

September 2007

# SNV's primary process

Corporate standards



# SNV

Connecting People's Capacities

Netherlands  
Development  
Organisation



## Content

<b>Introduction to the Triple AAA Model</b>	<b>3</b>
<b>Chapter 1. The Strategy Cycle (SC)</b>	<b>6</b>
SC 1. Strategic planning	8
SC 2. Implementation of strategy	9
SC 3. Strategy review	14
<b>Chapter 2. The Client and Assignment cycles</b>	<b>15</b>
The Client Cycle (CC)	16
CC 1. Engagement	18
CC 2. Strengthen capacity	23
The Assignment Cycle (AC)	23
AC 1. Prepare assignment	24
AC 2. Implement assignment	25
AC 3. Review assignment	26
CC 3. Assess outcome and evaluate	27
<b>Annexes</b>	
Annex 1.1 Strategic Plan 2008-2009	29
Annex 1.2 Format and guidelines for drafting the midyear/annual review report*	50
Annex 2.1 Actor constellation map	51
Annex 2.2 Client selection document	57
Annex 2.3 Memorandum of Understanding	59
Annex 2.4 Assignment Agreement	63
Annex 2.5 Assignment (MoU) review report*	67
Annex 2.6 Roles and responsibilities in client cycle	69
Annex 2.7 Types of relationships	71
Annex 2.8 Documentation and important moments for setting targets and assessing, evaluating and reporting on results	73
Annex 2.9 Important learning moments in SNV's work processes	75
Annex 2.10 Managing for results*	77

\* To be finalised shortly

## Introduction to the Triple AAA model

It is only since the year 2000 that SNV has adopted the provision of capacity development services as its core business. Before that SNV was very much involved in implementing projects, an approach that was abandoned because it put SNV too much in the driver seat of development. SNV chose for a more supportive role. Now, through strengthening the capacity of carefully selected clients, SNV contributes to poverty reduction and improved governance. Crucial for success is the way SNV selects clients, acquires and supports them, sets targets and demonstrates results. We call this SNV's primary process.

Over the last six years SNV's thinking with regard to its new core business and the corresponding change of its primary process has evolved. As a variety of approaches and solutions were developed in the different countries and regions, the need for a common approach, corporate guidance and jargon emerged. In an effort to arrive at a shared understanding of SNV's primary process the "Triple AAA model" was developed.

"Triple AAA" highlights those essential steps of the primary process that are critical for a quality capacity development practice, which is focused on results. The model outlines the essential steps of our processes that help us to maintain quality. It does so at three levels: a) for how we develop, implement and update our **strategy** in a basic services sector, value chain or country as a whole, b) for how we start, maintain, review and end a **client relation**, and c) for how we prepare, execute and review specific work **assignments**.

By treating these three different levels as mutually interactive, the model provides for an adaptive working logic, in which results and lessons at the various levels can influence each other.

For each level the model distinguishes three basic steps:

1. Analysis & planning,
2. Action & monitoring and
3. Assessing results & evaluation.

Because of its simplicity and appeal to advisers this model was spontaneously adopted by the teams in the field. It also became clear that in order for it to become useful in day-to-day capacity development work, the model needed to be further elaborated to indicate the key steps to be followed, decision moments, documents required, and the roles and responsibilities of all actors involved.

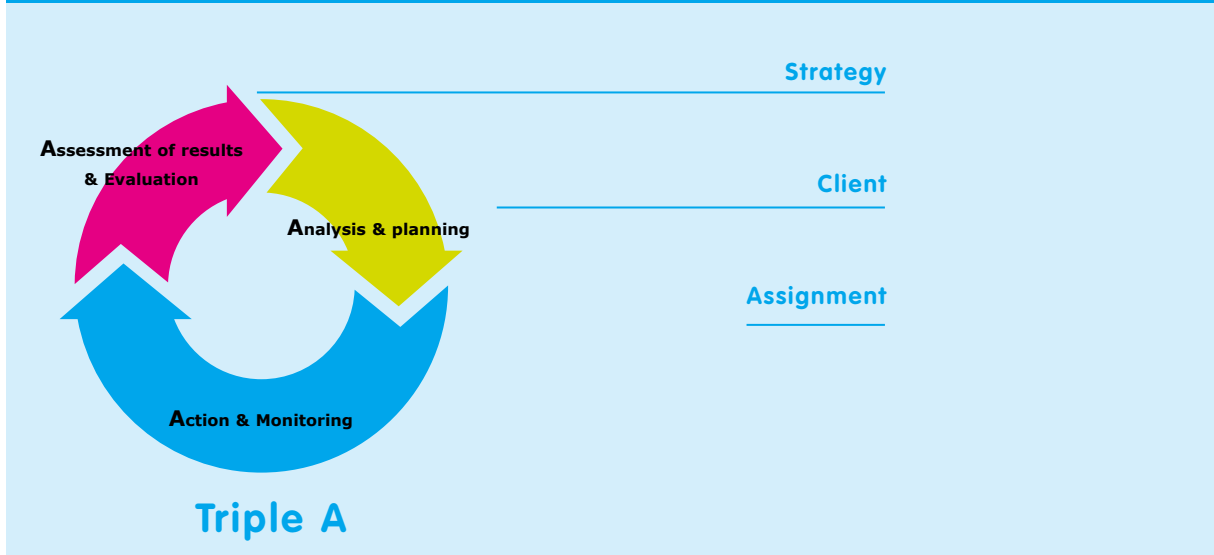
On the basis of the AAA model a task force elaborated organisation-wide standards for procedures, documents and responsibilities with regard to SNV's capacity development services. The result is this document which contains corporate standards for SNV's work at strategy, client and assignment level. The guiding principle of the task force for operationalizing the AAA model was the need to *"...create room for professional creativity whenever possible, and to set standards whenever needed from a perspective of quality assurance, accountability, efficiency and organisational learning."*

**Beware** that these corporate guidelines may cause an optical distortion. Most corporate standards concern analysis, planning, assessment of results and evaluation and seem magnified. The reason is that it is impossible to make corporate standards for assignments because the large variety of assignments are tailored to the needs of a very diverse group of organisations. However, let there be no misunderstanding that implementation is at the heart of SNV's practice and most time-writing hours will be booked here.

The corporate standards included in this document focus on processes and are in themselves not sufficient to achieve a quality service. Other prerequisites are sector specific expertise and SNV's values.

Furthermore, this document focuses on the primary process that is at the interface between SNV and other external actors, including partners. It does however not describe all the internal administration and support processes that underpin a high quality service such as the administration of time, filing of documents, performance appraisal & development, budget control, and how to conduct meetings at the level of portfolios and management teams.

## SNV's primary process



"Triple AAA" highlights those essential steps of the primary processes that are critical for a quality capacity development practice, which is focused on outcome and impact.

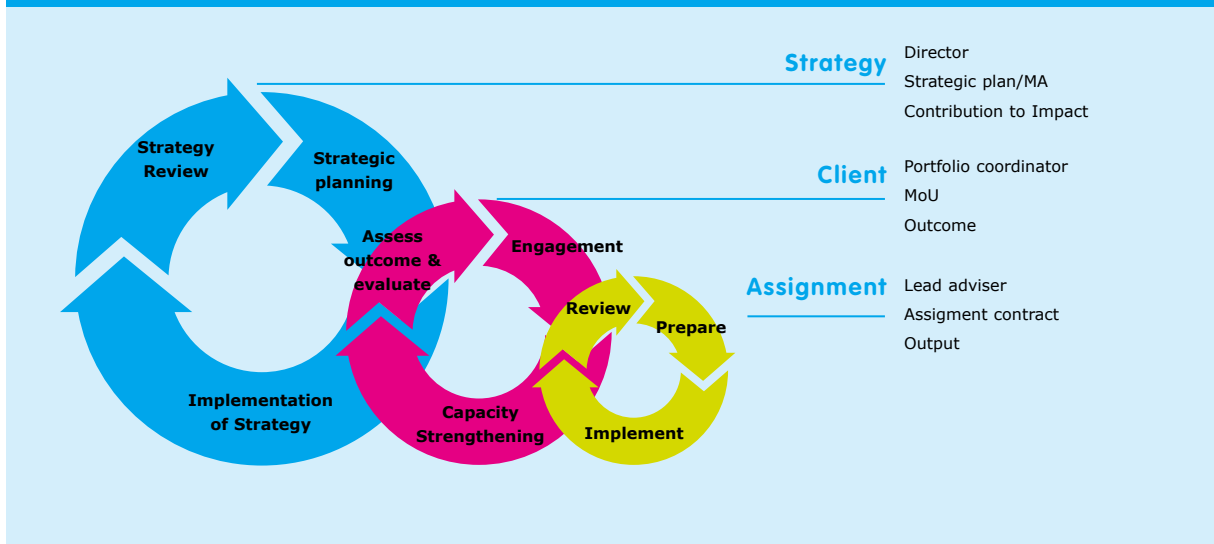
The model identifies three distinct levels within the primary process:

- Strategy level
- Client level
- Assignment level

Within each level there are three essential steps:

- Analysis & Planning
- Action & Monitoring
- Assessing results & Evaluation

## SNV's primary process





## Chapter 1.

# The SNV strategy cycle

The SNV strategy forms a comprehensive master plan stating how SNV will achieve its mission and objectives. The strategy at corporate level has been laid down in the SNV Strategy Paper 2007-2015: Local Impact, Global Presence.

To implement this 9 year master plan<sup>1</sup> it needs to be broken down into three year<sup>2</sup> strategic plans at country and regional level, and also at the level of Head Office Units. Subsequently these three year strategic plans need to be broken down again in annual operational plans, called management agreements, with clear deliverables and budget allocations.

Each of these planning processes, are followed by a phase of implementation (action & monitoring) and concluded with a review (assessment of results and evaluation). SNV has organised this whole integrated cycle of strategic planning, implementation and review according to the Triple AAA model.

The table below gives a comprehensive overview of the steps of the strategy cycle. Embedded in section titled "Implementation of strategy" you will find the client & assignment cycle and the partnership cycle. The client and assignment cycles are further explained in chapter 2.

This chapter contains a more detailed break down of the strategic planning cycle. Formats and guidelines for documents to be generated as part of the strategy cycle can be found in the annexes.

Another important principle underlying the design of the strategic cycle is SNV's choice to align its country programmes with national development strategies. In the Strategy Paper 2007-2015 it is stated that "The definition and pursuit of development is a responsibility that lies within each society itself and can not be prescribed from outside. In this sense, MDG-based national development strategies (NDSs) are increasingly recognised as providing a good vehicle for concentrating the minds of developing country governments and their people as well as donor agencies and international development organisations like SNV." From this corporate choice in support of national ownership it follows that the country strategic plan must be the linchpin for further operationalisation of the corporate strategy. Based on this logic the three year strategy cycle has been developed with the country strategic plan as a central cohesive element. The role of the region is to establish regional priorities and maximize efficiency and effectiveness through creating synergies between the countries in terms of mobilizing and sharing resources, including knowledge.

- 
- 1 The 9 year master plan needs to be operationalised and aligned with SNV's Integrated Planning Cycle (IPC). The IPC describes the recurring process of planning, executing and monitoring of SNV's activities, to support SNV's management, advisers and support staff. The IPC brings a range of plans, i.e. for corporate, regions, countries, portfolios and staff performance appraisals together into one cycle. The IPC covers the strategic cycle, the annual cycle, the bi-annual cycle as well as the monthly cycle. The strategic cycle described in here is thus a part of and aligned with the IPC. For further details related to the planning and monitoring of SNV's activities, you are kindly referred to the IPC document.
  - 2 1st time only 2 years 2008-2009

The SNV Strategy Cycle (SC)		Page
<b>SC Step 1 Strategic planning</b> <i>(Every 3 years except 1st time only 2 years 2008-2009)</i>		7
	SC 1.1 BoD sends corporate strategic framework letter to the regions and HO units	
	SC 1.2 Regions send regional strategic framework letter to countries	
	SC 1.3 Countries make country strategic plans	
	SC 1.4 Regions and HO units make strategic plans	
	SC 1.5 Head Office makes corporate strategic plan	
	SC 1.6 BoD approves regional strategic plans and HO unit plans	
	SC 1.7 Regions approve country strategic plans	
<b>SC Step 2 Implementation of strategy</b> <i>(Continuous and following the annual operational planning cycle)</i>		8
	SC 2.1 Operational planning (resulting in Management Agreements)	9
	SC 2.2 Implement Management Agreements	10
	<div style="border: 1px solid black; padding: 5px;"> <p><b>Client Cycle (CC)/Partnership cycle</b></p> <p>Developing capacity through working with clients and partners is a continuous process and described in detail in 2 separate documents:</p> <ul style="list-style-type: none"> <li>• Corporate standards for SNV's primary process (see Vol. 2)</li> <li>• The SNV partnership cycle</li> </ul> </div> <div style="background-color: #0070c0; color: white; padding: 2px; text-align: center; margin-top: 5px;"><b>Assignment Cycle (AC)</b></div>	See chapter 2
	Step 2.3 Review Management Agreements	11
<b>SC Step 3 Strategy Review</b> <i>(Every 3 years except 1st time only 2 years 2008-2009)</i>		13
	SC 3.1 Assess results per basic services sector/ value chain	
	SC 3.2 Evaluate strategy	



## SC 1. Strategic planning

Strategic plans are made every three years (except the plan for 2008-2009). Strategic Planning for the period N, N+1 and N+2 is done in the year N-1 and consists of the following steps:

### Strategic planning steps

#### Trigger: The trigger is calendar determined

*(for the current subsidy agreement September 2007 for 2008/9, September 2009 for 2010/11/12 and September 2012 for 2013/14/15)*

SC 1.1	BoD sends corporate strategic framework letter to the regions and HO units	Before 1 September
SC 1.2	Regions send regional strategic framework letter to countries	Sept.
SC 1.3	Countries make country strategic plans	Sept.
SC 1.4	Regions and HO units make strategic plans	Sept.
SC 1.5	Head Office makes corporate strategic plan, submission by 1st of November	Sept. Oct.
SC 1.6	BoD approves regional strategic plans and HO unit plans	1 Nov.
SC 1.7	Regions approve country strategic plans	15 Nov.

#### Result: Strategic plans approved

#### SC 1.1 BoD sends corporate strategic framework letter to the regions and HO units

Based on a range of inputs from all levels and sections of SNV, the Board of Directors issues a Framework letter which is to guide RDs and HO managers, to formulate their strategic plans and management agreements. This letter reflects insights and recommendations derived from new trends, earlier reviews, evaluations and audit findings. The Framework letter is released before the 1st of September.

