

APPENDIX 2

METHODOLOGY FOR PLAN FORMULATION

The results-based management (RBM) approach was widely used in the National Development Plan preparation process. Results-based management is a life-cycle approach to management that integrates strategy, people, resources, processes and measurements to improve decision-making, transparency, and accountability.²⁵⁵ This approach moves beyond the implementation or process-focused approach which monitors what is being done to an emphasis on results, which answers the question “why?” or “to what end?” RBM focuses not just on the immediate output level results but it extends to the desired effect or benefits on target; be it people, environment, social or economic conditions. A key advantage of RBM for public planning is that it awakens a consciousness in players “as to their role in delivering critical outputs and outcomes” and not just managing processes.²⁵⁶

National Results-Based Management (RBM) Framework

Two frameworks guided the process at the national level. The first is the Logic-Planning framework which provides guidance on the logical flow of the planning process. It outlines National Goals, their respective National Outcomes and the corresponding Sector Outcomes or Objectives, with the responsible Ministries, Departments and Agencies (MDAs). This framework

provides a link to the work already done at the sector level and identifies the strategies for each sector. The second framework, is a monitoring framework, and outlines the impact/outcome indicators (aligned to each Goal/Outcome), baseline data and targets at the agreed intervals.

Application of RBM Principles during Plan Preparation Process

1. Decide what needs to be achieved: Visions, Goals and Outcomes

1a: Determine the Ultimate Desired State/Condition – Visions and Goals
RBM promotes a “results” focus planning which starts with a clear, generally acceptable futuristic condition or state. This desired state can be arrived at in two ways: 1) the consensus-based approach which is highly participatory, involving various stakeholders including the general public and the political directorate; and 2) the Government priorities-approach, which is exclusive to the wishes of the political directorate. The National Development Plan adopted the consensus-based approach. The Vision of making “*Jamaica the place of choice to live, work, raise families and do business*” was the starting place for the Plan. Through a process of discussion which ensured that the principles of sustainable development as well as

²⁵⁵ http://www.tbs-sct.gc.ca/rma/rbm-gar_e.asp

²⁵⁶ Cedric Saldanha, 2002: Promoting Results Based Management in the Public Sectors of Developing Countries

society's main concerns were entrenched, the Vision was operationalized beginning with the formulation of four National Goals. These National Goals represent the ultimate desired state for Jamaica.

Ib: Determine Intermediate Results: Outcomes

The logical flow of RBM requires the identification of key result areas (KRAs) which will lead to the realization of the Goals; and the establishment of desired intermediate results which are known as Outcomes. This process involves an assessment of the conditions that exist as well as the barriers that need to be surmounted. Under Vision 2030 Jamaica, the National Outcomes are aligned to respective Goals, and are wider than the ambits of any one Ministry, Agency or Department (MDA). It is expected that the MDAs will ultimately align their individual internal plans to one or more of these outcomes, so that every stakeholder is working towards

Two major benefits of the integration model are: 1) it allows for the plans of MDAs to be ultimately aligned to the outcomes, thereby ensuring consistency in planning from national to sectoral, to individual MDAs; and 2) outcomes as the pivotal integration point removes the emphases on individual sector concerns and places it on KRAs which have the freedom to be inter-sectoral and which are deemed to be the building blocks for accomplishing the set Goals.

achieving the same result. Vision 2030 Jamaica engaged in an extensively collaborative process to develop the 31 sectors plans which form the basis for identifying these Outcomes. The important next step at this point was to integrate the Outcomes with the sector plans.

Making the transition requires carefully calculated manipulation of the systems or 'systems innovations' and must be done within an integrated framework to ensure that the linkages among sectors are captured.²⁵⁷ The RBM methodology which proposes the development of an intermediate logical step to the Goals through the identification of National Outcomes provided the perfect route for integrating the 31 Sector Plans. By this mechanism, the integrated National Development Plan was derived.

²⁵⁷ See Verbong and Raven (2006) and La Forqia et al (2004).

