

GENDER RESPONSIVE EQUITABLE AGRICULTURE AND TOURISM (GREAT): VALUE FOR MONEY FRAMEWORK



Photo credit: [Vietnam News](#)

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BACKGROUND TO THE PROGRAM

The GREAT Program is a flagship initiative of the Australian Aid program in Vietnam – it commenced in November 2017 and the current runs for five years until June 2022. The Program seeks to promote women’s economic empowerment (WEE) in the ethnically diverse north-west region of Vietnam. The primary beneficiaries are women living in the provinces of Son La and Lao Cai with a focus on the economic inclusion of women from ethnic minority communities.

The objectives of the Aus4Equality|GREAT Program are:

- Objective 1 – Empowering local women: Women living in local communities have increased capacity, space and choices to beneficially engage with agriculture and tourism businesses.
- Objective 2 – Inclusive business partnerships: Selected private sector actors within the agriculture and tourism sectors innovate to profitably and sustainably trade with more women entrepreneurs and operate in gender-sensitive ways.
- Objective 3 – Improving sector governance and policy: Government agencies reinforce policies, and enact plans, regulations, and services that enable more inclusive socio-economic development.

The goal of the Program is to improve the livelihoods of the adult female population in Son La and Lao Cai, including increasing the income for 17,000 women across the two provinces.

The recent Mid-Term Review commissioned by Australia’s Department of Foreign Affairs and Trade (DFAT) recommended to “develop criteria to define what good value for money (VfM) looks like for a planned second phase (Great 2) and how the Program will be assessed against these criteria”. DFAT has approved the Design Update for Phase 2 of the Program which will run for an additional five years and is due to start in July 2022. It is important that GREAT understands how its current practice contributes to VfM and how it can be improved for GREAT 2.

Learning and Change Ltd. has been contracted by the GREAT Program to conduct a VfM assessment and develop a Framework on VfM. This involves (i) a review of the current systems, tools and practices by the GREAT Program to provide an understanding of how the Program is tracking against value for money criteria and opportunities for improvement; and (ii) to develop a Framework and Operational Guide, including Procedures and Analysis Tools for the Program to apply to ensure VfM at the Program, sector and sub-sector levels aligned with DFAT’s VfM principles.

PURPOSE AND STRUCTURE OF THIS DOCUMENT

This document is addressed to GREAT’s team, including staff and partners, and illustrates how GREAT understands and intends to address VfM. In other words, it concentrates on the “what’ of VfM in GREAT and will be accompanied by a Toolkit which will provide the resources for the “how”.

The VfM Framework builds on three VfM Workshops held with the GREAT team to draw out what VfM looks like in GREAT, the key questions that it aims to answer and identify

existing processes where VfM may be easily embedded. Inputs were also provided by the DFAT team and Cowater HQ and were complemented by a document review.

The final VfM Framework was completed in June 2022, after receiving feedback from GREAT, Cowater and DFAT and after being tested in the VfM Assessment of Phase 1 that took place in April-May 2022.

It is worth highlighting that the Framework described in this document is a structure used by GREAT to monitor and assess its VfM during the implementation of GREAT 2. However, it was used and tested (and where needed slightly adapted) to assess Phase 1, in order to capture VfM-related learning that can feed into the decision-making for GREAT 2.

The document is structured as follows. It first outlines how GREAT understands VfM and the key references that it used to develop its own definition of VfM, what it is aiming to achieve by analysing VfM and the key questions it intends to answer. This is followed by a brief description of how GREAT approaches VfM, how the work-flow functions and which existing processes it uses to embed VfM. The next section presents the VfM Framework, providing an overview and then describing in further detail the components of the Framework and the VfM standards used to assess VfM in GREAT.

The second part of the document concentrates on the cycle of VfM analysis: VfM data collection and storage, VfM data analysis, how VfM is used and VfM reporting. In the first you will find an overview of the VfM data collection plan, followed by a section that outlines how VfM analysis is done at partner and portfolio level. Next, a description is provided about how VfM data and analysis is used and integrated into planning cycles and finally how GREAT reports on VfM. The last section provides a brief explanation about how VfM is managed within GREAT. The accompanying Toolkit provides more details about how to go about the data collection, analysis, use and reporting.

Annex 1 includes the VfM Components Summary Sheets, which are intended to provide a quick reference of each component that clarifies definitions, keywords, the approaches for data collection, analysis and reporting, responsibilities and suggestions for data quality assurance. Annex 2 will be completed after developing the Toolkit.

UNDERSTANDING OF VALUE FOR MONEY IN GREAT

VfM was first introduced in the international development sector by the UK Department for International Development (DFID) which defined it as the *maximisation of the impact of each pound spent to improve people's lives* (DFID, 2011)⁴. This means that programs and organisations must strive to ensure that they are achieving the best outcomes possible, given the resources they have available. In its 2011 Approach to VfM, the UK Foreign, Commonwealth and Development Office (FCDO) also emphasised that the *purpose of the VfM drive is to develop a better understanding (and better articulation) of costs and results so that we can make more informed, evidence-based choices. This is a process of continuous improvement*. In other words, VfM is about using evidence about

⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/49551/DFID-approach-value-money.pdf

what works and what does not to make decisions that allow organisations to improve their impact. VfM is, therefore, not only a product but also a process.

Most aid agencies use the so-called 3Es framework to assess VfM, where the 3Es stand for Economy, Efficiency and Effectiveness. Often a 4th E is added to reflect Equity. The 4Es are linked to the results chain.

For DFAT, VfM is requirement under the Public Governance, Performance and Accountability Act (2013) and the Commonwealth Procurement Rules². It considers achieving VfM a critical consideration for the achievement of its strategic objectives and concentrates on 4Es: Economy, Efficiency, Effectiveness and Ethics. For DFAT, achieving VfM means:

- encouraging competition and be non-discriminatory
- being efficient, effective, economical and ethical
- encouraging appropriate engagement with risk
- entailing collaboration and partnership
- having an outcomes orientation
- being accountable and having transparent decision-making³.

To guide this, it developed eight Value for Money Principles to support decision making and maximise the impact of its investments, in line with its 4Es:

Economy

1. **Cost Consciousness** => ensure costs are kept as low as possible without compromising effectiveness and impact
2. **Encouraging competition** => compare options to choose the best mix of costs and benefits

Efficiency

3. **Evidence-based decision making** => systematic, structured and rational approaches to decision making that take into account what works and what does not work
4. **Proportionality** => systems, policies and business processes that reduce inefficiencies and that are aligned to the scope and complexity of investment

Effectiveness

5. **Performance and risk management** => ensuring that effectiveness is routinely maximized and that risk is managed with robust approaches
6. **Results focus** => concentrate on maximizing results and impact
7. **Experimentation and innovation** => Use of creative and flexible approaches to maximise impact

Ethics

8. **Accountability and Transparency** => Strengthen the responsibility for results to improve organizational processes

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<https://www.dfat.gov.au/aid/who-we-work-with/value-for-money-principles/Pages/value-for-money-principles#:~:text=Value%20for%20money%20requires%20that,duplication%20will%20help%20achieve%20this.>

³ DFAT, Aid Programming Guide, February 2022

<https://www.dfat.gov.au/sites/default/files/aid-programming-guide.docx>

The 4Es can be seen as aspects of what an organisation or program is achieving or how it is delivering its work that can be taken into consideration when ensuring that it delivers and tracks VfM. Economy is about ensuring that the price at which goods and services are bought is competitive, given the quality required. Efficiency is about the way an initiative is delivered to ensure that resources are optimised, for instance, through appropriate systems and processes or by delivering activities to the widest number of people. Effectiveness is about ensuring that the program is achieving sustainable results. Ethics refers to the capacity of the program to address the needs of the most vulnerable and be accountable.

