

# Measuring Achievements of Private Sector Development in Conflict-Affected Environments

## Practical Guidelines for Implementing the DCED Standard



Version 3, February 2015

*By Ben Fowler and Adam Kessler  
MarketShare Associates*



# DCED

The Donor Committee for Enterprise Development

## **Preface**

These guidelines have been produced as a companion to the Donor Committee for Enterprise Development (DCED) **Standard for Results Measurement** (hereafter referred to as the DCED Standard) and associated guidance documents.

The guidelines are based on **extensive interviews with experts and field practitioners, desk research, and two cases studies** based on country visits which analysed in depth programmes' results measurement experiences in conflict-affected environments: The [DFID-funded Sustainable Employment and Economic Development \(SEED\) programme in Somalia](#) and the [BMZ-funded Youth Employment programme implemented by GIZ in Sierra Leone](#).

The **current, updated version of the guidelines (February 2015)** incorporates additional examples and lessons learnt, based on recent literature and, in particular, a [DCED workshop](#) hosted by the Netherlands Ministry of Foreign Affairs in November 2014. Participants included GIZ (on behalf of BMZ), IFC, Mercy Corps, the Clingendael Institute, the Institute for Economics and Peace, the Netherlands Ministry of Foreign Affairs, UNDP and the DCED Secretariat. The updating process was used to streamline existing content where possible. No changes were made to the fundamental principles and recommendations of the guidelines.

**The guidelines have originally been commissioned in 2012 by the DCED Working Group on Private Sector Development (PSD) in Conflict-Affected Environments (CAEs).** They were produced by MarketShare Associates (MSA) and written by Ben Fowler and Adam Kessler. Updates have been edited by Melina Heinrich of the DCED Secretariat.

For more information on the **DCED Standard for Results Measurement**, please visit the DCED website at [www.enterprise-development.org/page/measuring-and-reporting-results](http://www.enterprise-development.org/page/measuring-and-reporting-results) or contact the DCED at [Results@Enterprise-Development.org](mailto:Results@Enterprise-Development.org). To view the **DCED Knowledge Page on PSD in CAEs**, including an online library with more than 450 documents, and guidance by various agencies, please go to [www.enterprise-development.org/page/cae](http://www.enterprise-development.org/page/cae).

### **>> Share your experiences**

While these guidelines have been based on extensive research, the Working Group appreciates that the realities on the ground might make the implementation of some of the recommended results measurement practices difficult. **The Group would therefore be keen to hear from practitioners that are managing to assess results in spite of the challenges.** Please contact [Results@Enterprise-Development.org](mailto:Results@Enterprise-Development.org) to share your experiences or any feedback or advice that you may have.

## **Acknowledgements**

The authors wish to thank the many interviewees who provided helpful guidance as we conducted our research. We are also grateful to the members of the Donor Committee for Enterprise Development (DCED) for their support throughout, as well as Jim Tanburn and Melina Heinrich from the DCED Secretariat. We dedicate these guidelines to the practitioners who are making the effort to design and implement rigorous results measurement systems in conflict affected environments and disseminate their results to the rest of the field. These efforts are invaluable to advancing our knowledge in an area where much remains to be learned.

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## I. Introduction

This paper provides guidance for measuring results in conflict affected environments (CAEs) using the Donor Committee for Enterprise Development (DCED) Standard for Results Measurement<sup>1</sup>. The DCED Standard is a framework for measuring and managing the results of private sector development programmes during implementation. The guidelines follow the DCED’s definition of CAEs: “countries or regions where there is a high risk of violent conflict breaking out; that are in the midst of violent conflict; or have recently emerged from it, including countries classified as ‘post-conflict’”.<sup>2</sup> Definitions for this and other commonly-used terms are provided in [Annex 1](#), while acronyms and abbreviations are provided in [Annex 2](#).

Since 2008, the DCED Standard has been implemented by numerous private sector development (PSD) projects across Africa and Asia. Feedback from practitioners indicates that it helps monitor progress towards objectives and manage interventions. In complex, rapidly changing environments it is particularly important for programmes to monitor, learn from and adapt their approach.<sup>3</sup> The emphasis of the DCED Standard on using monitoring data to improve implementation is thus particularly valuable in CAEs, supporting the management of complex programmes and reducing the risk of causing harm through inappropriate interventions. Nevertheless, the challenges of security, data availability, and staffing have limited the application of the DCED Standard in CAEs to date.