The following four criteria were used to derive the National Outcomes from the sector plans: *Seriousness of the Problem, Interest and Demand of the Society, Burden of Condition and Reach and Transformative Potential.*

Criterion 1: Seriousness of the Problem

This criterion assumed that the goals written into the sector plans were a reflection of those issues that were considered to be absolutely critical to the achievement of the country's National Goals. The degree of seriousness can be determined by two factors: (1) the number of persons affected (2) the number of development areas that are affected by the issue. The proxy used for these factors was the number of sector plans which highlight the particular issue at the Goal level. There are 31 sector plans so the highest number of sector plans that an Outcome can recur in, is 30 and the lowest is 1.

The National Outcomes were further validated to ensure the completeness of the list through the use of three additional criteria: Interest and Demand of the Society; Burden of Condition and; Reach and Transformative potential.²⁵⁸

Criterion 2: Interest and Demand of the Society

This criterion is consistent with a participative planning process of including the concerns of the society. Consequently, three main documents were evaluated: Reports of the Dialogue for Development spearheaded by the Planning Institute of Jamaica, the National Planning Summit and the United Nations Development Assistant Framework for Jamaica (UNDAF). These three sources, although secondary, involved large numbers and a wide cross-section of the population thereby ensuring that the general view of the populace was taken into consideration and integrated into the planning process.

Dialogue for Development is a consultative process developed and spearheaded by the Planning Institute of Jamaica with the vision to “engage the citizenry in dialogues to get their participation in matters relating to the economic and social development of the country” (PIOJ, 2001). The first forum was held in Kingston in 2001.

The UNDAF for Jamaica document is part of the UN Common Country Assessment (CCA) programme. The report was borne out of extensive consultations and collaboration between August 2005 and January 2006 among the UN System, the Government of Jamaica (GOJ), civil society and other key partners. Specifically, it outlines the United Nations planned support to the people and Government of Jamaica from 2007-2011 (5).

²⁵⁸ See Cho et al (2005) and Rosenberg (2005).

Criterion 3: Burden of Condition

In order to ensure that the international standards of development are considered in identifying the Outcomes, we examined the Global Competitiveness Index (GCI), the Human Development Index, the Environmental Performance Index, the Vulnerability Index for the Environment (EVI), as well as the Millennium Development Goals (MDGs). This is especially critical given the trend towards the use of “performance or results based evaluation” in determining country’s level of development and the level of support they can receive.²⁵⁹ The success of RBM depends heavily on the consistency in planning, and the communication of this Plan to all levels.

Criterion 4: Reach and Transformative Potential

The need to use resources as effectively as possible to generate the best results was the driving force behind the use of this criterion. Another essential deciding factor was the potential that changes in a particular area will have in snowballing positive changes in other areas. The Threshold 21 Jamaica model was used in collaboration with this criterion. This model allows for the simulation of scenarios based on changes in Government policy and

provides an indication of the benefits and tradeoffs that result from changes in current policy.

The integrated National Development Plan articulates the path for the ‘transition’ to developed country status by 2030. The 15 National Outcomes were identified by these criteria as the foundation on which the National Development Plan was integrated.

2. Decide on how to achieve the Outcomes: Developing Strategies

A strategy is designed to achieve a particular goal; it is about choice, which affects outcomes. Strategies are not just about long term routes but also involve the identification of short to medium term priorities which act as building blocks for further work. Several countries using RBM have adopted the development of a “Business Plan”,²⁶⁰ or a Medium Term Planning Framework, which may span between 3-5 years. This allows for a stage-by-stage operationalization of the long term Plan. While Government priorities are included in this framework, the framework is wider thereby facilitating the other players in achieving the developmental goals of the country.

²⁵⁹ See Adams C. et al (2004).

²⁶⁰ Oregon Shines

National Strategies

During this Plan preparation, over 70 National Strategies were selected through the following processes:

1. Alignment of each sector outcome with the 15 identified National Outcomes
2. Filtering of the Sector outcomes to eliminate duplications
3. Formulation of the long-term National Strategies from the Sector Outcomes

The use of all the sector outcomes in this process was based on the assumption that all outcomes developed by the Task Forces are truly critical to the achievement of the country's development goals.

1 – 3 Year Priorities

As noted earlier, selecting short to medium term priorities is part of strategy selection. This provided the basis for the development of the Medium Term Socio-Economic Policy Framework which is the GOJ's medium-term planning document which, along with the sector plans, operationalizes the Plan.

