


# ***Advisory Services (AS)***

## ***Project Completion (PCR)/ Development Effectiveness***

***Results Measurement Unit (M&E)  
July – August 2007***

# ***Objective***

*To provide guidance on how to rate development effectiveness of advisory services projects in project completion reports, using and projects as illustrative examples.*



# Rating Your Project: Development Effectiveness & IFC Role/Contribution

- **Development effectiveness**

- Five components:

- Strategic Relevance
- Output Achievement
- Outcome Achievement
- Impact Achievement
- Efficiency

- These combine into a “synthesis” rating

- **IFC Role & Contribution**

# **Strategic Relevance:**

## ***Was it the right project at the right time?***

- **Appropriateness of assistance**
  - Did it fit the political and economic conditions?
  - Did it address a market failure?
  - Was the right client selected, given project objectives?
  - Alignment with CAS and IFC Strategy
  - Was project consistent with country's development priorities?
- **Did the project have broad impact at regional/national levels?**
- **Interest/receptivity of a client (client contribution-financial and in-kind)**
  - What was the extent of planned and actual?
  - Client contribution requirements will be effective for projects approved after January 2007 (date of pricing policy issuance)

# Strategic Relevance: *Rating Guidance*

## Excellent

- Major priority issues addressed **AND**
- Potential high impact **AND**
- Assistance was highly appropriate for conditions at initiations and completion **AND**
- Appropriate client contribution achieved

## Satisfactory

- Major priority issues addressed to a large extent **AND**
- Potential major impact on direct recipients/local community **AND**
- Assistance was appropriate for conditions at initiation and completion **AND**
- Majority client contribution achieved

## Partly Unsatisfactory

- Priority issues overlooked **OR**
- Assistance was appropriate for conditions at initiation but conditions changed and the assistance was not adopted accordingly **OR**
- Substantially less than appropriate client contribution was achieved

## Unsatisfactory

- Low priority issues addressed **OR**
- Assistance was not appropriate given conditions at initiation **OR**
- No client contribution, although contribution was appropriate

## **Outputs:**

***Were products, capital goods, & services delivered?***

- **Were “key” deliverables achieved?**
- **To what extent were clients satisfied with the advisory service?**

Note: Evidence is required

Client satisfaction is an indicator of output quality



# Outputs: *Rating Guidance*

## **Excellent**

- Key deliverables achieved: excellent quality (reliable feedback from a reliable source)

## **Satisfactory**

- Key deliverables achieved: satisfactory quality (feedback from a reliable source)

## **Partly Unsatisfactory**

- Either at least one key deliverable not achieved OR
- At least one key deliverable achieved with unsatisfactory quality

## **Unsatisfactory**

- Few, or none, of the key deliverables achieved OR
- Several key deliverables of less than satisfactory quality

## **Outcomes:**

***Were intended short & medium-term effects achieved?***

- **Outcomes are behavioral changes**
  - Companies/FIs changed (improved) processes
  - Governments enacted new laws
  - Trainees applied knowledge received in practice
- **Were outcomes achieved?**
- **Were there unexpected/unintended positive or negative outcomes?**

Note: Rate this dimension if any outcomes are observed

# Outcomes: *Rating Guidance*

## Excellent

- All outcomes achieved on direct recipients **AND**
- Clients indicate that AS made a key contribution to behavior or performance change

## Satisfactory

- Most outcomes achieved on direct recipients **AND**
- Clients indicate that AS contributed to behavior or performance change

## Partly Unsatisfactory

- Fewer than half of outcomes achieved **OR**
- Client attributes limited influence on behavior/performance change

## Unsatisfactory

- Few or none outcomes achieved **OR**
- Clients attribute no change or negative effects to AS

## Not Yet Achieved

- No outcomes yet achieved, partial outcome achievement expected

## **Impact:**

***Were intended longer-term effects achieved?***

- **What would have happened without the intervention?**  
(What is the *counterfactual*?)
- **Attribution:**
  - Were other players involved? Were results due to IFC?
- **Many methods for estimating impacts**
  - Randomization/quasi-experimental designs, before-after, participant judgment/expert opinion
  - Evidence must be provided

Note: Rate this dimension if any impacts observed

# Impact: *Rating Guidance*

## Excellent

- Nearly all impacts achieved on direct recipients with strong attribution to the project backed by evidence from a solid methodology **AND**
- Some positive impact achieved beyond direct recipients (demonstration effect) **AND**
- Project recognized as best practice and recommended for replication

## Satisfactory

- Most impacts on the direct beneficiaries achieved with attribution to the project backed by evidence from a solid methodology

## Partly Unsatisfactory

- Impacts on direct beneficiaries achieved; weak attribution **OR**
- Impacts partly achieved **OR**
- Impacts wholly achieved with some unintended negative impact

## Unsatisfactory

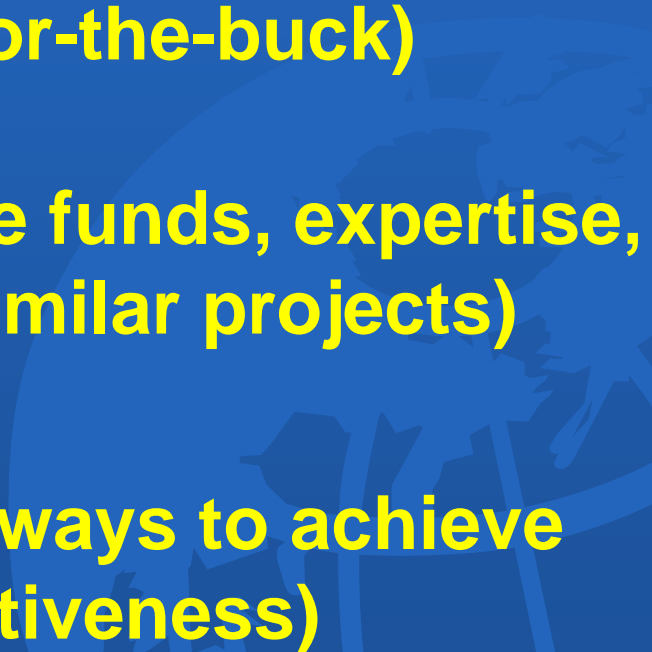
- Impact not achieved; **OR**
- Negative impacts