Overall, across the sector an initiative is considered VfM when it can achieve an optimal balance among the 4Es. It is often not possible to fully address all the Es simultaneously. As described by the UK Independent Commission for Aid Impact (ICAI), *reaching remote areas, hard-to-reach groups (such as semi-nomadic herders in Uganda) or the marginalised within society (such as people with disabilities) often involves higher costs. For a given budget, there are trade-offs between reaching such groups and maximising the overall number of beneficiaries*⁴.

GREAT's understanding of VfM is aligned to DFAT's VfM principles: it sees VfM being delivered when the results are achieved and maximised while using the resources available in the best possible way. VfM is therefore a process through which the program routinely assesses the results that it has achieved, how the resources are allocated and the way it has been working to take decisions that can maximise the results and improve its ways of working.

Its contextualised definition, linked to its Theory of Change (TOC), is the following.

GREAT will be considered to have delivered VfM if it achieves its expected results, ensuring these are sustainable beyond the life of the program. In particular, if it ensures that women, especially ethnic minority women, have increased skills, knowledge, access to networks and support services as well as increased agency in an environment where the market and relevant government departments take initiatives that foster their economic stability and growth. VfM is ensured by allocating the resources in the areas of work that generate the most systemic results and by making appropriate evidence-based adaptations (reallocating resources, changing strategies, building on existing opportunities).

Overall, GREAT's approach to VfM is geared toward two main goals:

- To enable the program to make regular informed decisions about how to improve the program's approach, implementation strategy and impact. In this way, VfM becomes a tool for adaptive management, where investments and their operational strategies are periodically assessed against the results achieved to identify which are working and which are not.
- To be able to demonstrate VfM when needed, in line with DFAT's reporting requirements.

⁴ ICAI, DFID's approach to value for money in program and portfolio management. A performance review. February 2018

This means that the GREAT's VfM Framework has been designed to answer the following questions:

- Has GREAT been able to generate value, i.e. maximise the impact among women, particularly ethnic minority women?
- Has GREAT been able to allocate resources and invest in areas of work that lead to systemic results?
- Has GREAT put in place appropriate systems and processes to manage the resources and adapt where necessary?

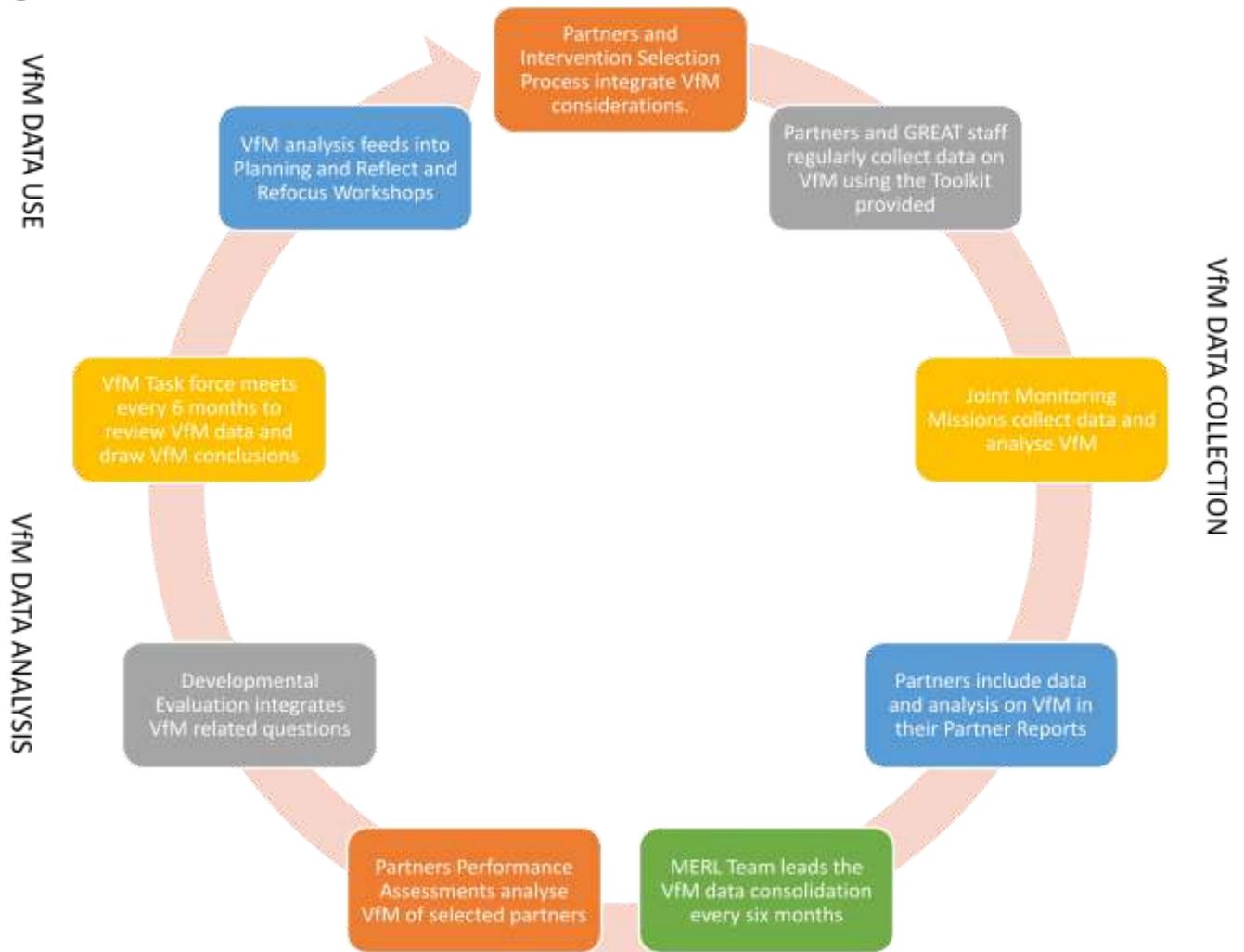
GREAT'S APPROACH TO VFM

In GREAT 2, VfM is integrated in the program's ways of working to ensure that all decisions take into consideration the relationship between costs and results, i.e. whether it is generating value, whether the resources are allocated appropriately to generate systemic results and whether the relevant systems and processes are in place.

Rather than VfM being a parallel system that is analysed in specific VfM reviews or assessments, in GREAT 2 VfM analysis is integrated in other existing initiatives, detailed below, through which GREAT collects evidence on VfM and analyses it. The data and key findings are then consolidated to provide an overview of how the program has delivered VfM, lessons learnt and recommendations for the subsequent reporting period.

Overall, the VfM work-flow is illustrated in Figure 1.

Figure 1. The overall VfM work-flow.