Donors are increasingly dedicating resources towards private sector development in CAEs, recognising the poor performance of CAEs towards meeting development objectives. With greater funding, donors and implementers are being called upon to develop rigorous approaches for results measurement and reporting, in order to demonstrate impact and accountability. The DCED Standard is widely recognized as representing good practice in results measurement for PSD programming. Providing guidance in how to apply the Standard in CAEs can support practitioners to measure, manage and demonstrate results.

## II. How to Use these Guidelines

These guidelines are written for donors, project implementers, auditors and consultants who are applying the DCED Standard in CAEs or considering its use. They are structured around the eight elements of the DCED Standard. For each component they note the challenges that affect application in CAEs, provide guidance on mitigation strategies and refer to additional resources. Resources listed in [blue text](#) link to a downloadable resource, and a full list of guidance documents are provided in [Annex 3](#).

Guidance is provided on how to structure a Standard-compliant results measurement system that, at a minimum, avoids exacerbating conflict. For practitioners wishing to use private sector development programmes as a means to build peace and promote stability, these guidelines outline an approach for reflecting this aim within your results measurement system.

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<sup>1</sup> For more information about the DCED Standard, please refer to:

<http://www.enterprise-development.org/page/measuring-and-reporting-results>.

<sup>2</sup> The Donor Committee for Enterprise Development, [Private sector development in conflict affected environments: Key Resources for Practitioners](#), 2010. The CAE definition is understood to also encompass the concept of fragility.

<sup>3</sup> Hummelbrunner, Richard and Jones, Harry, *A guide for planning and strategy development in the face of complexity*, 2013, Overseas Development Institute.

In light of the great diversity among CAEs, readers should use these guidelines as a resource in developing and implementing their monitoring system, rather than a prescriptive set of rules. Many of the recommendations are also relevant to PSD programming in humanitarian crises and other challenging contexts.

These guidelines assume that users have a basic knowledge of the DCED Standard and surrounding guidance, as described in the next section. Being a monitoring framework, the DCED Standard and these practical implementation guidelines do not address the topic of independent impact evaluations after the end of a project. It has however been frequently noted by practitioners that results are likely to take longer to materialise in CAEs than in other environments, suggesting that impact evaluation about 3 years after project completion may be sensible. Note that the DCED has also published separate guidelines which provide insights into the [interface between monitoring and evaluation](#).

### **III. If You Are New to the DCED Standard**

The DCED is a forum for bilateral donors and multilateral agencies seeking to improve the effectiveness of their PSD programming.

The DCED has published a Standard for Measuring Results in Private Sector Development, which provides a framework for programme managers to monitor their progress and report credible results. It can be implemented by the programme team and audited by an independent assessor to verify the credibility of the system. There are eight elements to the Standard, listed below. Follow the hyperlinked bold text to download further guidance on each:

1. [Articulating Results Chains](#). Results chains visually represents how project activities will create outputs, outcomes and impact, showing the causal links and relationships between them. The results chains clearly demonstrate what the project is doing and what changes are expected.
2. [Defining indicators of change](#). An indicator specifies what you will measure in order to see whether change has occurred. By defining indicators, you clarify exactly how you will monitor your interventions. Indicators are specified for each expected change outlined in results chains.
3. [Measuring changes in indicators](#). Once the indicators have been defined, they are regularly monitored to see what has changed to help projects manage accordingly.
4. [Estimating attributable changes](#). Once a change is observed, you need to estimate what can be attributed to your project. For example, an increase in jobs may be due to your project – or because of the wider economic environment. Estimating attributable changes helps a project identify which interventions are working and which are not.
5. [Capturing wider changes in the system or market](#). Many PSD programmes aim to affect entire market systems. Monitoring these changes gives a project a fuller picture of its impact, helps identify what is working and revise implementation strategies to maximize results.
6. [Tracking programme costs](#). In order to assess the success of the project it is necessary to know how much was spent to achieve the results.
7. [Reporting results](#). Findings are communicated clearly to funders, local stakeholders, and to the wider development community where possible.