These short and medium-term priorities were selected largely through a series of meetings with the various ministries and agencies. They were determined through consideration of: external opportunities and threats; quick wins;

binding constraints; long-run transformative potential; as well as existing programmes, plans and Government priorities.

i. External Opportunities/Threats

Opportunities speak to those emerging or existing conditions which though not orchestrated locally, hold potential for positive impact on the Jamaican society. These include the #6 world-rating of the “Jamaican Brand”, the global interest in our creative industries, the prominence of our sports personalities, and the beauty of the country's natural resources.

Threats reflect emerging conditions which Jamaica cannot prevent, but can seek to manage. These conditions have the potential to negatively affect the development of the country. Global recessions, high oil and food prices on the world market and the external recruiting of local professionals such as teachers and nurses are some examples.

ii. Quick Wins

Quick wins are initiatives which have the potential to generate national results in a relatively short space of time, and subsequently gain support for the Plan. Quick wins to be included in the first 3-year priority listing are those presumed to be able to produce results in 1-3 years.

iii. Binding Constraints

Binding constraints represent the most pressing barriers in specific economic, social, environmental and governance spheres which must be addressed to allow future progress towards national development. They have the potential to limit overall growth and development in spite of progress in other areas. The key priority actions include measures to remove or mitigate these binding constraints as soon as possible so as to unlock the potential for more rapid advances in years to come.

iv. Long Run Transformative Potential

Long run transformative potential refer to those areas which, based on the expert knowledge of the stakeholders, are key areas to generate the national success that is desired. They are not necessarily quick wins, however they must be implemented within the first 3 years.

v. Government Priority Areas

In keeping with the consensus-based approach and to garner political support for successful implementation of the planned strategies, the short-term priorities of the Government were taken into consideration. These priorities were validated via a presentation made to the Cabinet during the planning process.

The seven areas identified by the National Planning Summit, were also given due consideration in the selection of the 1-3 years priorities, since its planning period coincided with the timeframe of the MTF.

vi. Plans of Ministries, Departments and Agencies (MDAs)

Ongoing plans, programmes and projects of the various MDAs, particularly for the first year, were included among the priorities. This provides for alignment of the planning process with the budget process and strengthens the case for implementation (through the allocation of resources).

3. Establish Measurements: Indicators and Targets

RBM demands that the effects of actions on targets be measured, as an integral part of the methodology and recognizes that effective measurement requires appropriate indicators since indicators are “the reliable means of measuring achievement”.²⁶¹ At the level of input, activity and output, it is efficiency that is measured; while at the outcome and impact level it is effectiveness that is measured. While both sets of indicators are important, it is the indicators at the result level that signal success and/or failure.

Two main methods of indicator development are proposed in RBM, these are the CREAM or SMART approach. Both methods require that indicators are clear or specific, relevant to the subject, measurable, adequate for the various levels of disaggregation as well as economically practical.

Targets setting which is also a requirement for RBM allows for the time-bound criteria of the SMART method to be fulfilled. Targets speak to the desired level of performance to be reached within a specific timeframe. With respect to setting targets, RBM proposes the use of baseline data as against the use of benchmark. Baseline indicates the present position before the planned intervention and the target, the desired future expectation. With benchmarking, the present position is not established, and progress is more difficult to measure, because a starting point is not known.

As part of the National Development Plan preparation process, a results-based performance matrix comprising national level and sector level indicators aligned to the 15 National Outcomes was developed. The results-based performance matrix at the national level currently comprises:

- 60 proposed indicators aligned to the 15 National Outcomes
- Baseline values for 2007 or the most recent past year
- Targets which outline the proposed value for the national outcome indicators for the years 2012, 2015 and 2030
- Data sources which identify the ministry/agency or institution which is primarily responsible for the collection of data to measure and report on indicators
- Sources of targets
- Links to existing local and international monitoring frameworks such as the MDGs

4. Develop Monitoring and Evaluation Mechanism

Monitoring, evaluation and reporting on progress are integral to the RBM methodology. Monitoring takes place at two different levels, results and implementation. Both are important. The latter tracks the inputs, activities and outputs, while results-based monitoring, tracks changes in the results indicators, that is, outcome and impact. In a national planning scenario, implementation monitoring takes place at a lower level than the results monitoring, even though they can be done by the same organization. Monitoring in RBM requires timely reporting and feedback which would then frame the next stage of planning. A robust results-based monitoring and evaluation system is being established to ensure that this next stage takes place.

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