#### SC 1.2 Regions send regional strategic framework letter to countries

Based on the content of the Framework letter by the BoD the Regions prepare a Framework letter for the countries in the region establishing regional priorities.

#### SC 1.3 Countries make country strategic plans

Although the pivot in terms of making strategic choices is at country level, there are important roles for portfolios and the regions. Portfolios will be represented in country level teams that are in charge of preparing strategic choices, monitoring progress and assessing and evaluating results. Regions will seek to maximize efficiency and effectiveness through creating synergies between the countries in terms of mobilizing and sharing resources, including knowledge.

There is no detailed breakdown of process steps for developing a country strategic plan. In order to finish in time most of the work (including making an actor constellation map, a context and internal analysis, conducting (sub-) sector studies, value chain analysis etc.) will have to start well before the framework letter is received. There will be intensive consultations between the country and the region, the country and the portfolios. Consultants may be hired to conduct context analyses, sector and sub-sector analyses. All this activity will culminate in a country strategic plan according to the format and guidelines given in annex 1.1.

#### SC 1.4 Regions and HO units make strategic plans

Annex 1.1 contains the format and detailed guidelines for the regional strategic plan.

#### SC 1.5 Head Office makes corporate strategic plan

#### SC 1.6 BoD approves regional strategic plans and HO unit plans

#### SC 1.7 Regions approve country strategic plans





## SC 2. Implementation of strategy

The strategic plan indicates the general direction in which the organisation has to move. To make the strategy implementable it needs to be operationalised in concrete action with deliverables and budgets at all levels. This is called operational planning which follows an annual cycle and results in Management Agreements at country and regional level.

Implementation of the strategy is a continuous process that consists of working with clients and partners as is described in detail in the Client Cycle and the Partnership Cycle (see the Partnership & Resource Mobilisation Policy for the full partnership cycle).

Halfway the year progress will be monitored and at the end of the year we take stock of what has been achieved and analyse what went right and wrong.

The annual operational planning cycle consists of the following steps:

<b>Trigger: Strategic plans approved</b>		
SC 2.1	Operational planning (resulting in management agreements)	Sept-Oct of Year N-1
SC 2.2	Implement Management Agreements (see client and partnership cycle)	Jan-Dec of Year N (=continuously)
SC 2.3	Review management agreements	Mid year review July-Sept Year N Annual review Jan-March Year N+1
<b>Result: Operational Results achieved</b>		

In a year that a strategic plan is developed the strategic planning and the operational planning are conducted simultaneously. The result is one document consisting of medium term targets and budget (= strategic plan) and one year targets and budget (= management agreement) (see Annex 1.1).

In this chapter we will focus only on steps SC 2.1 and SC 2.3.<sup>3</sup> Step SC 2.2 concerning the actual capacity development through working with clients is described in the client cycle (see chapter 2.). Similar steps are being elaborated for working with partners.

<sup>3</sup> Most of the text is taken straight from the document "SNV's Integrated Planning Cycle (IPC)" dated 25 September 2006 which is an information note by the BoD to RDs, HO managers, CDs and RO managers. Please be referred to ARIS for the most updated document.



## SC 2.1 Operational planning

Operational planning defines in management agreements what countries and regions will deliver in the year ahead and what resources they'll need to do so. It includes results, output, a budget, other resource requirements and resource mobilisation results. Operational plans are signed and become management agreements which form the basis for Performance Appraisal. Operational planning for year N consists of the following steps:

<b>Trigger: September year N-1</b>		
SC 2.1.1	BoD sends framework letter to the regions and HO units	Before 1 September
SC 2.1.2	Regions send regional framework letter to countries	Sept.
SC 2.1.3	Countries prepare management agreements	Sept.
SC 2.1.4	Regions and HO units prepare management agreements	Sept.
SC 2.1.5	Head Office makes corporate operational plan, submission by 1st of November	Sept. Oct.
SC 2.1.6	BoD approves regional management agreements and HO unit plans	1 Nov
SC 2.1.7	Regions approve country management agreements	15 Nov
<b>Result: management agreements for year N approved and resources allocated</b>		

### SC 2.1.1 BoD sends framework letter to the regions and HO units

Based on a range of inputs from all levels and sections of SNV, the Board of Directors issues a Framework letter which is to guide RDs and HO managers to formulate their management agreements. This letter reflects insights and recommendations derived from new trends, earlier reviews, evaluations and audit findings. The Framework letter is released before the 1st of September.

### SC 2.1.2 Regions send regional framework letter to countries

### SC 2.1.3 Countries prepare management agreements

In line with and as part of the Strategic Plans, every country director prepares a management agreement for the first year and a financial and personnel forecast for the next two-year period. Planning is done per calendar year. For the 2nd and 3rd year of the Strategic Plan subsequent management agreements shall be prepared, also including a two-year forecast and, if needed, a light strategic update. Apart from planning the primary processes, also plans for the support processes shall be elaborated. A format for the management agreement (including primary and support processes) at country level is included in annex 1.1.

### SC 2.1.4 Regions and HO Units prepare management agreements

Based on the country level management agreements regional directors prepare a regional management agreement. The region submits the regional management agreement to the BoD October 1st (see annex 1.1 for format and guidelines of the regional management agreement).

### SC 2.1.5 Head Office makes corporate operational plan

Based on the drafts regional management agreements BoD signs a "management agreement" with DGIS, which is called the Corporate Plan. The Corporate plan is due 1 November and based on the FWL and final draft MA from the regions and HO managers.



**SC 2.1.6 BoD approves regional management agreements and HO unit plans**

The BoD approves regional management agreements before November 1st.

**SC 2.1.7 Regions approve country management agreements**

Country management agreements and also the regional support agreements should be approved by RDs by 15 November.

**SC 2.2 Implement management agreement (=operational plan)**

Implementation of these management agreements (operational plans) consists of:

1. Primary processes described in the "client cycle" and "partnership cycle"
2. Support processes

The client cycle is described in chapter 2. The partnership cycle is described in the Partnership & Resource Mobilisation Policy.



### SC 2.3 Review Management Agreements

The review of management agreements for year N consists of the following steps:

<b>Trigger: July year N</b>		
SC 2.3.1	Countries, regional offices and HO Units conduct mid-year review	Jul-Aug year N
SC 2.3.2	BoD approves regional and HO Mid-term review	By 15 September year N
SC 2.3.3	Countries, regional offices and HO Units conduct annual review	Jan-Feb year N+1
SC 2.3.4	BoD approves regional and HO annual review	15 March year N+1
SC 2.3.5	HO elaborates Corporate Annual Report	1 May year N+1
<b>Result: progress of implementation strategic plan + management agreement monitored and adjustments to strategy determined</b>		

#### SC 2.3.1 Countries, regional offices and HO units conduct mid-year review

The Mid-year Review is important as it will serve two purposes: (i) monitoring progress over the first six-months, to assess whether the expected results at the end of the year are likely to be attained and if not, to take timely and appropriate corrective measures; and (ii) identifying at this stage whether some strategic or operational adjustments are deemed necessary for next year's plans. Through the mid-year review reports the lessons learned and suggested adjustments are communicated to the BoD and can be taken into account when drafting the following Framework letter. A format for a Mid-year Report has been included in annex 1.2. The mid-year reviews are to take place in the months of July-August. Regional and HO Mid-term Reviews are submitted before 8 August.

A light strategy update shall take place in the years there is no Strategy Review and shall be part of the Mid-year Review<sup>4</sup>. Country, regional and head office shall determine whether minor adjustments of the strategy are needed (e.g. regarding client selection, partnerships and approaches).

An important element of conducting a light strategy update consists of a review of the actor constellation. This can be organised at the national level as a **collective learning event** for example as part of the annual meeting. This helps teams to monitor whether the combined outcomes achieved through their capacity development activities are still on track for achieving the intended results at the end of the strategy cycle. The annual reviews may lead to adjustments to the strategy.

#### SC 2.3.2 BoD approves regional and HO Mid-term reviews

The BoD uses the lessons learned and suggested adjustments for drafting the framework letter. The BoD approves the regional and HO Mid-term reviews by 15 September.

#### SC 2.3.3 Countries, regional offices and HO Units conduct annual review

During the Annual Review it shall be determined what has actually been achieved, set against what was expected. It shall be analysed which factors contributed to or hampered these achievements. Main focus of the review is to account for the results over the past year, as covered under a Management Agreement. Attention will be given to what has been learned. The format for an Annual Review has been attached in annex 1.2. These reviews are to take place in the months of January-February. Regional and HO annual reviews must be submitted before 15 February.

#### SC 2.3.4 BoD approves regional and HO annual review

Findings of the annual reviews shall be documented at corporate level in the SNV Annual Report to substantiate the results of SNV work. The Board of Directors will finalise the outline of the SNV Annual Report and how it shall be communicated. Approval is due by 15 March. The draft SNV Annual Report should be ready by 15 March and final submission to DGIS by 1 May.

<sup>4</sup> Mid year review because lessons and findings have to feed into the next years operational plan. If the light strategy review would be conducted during the annual review this would be too late.



### SC 3. Strategy Review

As a Strategy Cycle draws to an end it is time to gather evidence to what extent the intended outcomes have been realised, and assess whether these outcomes already have - or are likely to contribute to - the envisioned impact. Such an assessment is necessary before evaluation of the strategy cycle can take place.

A strategy review is conducted every three years at the end of a strategic planning cycle. Strategy Reviews will be done in 2009, 2012 and 2015. Also the findings and recommendations of SNV evaluations and audits carried out during the period under review shall be taken into account.

The strategy review consists of the following steps:

Strategy review		
<b>Trigger: The trigger is time determined</b> <i>Years 2009, 2012 and 2015</i>		
SC 3.1	Assess results per positioning choice in basic services and value chains	To be finished before September in order for the findings and lessons learned to feed in the next strategy cycle
SC 3.2	Evaluate strategy	
<b>Result: Results assessed, lessons learned and findings laid down in strategy review report</b>		

These strategy reviews, in particular if done by externals, have to be carried out in a very short period of time. They can only be meaningful exercises if results assessments at client and assignment level, as well as the reviews of the management agreements have been carried out and documented systematically and the actor constellation maps have been updated regularly.

**Important !!!** Please note that steps SC 3.1 and SC 3.2 should be finished before September in order for the findings and lessons learned to feed in the next strategy cycle.

#### SC 3.1 Assess results per positioning choice in basic services and value chains

Results to be assessed include the accumulated outcomes and contribution to impact in each positioning choice. Assessment can be done through measurement. However, it is not always possible to measure each result. In such situations other methods have to be used to demonstrate outcomes or to make a plausible case for attributing an outcome to SNV's contribution.

A key element of the assessment is verifying whether SNV's work has been

- Efficient – did outputs lead to outcome?
- Effective – did output lead to outcome?
- Relevant – did outcome lead to impact?

#### SC 3.2 Evaluate strategy

The evaluation is an analytical reflection on the process starting from the getting engaged in the sector/chain. Questions raised here include: "*Were the initial hypotheses correct?*", "*Did the approach adopted work?*", "*What are SNV's strengths and weaknesses?*" and so on.

## Chapter 2.

# Client and Assignment cycles

The strategic plan at country level sets the stage for working with clients, because it determines:

- The positioning choices in basic services and value chains
- For each positioning choice the impact targets SNV aims to contribute to
- The type and scope of outcomes SNV intends to achieve
- The types of clients and criteria for selecting clients
- The types of partners and criteria for selecting partners

Based on the strategic plan and in preparation of working with clients, the country team prepares an actor constellation map for each positioning choice.

### Actor constellation

The term “actor constellation” requires explanation as it is an important concept linking SNV’s client cycle with the strategy cycle.

To arrive at a better understanding of the institutional context in a given positioning choice in basic services and value chains, SNV uses the term actor constellation to indicate a formation of interrelated actors relevant for the basic service/value chain that together constitute a “system”. In the actor constellation map we focus on principle actors: organisations, groups, networks or even influential individuals that have the leverage or potential leverage to bring about change in a basic service/value chain.

A starting point for making an actor constellation map is the contextual analysis conducted as part of the strategic planning process. The contextual analysis gives insight in the threats and opportunities in the area under review, the most relevant actors, their strengths and weaknesses, as well as the institutional factors that influence how these actors perform and interact. The organisational and institutional changes required to achieve impact are also identified.

The purpose of an actor constellation map, which is updated continuously and thoroughly reviewed once a year, is to have an accessible, well organised and contextualized overview of the SNV’s relationships in a given basic service/value chain at all times. The actor constellation map helps advisers in identifying actors SNV wants to work with as clients and/or partners<sup>5</sup> (see annex 2.7 “Types of relationships”). The annual review of the actor constellation could be organised at the national level as a **collective learning event** for example as part of the annual meeting. This helps teams to monitor whether their capacity development activities are still on track and leading to the intended results at the end of the strategy cycle. The annual reviews may lead to adjustments to the strategy.

As the concept of an actor constellation is relatively new it is too early to determine a corporate standard with regard to the exact format of an actor constellation map. Annex 2.1 suggests one approach to the mapping of an actor constellation. Once country and portfolio teams have experimented with various formats some best practices will emerge and based on these a corporate standard can be developed at a later stage. Important components of the actor constellation map would include:

- An introduction page to the basic service/value chain;
- A graphic representation of all the relevant actors in the basic service/value chain and their interrelationships;
- A client brief, which is a brief description of each of the organisations to whom SNV provides capacity development services.

---

<sup>5</sup> SNV distinguishes two types of relationships: clients and partners

## **Balancing between being demand- and result oriented**

In the process of providing capacity building services to our clients and analyzing the effectiveness of our work, SNV has learnt some important lessons. One of them relates to being demand oriented which sometimes resulted in "demand fundamentalism" and clients with too little leverage to bring about change.

We learned that capacity development services are more effective in contributing to the reduction of poverty and the promotion of good governance if they are context-sensitive, evidence-based, offered to (groups of) clients that have the potential to make a difference to the lives of poor people, and if they are explicitly focused toward impact.

Therefore, in order to maximise our contribution to poverty impact and improved governance, we will remain responsive to demand but be strategically selective and proactive in engaging with clients. We will engage with clients based on criteria including:

1. Their potential contribution to impact and governance
2. Their linkages to broader poverty reduction strategies
3. Their potential and willingness for change and ownership
4. Their commitment as expressed, among others, through their contribution (in kind, financial or otherwise)
5. SNV's own ability to add value to their interventions

Unlike the past we do not start from demand and then try to identify what kind of impact we may relate to the actions chosen. Instead, we make certain strategic choices on poverty impact and governance and then identify the kinds of capacity development demand we may respond to in order to best achieve the required impacts.



