

# Value for Money Toolkit

How to facilitate participatory value for money assessments



**act:onaid** SAS<sup>2</sup> Dialogue

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## Value for Money Toolkit: How to facilitate participatory value for money assessments <sup>1</sup>

**Purpose:** Engage stakeholders in the assessment of the value for money of a programme, and plan future actions and investments. The assessment considers the relationship between the significance of observed changes and the level of investment in an intervention (money and effort), using evidence and perspectives from community groups, staff, Board Members and lead partners.

### Outline of Phases:

#### Phase 1: Prepare for the assessment

#### Phase 2: Launch the assessment (1 day)

- A. Discuss and validate the assessment focus
- B. Review programme(s) expected results and theory of change
- C. Identify and rate observed changes
- D. Review and rate programme(s) investments
- E. Plan community assessments

#### Phase 3: Conduct community assessments (3 days)

#### Phase 4: Integrate findings and draw conclusions (1 day)

- A. Integrate community and organizational assessments
- B. Draw VfM conclusions
- C. Develop a validation and action plan



<sup>1</sup> Developed by Daniel Buckles, SAS2 Dialogue ([www.sas2.net](http://www.sas2.net)) and Francesca D'Emidio, ActionAid. Copyright D'Emidio and Buckles, 2017.

## Phase 1: Prepare for the assessment

**Step 1.1:** Review the assessment context and the factors that prompted the need for a Value for Money (VfM) assessment in the first place. In light of this review, identify which programme(s) and/or programme components could be included in the assessment, and who should be involved.

### Quick tip: Facilitation Team

It has proved particularly useful to engage members of the Senior Management Team in the assessment as they have the decision making power to take action in light of the results.

**Step 1.2:** Set up the VfM Assessment team. The team should be multidisciplinary and include, at least, a Head of Programmes, a Head of Finance, a M&E Manager; a Manager of the programme(s) to be assessed; an administrative manager of the programme(s) to be assessed and a partner representative. Involve a range of stakeholders that may have an interest in **using** the results of the assessment to support organizational and programme decisions (staff, Board Members, key partners).

**Step 1.3:** Compile into a background paper the programme(s) logical framework, the Theory of Change, narrative summaries of evaluations, Partner Capacity Scorecards, and any available data collected on key result indicators. Compile as well annual financial reports showing expenditure details organized around selected programme(s) and programme components.

### Please note...

If detailed financial reports cannot be created around the selected programme(s) and programme components, delay the assessment until organized expenditure data can be collected.

**Step 1.4:** Start identifying a potential sample for the assessment<sup>2</sup>. Try to develop a sample of groups and other stakeholders that have knowledge of the programme(s) and have been affected by them in different ways or have influence over implementation by ActionAid and its partners. Aim for at least 6 sessions with different community groups and at least 3 sessions with other stakeholders (government, other actors). Start engaging with the community leaders to discuss who would be the most appropriate people to represent the community in the assessment and to get a sense of their availability, taking into account key factors such as women's workload and the most appropriate time for them to engage.

The following are some suggested criteria for selecting the participants to be included in the assessments:

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<sup>2</sup> We suggest purposive sampling. See <http://researchforevidence.fhi360.org/pathway-sampling-success>

- Groups directly targeted by ActionAid/partner for at least 2 years
- Groups that can represent the diversity of the programme area (for example, a group of women from communities which are more isolated, a group of women from communities which are receiving more government support, etc.);
- Groups that are characterized by similar power status (for example, leaders separately from group members; men separate from women, etc.)
- Groups made of stakeholders that feel comfortable sharing the changes that they observed
- Groups that may have experienced negative unexpected outcomes
- Other stakeholders that ActionAid/partner has worked with (for example government, traditional leaders, other actors in the area).

#### Example: A VfM Assessment Proposal



VfM Assessment  
Proposal

**Step 1.5:** Draft a VfM Assessment Proposal or the Terms of Reference including a summary of the decisions made and information collected in steps 1.1 – 1.4.

### Phase 2: Launch the assessment (1 day)

#### A: Discuss and validate the assessment focus

**Step 2.1:** With the identified facilitation team (see Step 1.2), review the assessment context and the factors that prompted the need for a VfM assessment in the first place, and the analysis of stakeholders that should be involved (Step 1.4). Consider strategic questions and objectives at the country and network level. Validate the selection of programme(s) to be assessed. Consider reducing the scope of the assessment to fewer programmes in light of strategic considerations and time available. Remind the team of ActionAid's understanding of VfM.