8. **[Managing the system for results measurement](#)**. For a monitoring and results measurement system to be effective, it must be adequately resourced and integrated into all aspects of project management, informing the implementation and guiding the strategy.

The Standard divides each of these broad categories into control points and compliance criteria. The control points summarise the exact requirements, while the compliance criteria describe how an auditor will assess the programme.

Readers who are unfamiliar with the Standard can visit the DCED's page on [measuring results](#) to learn more about the DCED Standard. You can also download the [Standard](#) itself, or read the comprehensive implementation guidelines downloadable through the above hyperlinks or from the website [here](#). It is advisable to review those documents before reading these guidelines.

#### **IV. Key Principles to Implementing the DCED Standard in CAEs**

Three principles underlie the application of the DCED Standard in conflict affected areas: simplicity, flexibility and sensitivity.

**Simplicity.** Personnel in CAEs are often overworked and under-resourced, with little training in results measurement. High staff turnover may reduce familiarity with the project and context. An overly complex results measurement system will not be successfully implemented, wasting project resources and reducing the willingness of staff to use it.

These guidelines highlight techniques for simplifying the results measurement system that enable it to be implemented even in challenging CAEs.

**Flexibility.** CAEs are unpredictable, complicated, and fast-changing. An inflexible results measurement system may monitor irrelevant indicators, fail to capture the positive impact of the project, and put staff and project clients at risk by ignoring negative consequences.

Consequently, your results measurement system should be flexible. Be aware that a results chain can never capture the full complexity of the situation, and may become rapidly outdated if not regularly reviewed. Be alert for positive and negative changes not captured by your indicators, and be prepared to modify the monitoring system accordingly. Again, these guidelines suggest ways to manage this complexity while implementing the DCED Standard.

**Sensitivity.** Inappropriate interventions in CAEs can endanger staff, partners and project clients while worsening the conflict. PSD projects must be particularly aware of potential negative impacts because conflicts are frequently driven by economic factors, which PSD interventions can either reinforce or reduce. For example, increasing the level of competition among firms can exacerbate conflict if one side perceives that their businesses are being displaced.

Accordingly, all projects working in CAEs should 'Do No Harm'. This means that they must understand the context in which they operate, understand the interaction between their activities and the context,

and act upon this understanding to avoid negative impacts.<sup>4</sup> The results measurement system should thus monitor potential negative effects of the project on the conflict. Some programmes may wish to go further and explicitly aim to promote peace and stability through PSD. In this case, they may also monitor positive effects of the project on the conflict, although this poses greater challenges. Moreover, the monitoring system must itself take the conflict into account. Asking politically sensitive questions in interviews or sharing identifiable information can put staff and beneficiaries at risk. These guidelines highlight ways to integrate conflict sensitivity into the results measurement system.

Note that the following sections will follow the sequence of the DCED Standard elements 1-8 and associated control points.

## **1 Articulating Results Chains**

Results chains visually articulate the activities, outputs, outcomes and impact of your project and the linkages between them. This demonstrates what the project is doing and what changes are expected as a result. If you have not worked with results chains before, you can download the DCED Results Chain guide [here](#) for a complete explanation.

Results chains are important tools for results measurement in all projects, including those implemented in a CAE. The process of designing results chains clarifies the logic of your project, forcing you to be explicit about what changes you expect to see and how they relate to the desired outcomes. This allows your assumptions to be closely examined and questioned, in order to check that the activities will plausibly lead to the planned results. Results chains also create the basis for results measurement. By articulating the logic of your intervention, the results chains outline expected results. This allows you to

### **Results Chains and Theories of Change**

The DCED Standard requires the use of results chains for each project intervention, whereas the peacebuilding community more frequently refers to theories of change. A theory of change is an approach to the design, monitoring and evaluation of social programmes. It requires a clear articulation of the activities of the project and how it expects them to interact with the context and key actors to lead to long-term change. This is referred to as the 'logic' of the project. It frequently includes a consideration of the context and key actors. Theories of change are sometimes depicted visually.