## The Client Cycle (CC)

"SNV's core business is to support local actors to increase their capacities to solve their problems and pursue their ambitions."<sup>6</sup> Local actors to whom SNV provides capacity development services on the basis of a contractual agreement are called clients.

The Triple AAA framework divides the client cycle into three main steps:

- Step CC 1. Engagement
- Step CC 2. Strengthen capacity (through assignments)
- Step CC 3. Assess outcomes and evaluate

These steps are embedded in the implementation stage of the strategy cycle and have been sub-divided as indicated in the table below.

Strategy Cycle (SC)		Page
<b>SC 1 Strategic planning</b>		<b>8</b>
<b>SC 2 Implementation of strategy</b>		<b>9</b>
	<b>Client cycle (CC)</b>	<b>16</b>
CC1. Engagement	CC 1.1 Selection	<b>17</b>
	CC 1.2 Develop shared vision	<b>19</b>
	CC 1.3 Diagnosis	<b>20</b>
	CC 1.4 Sign MoU	<b>21</b>
CC 2. Strengthen capacity	<b>Assignment cycle (AC)</b>	<b>22</b>
	AC 1. Prepare assignment	<b>23</b>
	AC 2. Implement assignment	<b>24</b>
	AC 3, Review assignment	<b>25</b>
CC 3. Assess outcome and evaluate	CC 3.1 Review MoU	<b>27</b>
<b>SC 3 Strategy Review</b>		<b>13</b>

<sup>6</sup> subsidy application 2007-2015 p.14





## CC 1. Engagement

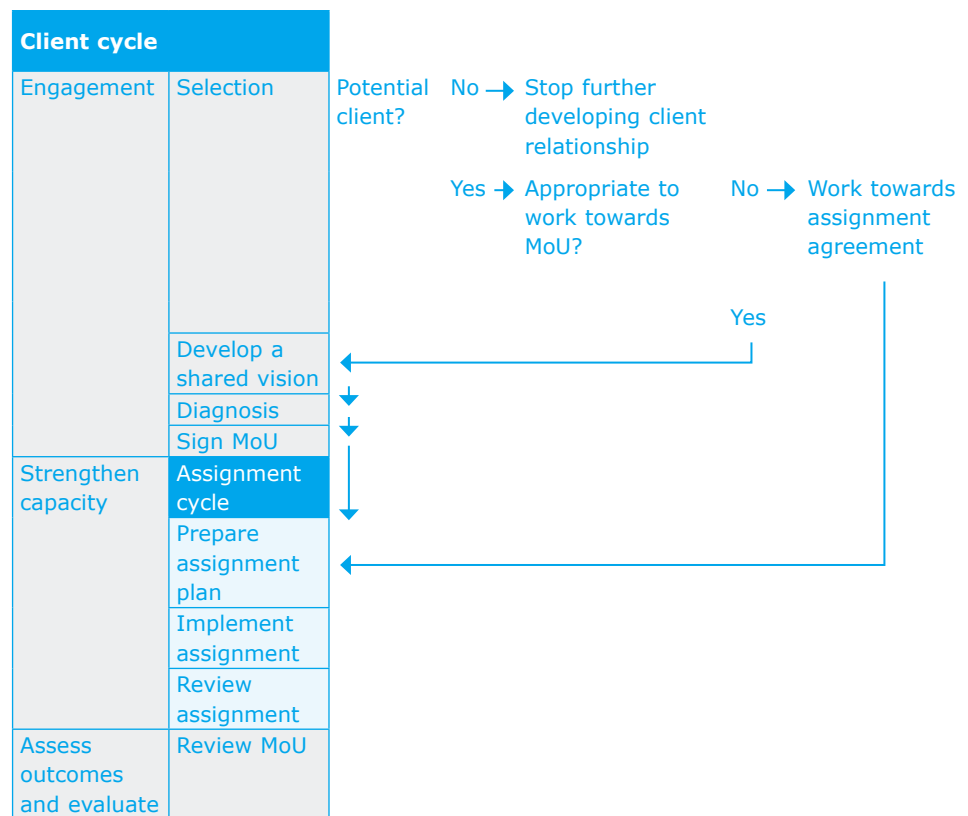
In order to maximize its contribution to impact SNV has to be selective about which local actors it should support. In the engagement phase SNV determines whether it should engage with a local actor, or group of actors, in a client relationship.

In most cases, once a local actor, or group of actors, has been identified as a potential client, the following steps are taken:

- CC 1.1 Selection
- CC 1.2 Developing a shared vision
- CC 1.3 Diagnosis
- CC 1.4 Signing a Memorandum of Understanding covering a period of 1-3 yrs

This sequence is in line with the fundamental principle of providing capacity development services to clients on the basis of a long term relationship and formalized through an MoU. However, the process followed does not necessarily follow a clear linear path. The decision tree depicted below describes two possible approaches to developing a relationship with a client:

- through a MoU at an early stage in the process, or
- through assignment agreements, which may serve as stepping stones towards a more durable relationship with the client.





## CC 1.1 Selection

<b>Trigger: Potential local actor identified</b>	
CC 1.1.1	Analyse potential client using the criteria laid down in the selection document
CC 1.1.2	Decide whether to proceed with the potential client
CC 1.1.3a	In case decision is proceed towards MoU, go to 1.2.1
CC 1.1.3b	In case decision is proceed towards assignment agreement, go to "Prepare assignment" (2.1.1)
CC 1.1.3c	In case decision is negative communicate negative decision and document the reasons for the decision
<b>Result: Clarity about whether and how to proceed with this potential client</b>	

In order to maximize its contribution to impact SNV has to be selective about which local actors it should support.

In general SNV wants to build the capacity of those actors that have the potential, leverage and ambition to generate impact. More context-specific criteria for selecting clients can be found in the country strategy plan.

Selection involves dialogue with the actor concerned, making inquiries, and analyzing the information gathered. The **Selection document** (Annex 2.2) is a mandatory tool in this process. It lists all the selection criteria and guides portfolios through the process of:

- Selecting promising local actors for capacity development;
- Formulating a valid and convincing justification for the selection of a specific actor(s) and articulating how the relationship will contribute to the envisaged impact;
- Establishing a baseline for the capacity development effort that will follow.

At the conclusion of the selection procedure there should be clarity about:

- The intended outcome and contribution to impact are likely to be achieved by working with the proposed client;
- The most appropriate way of proceeding with the relationship – through a MoU or an assignment agreement.



## CC 1.2 Develop a shared vision

### Trigger: Clarity about whether, and how to proceed with this potential client

CC 1.2.1	Agree on expected outcome and the possible contribution to impact
CC 1.2.2	Document the expected outcome and the possible contribution to impact

**Result: Clarity about the expected outcomes and possible contribution to impact as a result of the capacity development efforts.**

SNV and its potential client(s) need to develop a shared vision about the desired end-state of the collaboration in terms of outcome and contribution to impact. With regard to impact the question to be addressed at this stage is how the collaboration will help the parties to contribute to achieving development targets with regard to national development goals. As part of this step SNV and the potential client conduct a 'result chain analysis' which shows causal relations between outcomes and impact. In annex 2.10 it is explained how a result chain analysis can be conducted.

Clarity about the envisaged results and targets is also a prerequisite for making an analysis of the capacity development efforts required in a given situation.

At this stage parties will strive to define targets at outcome level that are as SMART<sup>7</sup> as possible and gender specific whenever possible and appropriate. The indicators for measuring outcome will also be developed.

Outcome targets and the possible contribution to impact, including the indicators, will be documented and incorporated in the MoU and Assignment contracts at later a stage.

<sup>7</sup> (SMART = Specific, Measurable, Achievable, Result oriented and Time specific) Sample targets and indicators for the most common types of results in (sub-) sectors need to be developed in related knowledge networks.



### CC 1.3 Diagnosis

**Trigger: Clarity about the expected outcomes and possible contribution to impact as a result of the capacity development efforts.**

CC 1.3.1	Analyse with client the areas for performance improvement
CC 1.3.2	Work out capacity development approach (including resources needed, whether or not to work with local capacity builders (LCBs), type of delivery channels etc.)
CC 1.3.3	Validate targeted outcomes
CC 1.3.4	Document previous steps 1,3.1-3 (no corporate format)

**Result: Agreement on capacity development approach**

If there is clarity about the expected outcomes and possible contribution to impact, SNV and the client can proceed to diagnose the developmental problems they face and identify the changes required to achieve these results.

Because local contexts - as well as skills and individual preferences of SNV staff - vary, there are no corporate standards on how professional staff should undertake the diagnosis. There are however a number of key questions that need to be addressed as part of the diagnosis including:

1. Which capacities require strengthening to achieve the desired results?
2. Which of these capacity needs can be addressed by capacity development services?
3. Should SNV provide these services or are there Local Capacity Builders who could do a very good job?
4. Which other pre-conditions and measures are required that are essential for achieving the desired results but outside the scope of SNV's support? What is the likelihood that these pre-conditions will be fulfilled and that these measures will be taken (= risk analysis)?

With regard to the third question, the diagnosis should comprise at least a sound 'resource allocation analysis' of the client. Is this client able to mobilize the resources to ensure that results achieved during the period of SNV support, can be sustained afterwards?

Advisers should take care that diagnosis does not become an exhausting experience for the client. In fact, diagnosis does not end with this step. Deeper insights regarding the internal (and external) constraints that hinder organisational performance will emerge later through working with the client. Therefore, conclusions always have to be formulated in terms of hypotheses whose validity will need to be checked from time to time through reviews. A crucial requirement, for the purpose of organisational learning as well as accountability, is that the assumptions, hypotheses and methods of diagnosis are well documented in concise language (step 1.3.4).

**Validate the vision and targeted outcomes:** While making a diagnosis about the capacity constraints parties may come to the conclusion that the targets are too ambitious, or not ambitious enough. As they go through an iterative process of assessing the capacity development needs (step 1.3.2) and validating the intended results (step 1.2.1) SNV and the client(s) will develop a capacity development approach that incorporates:

- the types of delivery channels to be utilized.
- a rough estimate of the resources needed to bring about desired changes;

**Important note concerning efficiency:** Two crucial questions should be addressed during the process of agreeing on a capacity development approach:

1. Are the resources - in as far as they can be estimated at this stage - proportionate in view of the anticipated outcomes and contribution to impact?
2. Can the same outcomes be achieved with fewer resources?

These efficiency considerations need to be documented as part of step 1.3.4.



## CC 1.4 Sign MoU

### Trigger: Agreement on capacity development approach

CC 1.4.1	Sign MoU
CC 1.4.2	Change status of actor to client (in the actor constellation map)

**Result: Potential client has become a client**

With clearly defined and shared ideas on the objectives of their relationship (step CC 1.2) and the capacity development approach that they will take (step CC 1.3), parties are now ready to sign a Memorandum of Understanding.

The MoU (Annex 2.3) is a framework agreement with a client or a group of clients, covering a period of one to three years, in which signatories:

- Express their commitment to contribute to achieving specified objectives at impact level;
- Agree on the desired end state of the collaboration at outcome level (described in SMART objectives);
- Outline the types of activities and the corresponding outcomes that are required to achieve the expected outcome (activities still need to be specified and planned in more detail in assignment plans or in a work plan attached to the MoU);
- Make estimates about the resources both parties intend to contribute;
- Agree on an exit strategy.

The corporate standard MoU is a basic document that still needs to be aligned with the legal requirements in each country.

After signing the MoU the potential client has become a real client. The status of the actor in **Actor Constellation Map** changes to client.



## CC 2. Strengthen capacity

### The Assignment Cycle (AC)

Capacity strengthening usually consists of a number of assignments. An assignment is the smallest process cycle covering a period of up to one year<sup>8</sup>, in which we can distinguish the three essential Triple AAA elements of Analysis, Action and Assessment of results. **We call this the assignment cycle.**

All the actual capacity development work is done through assignments. The basic pattern applies to all assignments no matter whether the relationship is formalized in a MoU or an assignment contact. The process steps of the assignment cycle include:

- Step AC 1. Prepare assignment
- Step AC 2. Implement assignment
- Step AC 3. Review assignment

---

8 There is no standard for the minimum period or number of hours/days for an assignment. A short assignment may be a very good way to gain experience and build rapport with a client. On the other hand if less than 2% of the Direct Advisery Days (DADs) in a year is spent on over 30% of assignments it may indicate that our work is becoming too fragmented. Flexibility and common sense are required.



## AC 1. Prepare assignment

**Trigger: Either**

- MoU signed or
- Decision (see Selection) to proceed with assignment agreement without an MoU

AC 1.1	Issue analysis
AC 1.2	Make assignment agreement (Annex 2.4)
AC 1.3	Sign assignment agreement (mandatory unless there is an MoU which leaves signing the assignment agreement optional)
AC 1.4	Change status of actor to client in the actor constellation map

**Result: Agreement on assignment**

The basic approach to be followed for all assignments is more or less similar, irrespective of whether the relationship with the client is formalized in a MoU or an assignment agreement only.

The assignment starts with an issue analysis, which is a form of diagnosis but narrower in scope than the diagnosis described in step CC 1.3. The agreement at this level is focused on the intended output. It should be made plausible that the output of the activity will eventually contribute to outcome and impact.

**Important note concerning efficiency:** Two crucial questions that should be addressed while determining the activities of the assignment are:

- Are the resources proportionate in view of the anticipated output and contribution to outcomes and impact? (cost-benefit analysis);
- Can the same output be achieved with fewer resources?

The length of assignments is variable, up to a maximum of one year. In the case of a longer assignment (4 months or more) it may be useful to make an assignment plan that includes milestones<sup>9</sup>, and monitoring moments in the plan.

In case the assignment is for a potential client with whom no MoU has been signed the potential client becomes a real client. The status of the actor in the [Actor Constellation Map](#) will change to "client".

<sup>9</sup> A milestone is an intermediary target in between the present situation and the desired end situation.



## AC 2. Implement assignment

### Trigger: Agreement on assignment plan

AC 2.1	Implement assignment and monitor progress
--------	---

### Result: Assignment completed

There is an inverse correlation between the importance of this step and the number of corporate standards dedicated to it. Considering the large variety of assignments tailored to the needs of a very diverse group of organisations it is impossible to make corporate standards for assignments. However, let there be no misunderstanding that the step "Implement assignment" is at the heart of SNV's practice and most time-writing hours will be booked here.

Especially for the longer assignments it is important to monitor progress at regular intervals that correspond with the operational planning cycle which consists of mid-year reviews and annual reviews.