The key products where VfM will be integrated are the following:

- **Intervention area selection.** Prior to selecting a partner, GREAT selects the intervention areas it intends to address. These are specific strategies that GREAT wishes to implement in order to achieve the changes set out in each sector's Theory of Change. Each intervention area is assessed using, among other criteria, VfM considerations to inform the decision about whether the investment should be made or not.
- **Partners selection.** When GREAT agrees to work with a partner and invest in a specific project, it goes through a process to select the partners it will work with as well as the interventions it decides to fund. The process entails developing concept notes for each project, completing a Due Diligence process that leads to an internal Go/No Go Decision, developing the proposal outlines which are decided upon by the Investment Committee. The proposal is then finalised and approved internally before being submitted to DFAT for a no-objection (when required). VfM criteria are used to assess each partner to enable VfM evidence to feed into the decision-making process.

- **Mid-line and End-line assessments.** The Midline and End-line assessments seek to conduct individual project-level assessments for a selection of specific projects to understand the changes generated by each project along the Results Chain. VfM is integrated in the assessments by incorporating VfM-related questions in the research questions that assessment aims to address and ensuring VfM is addressed in the methodology and analytical framework.
- **Partners Reports.** Partners report to GREAT every three months where they are asked to self-assess their performance, in particular their achievements, the extent to which ethnic minority women have participated, and some operational aspects. They are also requested to provide project highlights, success stories, progress towards policy changes and gender equality and WEE as well as key learning and recommendations. For GREAT 2 the partner report template has been revised to integrate VfM-related information (such as systems in place to ensure appropriate use of the resources).
- **Partners Performance Assessments.** These are used by GREAT to ensure the accountability for every partnership under the GREAT portfolio to the committed results and deliverables. They are also used as a management tool to monitor the progress of individual projects, understand better the challenges and risks of each project in achieving the expected results and identify potential solutions or corrective action. As part of GREAT 2's PPAs, VfM is included in the criteria used to analyse the program performance and each partner's VfM is rated using accordingly.
- **Developmental Evaluation.** This is an integrated activity in the program management cycle to appraise and document whether the program is on track to achieve its outcomes, identifying lessons learned, and evidence that can inform adaptations. VfM is integrated as part of the framework and methodology of the evaluation to ensure relevant data is collected and analysed that can inform the lessons learnt and adaptations.
- **Joint Monitoring Missions.** These are field visits conducted every six months with the participation of DFAT, the Steering Committee, PMUs, Management Contractor, relevant government agencies, mass organizations, implementing partners and beneficiaries to explore progress in specific locations. VfM is integrated in the questionnaire used for joint monitoring and key findings include aspects relevant to VfM.
- **Reflect and Refocus Workshops.** These are held on semi-annual basis to review the program, good practices, discuss emerging issues and foster learning. Once a year, in alignment with annual planning, VfM findings are shared and discussed with workshop participants to identify key lessons learnt and relevant recommendations for the subsequent planning period.

In addition, partners and GREAT teams regularly collect VfM data and evidence that can feed into the analysis and the assessment of the VfM standards.

In GREAT 2, VfM is addressed at three levels: sector, partner and program level, described below.

VFM AT SECTOR LEVEL

Integrating VfM at the sector level means that VfM informs decisions made for a sector as a whole, including the direction of the sector-wide intervention and how the sector is performing in terms of VfM.

Figure 3 illustrates the approach used at sector level. When defining a sector strategy, VfM is taken into consideration in determining the sector orientation. Throughout the implementation of the sector strategy VfM data is regularly collected either by the partners or by GREAT staff when relevant. The MERL team is then responsible for coordinating the consolidation of the sector VfM data which is then analysed twice a year by the VfM Task Force which provides recommendation that feed into the sector-wide plans and decisions. Sector-level VfM data is also analysed as part of the planned Sector Studies.

Figure 2. The Sector level VfM Cycle



VFM AT PARTNER LEVEL

Integrating VfM at partner level means ensuring that GREAT is considering VfM when establishing a partnership and approving a partner proposal, that the partner explicitly considers VfM during implementation and that VfM is regularly analysed and incorporated in the decision-making processes.

Figure 3. The Partners VfM Cycle.

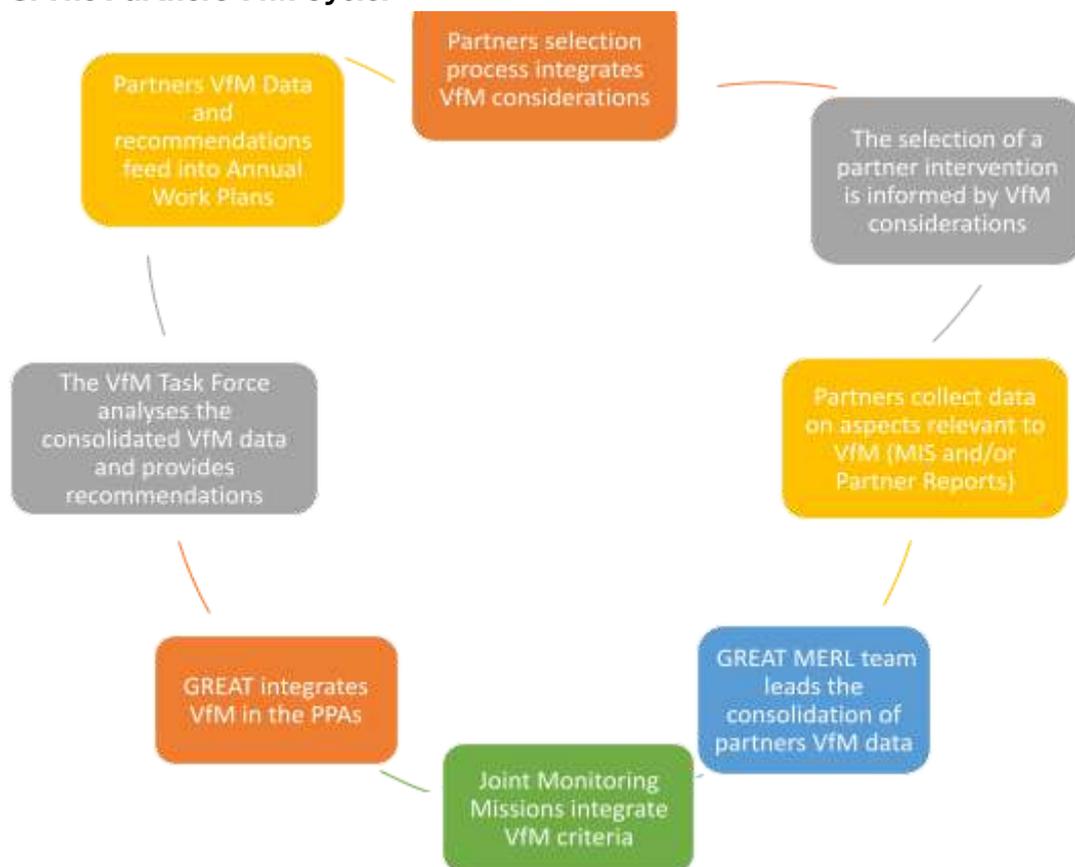


Figure 2 summarises the approach used for VfM at the partner level. VfM criteria are used at the beginning of each partnership to support the selection decision of the partner as well as the intervention that will be funded. During implementation partners are expected to collect VfM-relevant data uploading it in the MIS and/or including it in their progress reports. The GREAT MERL unit, together with the relevant technical and grant management staff, leads the consolidation of the data which is then used as part of the PPAs to assess the VfM performance of the partners. This data and the analysis included in the PPA is used by the VfM Task Force which identifies key recommendations that feed into investment decisions and annual work plans.