Results chains are one way to visualise a theory of change that represents the series of specific changes that link project activities to impacts using a series of boxes and arrows. Whether you speak of results chains or theories of change, the key to their successful use is to continually test the underlying assumptions and use that to improve the project. As highlighted by [DFID \(2013\)](#), "well-evidenced theories of change which articulate a testable hypothesis about how change comes about are now widely understood to be a critical component of robust programme design, monitoring and evaluation."

<sup>4</sup> Conflict Sensitive Approaches to Development, [Humanitarian Assistance and Peacebuilding Resource Pack](#), 2004, 3.



regularly check whether your project is on track.

There are several challenges to developing effective results chains in CAEs. These include knowledge gaps about market systems in CAE, for example due to a lack of access, secondary information or formal institutions; knowledge gaps about the relationship between PSD and peacebuilding<sup>5</sup>; a fast pace of change, which can render a results chain quickly out of date; and the need to complexity with usability of results chains. If a results chain is overly simple, it will not capture the project logic. If it is overly complex, such as in the adjacent figure<sup>6</sup>, it is difficult to read and monitor against.

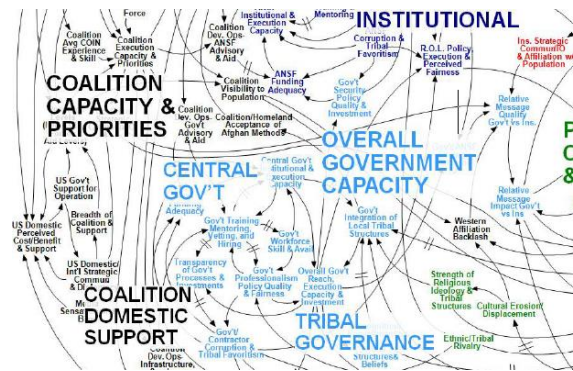


Figure 1: Mapping Complex Conflicts

This excerpt from a diagram of the Afghan context shows how complex any attempt to fully represent a conflict can be.

### 1.1 Incorporating conflict into results chains (Control Point 1.1-1.2)

The results chain design will depend on the project’s approach to addressing conflict. There are three broad approaches that PSD projects may use in CAEs, as shown in Figure 2 below:

- **Conflict Blind.** Projects do not incorporate the conflict into their background research, design, implementation, or monitoring.
- **Do No Harm.** Projects consciously look for and seek to avoid or mitigate negative impacts resulting from their activities.<sup>7</sup>
- **Peacebuilding.** Projects explicitly design their PSD interventions to reduce conflict and build peace. A peacebuilding project will aim to identify and address the underlying cause(s) of conflict.

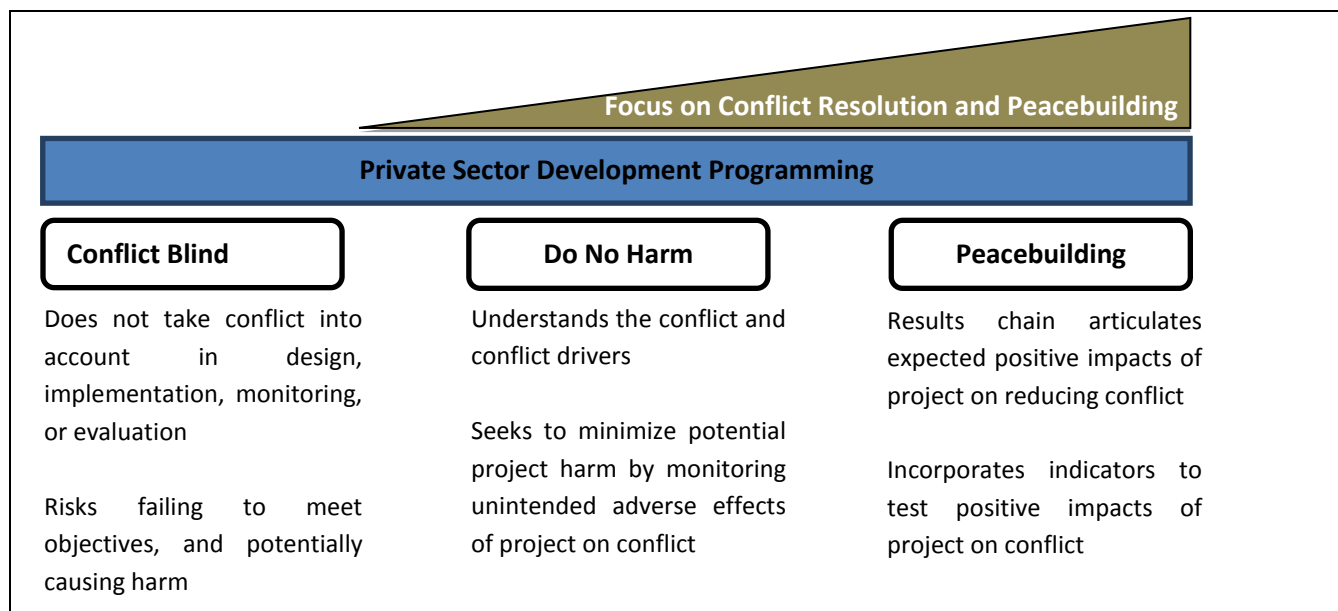
A “conflict blind” project may not achieve its objectives, due to unanticipated conflict-related factors, or inadvertently worsen the conflict. The next two sections therefore explore how the project logic can incorporate Do No Harm and peacebuilding principles.