Monitoring goes beyond assessing progress with regards to outputs, outcome and milestones. These are also important moments to reflect on important internal and external changes at outcome and impact level, on the hypotheses, and last but not least on the rapport between SNV and the organisation(s) it supports.





### AC 3. Review assignment

#### Trigger: Assignment completed

AC 3.1	Review assignment together with client
AC 3.2	Make review report
AC 3.3	Sign assignment review report

#### Result: Assignment completed

Evaluation of the assignment includes more than assessing the degree to which inputs lead to output (= efficiency). It is also a monitoring moment in the client cycle whereby SNV and its client(s) reflect on whether the work is still moving in the right direction in view of outcomes and impact (= effectiveness and relevance). Hypotheses and assumptions made as part of the diagnosis step are reflected on in the context of internal and external changes. This may lead to adjustments in the capacity development approach.

Rapport between the parties is also examined at this stage.

The assignment review concludes with a discussion of the next steps, including whether or not to continue the client relationship.

The findings and conclusions are laid down in an [assignment review report \(Annex 2.5\)](#)

Assignment reviews generate a wealth of lessons and recommendations. It is encouraged that these lessons and recommendations are actively used for collective learning, e.g. by periodically sharing lessons learnt from assignment reviews at portfolio and country level.



### CC 3. Assess outcomes and evaluate

As a MoU draws to an end it is time to take stock, verify that the intended outcomes have been realised, and assess whether these outcomes already have - or are likely to contribute to - the envisioned impact (= relevance). This is preferably done through measurement. However, it is not always possible to measure each result. In such situations other methods have to be used to demonstrate outcomes or to make a plausible case for attributing an outcome to SNV's support. This is called assessment of outcomes.

Such an assessment is necessary before evaluation can take place. The evaluation is an analytical reflection on the process starting from the engagement stage. Questions raised here include: Were the initial hypotheses correct, did the approach adopted work, and so on.

The process of assessing outcomes and evaluation entails one step: Review MoU (see page 28). This step results in a MoU review report which is used for three purposes:

- Accountability
- Learning
- Steering

#### **Accountability**

SNV and the clients jointly account for the resources spent and justify this in view of the outcomes achieved. Information on resources spent and outcomes achieved is laid down in the MoU review reports. MoU reports will, among other things, be used for spot checks. In order to minimize the risk of "group think" MoUs covering 5% of the primary process days will be validated through spot checks by third parties (consultants hired, field visits by EKN staff or through a 'peer review' by other relevant organisations). 'Spot checks' are conducted under the direct responsibility and supervision of the Director. Key objective of these spot checks is to reflect on the effectiveness, efficiency and relevance of SNV's services and the quality of SNV monitoring. The results of these spot checks are discussed at portfolio and country level and subsequently reported in the annual report.

#### **Learning**

SNV and the clients jointly reflect on

- the hypotheses underlying the interventions taken and whether these are still valid or need to be adjusted;
- the aspects of the capacity strengthening exercise that were particularly difficult to implement or (un)successful.

Lessons learnt are laid down in the MoU review report and shared at the portfolio level. If the material is very rich and interesting, a case description may be made for the purpose of learning and demonstrating results. The decision to make a case description is taken by knowledge leaders and line management. The case description provides – at least<sup>10</sup> – information with respect to the context, the client, the activities, the results and the lessons learnt.

#### **Steering**

The MoU review report addresses the question "*Are we still on the right course towards outcome and impact, or are adjustments in the approach needed?*" The MoU review also contains recommendations with regards to the follow up with a specific client.

---

<sup>10</sup> These are minimum standards



### CC 3.1 Review MoU

<b>Trigger: Capacity strengthening exercise completed</b>	
CC 3.1.1	Review capacity strengthening together with client
CC 3.1.2	Make capacity strengthening review report
CC 3.1.3	Sign off
CC 3.1.4	Decide whether to continue/terminate relationship with this actor as client
CC 3.1.5.a	In case of continuation: Start MoU procedure
CC 3.1.6.b	In case of termination:
CC 3.1.7	Analyse why the relationship cannot be continued
CC 3.1.8	Document analysis
CC 3.1.9	Communicate decision to client
<b>Result: Client cycle completed</b>	

Review of the MoU includes assessment of outcomes and contribution to impact.

In most cases step CC 3.1 coincides with step AC 3. of reviewing the last assignment, whereby more emphasis is placed on verifying whether the intended outcomes have been realised and whether these outcomes already have - or will most likely contribute to - the envisioned impact

The "MoU review" concludes with a discussion of possible follow up.

The findings and conclusions are laid down in a [MoU review report \(Annex 2.5\)](#). The format of a MoU review report is basically the same as that of an assignment review report.

A decision is taken on whether or not to continue working with this client. In case of continuation a new MoU procedure will begin, which will most likely be much quicker than the first time.

In case it is decided to stop the client relation an analysis needs to be done analysed why and this analysis needs to be documented.

## Annexes

---

## **Annex 1.1**

### **Strategic Plan 2008-2009 Including Management Agreement 2008**

**SNV [country/region]**

**September 2007**

## Preamble

These are the guidelines and format for drafting your Strategic Plan 2008-2009 which includes the Management Agreement for 2008, both at a regional and at a country level. The format is printed in black and explanations and guidelines are printed in blue. Additional guidelines for the regions are printed in red.

The Strategic Plan shall consist of medium-term goals, approach and targets (SP 2009) with the overall budget you require. The annual operational plan consists of the key performance indicators and targets for the first year (MA 2008) and the required budget. Next year, another Management Agreement shall be drawn up, which consists of your adjusted approach and targets (MA 2009) and budget.

# Content

## Executive summary

## Context and internal analysis 34

Trends, opportunities and threats 34

Principal actors by trends and opportunities 34

Strategy, results and lessons learned from the previous cycle 34

Internal analysis 34

## Main strategic choices 35

Strategic choices 35

External Alignment and Harmonisation 35

Internal Coherence 36

## Positioning choices Impact Area: Delivery of Basic Services (BASE) 37

Positioning choice BASE 1 37

Introduction to the positioning choice BASE 1 37

Impact and governance objectives in positioning choice BASE 1 37

Types of outcomes SNV envisages to achieve 37

SNV approach in this positioning choice 38

Assumptions and risks 39

Expertise and full-time equivalent (fte) required in this positioning choice 39

Positioning choice BASE 2 39

## Positioning choices Impact Area: Production, Income & Employment (PIE) 40

Positioning choice PIE 1 40

Positioning choice PIE 2 40

## Choices regarding Delivery Channels, Local Capacity Builders and Partners 41

Delivery Channels 41

Local Capacity Builders (LCB) 42

Partnerships 42

<b>Transition</b>	<b>44</b>
<b>Internal organisation, capacity and resources required</b>	<b>45</b>
<b>Internal strategic goals and capacity</b>	<b>45</b>
<b>Human resources goals and capacity</b>	<b>46</b>
HR priorities	46
Number and composition of staff	46
Human resource development	47
<b>Finance: goals and required capacity</b>	<b>48</b>
Goals and required capacity of the Finance column	48
Financial resources	48
Efficiency	49
Quality assurance	49



## Executive summary

(Maximum 2 pages narrative)

## Context and internal analysis

Section 1 contains a maximum of 5 pages narrative and 7 pages for the regional plans.

The context and internal analysis is similar to a SWOT analysis consisting of:

- an environmental scan looking at opportunities and threats in terms of poverty reduction (1.1 and 1.2) and
- an internal analysis of strengths and weaknesses (1.4)

The context analysis (1.1 and 1.2) should only highlight the issues and principle actors that are most relevant in the light of SNV's policies and strategic choices at corporate level. Make sure that your context analysis is concise and does not result in exhaustive studies or general descriptions that are not relevant.

### **Trends, opportunities and threats**

Identify trends, opportunities and threats in terms of poverty reduction (political, socio-economic and sectoral) in your country/ region.

Consider also 'governance for empowerment'. In stimulating good governance SNV pays particular attention to gender equity and the social inclusion of marginalised groups. (see also page 10/11 of the SNV Strategy 2007-2015) *"Analysis will include applying a lens of (dis)empowerment and its causes at micro, meso and macro-levels. This will inform what type(s) of capacity development are necessary for whom, where and why. Subsequent actions and assessments need to be explained and justified not only in general impact and governance results, but also specifically in terms of the initial empowerment investigation."*

### **Principal actors by trends and opportunities**

Indicate principal actors who are the main drivers-for-change in government, private sector, civil society organisations, local capacity builders, international NGOs and donor agencies (including EKN).

### **Strategy, results and lessons learned from the previous cycle**

This section:

- Considers the strategic choices of the previous cycle
- Consists of (a preliminary) assessment of results of the previous cycle
- Evaluate your results (also in terms of strategic impact and client outcomes)

Leading questions for the evaluation of results include:

- What have been our successes and shortfalls and how can shortfalls be explained
- Where can we build on our successes and where do we see room for improvement in the work we do with current clients and partners and in our positioning vis-à-vis relevant stakeholders in general.

### **Internal analysis**

This section consists of an analysis of SNV's internal strengths and weaknesses. The internal analysis shall also address to what extent successes and failures of the previous cycle can be attributed to specific strengths or weaknesses.

Furthermore, this section takes stock of lessons learned with regard to your internal capacity to select the right clients, to effectively strengthen their performance and to create a conducive, enabling environment with or for them.

## Main strategic choices

Section 2 contains a maximum of 3 pages for a country and **max. five (5) pages for each region.**

### Strategic choices

In this section, the country/**region** presents its positioning choices (in BASE and PIE; including geographical choices) in which SNV aims to make a significant contribution to impact as well as a justification of this choice.

Justification of the positioning choices may include a brief elaboration on some of the following criteria used for selection, including:

- Coherence with the insights presented in chapter 1 regarding strengths, weaknesses, opportunities and threats;
- Potential for impact (the positioning choices provide good opportunities for SNV to generate outcomes that contribute to impact);
- Critical mass of local actor dynamics (there are sufficient actors for SNV to work with as partners or clients that have the leverage and inclination to bring about change);
- Supply of expertise (SNV has the expertise required or is SNV able to acquire this expertise within reasonable time, either by hiring or engaging in partnerships with local capacity builders);
- Possible synergy between positioning choices and areas of interest within;
- Cost effectiveness (resources -in as far as they can be estimated at this stage- are proportionate in view of the anticipated outcomes and contribution to impact);
- Fundability (prospects for raising funds other than the DGIS core funding).

### External Alignment and Harmonisation

Please describe your alignment with the MDG-based National Development Strategy and/or PRSP. Please describe also how you have harmonised your strategic choices/ interventions with EKN and other international actors (at macro and/or meso level). Please elaborate here on your approach to enhance complementarity with EKN and on your approach or initiatives to bridge the 'micro-macro divide'.

Note: It is SNV policy (Strategy paper 2007-2015) to allocate a minimum of 50% of its volume of the core subsidy in bilateral partner countries to jointly agreed themes.

This section is also the appropriate place to highlight the targets set with regard to the following key performance indicators and provide a brief narrative explanation.

Key Performance Indicators	MA 2008	SP 2009
<b>SNV/EKN: Mutually agreed upon sector choices in partner countries</b> <i>% of PPDs invested in mutually agreed upon sectors in partner countries</i>		

Countries: Please provide here an overview of your external harmonisation, per sector/ positioning choice.

Sector/Positioning choices SNV	With EKN	in PPD or €	With corporate partners	With other international actors
<b>BASE</b>	With complementarity?			
1-				
2-				
(3-)				
<b>PIE</b>	With complementarity?			
1-				
2-				
3-				
4-				

Region: Please provide here an overview of your external harmonisation (and partners), per sector/ positioning choice.

Sector/Positioning choices SNV	With EKN	in PPD or €	With corporate partners	With other international actors
<b>BASE</b>	In with countries?		Which?	Which?
1- 2- (3-)				
<b>PIE</b>	In with countries?		Which?	Which?
1- 2- 3- 4-				

#### Internal Coherence

Please describe regional coherence: how will you maintain an optimal mass of expertise in your region and does your plan match the strategic focus laid down in previous framework letters and other BoD and regional communications (e.g. minimum of 5 fte per positioning choice, per country; max 2-3 BASE sectors per country).

Key Performance Indicators	MA 2008	SP 2009
<b>Focus in BASE</b> <i># of BASE sector choices in the region</i> <i>[Note: 2 or 3 per country]</i>		
<b>Focus in BASE</b> <i>% of countries per region in which sector choices are practised [&gt;75%]</i>		
<b>Focus per positioning choice (in BASE and PIE)</b> <i># of countries per region in which a positioning choice is practised [&gt;50%]</i>		
<b>Focus of staff per positioning choice (in BASE and PIE)</b> <i>Regional average of # FTE per positioning choice per active country [&gt; 5]</i>		

## Positioning choices Impact Area: Delivery of Basic Services (BASE)

Chapters 3 and 4 contain the descriptions of positioning choices. Each positioning choice description consists of a maximum of four pages, including narrative and tables. **The regional plan consists of a summary overview of the content of the national plans (maximum 6 pages per positioning choice).**

### Positioning choice BASE 1

#### Introduction to the positioning choice BASE 1

Provide here a narrative introduction to the positioning choice that gives insight in:

- Trends, opportunities and threats in terms of poverty reduction of that positioning choice;
- Principal actors by trends and opportunities in that positioning choice; (this will provide a basis for developing an actor constellation map at a later stage)
- Possible contribution SNV can make here, including on governance.

The positioning choice analysis is similar to the country-wide context analysis. The difference is that here the focus is on a specific positioning choice, which is analysed in more detail.

#### Impact<sup>1</sup> and governance objectives in positioning choice BASE 1

Through working in this positioning choice SNV aims to contribute to national development objectives that are stated in terms of impact. It should be made explicit to which type of impact SNV aims to contribute to in this specific positioning choice.

This section is the appropriate place to highlight to which strategic national targets SNV intends to contribute (see key performance indicators below) and provide a brief narrative explanation.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
Impact indicators, are sector-specific and have to be taken from NDS, PRSP, MDGs (per SNV country): -Improved access to BASE and PIE -Improved income generation -Improved living conditions			
-Improved governance (cf. Kaufmann indicators)			
<b>Adoption of national development indicators</b> <i>% of impact indicators that are taken from NDS/PRSP</i>			

#### Types of outcomes<sup>2</sup> SNV envisages to achieve

Here the type and scope of outcomes SNV intends to achieve should be made explicit. Obviously the type of outcomes needs to be determined at the engagement stage with the clients and they may have to be adjusted. After all, the clients are the owners of the outcomes. But at the stage of developing this strategic plan, when there are no or only few client contracts, the type and scope of outcomes serve as a good pointer where we are heading to and the resources we need to achieve this.