GREAT LEVEL VfM

Integrating VfM in the program as a whole means using VfM as a lens to inform key decisions at the strategic level to ensure that results are maximised.

Figure 4 presents the VfM cycle for the GREAT level. The data used at this level is collected for the first two levels and the MERL team leads the consolidation for the program as a whole. VfM analysis for the whole programme is integrated in the Developmental Evaluation, which includes VfM-specific research questions, and in the Midline and Endline Assessments. The consolidated data is regularly reviewed by the VfM Task Force in order to provide program-wide recommendations that are used to inform the annual work plans and program-wide decisions.

Figure 4. The GREAT Level Vfm Cycle.



GREAT'S VFM FRAMEWORK

GREAT's Vfm Framework is the structure used by GREAT to ensure that it is maximising its impact while managing its resources in the best possible way. This structure is composed of 5 areas that GREAT intends to address in order to demonstrate whether it has been able to deliver Vfm, which are further described in the next section:

1. **People** – ensuring that women, particularly from ethnic minorities, are benefitting from the program
2. **Results** – maximising the results and impact of the program
3. **Resource Allocation** – adapting the program to ensure that resources are allocated where the most systemic results are being achieved
4. **Costs** – ensuring costs are reasonable given the quality required
5. **Systems** – ensuring that GREAT and its partners have the appropriate systems to deliver Vfm

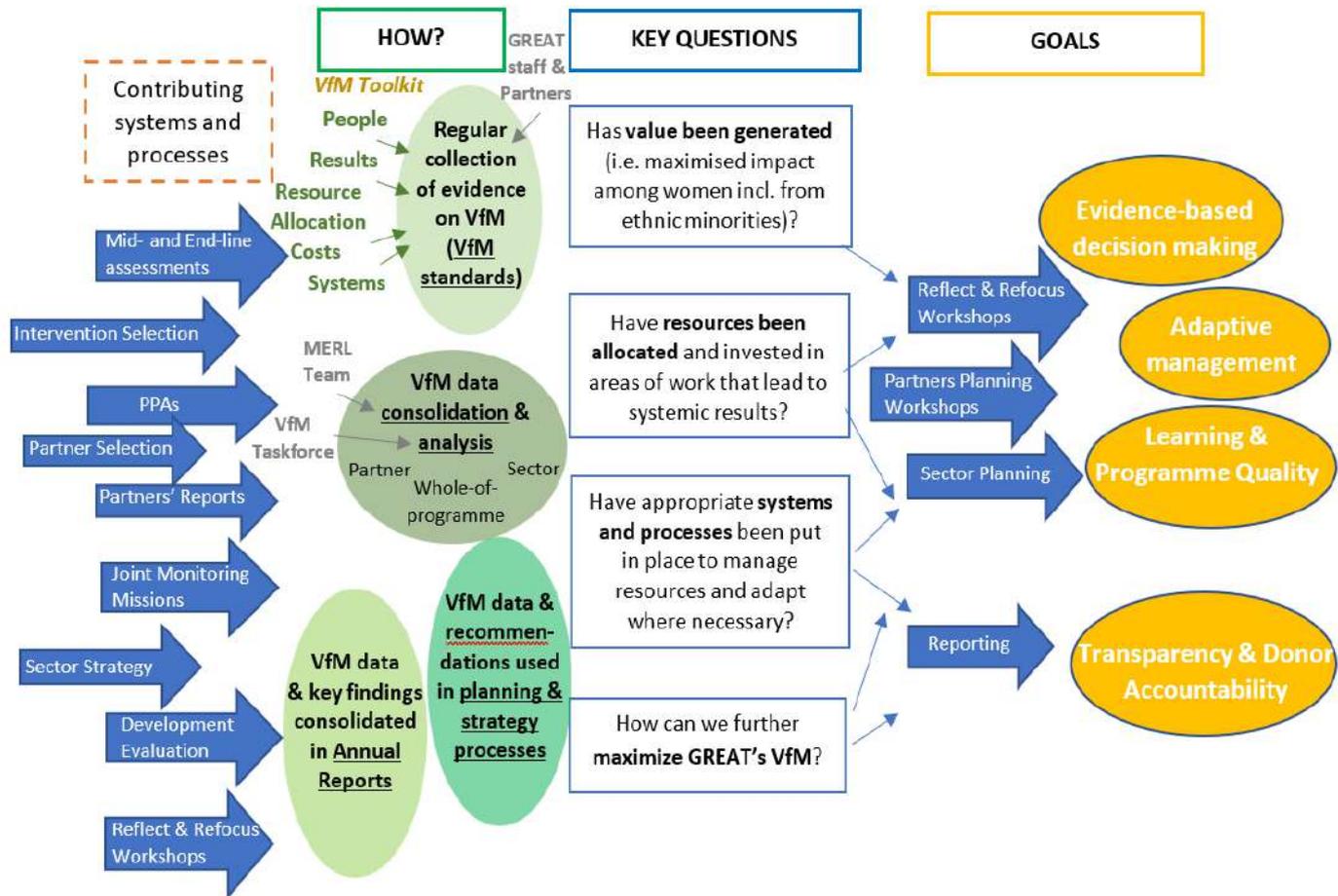
GREAT's VfM Framework has been designed to address all of DFAT's VfM principles. In particular, the aim of the framework is to identify a structure that enables GREAT to systematically ensure that it is cost conscious and encourages competition by reflecting on whether its systems are geared towards this and whether the prices at which it procures goods and services are aligned to market averages.

The Framework is also results-focussed and concentrates on ensuring that performance and risks are routinely monitored as it understands that GREAT will only be able to be considered VfM if it is able to achieve key systemic results.

In addition, the Framework is intended to support evidence-based decision making which GREAT understands as the main purpose of VfM. The Framework therefore entails analysis on resource allocation and ensuring that this feeds into key planning moments.

Overall, the commitment to this Framework is a commitment to accountability towards all its stakeholders, particular its donor, the partners and the women it serves, and transparency: by analysing its VfM through the components suggested, GREAT takes responsibility for achieving the results it has committed to and making the best use of the funds.

Figure 2: VfM Framework



GREAT'S VfM COMPONENTS

GREAT will be considered to have delivered VfM if it has performed well in the 5 components of its Framework: People, Results, Resource Allocation, Costs, Systems.

Firstly, GREAT VfM will depend on whether it has been able to economically empower women, especially those from ethnic minorities. It will excel in this area if it is also able to remove barriers for disadvantaged sub-groups or with intersectional vulnerabilities such as women from ethnic minorities living with disabilities, those from remote areas and the very poor. This means demonstrating that specific initiatives have been taken to ensure disadvantaged sub-groups are able to engage in the program.

Secondly, in order to be considered VfM, GREAT must demonstrate to have achieved and maximised its results. This means reaching its intermediate and end of program outcomes within the scheduled timeframes, ensuring these are sustainable by putting place sustainability measures and taking specific actions to course-correct and enable the program to progress when outcomes are off-track or to further maximise its results.

Thirdly, VfM in GREAT is also about allocating resources where is most appropriate. This means regularly reflecting on the systemic results achieved and linking these to the resources that have been invested in order to scale up or down, discontinue or increase investments according to the evidence about what is working and what is not and

reallocating resources where systemic results are most limited or where results can be maximised further.