Facilitation Team preparing on Day 1 during the VfM Assessment in Rwanda, Aug 2016

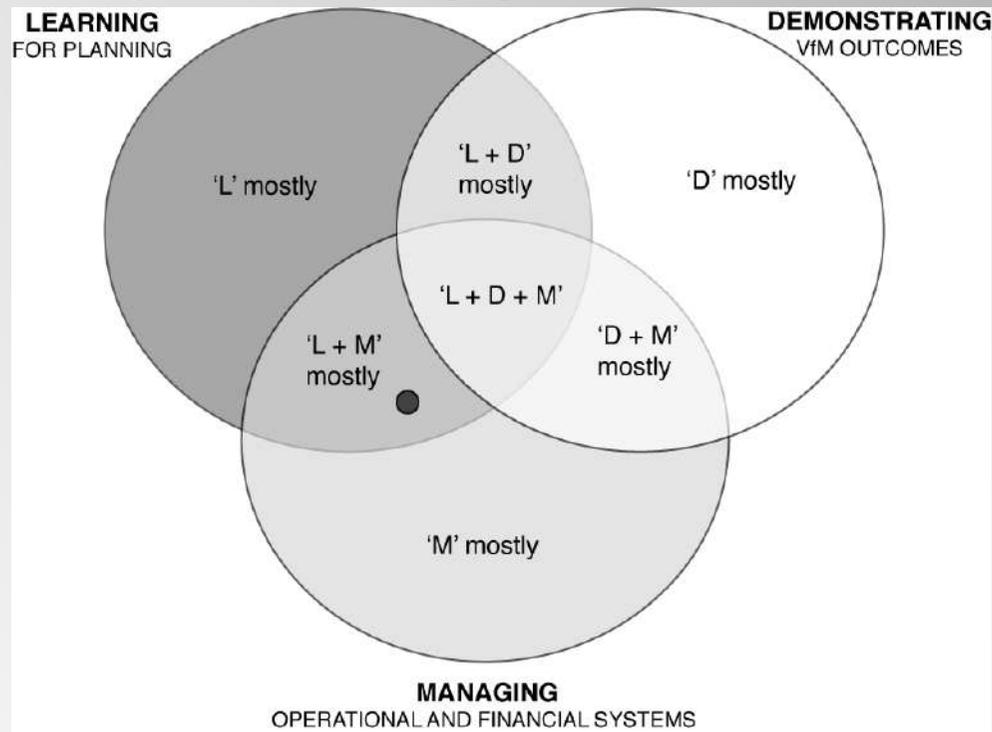


**Optional Activity: Determining the purpose of the assessment (Source: SAS2 Dialogue, www.sas2.net)**

**Step i:** To determine the purpose, discuss the relative weight or importance of three possible uses of the VfM assessment: i) learning for planning course adjustments; ii) demonstrating the VfM of final outcomes; iii) managing potential operational and accounting gaps. Draw a Venn Diagram representing the three uses (learning, demonstrating, managing) and place a DOT in the intersecting circle(s) that best reflects the primary intention or purpose of the assessment (see Figure 1). Avoid trying to do everything with one assessment.

**Step ii:** In light of the purpose of the VfM assessment, discuss implications for the level of participation and level of evidence needed to support the purpose (see the **Validation** tool in the *SAS2 Dialogue Handbook*).

**Figure 1: Assessing the purpose of the VfM assessment**



## B: Review programme(s) expected results and theory of change

**Step 2.2:** Use **Stakeholder Rainbow** (see *SAS2 Dialogue Handbook*) to identify the stakeholders involved in the programme, by rating the extent to which each stakeholder is affected by the programme(s) being assessed and the extent to which they have influence over possible improvements. The analysis will be used to develop or review the theory of change and to identify the stakeholders that should be involved in the assessment.