1 An explanation of intended development impact (incl. on governance) and expected outcomes is to be found in the revised policy paper on result measurement which will be distributed together with the framework letter (end of August 2007)

2 See footnote 1

This section is also the appropriate place to highlight the targets set with regard to the following key performance indicators and provide a brief narrative explanation:

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<p><b>(Improved) coverage/outreach by SNV clients</b> Increased number of poor people reached/affected (through improved performances) by SNV clients; per sector, per country</p>			
<p><b>Improved Service Delivery</b> Degree of improved service delivery (scored on criteria: improved relevance, effectiveness, equity, efficiency, quality, sustainability, as applicable)</p>			
<p><b>Improved Enabling Environment</b> Degree of improved enabling environment (scored on a scale) Pro-poor policies, legislation, regulations, budgets, subsidies, taxation, etc.</p>			

### SNV approach in this positioning choice

The approach in this positioning choice consists of four elements: (a) choice of clients, (b) choice of Local Capacity Builders, (c) choice of partners, and (d) mix of services.

#### a. Choice of clients

In order to maximise our contribution to poverty impact and improved governance, SNV remains responsive to demand but will at the same time be strategically selective and proactive in engaging with clients. SNV engages with clients based on criteria including:

1. their potential contribution to impact on poverty and governance;
2. their (strategic) linkages to broader poverty reduction strategies;
3. their potential and willingness for change and ownership;
4. their commitment as expressed, among others, through their contribution (in kind, financial or otherwise);
5. SNV's own ability to add value to their interventions.

Describe here the types of organisation relevant to the positioning choice that meet these criteria and that SNV would like to have as clients. Elaborate also on the value SNV can add through building capacity.

#### b. Choice of Local Capacity Builders

Describe here opportunities to work in the positioning choice with LCB's:

- a. as clients,
- b. as sub-contractors,
- c. as partners.

#### c. Choice of partners

Describe here the types of national partners and criteria for selecting partners. Please indicate which corporate partnership(s) will be instrumental for your work in this positioning choice. **The regional plan lists also the partners at regional level relevant for this positioning choice.**

#### d. Mix of services (4DCs)

Describe type of services that will be provided. Consider SNV's four delivery channels<sup>3</sup> and indicate which ones will be applied for capacity development in this positioning choice.

3

LCD funds: only to be addressed by those regions that will pilot with establishing an LCD fund.

### **Assumptions and risks**

It will be important that you specify here which factors shall be taken into account in view of achieving the targets for this positioning choice. We make distinction between assumptions<sup>4</sup> and risks<sup>5</sup> that are external and internal to SNV's operations.

Please give - for this positioning choice - your assumptions and risks with regard to *external factors* in relation to achieving (1) the intended strategic impact and (2) expected outcomes with clients.

Please give here also your assumptions and risks with regard to *internal factors* that shall be considered, such as: (1) strategy, (2) operations, (3) reporting, (4) compliance and (5) fraud. Note: Reference is made to the Risk Analysis as instigated by the Audit Unit.

The regional plan summarises the assumptions and risks for the region.

### **Expertise and full-time equivalent (fte) required in this positioning choice**

Indicate here the expertise and human resource capacity required that will be directly involved in the primary process in this positioning choice.

Make also specific which types of expertise will be acquired through training or employing staff and which types of expertise will be acquired through sub-contracting to local capacity builders, working with partners or with consultants.

### **Positioning choice BASE 2**

(format same as 3.1)

---

4 Assumption: describes a situation, influence or intervention that is likely to happen (either in or beyond the control of SNV) which is considered a prerequisite to attain the expected results.

5 Risk: describes a situation, influence or intervention that is *not* likely to happen (either in or beyond the control of SNV) which if so happens, will adversely affect attainment of the expected results.

## Positioning choices Impact Area: Production, Income & Employment (PIE)

**Positioning choice PIE 1**  
(format same as 3.1)

**Positioning choice PIE 2**  
(format same as 3.1)



## Choices regarding Delivery Channels, Local Capacity Builders and Partners

Chapter 5 is to provide an overview of the choices on delivery channels, local capacity builders and partnerships at country level/**regional level** – as described in the previous chapters.

### Volume of SNV work (in Primary Process Days)

The total number of PPDs is an indication of the volume of SNV's services and products in all four delivery channels. Please highlight the target set with regard to the volume of primary process days and provide a brief narrative explanation.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Total SNV output (in Primary Process Days)</b> <i># of PPDs</i>			

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Output in BASE</b> <i>% of PPDs in BASE</i>			
<b>Output in PIE</b> <i>% of PPDs in PIE</i>			

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Output per positioning choice (per country)</b> <i>% of PPDs per positioning choice</i>			

### Delivery Channels

Please give an overview of your choices of working with the four (4) delivery channels. Give a tentative allocation of primary process days over the four (4) channels.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
% Advisory services <i>% of AS PPDs for advisory services (of total PPDs)</i>			
% Knowledge Brokering services <i>% of KB PPDs knowledge brokering services (of total PPDs)</i>			
<b>% SNV in kind contribution to LCDF (only selected countries)</b> <i>% of LCDF PPD services (of total PPDs)</i>			
<b>% Advocacy</b> <i>% of Adv PPD advocacy days (of total PPDs)</i>			

In those regions that will pilot with the local capacity development funds, please fill out and explain the following indicators.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Coverage of LCDF</b> <i># SNV countries with access to LCDF</i>			
<b>SNV financial contribution to LCDF</b> <i>€ supplied by SNV</i>			
<b>Total volume by LCDF</b> <i>Total € in LCDF</i>			

#### Local Capacity Builders (LCB)

SNV's 2007–2015 strategy puts local capacity builders at the centre stage. There are two basic modalities of our relation with LCB. The first is as primary target of our advisory services. Please indicate the number of local capacity builders that you intend to serve and the % of advisory days of your total advisory services (% AS PPD) that you intend to deliver to LCB as client.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Advisory services directly delivered by SNV to LCB (as a client)</b> <i>% of AS PPDs by SNV PP-staff to LCB (as a client)</i>			
<b>Local capacity builders served by SNV</b> <i># of LCB as a client</i>			

The second modality is that SNV will increasingly involve local capacity builders through sub-contracting:

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Advisory services directly delivered by LCB subcontracted by SNV</b> <i>% of AS PPDs by LCB subcontracted by SNV</i>			

#### Partnerships

This section is the appropriate place to highlight the targets set with regard to the partnerships and provide a brief narrative explanation.

#### Number of partnerships

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Regional partners</b> <i>Total Number of Regional Partners</i>			
<b>National partners</b> <i>Total number of National Partners</i>			

**SNV funds in partnerships**

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Total SNV costs (cash contribution) of regional partnerships (million €)</b>			
<b>Total SNV costs (cash contribution) of national partnerships (million €)</b>			

**Participation in partnerships**

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
% PPDs tagged to <b>corporate partnerships</b> of total PPDs			
% PPDs tagged to <b>regional partnerships</b> of total PPDs			
% PPDs tagged to <b>national partnerships</b> of total PPDs			

## Transition

In this section you shall expand on the implications of the choices you made.

In 2007, all arrangements are being or have been made to start implementing SNV's strategy for 2007 and beyond. Implementation starts as of January 1, 2008, and shall be fully in place by December 31, 2008.

Describe how you intend to deal with the transition period. You might consider: e.g. consequences for client portfolios; consequences for HR (e.g. staff training, formation plans, recruitment); leadership in the process; external relationships; present commitments outside the scope of your strategy/choices made.

## Internal organisation, capacity and resources required

In this section we focus on the question "What is needed in terms of internal organisation and the capacity and resources required to achieve the outcome targets set in the sections 3 and 4.

In the introduction reference shall be made to section 1.4 containing the analysis of the internal strengths and weaknesses. In the introduction it shall be explained how the main weaknesses will be addressed.

A distinction is made between the organisational divisions: Strategy (6.1), Human Resources (6.2) and Finance (6.3). Subsequently, these sections shall provide a total overview of the internal organisation goals and targets, your capacity and resource requirements for the whole strategic planning period, as well as for the first year.

The regional strategic plan summarises the required internal regional organisational goals, capacity and resources of the countries and adds the internal capacity and resource requirements at regional level.

### Internal strategic goals and capacity

In Strategy the work is organised over the following areas: Strategic planning & evaluation; Quality of Practice; Partnerships & Resource mobilisation; Communications; and Development policy. Please describe here your internal organisational goals and required capacity in the strategic fields mentioned here.

At regional level:

- *Management and leadership*: how to give adequate inspirational guidance,
- *Partnerships*: how you will acquire leverage through (corporate, regional) partnerships,
- *Knowledge development*: how you intend to share and develop knowledge e.g. through networks, use of case studies and evaluations, partnerships, etc.
- *Evaluations*: how you will demonstrate and learn from your results,
- *Communication*: how to communicate internally and externally.

At country level:

- *Strategic Planning*: position SNV in the external environment and engage with clients and partners, incl. EKN, to optimise SNV's outcomes and impact,
- *Clients*: provide services to clients (in BASE and PIE)
- *Management and leadership*: how to give adequate inspirational guidance,
- *Partnerships*: acquire leverage through (corporate, regional, country) partnerships
- *Resource mobilisation*: how you intend to raise additional resources for your work,
- *Case studies*: how you will demonstrate and learn from your results,
- *Communication*: how to communicate internally and externally.

Give narrative explanation in which way the internal strategic goals and capacity require strengthening or support from regional or head office in order to achieve the outcome targets mentioned in sections 3 and 4.

In the table below indicate PER WORK AREA the internal strategic (capacity building) objectives with the corresponding milestones.

Internal strategic goals and strengthened capacity	Milestones 2008	
	Jan – Jun	Dec
Objectives 2009		

## Human resources goals and capacity

### HR priorities

This section is meant to give a narrative explanation in which way the human resource capacity requires changes and strengthening in order to respond in general to the requirements of the Strategy 2007-2015 and more specifically to the outcome targets for 2008-2009 (as mentioned in the sections 3 and 4).

In HR the work is organised over the following areas: Recruitment & Selection, Organisational Development, HR Development, Health & Safety, Compensation & Benefits. Indicate in the table below PER WORK AREA the internal human resource (capacity building) objectives with the corresponding milestones. **At regional level you indicate the regional policy to be established, if applicable.**

With regard to Organisational Development, it is important to mention that bi-annually an employee satisfaction survey shall be carried out in 2008 (and again in 2010) with corporate HR support. The HR staff in the region and at country level will receive more specific guidance with regard to the five above mentioned work areas in a separate document.

HR goals and priorities	Milestones 2008	
	Jan – Jun	Dec
Objectives 2009		

### Number and composition of staff

For a capacity building organisation quality and volume of staff are very essential. Please describe how you intend to shift the collective staff profile (**also to be described at regional level**) towards the strategic requirements, particularly towards the two (2) impact areas, positioning choices and delivery channels.

The SNV strategy paper outlines a trend towards deploying more senior and more junior staff. It is foreseen that at least 20% of the advisory staff will be international, with a certain Dutch presence everywhere. The paper also reaffirms the commitment to 50/50 male-female staff ratio in teams.

This section is also the appropriate place to highlight the targets set with regard to the following key performance indicators and provide a brief narrative explanation:

### Staffing numbers

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Total Primary Process Staff</b> <i>Average FTEs SNV Primary Process Staff</i>			
<b>Total Core Support Process Staff</b> <i>Average FTEs of SNV Support Process Staff</i>			
<b>Total Other Support Process Staff</b> <i>Average FTEs of SNV Support Process Staff</i>			
<b>Total Staff</b> <i>Total average FTEs</i>			

## Staff composition

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Primary process balance</b> <i>Ratio Support Staff of Total staff based on average FTEs (%)</i>			
<b>Nationality balance</b> <i>Ratio National PP-staff of Total PP-staff based on average FTEs (%)</i>			
<b>Gender balance</b> <i>Ratio Female PP-staf of Total PP-staff based on average FTEs (%)</i>			
<b>Seniority balance</b> <i>Ratio Junior/ Medior/ Senior PP-staf of Total PP-staff based on average FTEs (%)</i>			

[The regional plan shall provide details by country on the basis of a clear formation plan that is part of the regional Management Agreement].

## Human resource development

Highlight in a brief narrative the areas in which staff development is needed most in order to achieve the outcome targets mentioned in the sections 3 and 4. Describe your implementation of the professional development framework. Which other staff development initiatives will be undertaken to meet the main challenges. Please pay also attention to Leadership and Management.

This section is also the appropriate place to highlight the targets set with regard to the following key performance indicators and provide a brief narrative explanation.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Knowledge days per PP staff</b> <i>Days spent on internal knowledge development by SNV PP-staff (per average FTE)</i>		10 days	10 days
<b>Learning days per SNV staff</b> <i>Days spent on personal development and learning by SNV staff (per average FTE)</i>		10 days	10 days

The region shall present how it will take up regional challenges in human resources development.

## Performance Appraisal Management

Please indicate how you will work towards improving the quality of the PAR-PRDP as a tool for Human Resource Development. This section is the appropriate place to highlight the targets set (and with regard to the implementation of the professional development framework) and provide a brief narrative explanation.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>% of PARs PP-staff executed</b> <i>Ratio executed PARs for PP-staff of total PP-staff</i>		100 %	100 %
<b>% of PARs SP-staff executed</b> <i>Ratio executed PARs for SP-staff of total SP-staff</i>		100 %	100 %

## Finance: goals and required capacity

### Goals and required capacity of the Finance column

In Finance the work is organised over the following areas: Finance administration, Planning & control, Procurement, ICT and Audits. Give narrative explanation in which way the capacity of your finance column requires strengthening in these (or other) areas in order to achieve the outcome targets mentioned in the sections 3 and 4.

Indicate in the table below PER WORK AREA the internal (capacity building) objectives for the finance column with the corresponding milestones.

Goals and strengthened capacity of Finance	Milestones 2008	
	Jan – Jun	Dec
Objectives 2009		

### Financial resources

Financial resources within SNV consist of core subsidy and resource mobilisation. The core subsidy is provided by DGIS through head office. The annual Framework letter indicates the maximum amounts available as core subsidy, as well as gives a target for % support costs. This section is the appropriate place to highlight the targets set with regard to the following key performance indicators and to provide a brief narrative explanation. Please describe your strategy and targets for resource mobilisation here.