The fourth component of its VfM Framework is costs, which implies an appropriate management of the program’s inputs. This does not mean always choosing the cheapest option, but rather ensuring that costs are kept reasonable, given the quality required. GREAT will be considered to have addressed this if it has made an effort to ensure that the costs it incurred in are competitive.

Finally, the program will be considered VfM if both the program and its partners have been able to set up appropriate systems that enable VfM to be delivered. These systems are those designed to efficiently manage the following processes: procurement and benchmarking, financial expenditure, risk, priority setting and adaptations, while maintaining the rigor of evidence and data sufficiency and validity to demonstrate the program’s accountability.

GREAT acknowledges the fact that there are trade-offs between these areas. It may be that to engage a certain minority group, the associated costs may be higher, affecting how the resources are allocated, while increasing the equity and ethics of the intervention. Being VfM means achieving the best balance of these areas, **with People and Results being the two areas with the most weight**. In other words, if GREAT does not achieve its intermediate and end of program outcomes and has not benefited women, mostly from ethnic minorities, it will not be considered VfM.

VFM STANDARDS

A VfM standard is a level of performance that can indicate the extent to which GREAT has been able to address each component of its VfM Framework. This means that GREAT and its partners regularly collect evidence on these standards and then, on a regular basis, the GREAT team identifies the level achieved in each VfM component based on the strength of the evidence collected, using the descriptions provided in the table below.

These standards are then used to identify an overall level of VfM performance of each project, sector and the program as a whole, taking into account the fact that People and Results have higher weight than the other three components. So, for instance, if the program is rated as “Strengthening” for People, “Satisfactory” for Results, “Satisfactory” for Resource Allocation, “Significant” for Costs and “Satisfactory” for Systems, the overall VfM performance will be rated as “Strengthening” because one of its key VfM areas (People) was rated so.

Table 2: GREAT’s VfM Standards

VfM Framework Component	VfM Standard level	Description of the VfM Standard Level
1. People	Significant	There is strong evidence showing that women, of which more than 60% from ethnic minorities, have experienced all the outcomes achieved and that specific initiatives have been taken to specifically address their needs and priorities as well as those of the most disadvantaged sub-groups (such as ethnic minority women with disabilities).

VfM Framework Component	VfM Standard level	Description of the VfM Standard Level
	Satisfactory	Evidence shows that women, of which at least 50% from ethnic minorities, have experienced most of the outcomes achieved (more than 70%) and that some initiatives have been taken to specifically address their needs and priorities.
	Strengthening	Evidence shows that women, at least 40% of which from ethnic minorities, have experienced some of the outcomes achieved (more than 50%) and that some initiatives have been taken to specifically address their needs and priorities.
	Developing	Evidence shows that women, at least 30% from ethnic minorities, have experienced a few of the outcomes achieved (less than 50%) and that a few initiatives have been taken to specifically address their needs and priorities.
	Beginning	There is limited evidence that women, particularly from ethnic minorities, have benefitted from the outcomes achieved. The team is starting to think about the initiatives to take to specifically address their needs and priorities.
2. Results	Significant	All key expected intermediate and end-of-program outcomes have been achieved beyond expectations (intermediate and/or end-of-program outcome targets have been significantly overachieved), several sustainability measures have been put in place to ensure the results are likely to outlive the program and adaptations have regularly been made when an outcome was not on track or when results could have been further maximised.
	Satisfactory	Most key intermediate and end-of-program outcomes have been achieved (at least 70% of intermediate and/or end-of-program outcome targets have been achieved), several measures have been put in place to ensure the results are likely to outlive the program and adaptations are usually made when an outcome was not on track or when results could have been further maximised.
	Strengthening	Some key intermediate and end-of-program outcomes have been achieved (at least 50% of intermediate and/or end-of-program outcome targets have been achieved), some measures have been put in place to ensure the results are likely to outlive the program and adaptations have been made sometimes when an outcome was not on track or when results could have been further maximised.
	Developing	A few key intermediate and end-of-program outcomes have been achieved (less than 50% of intermediate and/or end-of-program outcome targets have been achieved), a few measures have been put in place to ensure the results are likely to outlive the program and adaptations have been made rarely when outcomes were not on track or when results could have been further maximised.
	Beginning	The amount of key intermediate and end-of-program outcomes achieved is limited (less than 30% of outcome targets have been achieved), no measures have been put in place to ensure the results are likely to outlive the program and adaptations have never been made when outcomes were

VfM Framework Component	VfM Standard level	Description of the VfM Standard Level
		not on track or when results could have been further maximised.
3. Resource Allocation	Significant	All the investments (above 90%) made by GREAT have contributed to several systemic results or resources have been reallocated in order to achieve this.
	Satisfactory	Most of the investments (above 75%) made by GREAT have contributed to several systemic results or resources have been reallocated in order to achieve this.
	Strengthening	Some of the investments (above 50%) made by GREAT have contributed to some systemic results and resources have sometimes been reallocated in order to achieve this.
	Developing	A few of the investments (below 50%) made by GREAT have contributed to a few systemic results and resources have rarely been reallocated in order to achieve this.
	Beginning	No or very few of the investments (below 30%) made by GREAT have contributed to systemic results and resources have never been reallocated to achieve this.
4. Costs	Significant	GREAT has made significant effort to ensure its most substantial costs are competitive.
	Satisfactory	GREAT has made satisfactory effort to ensure its most substantial costs are competitive.
	Strengthening	GREAT has made some effort to ensure its most substantial costs are competitive.
	Developing	GREAT has made minimal effort to ensure its most substantial costs are competitive.
	Beginning	GREAT has hardly made any effort to ensure its most substantial costs are competitive.
5. Systems	Significant	All key systems are in use to ensure an efficient way of working (procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Satisfactory	Most key systems are in use to ensure an efficient way of working (at least 4 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Strengthening	Some key systems are in use to ensure an efficient way of working (at least 3 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Developing	A few key systems are in use to ensure an efficient way of working (less than 3 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Beginning	No or very few key systems are in use to ensure an efficient way of working (less than 2 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)

COLLECTING DATA

Overall, the facilitation and oversight of the VfM approach lies with the GREAT MERL team while implementation is for all GREAT teams and partners. The MERL team, in collaboration with the technical and operational teams, and the partners collect evidence that can demonstrate how the program, each sector and the individual projects meet the VfM standards. This data is then consolidated by the MERL team in collaboration with relevant operational and technical staff. Where necessary, the GREAT team is responsible for collecting evidence on the areas of work not implemented by partners and for which the GREAT team is accountable.

The data to be collected for each standard is illustrated in the table below. The accompanying Toolkit provides all the tools needed for this.