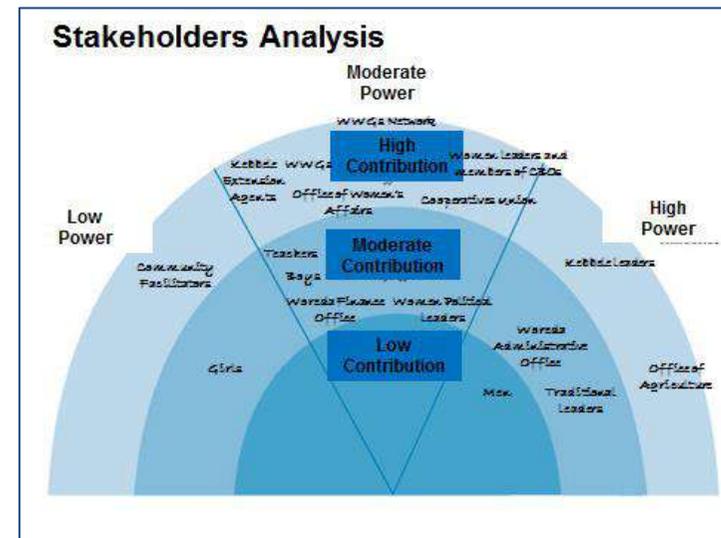
### Quick Tips: Stakeholders Analysis

Be sure to separate broad categories of stakeholders such as “the community” into smaller groups, depending on the extent to which they are affected by the programme(s) to be assessed and/or have influence over possible improvements.

**Step 2.3:** Review the expected results and theory of change of the selected programme(s). Identify which were the changes that you expected when you were designing the programme or when the programme started.

### Theory of change

If the programme does not have a well-developed logical framework or theory of change, map the programme(s) theory of change with the facilitation team. See **Timeline** and **Critical Path** (in *SAS2 Dialogue Handbook*), or other tools for developing a theory of change familiar to the participants (in [Networked Toolbox](#)).



### C: Review and rate programme(s) investments

**Step 2.4:** Review the financial analysis in the background paper, including details on expenditures for the selected programme(s). Discuss what is known about the cost and quality of the inputs used in the programme(s). Use the financial information and the Theory of Change to further specify the focus for the assessment on programme(s) and programme components with an associated budget.

**Step 2.5:** Rate the level of organizational investment (or budget if the expenditure is not available) in the selected programme components as high, medium or low, *as a proportion of the total budget of the programme selected*. In the example below, we assessed the women’s rights programme in Rumphi LRP in Malawi. We rated each of the 4 programme components using the following criteria:

- Above 30% of the total programme investment (20.7m): High
- Between 20 and 30% of the total programme investment (20.7m): Medium
- Below 20% of the total programme investment (20.7m): Low

**Table 1: Example of rating of financial investment**

Key Components	Total Budget	% of Total	Level of investment
Legal support on VAWG	3.6m	17%	L
Prevention and response to VAWG	6.9m	34%	H
Increasing women’s economic empowerment	4.3m	21%	M
Women’s control and access over land	5.7m	28%	M
<b>TOTAL</b>	<b>20.7m</b>	<b>100%</b>	

**Step 2.6:** Estimate the level of investment in each component, based on the average of the financial investment, the investment of the programme implementers (in terms of time and effort) and the investment of the community (based on the level of effort and opportunity cost of engaging in the programme). Use high, medium or low to indicate the estimate for each programme component.

**Table 2: Example of rating of investment levels per programme component**

COMPONENT	LEVEL OF FINANCIAL RESOURCES (H/M/L)	LEVEL OF COMMUNITY INVESTMENT	LEVEL OF STAFF INVESTMENT	AVERAGE LEVEL
Legal support on VAWG	L	M	L	L
Prevention and response to VAWG	H	M	H	H
Increasing women's economic empowerment	M	H	L	M
Women's control and access over land	M	H	L	M

**D: Practice the community tool and review possible areas of significant change**

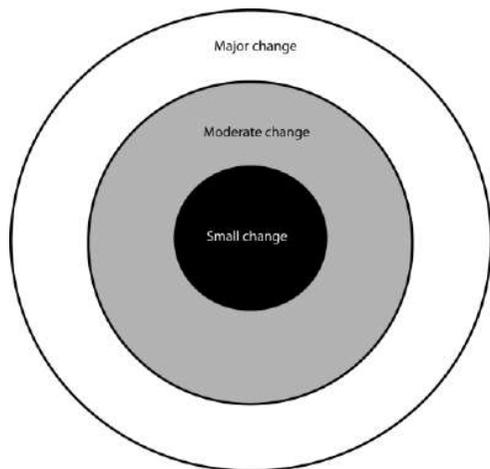
**Step 2.7:** Practice the methodology for identifying and rating changes, to be applied later in the community assessment. Start by creating three concentric circles on the floor or on flipcharts. Ask each team member to identify one observed change resulting from the programme component, drawing on their reading of the Theory of Change and background paper. Once all participants have had an opportunity to do this, ask each person to present the card and place it in the section of the circle they think best reflects the level of change achieved so far, from a small change (inner circle), moderate change (middle circle) to a major change (outer circle). Ask if others have the same or very similar observations and pile these together. Facilitate a discussion of the observed changes and any differences in change level ratings. Resolve differences through consensus or a majority view (do not create an average). Take detailed notes on the reasons given for ratings, and sources of evidence.