### Revenues

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Core Subsidy</b> <i>Total revenues minus revenues from resource mobilisation (€ '000)</i>			
<b>Resource mobilisation</b> <i>Total revenues from resource mobilisation (€ '000)</i>			
<b>Total Financial Resources</b> <i>Total revenues (€ '000)</i>			

### Expenditure

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Primary process costs (€ '000)</b> <i>Total costs for PP cost centres and assignments</i>			
<b>Support process costs (€ '000)</b> <i>Total costs for SP cost centres and assignments</i>			
<b>Total Costs (€ '000)</b> <i>Total costs for all cost centres and assignments</i>			



## Other financial indicators

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Externally Financed Projects (€ '000)</b> <i>Total managed funds in Externally Financed Projects *</i>			
<b>Net investments (€ '000)</b> <i>Investments minus depreciations</i>			

\* EFP: Projects that are externally financed; i.e. not from core subsidy, nor from resource mobilisation (?)

### Efficiency

Explain in a narrative the measures that will be taken to improve efficiency. This section is also the appropriate place to highlight the targets set with regard to the following key performance indicators listed and provide a brief narrative explanation.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>% support</b> <i>Support Process costs of Total Costs</i>			
<b>Total Costs per PP day</b> <i>Total Costs per PP day</i>			
<b>Productivity rate</b> <i>PP days per PP staff</i>			

### Quality assurance

SNV has a number of mechanisms (checks and balances) in place to monitor the quality of our work. Besides the guiding SNV Strategy 2007-2015 there are corporate guidelines for procedures and quality standards for many of our business processes. Compliance is monitored through management audits and control self-assessments.

With regard to SNV's development results, outcome assessments with clients (MoU Reviews) shall be validated through external spot checks. SNV's contribution to development impact is determined through internal Strategic Reviews and external independent corporate evaluations.

This section is also the appropriate place to highlight the targets set with regard to the following key performance indicators and provide here a brief narrative explanation.

Key Performance Indicators	Baseline 2007	MA 2008	SP 2009
<b>Compliance with primary process procedures</b> <i>% of compliance (based on Management Audits and CSA)</i>			
<b>Compliance with support process procedures</b> <i>% of compliance (based on Management Audits and CSA)</i>			

## **Annex 1.2**

### **Format and guidelines for drafting the midyear/annual report\***

**\* to be finalised shortly**

## Annex 2.1

### Actor constellation map

#### Format and guidelines for making an actor constellation map

An **actor constellation** is a formation of interrelated organisations, groups, networks, or even influential individuals, relevant for a basic service/value chain that together constitute a "system." ". In the actor constellation map we focus on principle actors: organisations, groups, networks or even influential individuals that have the leverage or potential leverage to bring about change in a basic service/value chain. The actor constellation is a reality that exists outside SNV. SNV uses this concept to better understand this reality which is visualized in the actor constellation map.<sup>6</sup>

**The actor constellation map** consists of:

- An introduction page to the basic service/value chain;
- An actor constellation map depicting all the relevant actors in the basic service/value chain and their interrelationships;
- The client brief - a brief description of each of the organisations to whom SNV provides capacity development services (briefs can also be made for other relevant actors).

The purpose of an actor constellation map, which is updated continuously and thoroughly reviewed once a year, is to have an accessible, well organised and contextualized overview of the SNV's relationships in a given basic service/value chain at all times. The annual review of the actor constellation be best organised at the national level as a **collective learning event** for example as part of the annual meeting. This helps teams to monitor whether the combined outcomes achieved through their capacity development activities are still on track for achieving the intended results at the end of the strategy cycle. The annual reviews may lead to strategic adjustments.

Here you will find guidelines and a format for making an actor constellation map in power-point.

---

<sup>6</sup> Several other terms have been coined including stakeholder map (which would confine it to stakeholders only) or network (which suggests a relationship between the actors). SNV needs a broader concept that captures organisations, groups, networks or even influential individuals that have the leverage or potential leverage to bring about change in a (sub-) sector. Actors do not necessarily have a relationship with SNV or even with each other.

# Introduction to basic service/value chain

Country: .....  
Basic service/value chain: .....  
Date first version: .....  
Last update: .....

## **Context analysis**






## **Strategy including targeted outcome and impact**

The first page of the actor constellation map contains an introduction to basic service/value chain.




It includes:

- A context analysis highlighting the most important development constraints with regard to this specific basic service/value chain
- SNV's strategy (see strategy cycle) including:
  - Impact targets to be achieved in that basic service/value chain by the combined efforts of all relevant actors;
  - The methods that will be used to establish a baseline and to assess impact at the end of the cycle;
  - The types of actors SNV engages with as clients and the criteria for selecting clients;
  - The actors SNV intends to partner with;
  - The types of capacity development services SNV will deliver.

### Meaning of the arrows in this constellation

-  A provides capacity develop services to B
-  A has a partnership with B
-  A participates in B
-  A provides funds to B
-  Other type of relationship

### Meaning of the symbols

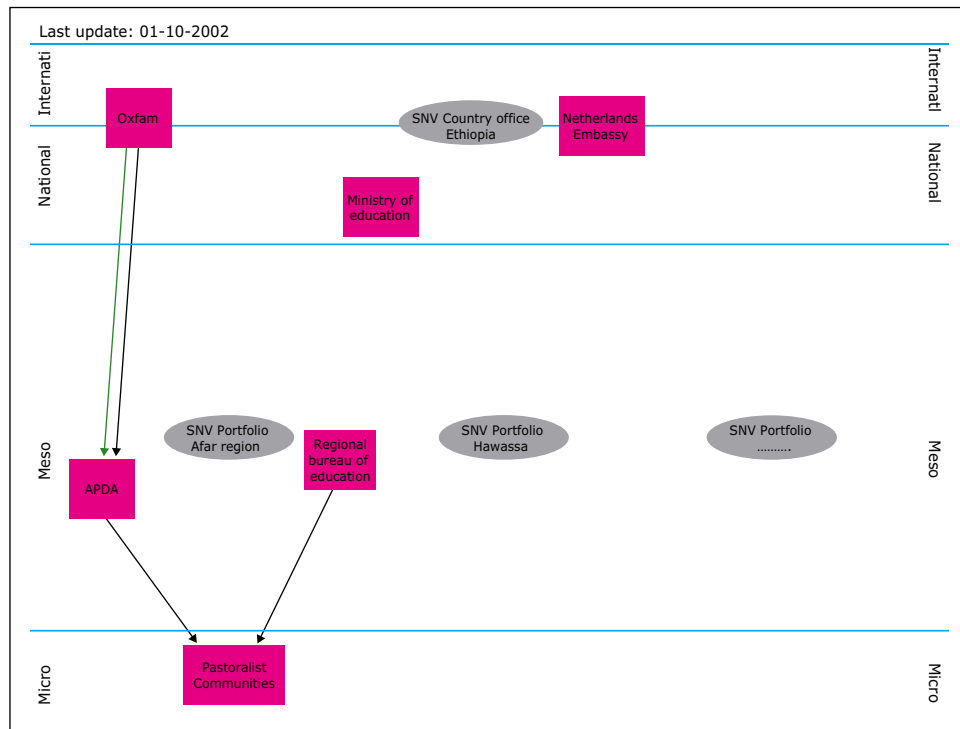
-  SNV Unit (Portfolio or country office)
-  Other organisation
-  Group of organisations (platform, network etc)

The second page contains the key to the symbols.

In terms of actors we have different symbols for SNV, other organisations and groups of organisations (platforms, networks etc.).

The relationships between the actors are indicated with arrows. Each type of relationship has its own color. This makes it possible to show multi-stranded relationships such as for example a local capacity builder to whom SNV subcontracts work but that also receives capacity development services from SNV.

If countries and portfolios experiment with the Actor Constellation Map, different types of relationships may be introduced. Please ensure that relationships are depicted through arrows, actors through shapes and that the page distinguishes the levels international, national, meso and micro.



In the actor constellation we distinguish between four levels - micro, meso, national and international.

The first version of an actor constellation map is produced during the strategic planning phase. One of the initial steps is to conduct an analysis of the most important dynamics and actors. Based on this analysis the most relevant actors are depicted in the first version of the actor constellation map.

In the case of the education sector in Ethiopia, and specifically in the Afar region, the first version of the actor constellation might have looked as shown in the picture on the left. The actor constellation consists of a relatively small number of actors and interrelationships that SNV knew about when the first contextual analysis was conducted.

We see that Oxfam funded and provided CD services to APDA, a community based organization that provides services to pastoralist communities. At the time SNV did not have any relationships with the main actors. While there were links with the Netherlands Embassy these were confined to other sectors.



## Client brief<sup>7</sup>

A second important element of the actor constellation map is the **client brief**, which contains more detailed information on clients. While working with a client several documents are generated, including a selection document, a diagnosis report, a MoU, assignment review reports etc. Over time the client file expands making it more difficult to read. This hinders analysis and reflection on the work being done.

The client brief is a summary of what can be found in the client documents, capturing the essence of each in a few sentences. Initially the client brief should not be longer than 2 pages. The client brief gradually grows as the document is updated with new information and insights drawn from assignment reviews.

The client brief includes information on the:

- Factual description of the client
- Client's potential to contribute to impact (in synergy with other clients)
- Capacity development required to realise this contribution to impact
- Capacity development support by SNV and targeted outcome
- Capacity development approach
- Summary of activities so far
- Results so far

List of important documents related to the client.

---

7

For organisations that SNV provides with capacity development services not on the basis of a contract we need a similar "brief".



## Annex 2.2

### Client selection document

The selection criteria are based on the SNV Strategy Paper 2007-2015. Criteria can only be added with authorisation by the regional director

General factual information			
<b>SNV office:</b> (Country, Portfolio) <b>Name lead advisor:</b>			
<b>Name of the Organization:</b>			
<b>Contact person in the organization:</b>  <b>Address:</b>  <b>Telephone number:</b>  <b>Email:</b>			
<b>Type of organization:</b>	Government  ( )	Private Sector (including producer organisations) ( )	Civil Society (including NGOs)  ( )
	Micro ( )	Meso ( )	Macro ( )
	Local Capacity Builder?		YES ( ) NO ( )
<b>Impact area to which the organization contributes:</b>	Production, Income and Employment (PIE) ( )	<b>BASE:</b> <ul style="list-style-type: none"> <li>• Education ( )</li> <li>• Water &amp; Sanitation ( )</li> <li>• Health ( )</li> <li>• Renewable energy ( )</li> </ul>	
<b>Name of the actor constellation document in which the organization is included:</b>	<i>(For example the actor constellation document of the sub-sector "Water &amp; Sanitation")</i>		
<b>Basic service/value chain</b>			
<b>Previous contacts with SNV</b>	<i>Mention SNV advisor who have had contact with the organization before and concerning which the subject areas</i>		
Selection criteria			
<b>Impact potential / hypothesis:</b> (cause and effect relation between SNV's capacity building services, outcome and impact)	<p>This is the heart of the client selection document, which explains the organization's potential to contribute to the impact areas SNV is focusing on. A key question to be addressed is: How will developing the capacities of this organization contribute to an impact in one of the two Impact areas?:</p> <ul style="list-style-type: none"> <li>• Access to basic services (BASE)</li> <li>• Income, production and employment (PIE)</li> </ul> <p><i>It is important here to pay attention to sustainability. Is the governance of the organization adequate to ensure that SNV's investments are likely to have lasting outcomes?</i></p>		

<b>Linkage to broader poverty reduction strategy</b>	<i>Would engaging with this organisation as a client be inline with SNV's strategic choice to align its country programmes with national development strategies, for example, home-grown MDG based PRSP?</i>	
<b>Ownership and change</b>	<i>Do you get the impression that there is a strong sense of ownership and a potential and willingness to change?</i>	
<b>Commitment</b>	<i>Is the organisation committed to develop its capacity development in order to contribute to impact? Are they willing to contribute in kind, financially or otherwise?</i>	
<b>SNV's own ability to add value</b>	<i>Is SNV in a position and able to make a difference for this organization either through providing CD services or through working with Local Capacity Builders. A crucial question that should be addressed here (and later on while developing the capacity development approach) is: In as far as it is possible at this stage to estimate the type and size of investments required, will the resources be proportionate in view of the anticipated outcomes and contribution to impact?</i>	
<b>Issues related to capacity</b>		
<b>Quantitative information:</b> - Approximate annual budget - Approximate number of staff - Approximate number of members	<i>A rough estimate is sufficient. There is no need to embarrass the organization by requiring details of its financial position.</i>	
<b>Other development organisations (international and national) supporting the actor:</b>	<i>These relationships will be included in the actor constellation document</i>	
<b>Present performance level</b> quality, efficiency and relevance of their most important products/ services)	<i>A general impression is sufficient at this stage. Further detail will be sought in the client assessment step</i>	
<b>Potential improvement areas</b> Capacities that need to be developed to enhance performance and achieve greater impact)	<i>A general impression is sufficient at this stage. Further detail will be sought in the client needs assessment step</i>	
<b>Conclusion</b>		
<b>Advise lead advisor and feedback by peers</b>		
<b>PC's conclusion and decision:</b>	<i>the strategic relevance of providing capacity development services to this organization. What type of relationship is most appropriate – a Mo or assignment agreement with the client.</i>	
	Place and date:	Signature PC:

## Annex 2.3

### Memorandum of Understanding

*All clauses are mandatory expect the ones that have been indicated as "optional". This corporate format may need to be adjusted to account for country-specific legal situations. If adjustment involves substantive deviation from the mandatory clauses authorisation by the regional director is required.*

#### Memorandum of Understanding

Between

**Client Organization (Client 1)**

and

**Client Organization (Client 2)** (add if more than one client)

and

**SNV XXX**

**This Memorandum of Understanding (MoU) confirms that The Client(s) wish(es) to implement certain development activities, and that SNV XXX, hereafter called SNV, is willing to provide capacity development services to support these activities. The Parties hereby agree as follows:**

#### **1. Analysis of situation**

*Briefly describe how the parties to this MoU have come together and what they have in common*

#### **2. Rationale for the cooperation between SNV and the Client/s**

*Copy/paste from the Client Selection Document: Impact potential/hypothesis*

#### **3. General objectives of the cooperation**

*Describe the type of impact on society (including baseline and targets derived from NDS/PRSPs and mentioned in Country Strategic Plan) this cooperation aims to contribute to. Use the results of step CC 1.2 "Develop a shared vision".*

#### **4. Agreement on the expected outcomes**

In view of the above general objectives, parties commit themselves to achieving the following outcomes:

*List outcomes and corresponding indicators and targets*

#### **5. SNV's commitment as a provider of capacity development services**

- a) Possible assignments that may be undertaken as part of this MoU include:
- 1.
  - 2.
  - 3.