Table 3: The VfM evidence collection plan

Area of Analysis	Evidence to be collected	Frequency	Leading Roles	Data Collection Tools ⁵
People	<ul style="list-style-type: none"> Outcomes achieved disaggregated by women, men, ethnic minorities 	Six-monthly	<ul style="list-style-type: none"> Partners GREAT MERL Team in collaboration with relevant staff 	MIS Outcomes
	<ul style="list-style-type: none"> Initiatives taken to specifically address ethnic minority women and disadvantaged sub-groups 	Six-monthly		Ethical Measures Log
Results	<ul style="list-style-type: none"> Outcomes – Targets vs Actuals 	Annually	<ul style="list-style-type: none"> Partners GREAT staff GREAT MERL Team in collaboration with relevant staff 	MIS Outcomes
	<ul style="list-style-type: none"> Sustainability measures in place 	Six-Monthly		Sustainability Measures Log
	<ul style="list-style-type: none"> Adaptations made 	Six-Monthly		Adaptations Register
Resource Allocation	<ul style="list-style-type: none"> Outcomes achieved, categorised by type⁶ 	Annually	<ul style="list-style-type: none"> Partners and GREAT staff collect data on Outcomes GREAT MERL Team in collaboration with relevant staff categorises the outcomes 	The Resource Allocation Diagram
	<ul style="list-style-type: none"> Adaptations made to the resource allocation 	Annually		<ul style="list-style-type: none"> Partners GREAT Grant Management staff in collaboration with

⁵ The Data Collection Tools are included in the GREAT VfM Toolkit

⁶ Outcomes are categorised from 1 to 5 based on whether they are systemic or not

Area of Analysis	Evidence to be collected	Frequency	Leading Roles	Data Collection Tools ⁵
			Technical and MERL units	
	<ul style="list-style-type: none"> Investment clustered by relevant key area of work⁷ 	Annually	<ul style="list-style-type: none"> GREAT Operations/Finance in collaboration with relevant staff 	The Resource Allocation Diagram
Costs	<ul style="list-style-type: none"> List of GREAT/partner most substantial costs (unit prices) 	Annually	<ul style="list-style-type: none"> Partners GREAT Operations / Finance in collaboration with relevant staff 	The Costs Register
	<ul style="list-style-type: none"> Comparative costs 	Annually	<ul style="list-style-type: none"> Partners GREAT Operations / Finance in collaboration with relevant staff 	The Costs Register
	<ul style="list-style-type: none"> List on initiatives taken to ensure costs are competitive 	Annually	<ul style="list-style-type: none"> Partners GREAT Operations / Finance in collaboration with relevant staff 	The Costs Register
Systems	<ul style="list-style-type: none"> List of systems in use with strengths and weaknesses identified 	Annually	<ul style="list-style-type: none"> Partners GREAT Operations / Finance GREAT MERL Team in collaboration with relevant staff 	The Systems Review Template

The data collected is stored in the MIS or in a purposely developed database of VfM evidence ('The VfM Evidence Base'). The data is then consolidated and analysed within existing processes, outlined in the next section.

VfM ANALYSIS

In GREAT 2, VfM analysis means consolidating and assessing the data collected against the VfM Standards. The VfM analysis happens at three levels: at partner, sector and program level. Twice a year these levels are consolidated so that the VfM Task Force can identify recommendations that can inform planning decisions, including strategic approaches, resource allocations and areas that require further attention.

THE SECTOR LEVEL VfM ANALYSIS

The sector-level VfM analysis concentrates on how GREAT 2 as a whole has been able to deliver VfM in each of the sectors it has been working on (for instance, tea, cinnamon, etc.).

⁷ Key areas of work may include: Set up of production groups, training of productions groups, business planning and business development support, etc.

The sector level analysis uses the data collected through partners or through the GREAT team to assess the 5 areas of analysis of the VfM Framework and score each sector using the VfM Standards, tailoring them, where necessary, to each sector.

A sector will score high in terms of VfM if it has been able to:

- Address the needs of women, particularly from ethnic minorities (People);
- Achieve the expected outcomes (technical assistance as well as policy) and ensure that these will be sustainable, adapting where needed (Results);
- Allocate resources where most results are achieved or adapted to do so (Resource Allocation);
- Keep the most substantial costs low and in line with market averages (Costs);
- Use efficient systems, with a focus on procurement, financial management, risk management, priorities setting and adaptations, while taking into consideration accountability and rigor of evidence (Systems).

However, it is worth highlighting that if the first two (People and Results) have not been achieved, then the sector will not be considered to have delivered VfM.

The VfM of each sector is assessed as part of the Sector Studies and by the VfM Task Force.

THE PARTNER LEVEL VFM ANALYSIS

Partners are assessed by the GREAT team in the PPAs which includes a section on VfM. Each partner is scored using a readapted version of the VfM Standards to assess their performance, using the data that they will have submitted throughout the year either in their progress reports or in the MIS. Partners are also assessed during the Selection Process, in Joint Monitoring Missions and when emerging needs arise, for instance if a decision needs to be made about discontinuing an investment.

A strong VfM score means that the partner has been able to:

- Address the needs of women, particularly from ethnic minorities, and have taken specific action to address their needs and priorities (People);
- Achieve their expected outcomes and ensure that these will be sustainable, adapting where needed (Results);
- Allocate resources where most results are achieved or adapted to do so (Resource Allocation);
- Keep the most substantial costs low and in line with market averages (Costs);
- Use efficient systems, with a focus on procurement, financial management, risk management, priorities setting and adaptations, while taking into consideration accountability and rigor of evidence (Systems).

However, it is worth highlighting that if the first two (People and Results) have not been achieved, then the partner will not be considered to have delivered VfM.

Analysis at partner level takes place during the PPA and by the VfM Task Force and is expected to generate recommendations that can help the partners further enhance their VfM practice.

THE PROGRAM LEVEL VfM ANALYSIS

The program-level VfM analysis focusses on reflecting on how GREAT as a whole has been able to deliver VfM. This means using the data collected and consolidated for the whole program and capturing key lessons learnt as well as drawing conclusions and recommendations.

The program will be considered to have delivered VfM if it has:

- Benefited women, particularly from ethnic minorities (People);
- Achieved the expected outcomes and ensure that these will be sustainable, adapting where needed (Results);
- Allocated resources where most results are achieved or adapted to do so (Resource Allocation);
- Kept the most substantial costs low and in line with market averages (Costs);
- Used efficient systems, with a focus on procurement, financial management, risk management, priorities setting and adaptations, while taking into consideration accountability and rigor of evidence (Systems).

However, it is worth highlighting that if the first two (People and Results) have not been achieved, then the program will not be considered to have delivered VfM.

At GREAT level, VfM is analysed in the Developmental Evaluation and in the Midline and Endline Assessments, as well as by the VfM Task Force.

This means that these processes will integrate VfM-related questions among the research questions and integrate the VfM Standards in the methodology and analytical framework used. The Toolkit provides guidance on how to do so.

VfM related questions to be addressed may include the following:

- How does the value relate to the investment? Are there any areas of work which were not worth investing in?
- Has the program been able to generate efficiency gains by improving systems, procedures, strategies as the program was implemented?
- Has the program been able to adapt and reallocate resources or change strategies where results were not on track or to further maximise results?
- Does the delivery allow GREAT to deliver its activities faster, generate efficiency savings and reach more stakeholders?
- Have resources been reallocated and/or strategies changed to ensure results are maximised?
- Is GREAT regularly taking into account other investment opportunities and using them as a comparison to make investment decisions?

THE USE OF VfM ANALYSIS

In GREAT 2, the purpose of VfM analysis is to inform decisions and support the program to continuously improve the work that it is doing and how it is achieving results and be accountable to its stakeholders.