**Concentric Circles**

A stone dropped in water creates ripples outwards. This image can serve as a metaphor for this step in the process.

**NOTE OF CAUTION**

Team members should be careful not to make use of their own list and ratings for significant changes when doing the community assessment. The purpose of this step is to practice the methodology, not to create a parallel or alternative list of changes. Suspend judgment about what is or should be significant to others.



## E: Plan community assessments

**Step 2.8:** Consider how many community assessments to conduct, and whether or not the assessments should be done separately for key stakeholders (men separate from women, vulnerable communities, etc.). Plan to invite an appropriate balance of stakeholders, to ensure representation, safety, and scope for active participation.

### Optional Activity

Use **Participation** (see *SAS2 Dialogue Handbook*) to address logistical questions that might affect the participation and contributions of vulnerable or marginalized groups to the assessments.

**Step 2.9:** Use the remainder of the day to make any necessary logistical arrangements for the

### Quick Tips: Planning the sessions in the communities

Use the attached templates to plan for the community sessions.



Useful Templates

community assessments. In particular:

- Draft a plan for the week ensuring the sessions with the communities are all logistically feasible.
- Confirm the roles of the facilitation team in the community assessments, assigning a facilitator, co-facilitator and note taker in each of the community sessions.
- Share a template for note takers and establish the timeframes for submission of the reports (Share the notes every day, if possible).
- Prepare the material necessary for the community sessions. If the concentric circles will be drawn on flipcharts, ensure these are prepared the day before and that all the material is ready.

### **Phase 3: Conduct community assessments**

In days 2-4 facilitation teams conduct simultaneous assessments with as many different stakeholder groups as possible, considering the prior stakeholder analysis, time available and number of teams doing the work.

#### **Outline of Steps:**

- 1. List and rate observed changes**
- 2. Review the investment**
- 3. Assess value for money**



#### **Step 1: List and rate observed changes**

**Step 3.1:** Introduce the session. Remind participants of the ultimate goals of the partnership with ActionAid: i) advancing the situation of people living in poverty; ii) advancing women's rights; iii) strengthening local organizations; iv) tackling unequal power and influence at local and regional levels. Confirm interest in contributing to an assessment of progress made toward these goals, and seek approval to proceed.

**Step 3.2:** Ask participants to identify and describe the different activities undertaken as part of the programme to be assessed. Cluster these activities into the 4 or 5 components of the programme identified in Day 1. Ask participants to share what was the situation in the community before doing these activities.

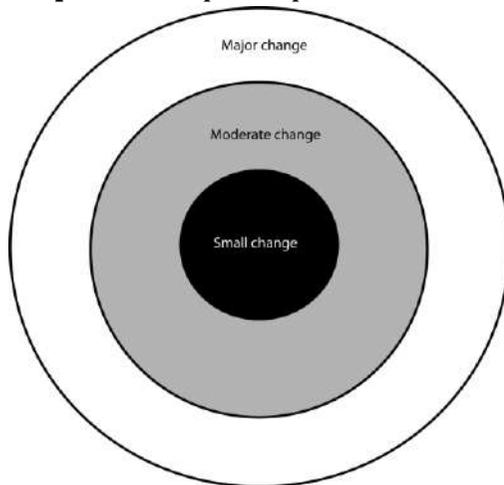
**Step 3.3:** Discuss and assess the conditions encountered during the programme implementation period, that is, other actors or factors that helped or hindered the process of creating change in the community. Use a traffic light color code on the programme(s) title card(s) to indicate good, moderate or poor conditions encountered along the way. Justify the response and indicate the sources of evidence.

#### Tips for facilitators

Adjust facilitation to different sized groups and levels of literacy. For example, ask people to sit in pairs or triplets to first share their idea among themselves and help each other write a few key words.