## Not Yet Achieved:

- No major impacts yet achieved, but partial impact achievement is expected

## **Efficiency:**

***Were costs reasonable vis-à-vis results?***

- **How reasonable were costs vs. benefits? (cost-benefit or bang-for-the-buck)**
  - **How economically were funds, expertise, time, etc., used? (vs. similar projects)**
  - **Were there less costly ways to achieve objectives? (cost-effectiveness)**
- 

# Efficiency: Rating Guidance

## Excellent

- Highly positive cost-benefit ratio **AND**
- Resources were expended highly economically **AND**
- Assistance was far less costly than the alternative(s)

## Satisfactory

- Positive cost-benefit ratio **AND**
- Resources were expended economically **AND**
- Resources were reasonable in relation to alternatives


## Partly unsatisfactory

- Assistance has a negative cost-benefit ratio **OR**
- Resources could sometimes have been expended more economically **OR**
- More reasonable alternatives were available that could have been used

## Unsatisfactory

- Assistance has a highly negative cost-benefit ratio **OR**
- Resources used to provide assistance could generally have been expended more economically **OR**
- Much more reasonable alternatives were available

# **Development Effectiveness:** *Bringing it all together*

- **Synthesis rating, not an 'average' of the five dimensions**
  - **Six-point scale consistent with DOTS (investment rating)**
  - **Exclusions:**
    - Projects in which NO outcomes or impacts were yet achieved
    - Feasibility studies for investment projects
- 

# **Development Effectiveness: *Synthesis Rating***

## **Highly Successful**

- A project with overwhelming positive development results, with virtually no flaws. It indicates the type of project IFC should use publicly to illustrate the contribution of IFC AS

## **Successful**

- A project that has strong positive aspects that more than compensate for any shortfalls. It is a project without material shortcomings, that clearly meets expectations

## **Mostly Successful (more successful than unsuccessful)**

- A project which may have some shortcomings, but with a clear predominance of positive aspects

# Development Effectiveness: *Synthesis Rating*

## Mostly Unsuccessful

- Minor shortcomings across the board, or serious shortcoming in one area which outweighs otherwise positive aspects

## Unsuccessful

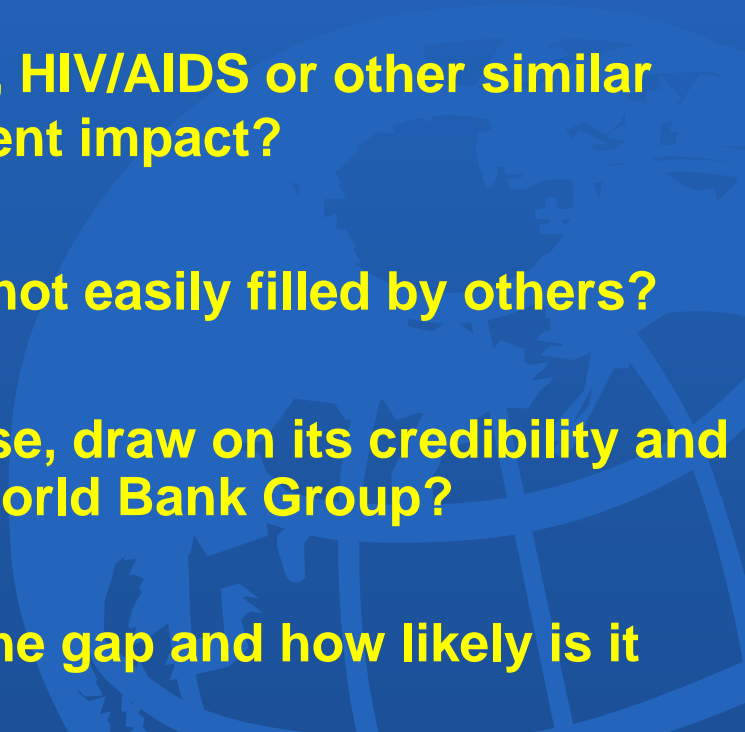
- Largely negative aspects, clearly outweighing positive aspects

## Highly Unsuccessful

- Negative development aspects and no positive impacts to compensate



# IFC Role & Contribution

- Was IFC particularly catalytic or innovative in its advisory services?
  - Did IFC add gender, environmental, HIV/AIDS or other similar focus that increased the development impact?
  - Was IFC able to play a unique role not easily filled by others?
  - Did it leverage key areas of expertise, draw on its credibility and global experience, or links to the World Bank Group?
  - Would other providers have filled the gap and how likely is it that they might have?
- 

# IFC Role and Contribution: *Rating Guidance*

## Excellent

- IFC was essential and made major contributions that made the project particularly catalytic, innovative, or developmental

## Satisfactory

- IFC's role & contribution consistent with its operating principles, i.e. IFC added value and made a special contribution that others may not have readily delivered

## Partly unsatisfactory

- IFC's role or contribution was not significant or it fell short in one important area

## Unsatisfactory

- IFC's role was not additional and IFC's expected contribution was not delivered

# Next Steps

- Corporate AS Reports
- AS Enhancements
- Advisory Services Website
- Upcoming trainings