Specific Assignment Agreements will be developed for each assignment according to the format developed by SNV for this purpose. These agreements will specify the expected outputs and activities, definition of responsibilities, budgets, the number of advisory days and timeframes on the basis of the capacity development approach.

**The assignment agreements will be signed by SNV and the client.** *The underlined sentence may be deleted if the parties agree that there are circumstances that make it very cumbersome and costly to get a document signed, for example due to large distances, difficult terrain etc.*

- b) SNV shall provide the Advisers necessary to deliver the capacity development services under this MoU at its own costs and in a flexible way in consultation with the Client.
- c) As part of the delivery of its services, SNV may hire additional expertise and/or a Local Capacity Builder **XXX (mention name if known)**, in consultation with the Client.

#### **6. Client's commitment as the receiver of capacity development services**

- a) The Client shall assume responsibility for the implementation of the development activities that lead to the expected outcomes.
- b) The Client is obliged to provide the support necessary for the SNV Advisers to carry out their duties effectively and efficiently.

##### *Optional clause:*

- c) Logistical support to the Advisers (assisting with means of transport for activity-related travel, adequate office space, and other work-related facilities) will be provided by the Client.

#### **7. Partnership (this section is optional)**

In addition to SNV being the provider of capacity development services and the client being the receiver of capacity development services, the parties agree to collaborate as partners in achieving the above mentioned outcomes and contribution to impact by engaging in the following joint activities:

*List and describe the type of activities*

#### **8. Duration**

The Cooperation Agreement between SNV and the Client will be for a period of **SPECIFY**, with effect from **SPECIFY DATE**

#### **9. Nominated person from client organization and SNV**

The Client has designated: **NAME OF THE PERSON RESPONSIBLE ON BEHALF OF THE CLIENT** as the Contact person from the client's side and from SNV: **NAME OF THE PERSON RESPONSIBLE ON BEHALF OF SNV**.

#### **10. Monitoring and evaluation**

SNV undertakes to perform its services to the highest standards of professionalism, ethical competence, and integrity. All parties involved in this MoU shall participate in regular review meetings. At the completion of individual Assignment Agreements, an assignment review report will be prepared, while at the end of the MoU period a MoU review report will be written. SNV will initiate and facilitate the review process, and the Client undertakes to fully participate in the review process. Either during or within a reasonable period after the expiry of the MoU the Client undertakes to cooperate with any SNV initiated process to evaluate the impact of the provided services.

#### **11. Termination**

Both parties shall have the right to terminate this agreement by giving written notice to the other party in the event of:

- Irreconcilable ideological differences between the parties
- Misuse of financial resources
- Lack of cooperation from either party
- Inability to carry out the activities as per the agreed activity agreements
- SNV ceasing operations in **COUNTRY XXX**

The termination of this agreement shall not affect any accrued rights or liabilities of either party.

#### **12. Exit procedure**

Both parties commit themselves to officially communicate to the other if they want to terminate the MoU or do not want to continue the relationship at the end of this MoU.

#### **13. Ownership of material**

Any studies, reports, or other material (graphic, software or otherwise) prepared by SNV for the Client under this agreement is joint property of the Client and SNV. Both SNV and the Client may use the material for purposes of knowledge sharing and networking, or in (joint) publications. For any other use either party will consult the other.

**14. Indemnity/release of liability**

SNV and Client shall not be liable for the acts or defaults of the other party. All liabilities arising from or in connection with the activities carried out by the client shall be the responsibility of the client and no liability of any nature shall be passed to SNV; and vice versa. All liabilities arising from or in connection with specific SNV activities, carried out by SNV, shall be the responsibility of SNV.

**15. Confidentiality**

Both SNV and Client shall not transfer or divulge any confidential information to any other person or organization, not connected to SNV and the Client, unless:

- Prior written consent from both parties is obtained; and/or
- The information is already in the public domain; and/or
- Disclosure is required by law

**16. Change, amendment and dispute**

Any necessary change and amendment to this agreement will be discussed and agreed on by the client organisations and SNV. Any dispute shall be solved by the two organisations through consultation.

**17. Law governing contract**

The laws of (INSERT APPROPRIATE COUNTRY NAME HERE) shall govern this Agreement of Cooperation.

For the Client  
CLIENT (1)  
Date:  
Designation:

For SNV XXX:  
SNV  
Date:  
Designation:

CLIENT (2)  
Date:  
Designation:

Optional clauses to be included and to be decided on a case by case basis:

- In case the client should pay for SNV's services the tariffs and terms of payment should be addressed.
- The execution and delivery of this Agreement by SNV will not in any material way violate and statute, regulations, judgment of other restriction of the government of [Specify country] [No taxes will be due and no permits are necessary as a consequence of signing and or/ carrying out the MoU and/or Agreement].
- The client has full power and authority to execute and deliver this agreement
- The client shall not without prior consent of SNV conclude agreements that may collide with this MoU(/Assignment Agreement)
- This Agreement and any rights and obligations hereunder may not be transferred, assigned or delegated by the client to a third party without the prior written consent of SNV
- The parties shall not have the right to claim compensation for damages or otherwise in case of termination.
- This agreement contains all arrangements which the parties have made on the subject. It shall replace all other previous arrangements and agreements which the parties have made or have entered into on the subject.
- This Agreement contains no stipulations for the benefit of a third party which could be invoked by a third party against a party to this agreement.
- This agreement can only be amended or supplemented in writing.
- After having been signed, this Agreement may not be rescinded in whole or in part.
- Each of the parties shall pay its own expenses incurred or to be incurred in connection with the negotiations and preparation of this Agreement and the transactions contemplated thereby
- All disputes arising in connection with this Agreement, including disputes concerning the existence and validity thereof shall be resolved [by the national courts of .....][by arbitration in accordance with the ....]



## Annex 2.4

### Assignment Agreement

*Preliminary remark: In case in the MoU parties agreed not to include the sentence "The assignment agreements will be signed by SNV and the client", this assignment agreement does not have to be signed before commencing the work. Reasons for parties not to make a signature mandatory may include circumstances that make it very cumbersome and costly to get a document signed due to large distances, difficult terrain etc.*

*All clauses are mandatory expect the ones that have been indicated as "optional". This corporate format may need to be adjusted to account for country-specific legal situations. If adjustment involves substantive deviation from the mandatory clauses authorisation by the regional director is required.*

#### Assignment Agreement

**Assignment Title:**

**ION Number:**

<b>Client</b>		MoU Number		Client Number	
<b>Impact area</b>		<b>basic service/ value chain</b>			

#### General Information

Responsible client (Designation)		Responsible Local Capacity Builder (Designation)*		Responsible SNV (Designation)	
Department client		Department LCB		Portfolio SNV	
Team client	Leader: Team members:	Team LCB	Leader: Team members:	Team SNV	Lead advisor: Team members:
Starting date of the Assignment			Ending date of the Assignment:		

#### Approved By

	Client Responsible	Local Capacity Builder Responsible	SNV Responsible Portfolio Coordinator	SNV Lead Advisor
Name:				
Signature:				
Date:				

*Note\* Insert if Local Capacity Builder (LCB) is involved in the assignment*

#### 1. Issue analysis

*This section contains the results of the issue analysis. The issue analysis is a form of diagnosis but narrower in scope than the diagnosis mentioned in step 1.3. Whereas the diagnosis in step 1.3 addresses all the measures required to achieve expected outcomes, the issue analysis focuses on only one or a few closely related measures. Although the agreement is at the level of output, it should be made plausible that the output of the activity will lead to outcome and eventually contribute to impact.*

## 2. Assignment objectives

To which impact(s) will this assignment contribute?	This must be one or more of the impact targets mentioned in the strategy (see page 5)	
To which outcome(s) will this assignment lead?	This must be one or more of the outcomes mentioned in the MoU art.4 (see page 28). In case there is no MoU, explain to which outcomes the outputs of this assignment will lead and the indicators for assessing the outcomes	
What are the expected outputs of this assignment?	Output 1	Indicators output 1 (incl.baseline)
	Output 2	Indicators output 2 (incl.baseline)
	Outcome 3	Indicators outcome 3 (incl.baseline)

## 3. Assignment plan

The length of assignments is variable with a maximum of one year. Where an assignment takes longer than 4 months it is important to include milestones and monitoring moments as activities in the plan. Whenever possible and appropriate the monitoring moments should correspond with the reporting moments in the annual operational planning cycle.

	Type of activity	By whom	Investment client (days)	Investment LCB (days)	Investment SNV (days)	Activity start and end date
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
	<b>Total days</b>					

## 4. Contribution (financial or in kind)

	Activity	Amount
Client		
Local Capacity Builder		
SNV		
Other		
<b>Total</b>		

## 5. Duration

The Assignment Agreement between SNV and the Client will be for a period of **SPECIFY**, with effect from **SPECIFY DATE**

## 6. Nominated person from client organization and SNV

The Client has designated: **NAME OF THE PERSON RESPONSIBLE ON BEHALF OF THE CLIENT** as the Contact person from the client's side and from SNV: **NAME OF THE PERSON RESPONSIBLE ON BEHALF OF SNV**.

## 7. Monitoring and evaluation

SNV undertakes to perform its services to the highest standards of professionalism, ethical competence, and integrity. At the completion of this Assignment Agreements, an assignment review report will be prepared. SNV will initiate and facilitate the review process, and the Client undertakes to fully participate in the review process.



## 8. Termination

Both parties shall have the right to terminate this agreement by giving written notice to the other party in the event of:

- Irreconcilable ideological differences between the parties
- Misuse of financial resources
- Lack of cooperation from either party
- Inability to carry out the activities as per the agreed activity agreements
- SNV ceasing operations in **COUNTRY XXX**

The termination of this agreement shall not affect any accrued rights or liabilities of either party.

## 9. Exit procedure

Both parties commit themselves to officially communicate to the other if they want to terminate the agreement or do not want to continue the relationship at the end of this assignment.

## 10. Ownership of material

Any studies, reports, or other material (graphic, software or otherwise) prepared by SNV for the Client under this agreement is joint property of the Client and SNV. Both SNV and the Client may use the material for purposes of knowledge sharing and networking, or in (joint) publications. For any other use either party will consult the other.

## 11. Indemnity/release of liability

SNV and Client shall not be liable for the acts or defaults of the other party. All liabilities arising from or in connection with the activities carried out by the client shall be the responsibility of the client and no liability of any nature shall be passed to SNV; and vice versa. All liabilities arising from or in connection with specific SNV activities, carried out by SNV, shall be the responsibility of SNV.

## 12. Confidentiality

Both SNV and Client shall not transfer or divulge any confidential information to any other person or organization, not connected to SNV and the Client, unless:

- Prior written consent from both parties is obtained; and/or
- The information is already in the public domain; and/or
- Disclosure is required by law

## 13. Change, amendment and dispute

Any necessary change and amendment to this agreement will be discussed and agreed on by the client organisations and SNV. Any dispute shall be solved by the two organisations through consultation.

## 14. Law governing contract

The laws of **(INSERT APPROPRIATE COUNTRY NAME HERE)** shall govern this Agreement.

For the Client

**CLIENT (1)**

Date:

Designation:

**CLIENT (2)**

Date:

Designation:

For SNV **XXX**:

**SNV**

Date:

Designation:

Optional clauses to be included in the assignment agreement and to be decided on a case by case basis:

- In case the client should pay for SNV's services the tariffs and terms of payment should be addressed.
- The execution and delivery of this Agreement by SNV will not in any material way violate and statute, regulations, judgment of other restriction of the government of [Specify country] [No taxes will be due and no permits are necessary as a consequence of signing and or/ carrying out the MoU and/or Agreement].
- The client has full power and authority to execute and deliver this agreement
- The client shall not without prior consent of SNV conclude agreements that may collide with this MoU(/Assignment Agreement)
- This Agreement and any rights and obligations hereunder may not be transferred, assigned or delegated by the client to a third party without the prior written consent of SNV
- The parties shall not have the right to claim compensation for damages or otherwise in case of termination.
- This agreement contains all arrangements which the parties have made on the subject. It shall replace all other previous arrangements and agreements which the parties have made or have entered into on the subject.
- This Agreement contains no stipulations for the benefit of a third party which could be invoked by a third party against a party to this agreement.
- This agreement can only be amended or supplemented in writing.
- After having been signed, this Agreement may not be rescinded in whole or in part.
- Each of the parties shall pay its own expenses incurred or to be incurred in connection with the negotiations and preparation of this Agreement and the transactions contemplated thereby
- All disputes arising in connection with this Agreement, including disputes concerning the existence and validity thereof shall be resolved [by the national courts of .....][by arbitration in accordance with the ....]

## **Annex 2.5**

### **Assignment (MoU) review report\***

**\* to be finalised shortly**



## Annex 2.6

### Roles and responsibilities in client cycle

		Country	Portfolio (this can be a work-team, organised per theme/sector/issue.)		
		Country Director	Portfolio Coordinator	Lead advisor	Portfolio Team
<b>Client cycle</b>			<b>Overall responsible</b> Appoints lead advisor	Leads activities	Provides consultation
Engage-ment	Selection		Approves and signs selection document	Initiates, conducts and drafts selection document	Gives feedback
	Develop shared vision			Conducts	Supports lead advisor
	Diagnosis			Conducts	Supports lead advisor
	Sign MoU	Signs MoU		Drafts MoU	Advises PC
Strengthen capacity	<b>Assignment cycle</b>		Supervises lead advisor	<b>Overall responsible</b>	Supports lead advisor
	Prepare assignment		PC approves and signs	Conducts and drafts assignment agreement	Provides peer feedback
	Implement assignment		Approves client team	Composes and leads client team	Supports lead advisor
	Review assignment		Conducts review or delegates and signs off review report	Facilitates review and writes assignment review report	Provides peer review and captures lessons learned
Assess outcomes	Review MoU	Signs off MoU review report	Conducts review or delegates	Facilitates review and writes assignment review report	Provides peer review and captures lessons learned



## Annex 2.7

### Types of relationships

Based on the actor constellation map, choices will be made with regard to how SNV wants to relate to some of these actors. We distinguish two main categories of relationships:

- Clients
- Partners

SNV can develop different types of relationships with one actor. A common relationship is the client/partner combination whereby SNV provides capacity development services to a client and at the same time collaborates with that actor to develop the capacity of other organisations.

#### 1. Client

A client is an actor or group of actors *to whom SNV provides capacity development services* on the basis of a contract. The contract can be a *Memorandum of Understanding (MoU)*, which is the preferred option, or an *Assignment Agreement*. The processes through which SNV relates to clients are described in detail in the client and assignment cycle.