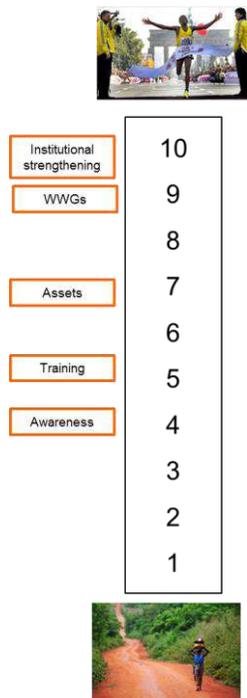
Alternatively, go around the circle of participants, asking each person to state a change they have observed, without repeating an idea that has been said already. Facilitators prepare a card for each as they proceed. After one round, review the cards and rate and pile sort in the concentric circles. Review **Free List and Pile Sort** and **Scoring Tips** in the SAS2 *Dialogue Handbook* for other options.

**Step 3.4:** Ask participants to divide into groups, each focussing on one component. For each component, create a concentric circle on the floor or on the flipchart. Ask each participant to write a few words or draw a picture on a card representing one change in their lives or lives in the community they have seen resulting from that specific programme component. Once all participants have had an opportunity to do this, ask each person to present their idea and place it in the circle indicating the significance of the change, from small change (inner circle), moderate change (middle circle) to major change (outer circle). Ask if others have the same or very similar observations and pile these together. Facilitate a discussion of the observed changes and any differences in change level ratings. Resolve differences through consensus or a majority view (do not create an average). Take detailed notes on the reasons people give for the final ratings, and sources of evidence. If time permits, use story-telling to elicit the changes people believe to be significant, and why they consider them significant.



**Step 3.5:** Ask each group to share their result and validate their assessment with other groups. Ask participants to contribute other observed changes related to the programme component and to place them in the appropriate circle. Resolve differences through consensus or a majority view (do not create an average).

**Step 3.6:** To conclude the discussion of observed changes, draw a vertical line on the floor or wall using tape or on a flipchart. Label the vertical line “value” and write at opposite ends the minimum change rating (low) and the maximum change rating (high). Add numbers from 1 to 10 to provide a finer scale. Estimate the overall level of change created by the programme component(s), taking into account the number of cards in each pile and in each concentric circle. Create a card with the programme title and locate it on the vertical line in the corresponding place (between low and high). Confirm with participants the summary statement of the overall **value** of the programme(s) component, and seek approval to proceed to a discussion of investments.

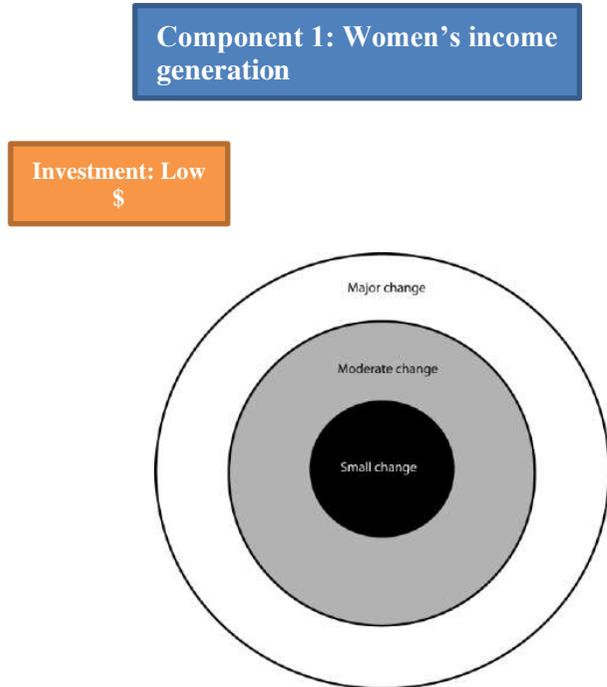


**Tips for facilitators**  
At each end of the scale, use culturally appropriate images to reflect high and low value.

## Step 2: Review of the investments

**Step 3.7.** Describe the kinds of investments made so far, including investments of time and effort made by communities and by the organizations involved. Share the level of investment in each component estimated on day one and validate the result with participants using a scale of low, moderate and high. Be prepared to adjust the level in light of community perspectives on their contributions to the programme in terms of resources and efforts. The result can be presented visually in different ways: (a) Place a card with key words (High, medium or low) on top of the concentric circles for the programme to represent the overall level of investment (Figure 1); (b) use symbols or the key words by the line scale developed in Step 3.4 (Figure 2).