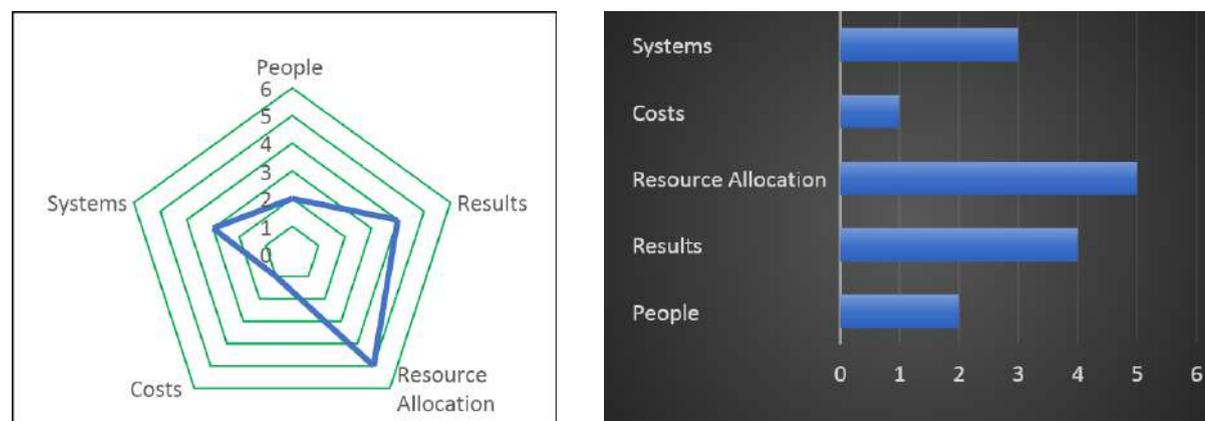
Therefore, VfM analysis is intended to inform three key strategic processes: the selection of partners, the Partners Planning Workshops and the Reflect and Refocus Workshops. For the former, VfM data and analysis is used to support the decisions related to the selection of partners, using the VfM standards,

For the latter, the VfM consolidated data is shared with the relevant participants and analysed as part of each workshop to draw out key conclusions, including any emerging recommendations, so that they can feed into the upcoming plans and ensure that any VfM-related shortcomings are appropriately addressed.

To be integrated in the workshops, VfM analysis is presented visually using models such as the ones presented in Figure 5, accompanied by the emerging recommendations. This helps participants to visualize how the program has been performing in terms of VfM and integrate key recommendations within the future plans.

The Toolkit provides step-by-step guidance on how to facilitate a VfM analysis within a workshop.

Figure 5: Examples of VfM Analysis Visuals



VFM REPORTING

GREAT 2 intends to report on VfM using two approaches: the one-pager VfM report and the 4Es report. The former is used for internal purposes as a product of the VfM Task Force. The latter responds to donor requirement and is therefore used as part of GREAT's reporting (6 months and annual progress reports).

THE ONE-PAGER VFM REPORT

As indicated by the name itself, the One-pager VfM report is a succinct summary of the VfM performance of the program. It is mostly used internally to capture the key learning and recommendations in order to integrate and address these in plans or during key strategic meetings.

The One-Pager report is composed by four sections as illustrated in Table 4. The template is included in the VfM Toolkit and is expected to be the key output produced by the VfM Task Force.

Table 4: Sections of the VfM One-Pager Report

Section	Contents to address
Key Achievements	<p>This section highlights the main strengths demonstrated in terms of VfM performance. The report presents in bullet form the following information:</p> <ul style="list-style-type: none"> • Areas of best performance • Areas of satisfactory performance • Factors that contributed to the achievements • Overview of partners' VfM achievements
Key Challenges	<p>This section highlights the main challenges encountered in terms of VfM performance. The report presents in bullet form the following information:</p> <ul style="list-style-type: none"> • VfM aspects that require further attention • Key obstacles identified • Factors that hindered the delivery of VfM • Overview of partners' VfM challenges
Overview of the VfM Performance	<p>This section provides an overview of the program's VfM performance. This is usually presented through a visual that can illustrate how the program has performed in each of the 5 components of the VfM Framework (see Figure 2).</p>
Recommendations	<p>This section provides a list of recommendations for the program to consider in the subsequent planning. Recommendations are divided by level: partner, sector, program.</p>

THE 4ES REPORT

The key VfM findings can also be used in the annual reports submitted to DFAT using DFAT's 4Es Framework and templates. A successful report ensures that the information provided is specific, that evidence and clear examples are provided to illustrate the statements and that the most critical elements of each E are addressed.

The table below provides a guide for the structure of a 4Es report and details of the themes to be tackled, mapping the components of GREAT's VfM Framework to the 4Es Framework. However, GREAT's VfM Framework also includes a fifth area of analysis: Resource Allocation. This is not usually included in the 4Es Framework but key lessons learnt can be included in an introductory section focussing on the overall VfM.

Table 5: Contents of the 4Es VfM Report

E	Key question to address	Contents of the report
Economy	Is the relationship of the price and quality of the goods and services we procure the best we can get?	<p>Economy corresponds to the “Costs” area of analysis of GREAT’s VfM Framework.</p> <p>Key highlights may include:</p> <ul style="list-style-type: none"> ● Procurement procedures and how GREAT is ensuring that prices are competitive; ● Examples of specific cost lines to show how they compare to market prices (ideally the most substantial ones); ● Market benchmarking exercises undertaken in the reporting period; ● Human Resources procedures to ensure HR costs are competitive; ● Overheads and how they compare across the sector.
Efficiency	Are we doing things well? Have we put in place the right processes and systems to deliver our project in the best possible way?	<p>Efficiency corresponds to the “Systems” area of analysis in GREAT’s VfM Framework.</p> <p>Key highlights may include:</p> <ul style="list-style-type: none"> ● A statement about whether the targets were achieved or a description of any delays or obstacles encountered in the program’s performance ● Examples of management decisions which improved the general delivery of the activities and outputs ● Examples of systems and processes used to run efficiently the program and to monitor and manage the program and the financial resources ● Risk management procedures and mitigation measures ● Operational decisions that enabled the implementation to run efficiently (such as working through a partner rather than directly) ● Financial management procedures ● Innovative approaches developed by GREAT to tackle better the issues it is working on
Effectiveness	Are we doing the right thing? Given the purpose of the program, are we achieving the best possible change?	<p>Effectiveness corresponds to the “Results” area of analysis in GREAT’s VfM Framework.</p> <ul style="list-style-type: none"> ● The changes observed as a result of the program activities ● Unintended consequences or effects that were not originally foreseen ● The MERL system and approach and how it enabled the program to maximize its results ● Any innovative results achieved and why they can be considered innovative ● Sustainability of the changes ● GREAT’s value added compared to other organizations/programs working on the same topics

E	Key question to address	Contents of the report
Ethics	Are we spending fairly? Are the benefits of the program reaching the most vulnerable and excluded?	Ethics corresponds to the “People” area of analysis in GREAT’s VfM Framework. <ul style="list-style-type: none"> • How the program managed to engage ethnic minority women and vulnerable sub-groups (such as women with disabilities) • How the program addresses gender inequalities in its overall approach • How the program tackles power dynamics to support the women it targets

VFM ROLES AND RESPONSIBILITIES

Adopting VfM in GREAT and operationalising this Framework means that everybody is responsible for VfM. In other words, all staff are expected to ensure that the 5 key components of the Framework are met: that results are maximised, that women are benefitting, particularly from ethnic minorities, that resources are allocated appropriately, that costs are minimised and that appropriate systems are in place and in use.