A MoU is framework agreement with a client or a group of clients which covers a period of one year or more. Signatories express their commitment to contribute to achieving specified objectives at outcome and impact level.

The assignment agreement, covering a period of up to one year, is a set of activities designed to address a specific need of a client, usually focusing on strengthening a specific capability or carrying out a specific activity.

Often SNV has an opportunity to engage with a strategic client whereby negotiating a MoU is not the most appropriate way to establish a relationship. In such cases insistence on a MoU may even have an alienating effect. In such situations a simple assignment agreement could help build rapport, and serve as a stepping stone towards a more durable relationship with the client.

#### 2. Partner

Partners are actors *with whom SNV collaborates to provide capacity development services* to other actors or to the (sub-)sector as a whole. Partners can be local capacity builders, donors, or organisations with whom SNV shares knowledge, organises advocacy campaigns etc.

The relationship with a partner is formalized in a *partnership agreement*. Although the AAA logic distinguishing the stages "analysis & planning", "action & monitoring", "assessment of results & evaluation" is applicable to partnerships, for the moment there are no standard procedures or documents for building partnerships.





## Annex 2.8

### Documentation and important moments for setting targets and assessing, evaluating and reporting on results

		Important moments for planning, assessing, evaluating and reporting on results	Documentation kept at country level	Documentation kept at portfolio level		
<b>Strategy cycle</b>						
Strategic planning		1. Select sectors/chains 2. Determine indicators for impact and outcomes required to achieve impact	1. Strategic plan (country level) 2. Actor constellation map (country) 3. Client selection document	1. Actor constellation map (portfolio level) (annex 2.1)		
Implement the strategy	<b>Client cycle</b>					
	Engagement	Selection			2. Filled client selection document (including CBA considerations (annex 2.2))	
		Develop shared vision	3. Agree with client on outcomes and possible contribution to impact 4. Set targets and determine indicators for outcomes			3. Document containing contribution to impact, outcome targets and indicators (no corporate format)
		Diagnosis				4. Diagnosis (no corporate format)
		Sign MoU				5. MoU (includes contribution to impact, outcome targets and indicators) (annex 2.3)

	Strengthen capacity	<b>Assignment cycle</b>			
		Prepare assignment	5. Set targets and determine indicators for output		6. Assignment agreement (annex 2.4)
		Implement assignment			
	Review assignment	6. Assess and evaluate output, monitor contribution to outcome and impact 7. Report on output in mid year reviews and annual reviews.		7. Assignment review (annex 2.5)	
	Assess outcomes	Review MoU	8. Assess and evaluate outcome, monitor contribution to impact 9. Report on outcomes and contribution to impact in annual reviews	3. Country contribution to regional mid year (p)reviews and annual reviews + update actor constellation map	8. MoU review (annex 2.5)
Review strategy			10. Assess and evaluate impact and outcomes	4. Sector/chain review 5. Updated actor constellation map (country level). Updates will feed into mid year and annual reviews	9. Updated actor constellation map (portfolio level). Updates will feed into mid year and annual reviews

## **Annex 2.9**

### **Important learning moments in SNV's work processes**

		Important moments for learning		
<b>Strategy cycle</b>		<p>On the basis of the strategic plan a country prepares an actor constellation map. During implementation of the strategy the actor constellation map is reviewed once a year. It is advised to organise this as a collective learning event at the national level, possibly as part of an annual meeting. This helps teams to monitor whether the combined effects achieved through their capacity development activities are still on track for achieving the intended results at the end of the strategy cycle. Important lessons learned during these annual reviews will be included in the country's annual or midyear review reports.</p>		
Strategic planning				
Implement the strategy	<b>Client cycle</b>			
	Engage-ment		Selection	
			Develop shared vision	
			Diagnosis	
			Sign MoU	
	Strengthen capacity		<b>Assignment cycle</b>	
			Prepare assignment	
			Implement assignment	Monitoring assignments goes beyond assessing progress with regards to outputs, outcome and milestones. These are also important moments to reflect on important internal and external changes at outcome and impact level, on the hypotheses, and last but not least on the rapport between SNV and the organization(s) it supports.
		Review assignment	Evaluation of the assignment includes more than assessing output. It is also a monitoring moment in the client cycle whereby SNV and its client(s) reflect on whether the work is still moving in the right direction in view of outcomes and impact. Hypotheses and assumptions made as part of the diagnosis step are reflected on in the context of internal and external changes. This may lead to adjustments in the capacity development approach. Rapport between the parties is also examined at this stage. Lessons learned are laid down in an <i>assignment review report (Annex 2.5)</i>	
Assess outcomes		Review MoU	The MoU review consists of assessment of results followed by an evaluation. The evaluation is an analytical reflection on the process starting from the engagement stage. Questions raised here include: Were the initial hypotheses correct, did the approach adopted work, and so on. Lessons learned are laid down in an <i>MoU review report (Annex 2.5)</i>	
Review strategy		As a Strategy Cycle draws to an end it is time to take stock, verify that the intended outcomes have been realised, and assess whether these outcomes already have - or are likely to contribute to - the envisioned impact. Such an assessment is followed by an evaluation of the strategy cycle. The evaluation is an analytical reflection on the process starting from the getting engaged in the (sectors/chains. Questions raised here include: Were the initial hypotheses correct, did the approach adopted work, what are SNV's strengths and weaknesses and so on. Important lessons learned are included in the evaluation report.		

## **Annex 2.10**

### **Managing for results\***

**\* to be finalised shortly**

## Annex 2.10

### Managing for results

SNV's conceptual framework for managing results is described in a document titled "SNV Managing for results 2007-2015"

The document explains how *in the analysis and planning stages of the Triple AAA cycle* SNV aims for results:

- At strategic level in terms of impact (=results for the poor population);
- At client level in terms of outcomes (=results for clients or groups of clients);
- At assignment level in terms of outputs to be delivered to clients.

The basic idea behind the framework for managing results is that after having set the result targets at the various levels SNV mobilizes inputs leading to outputs. Subsequently outputs contribute to outcomes and outcomes contribute to impacts.

Finally the Triple AAA cycle is concluded with the *assessment stage* :

- At assignment level we assess the degree to which inputs have lead to outputs (=efficiency)
- At client level we assess the degree to which outputs have contributed to outcome (=effectives)
- At strategy level we assess the degree to which outcomes have contributed to impact (=relevance)

Although the basic idea is simple, putting it to practice can be hairy because the link between results at the lower end and results at the higher end are not always obvious. Especially at the level of outcomes the effectiveness of outputs is based on many assumptions that are afterwards hard to prove. It may be useful to differentiate between immediate outcomes leading to higher order outcomes leading to final outcomes. As part of step CC 1.2 (Develop a shared vision) SNV and the potential client conduct a 'result chain analysis' which shows causal relations between outcomes and impact, determines the scope of SNV's support and makes the assumptions explicit.

On the next page it is explained how a result chain analysis can be conducted:

However, be cautious that result chain analysis and target setting does not become an SNV driven affair whereby the client "gets lost" in the process. In setting targets at client level it is important to be client centered. Therefore targets are set in close consultation with the client whereby SNV takes on the role as a facilitator who ensures

that objectives and targeted results are realistic as well as genuinely owned and actively supported by the client.

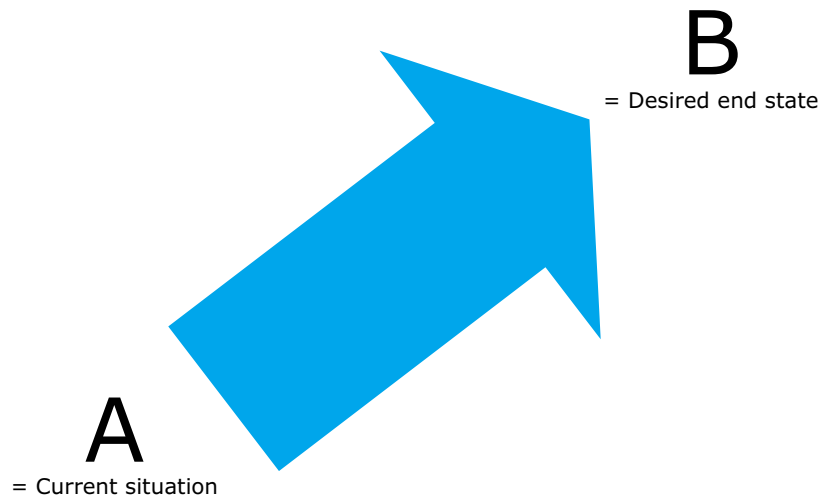
For ownership it is crucial that the project objectives and targets are aligned with the strategic objectives and ambitions of the client (as opposed to objectives that are driven by SNV). The illustrations and text below show how the process of conducting a result chain analysis can be visualized.

### 1. "What does B look like?"

Since we aim to align outcomes with the strategic objectives and ambitions of the clients it is important to know what the strategic objectives of the partner are. As part of this step we will make a description of the desired end state and establish outcomes and corresponding indicator in terms that are as SMART<sup>8</sup> as possible.

In the ideal situation a client has a strategic plan with clear objectives and targets that are shared by staff. Therefore we always study strategic plans of clients and try to understand these in the wider context in which clients operate.

However, in reality strategic plans are often not existent or not clear, and when they are, staff is often not familiar with the content. In case the strategic plan does not give sufficient guidance we find out which desired outcomes are closest to their "hearts" and they are willing to accomplish. Subsequently we document these as the desired end state.



---

#### 8 Note about SMART

"Everything that can be **counted** does not necessarily **count**; everything that **counts** cannot necessarily be **counted**." (Einstein)

"If you cannot measure it you cannot manage it": ("managers" who do not manage what they cannot measure)

These two statements are at the heart of the challenge of setting targets. The acronym SMART is often used as a guideline for setting objectives and targeted results. SMART stands for **S**pecific, **M**easurable, **A**ttainable, **R**esult-oriented, **T**ime-limited.

The problem with "trying to be SMART" when setting targets is often that emphasis goes first to the **M** from measurable and that this goes at the expense of being **R**esult oriented, meaning that the objective should be central to the goals of the organization. Targets are often chosen because they are measurable without rigorously addressing the question "Will achieving this objective really help the organization to move ahead?". Ill chosen targets that are not result oriented may trigger perverse effects that are in the medium to long terms harmful to the organization.

Many examples of perverse effects are related to "output steering". Under pressure of politicians and the public, universities are forced to show results. A way of doing this is using output targets and indicators such as for example: the number of publications or the number of graduates. If these output indicators are the only ones being used to measure performance perverse effects will occur such as low quality or "recycled" research papers, selecting the best students at the gate, or lowering of the student assessment standards.

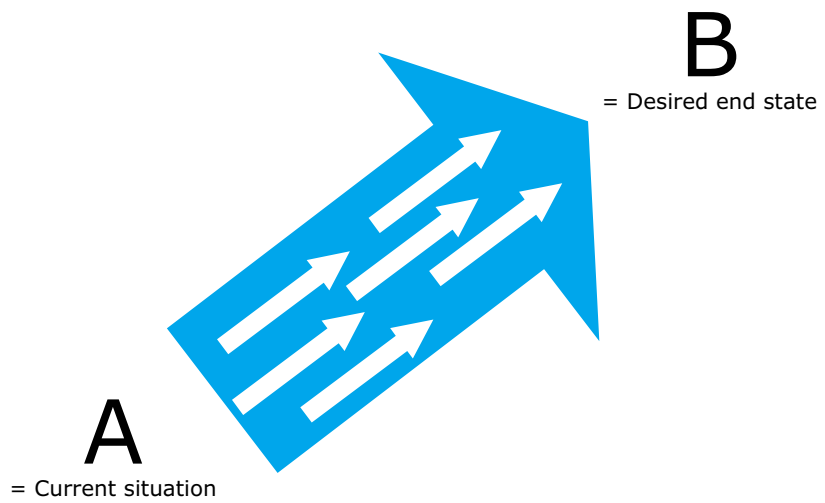
Two measures can help capacity builders to avoid inaccurate targets and perverse effects. These include:

1. Formulate the objective using the criteria of result orientation first and only then identify measurable indicators that match this objective (first the "R" and then the "M").
2. Use a healthy mix of product (=output) and process indicators. Usually output indicators are most easy to measure. For process indicators there are usually not absolute standards. Instead of "hard" and measurable indicators opinions of professionals or clients are used as indicators (intersubjective verifiability depends on).



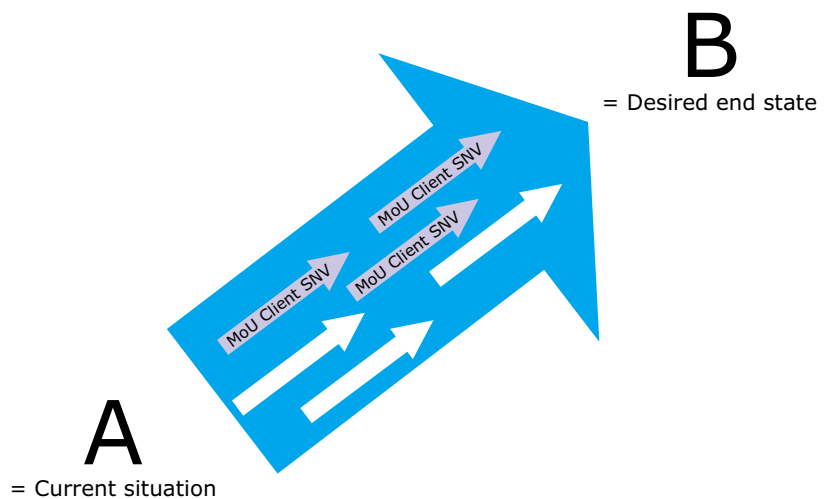
**2. Find out what it takes to realise the shared vision: "What needs to be done to get to B?"**

Identify all activities and measures to be taken to accomplish the desired end state. The purpose is to get a complete picture of what is required (not only what can be accomplished with SNV support.)



**3. Determine scope of SNV support: "What will be SNV's contribution to get us to B?"**

Identify from all activities and measures to be taken to reach the desired end state those which will be realised with SNV's support. These will ultimately be captured in an MoU with the client. Activities and measures to be taken that are outside the scope of SNV support fall in the category of assumptions. These also need to be made explicit.



**4. Formulate SMART results for project: "What do we expect to be in place at the end of the cycle?"**

Capturing the intermediate outcomes of activities and measures supported by SNV in targets that are as SMART as possible (Specific, measurable, achievable, realistic and time-specific).