**Figure 1: Visualizing the investment levels using the concentric circles**



**Figure: Visualizing the investment levels using the value scales**



### Step 3: Assess value for money

**Step 3.8:** Explain to the participants that this is the moment where they can decide together if the intervention was worthwhile. They can now see the investment made for each component and how many, what kind and the level of significance of changes achieved.

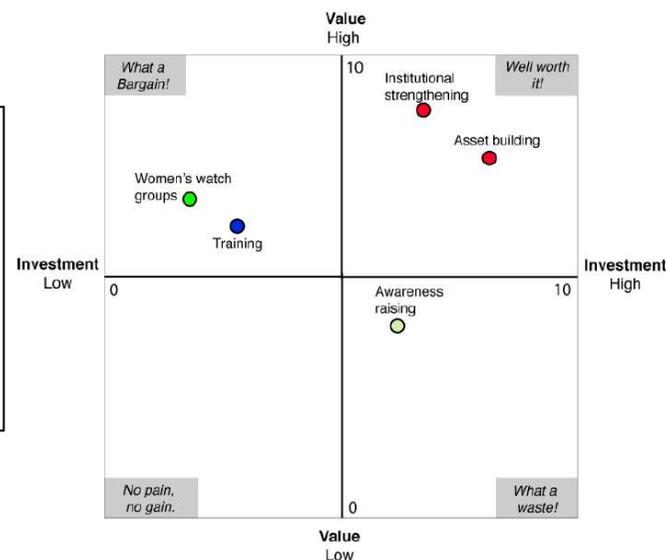
Label the four corners of the diagram with the scenario obtained by combining the possible outcomes of each axis: programme(s) with high value and high investment (top right); those with high value and low investment (top left); those with low value and high investment (bottom right) and those with low value and low investment (bottom left). To facilitate the analysis, find a positive idea or a symbol to represent each corner of the diagram based on local expressions or concepts that capture the spirit of each quadrant. For example, upper left = “a lot for very little”; upper right = “well worth it”; lower left = “no pain no gain”; lower right = “what a waste”.

**Step 3.9:** Locate a card for each programme in the quadrant that reflects the intersection of the ratings given on value and on investment. Ask participants what they observe about the quadrant location of each programme, and the overall situation of the collection of programmes or programme components.



**Value for Money**

The example figure shows final ratings for 5 different program components. The 'Awareness raising' component is the most problematic because it produced low value at a high cost, despite good conditions.



**Step 3.10:** Facilitate a discussion of the result, using probing questions such as: If you were to go back would you suggest that we do these actions again? How could we have achieved higher levels of change? What could we do more in the future? How would you plan the money? How could we have spent less? How do you think we should combine the programmes to achieve more significant changes? Should we stop working altogether on any of these components? Should we change the way we are working on any of these components?

**Step 3.11:** Formulate recommendations for actions that follow from the community assessment, summarizing where more work needs to be done to bring about more significant changes or reduce wasteful investments. Ask for ideas of things the community can do on its own to improve VfM, and things people think ActionAid and Partners can do to improve VfM.

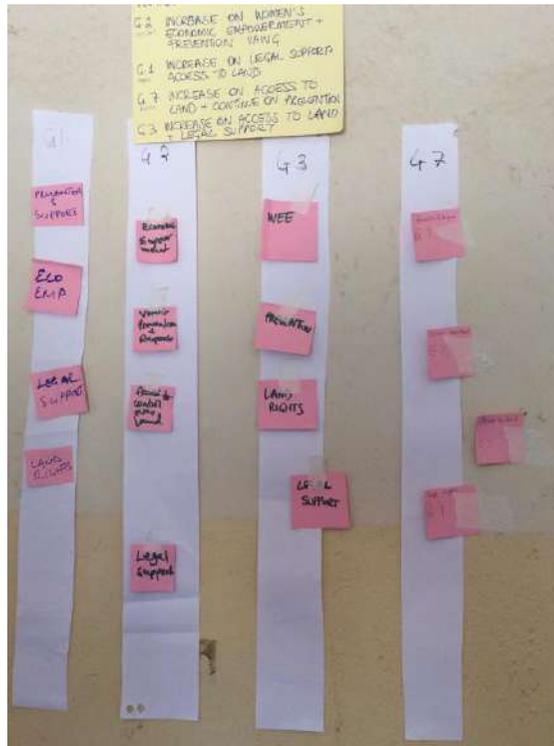
#### **Phase 4: Integrate findings and draw conclusions (1 day)**

In Day 5, the facilitation team comes back together with some key community leaders to review the findings of the assessments by different groups. The purpose is to compile results and synthesize into overall conclusions and actions.

