of additional elements:

- **Compilation of data used in quantitative indicators** – The SAGE and PAG data are enriched with further data from other sources. For example, it may not be enough for an NGO to know that the target group has perceived a rise in household incomes in the past year, but with the aid of random samples, it can establish how individual incomes have really developed. Such additional surveys will probably only be necessary for certain aspects, depending on the programme focus of the NGO and accountability to the donors.
- **Compilation of data of descriptive indicators** – Depending on the need, the (frequently quantitative) results established with SAGE and PAG have to be supplemented with additional qualitative information. The NGOs are recommended to use open questions to be able to capture the specialities of both the changes observed and unforeseeable developments more accurately.
- **Comparison of changes with control groups** – The NGOs are recommended to analyse what the same changes that they have observed among their partner groups result in among other groups that are not directly making use of their programme services.
- **Analysis of causal links** – The NGOs are shown different ways of examining the causal links of the changes that have been observed and draw consequences from this for their programme activities.
- **Gender-specific disaggregation of impacts** – This instrument sensitises to the perception of changes that may be assigned to individuals, to women and men or girls and boys. While the indicators can be measured separately according to sexes, at NGO-IDEAs, interviews have also been tested that explore shifts in rights and duties within families.
- **Poverty-specific disaggregation of impacts** – When the PWR has been conducted, each impact specified for an individual or group can be examined regarding the degree to which it appears in the individual affluence / poverty categories. In this way, the NGO can, for example, gain an understanding of whether the poorest of the poor benefit at least as much from the measures as the households above the poverty line do.

3 Assessment

From the angle of the NGOs involved in testing it, the NGO-IDEAs “Impact Toolbox” also yielded some novel characteristics compared to their impact monitoring so far:

- The perception of impacts in the target group was sharpened overall. It became apparent that impacts occurred in a far greater number of areas than the programme’s target structure prescribed.
- The perception of individuals and households was sharpened. Previously, the group had tended to be seen more as a whole, or some prominent individuals had been at the centre of attention. With SAGE, all those also came more to the fore with whom the desired changes progressed more slowly.
- Generally, with the different forms of disaggregation, the perception of different developments among the different social groups was sharpened, also with the aid of the control groups, enabling the NGO to formulate and implement its concepts and strategies more accurately.
- Learning processes and, in particular, orientation for steering decisions were improved among the groups and NGOs. For example, in the PANgo reporting questionnaire, the following sequence of analytical questions was posed:
 - What can the groups (and their federal structures) do to improve impacts in this area?
 - What can the NGO do to improve impacts in this area?
 - What does this mean for the project managers?
 - What does this mean for the NGO strategy?

The instruments of the NGO-IDEAs “Impact Toolbox” have generally been judged as simple and participatory by the partners, which coincides with the intentions of the Resource Persons. In practice, however, this frequently has to be qualified: the larger the NGO programme is, and the more indicators are supposed to be the object of the impact analysis, the more complex impact monitoring will be.

Nevertheless, the steps proposed for analysis and decision-making have been a help for the NGO-IDEAs partners in steering their activities in an impact-oriented manner.

Gohl / 23rd September 2007