VfM is also a multidisciplinary subject area, its data collection and analysis requires a variety of different skills and expertise, such as monitoring and evaluation, operations, finance, procurement, programs. No single role within GREAT would be able, alone, to analyse and use VfM appropriately. However, the integration of VfM analysis within the ways of working of a program usually succeeds when there is a coordinating unit that takes the lead in ensuring that VfM is appropriately addressed.

The GREAT program, for its second phase, has set up a VfM Task Force composed by the following members:

- Team Leader/Deputy Team Leader
- Senior MERL Specialist
- MERL Manager
- Operations Manager
- Senior Grant Finance Officer
- HR/Procurement Manager
- Agriculture Portfolio Manager
- Tourism Portfolio Manager
- Gender specialist

The VfM Task Force meets twice a year to analyse the consolidated VfM data (at all levels) to draw out key recommendations and conclusions. The Task Force is coordinated by the MERL Manager who is responsible for coordinating the required inputs (consolidated data, VfM one pager reports, VfM visuals) from GREAT and/or partners. The key output to be completed by the Task Force is the VfM One-Pager Report with the recommendations emerging from the meeting by level.

The MERL Team is the VfM Lead in the GREAT program. This means that it is responsible to quality assure the data been collected by partners and other GREAT staff, provide

support where necessary and work with relevant teams and partners to collect and consolidate the data twice a year so that it can be used by the VfM Task Force and/or in relevant workshops and meetings.

The Operations, Finance and HR/Procurement Teams play a key role mostly in the collection and analysis of data related to Resource Allocation, Costs and Systems. They ensure that the quality of the data collected for these areas is accurate and support the MERL team in the consolidation of data. Where necessary, they also collect data that can complement the existing one.

The Agriculture and Tourism Technical Teams are responsible for ensuring that the right data is being collected in the components of People and Results for their respective areas. Where needed, they support partners and collect additional data where necessary. They support the MERL Team in the consolidation of the data and contribute to the analysis.

ANNEX 1: THE VfM COMPONENTS SUMMARY SHEET

VfM Definition

GREAT will be considered to have delivered VfM if it achieves its expected results, ensuring these are sustainable beyond the life of the program. In particular, if it ensures that women, especially ethnic minority women, have increased skills, knowledge, access to networks and support services as well as increased agency in an environment where the market and relevant government departments take initiatives that foster their economic stability and growth. VfM is ensured by allocating the resources in the areas of work that generate the most systemic results and by making appropriate evidence-based adaptations (reallocating resources, changing strategies, building on existing opportunities).

VfM Components

6. **People** – ensuring that women, particularly from ethnic minorities, are benefitting from the program
7. **Results** – maximising the results and impact of the program
8. **Resource Allocation** – adapting the program to ensure that resources are allocated where the most systemic results are being achieved
9. **Costs** – ensuring costs are reasonable given the quality required
10. **Systems** – ensuring that GREAT and its partners have the appropriate systems to deliver VfM

VfM Standards

VfM Framework Component	VfM Standard level	Description of the VfM Standard Level
6. People	Significant	There is strong evidence showing that women, of which more than 60% from ethnic minorities, have experienced all the outcomes achieved and that specific initiatives have been taken to specifically address their needs and priorities as well as those of the most disadvantaged sub-groups (such as ethnic minority women with disabilities).
	Satisfactory	Evidence shows that women, of which at least 50% from ethnic minorities, have experienced most of the outcomes achieved (more than 70%) and that some initiatives have been taken to specifically address their needs and priorities.
	Strengthening	Evidence shows that women, at least 40% of which from ethnic minorities, have experienced some of the outcomes achieved (more than 50%) and that some initiatives have been taken to specifically address their needs and priorities.

VfM Framework Component	VfM Standard level	Description of the VfM Standard Level
	Developing	Evidence shows that women, at least 30% from ethnic minorities, have experienced a few of the outcomes achieved (less than 50%) and that a few initiatives have been taken to specifically address their needs and priorities.
	Beginning	There is limited evidence that women, particularly from ethnic minorities, have benefitted from the outcomes achieved. The team is starting to think about the initiatives to take to specifically address their needs and priorities.
7. Results	Significant	All key expected intermediate and end-of-program outcomes have been achieved beyond expectations (intermediate and/or end-of-program outcome targets have been significantly overachieved), several sustainability measures have been put in place to ensure the results are likely to outlive the program and adaptations have regularly been made when an outcome was not on track or when results could have been further maximised.
	Satisfactory	Most key intermediate and end-of-program outcomes have been achieved (at least 70% of intermediate and/or end-of-program outcome targets have been achieved), several measures have been put in place to ensure the results are likely to outlive the program and adaptations are usually made when an outcome was not on track or when results could have been further maximised.
	Strengthening	Some key intermediate and end-of-program outcomes have been achieved (at least 50% of intermediate and/or end-of-program outcome targets have been achieved), some measures have been put in place to ensure the results are likely to outlive the program and adaptations have been made sometimes when an outcome was not on track or when results could have been further maximised.
	Developing	A few key intermediate and end-of-program outcomes have been achieved (less than 50% of intermediate and/or end-of-program outcome targets have been achieved), a few measures have been put in place to ensure the results are likely to outlive the program and adaptations have been made rarely when outcomes were not on track or when results could have been further maximised.
	Beginning	The amount of key intermediate and end-of-program outcomes achieved is limited (less than 30% of outcome targets have been achieved), no measures have been put in place to ensure the results are likely to outlive the program and adaptations have never been made when outcomes were not on track or when results could have been further maximised.
8. Resource Allocation	Significant	All the investments (above 90%) made by GREAT have contributed to several systemic results or resources have been reallocated in order to achieve this.
	Satisfactory	Most of the investments (above 75%) made by GREAT have contributed to several systemic results or resources have been reallocated in order to achieve this.

VfM Framework Component	VfM Standard level	Description of the VfM Standard Level
	Strengthening	Some of the investments (above 50%) made by GREAT have contributed to some systemic results and resources have sometimes been reallocated in order to achieve this.
	Developing	A few of the investments (below 50%) made by GREAT have contributed to a few systemic results and resources have rarely been reallocated in order to achieve this.
	Beginning	No or very few of the investments (below 30%) made by GREAT have contributed to systemic results and resources have never been reallocated to achieve this.
9. Costs	Significant	GREAT has made significant effort to ensure its most substantial costs are competitive.
	Satisfactory	GREAT has made satisfactory effort to ensure its most substantial costs are competitive.
	Strengthening	GREAT has made some effort to ensure its most substantial costs are competitive.
	Developing	GREAT has made minimal effort to ensure its most substantial costs are competitive.
	Beginning	GREAT has hardly made any effort to ensure its most substantial costs are competitive.
10. Systems	Significant	All key systems are in use to ensure an efficient way of working (procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Satisfactory	Most key systems are in use to ensure an efficient way of working (at least 4 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Strengthening	Some key systems are in use to ensure an efficient way of working (at least 3 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Developing	A few key systems are in use to ensure an efficient way of working (less than 3 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)
	Beginning	No or very few key systems are in use to ensure an efficient way of working (less than 2 of the following: procurement/benchmarking, financial management, risk management, priority setting, adaptations)