**Step 4.1:** Start by reviewing the community assessment process itself, including the way that participants interacted and reached decisions at each step in the process. Note what evidence was mobilized and what was done to manage sources of bias and gaps.

**Step 4.2:** Revisit the Theory of Change discussed on Day 1. Identify any significant changes resulting from the programme that were not mentioned in the community sessions or by other stakeholder groups.

**Step 4.3.** Each community facilitator uses a scale from 1 to 10 to represent the value given to each component by each group that participated in the community sessions. Discuss these and identify similarities and differences with the current views of the group regarding the changes and their relative significance. Make judgments regarding any necessary additions or adjustments, and provide a rationale.

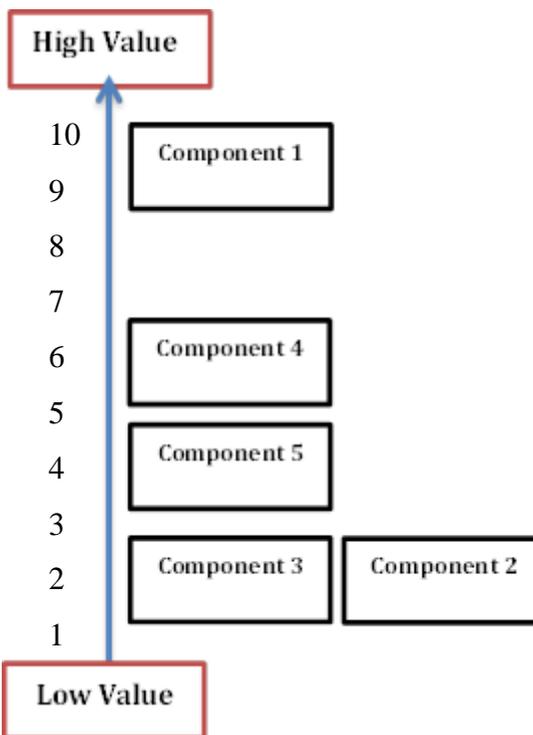


Group 1	Group 2	Group 3	Group 4	Group 5
10	10	10	10	10
9	9	9	9	9
8	8	8	8	8
7	7	7	7	7
6	6	6	6	6
5	5	5	5	5
4	4	4	4	4
3	3	3	3	3
2	2	2	2	2
1	1	1	1	1



**Figure :** Use of the scale 1-10 in the VfM Assessment in Ethiopia

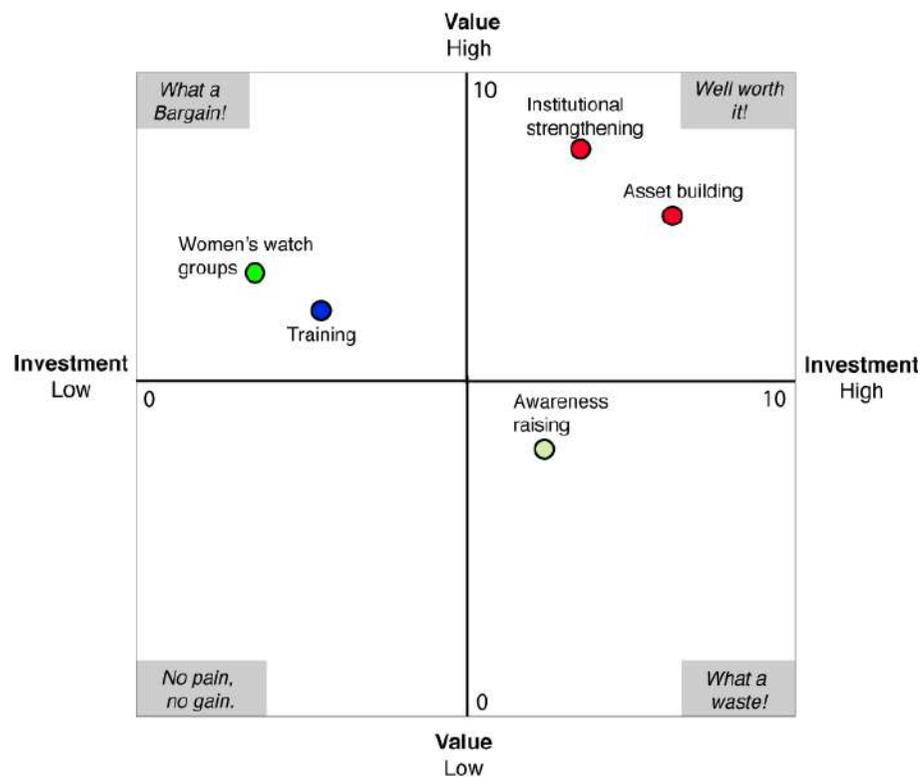
**Step 4.4.** Draw a vertical line on the floor or wall using tape or use a flipchart. Label the vertical line “value” and write at opposite ends the minimum change rating (0 or low) and the maximum change rating (10 or high). Based on the results of step 4.3, summarize and rate the overall level of value created by the programme(s). Place a title card for the programme components identified in Day 1 on the corresponding point on the vertical line. Resolve differences through consensus or a majority view (do not create an average) and document the reasoning and sources of evidence for the final rating.



If there are strong differences between one group and another use more than one line to illustrate the value of the programme (for example, the communities closer to the river may see more benefits from the capacity building intervention than the ones higher up in the mountains).

**Step 4.5:** Draw a horizontal line crossing the vertical line in the middle. Label the horizontal line “investment” and write at opposite ends the minimum investment (0 or low) and the maximum investment (10 or high). Based on the results of step 4.4, summarize and rate the overall level of investment on the programme(s). Adjust the location of the programme(s) title card to reflect the rating on the horizontal line in the diagram. Facilitate discussion of any differences in perspectives and resolve these through consensus or a majority view (do not create an average). Document the reasoning and sources of evidence for the final overall rating given to programme(s) investment.





quadrant. For example, upper left = a lot for very little; upper right = well worth it; lower left = no pain no gain; lower right = what a waste

**Step 4.8:** Before making the final judgment, consider the following questions: i) Could the programme(s) have achieved the same level of value with fewer expenditures? ii) Could the programme(s) have achieved better value with the same expenditures? How well do the results justify the expenditures, considering the conditions encountered? Summarize the scenario that best describes the programme(s). For example, a programme that produces high value with high expenditures under good conditions may represent lower value for money compared to a programme that produces high value with moderate expenditure, despite very difficult

**Step 4.6:** Discuss and assess the programme(s) conditions encountered during the review period, that is, other actors or factors that helped or hindered the process of creating the value represented. Consider the observations on conditions made during the community assessments and other observations by the group emerging from the assessment. Use a traffic light color code on the programme(s) title card(s) to indicate good, moderate or poor conditions encountered. Justify the response and indicate the sources of evidence.

**Step 4.7:** Label the four corners of the diagram with the scenario obtained by combining the possible outcomes of each axis: programme(s) with high value and high investment (top right); those with high value and low investment (top left); those with low value and high investment (bottom right) and those with low value and low investment (bottom left). To facilitate the analysis, find a positive idea or a symbol to represent each corner of the diagram based on local expressions or concepts that capture the spirit of each



conditions. A programme(s) producing low value but at low cost and under difficult conditions may also represent good value for money.

**Step 4.9:** Review the recommendations emerging from the community assessments, including ideas of things the community can do, and ActionAid and Partners can do to improve VfM. Formulate shared recommendations that follow from all of the assessments and in light of the purpose and intended use of the result. Recommendations could include: a) changes in strategies; b) changes in investments; c) changes in ways of working; d) reprioritization of specific components; etc.

**Step 4.10:** To validate the assessment and conclusions, discuss the extent to which the results are based on adequate participation, reliable information and sound analysis (see **Validation** in *SAS2 Dialogue Handbook*). Identify what you can do to complete the assessment exercise to your satisfaction, through a) further information gathering and analysis and/or, b) further stakeholder involvement and stronger agreement. Integrate the action(s) into a validation plan, using the template that follows.

<b>Validation Plan Template</b>				
<b>Who?</b>	<b>How?</b>	<b>Responsible</b>	<b>When?</b>	<b>Why?</b>
<i>(For example, AA thematic leads)</i>	<i>Presentation on key recommendations during monthly programme meeting</i>	<i>AA M&amp;E Manager</i>	<i>July 2016</i>	<i>To integrate recommendation x or y in the monthly plan</i>

## References

J. Chevalier, D. Buckles, "The Handbook of Participatory Action Research, Planning, and Evaluation", SAS2 Dialogue  
<http://www.participatoryactionresearch.net/>