<sup>5</sup> For example, a recent systematic review by the Overseas Development Institute found that, out of 9,558 articles reviewed, only one provided any evidence regarding whether or not employment creation promoted stability. Source: Holmes et al, What is the evidence on the impact of employment creation on stability and poverty reduction in fragile states: A systematic review, 2013, v.

<sup>6</sup> Diagram cited in Banyan Global, [Enterprise Development, Poverty and Conflict](#), 2010.

<sup>7</sup> Interpeace, [What is Peacebuilding?](#), 2010.

Figure 2: The PSD-Peacebuilding Continuum<sup>8</sup>



**Case study: Moving from a conflict blind to a conflict sensitive approach in IFC’s CASA programme**

IFC’s [Conflict Affected States in Africa \(CASA\)](#) initiative started in 2008 to address PSD challenges in fragile countries in Sub-Saharan Africa, including through regulatory reform, support to SMEs and agricultural supply chains, and infrastructure rehabilitation. CASA’s original approach was ‘conflict blind’, meaning that conflict factors were not considered in programme design and implementation. However, when CASA entered a new phase in July 2014, it decided to make strategic changes and put conflict-sensitivity at the centre of programming. In practice, this involves a number of operational changes, including:

- **Using PSD-focused conflict analysis as a basis for programme design:** CASA realized that generic conflict or political economy analysis tools would not enable the programme to identify operational entry points for its interventions. It has therefore begun to work on a new PSD-focused conflict assessment methodology which will be used to inform intervention design in all project countries.
- **Building on in-house conflict expertise and promoting capacity-building:** CASA now has two dedicated operational staff with conflict expertise to assist in the processes of both country and programme selection. In addition, implementing staff will be trained in applying the new conflict assessment methodology, in order to make it an integral part of the programme. CASA further recognizes the importance of promoting a shift in ‘culture’ among programme implementers, towards conflict awareness and sensitivity as part of day-to-day operations.
- **Incorporating conflict risk monitoring into results measurement:** Conflict risks and mitigation measures will be re-assessed two times per year as part of the regular monitoring process, enabling CASA to adapt programming if necessary. Depending on the context, CASA will also disaggregate results data by gender, social, group, age, and region.

<sup>8</sup> Prepared by the authors, adapted from Dalberg Global Development Advisors, Adapting IFC M&E approaches for projects in conflict affected countries, Phase 1: Formative research and key issue diagnosis, undated, 28.

### 1.1.1 Do No Harm

At a minimum, projects in CAEs should aim to “Do No Harm”. They must be built on a comprehensive conflict analysis, and consider potential negative interactions between the conflict and the context.<sup>9</sup>

#### 1.1.1.1 Conflict Analysis

*“At the beginning of the project, I was not convinced by peace and conflict analysis. I thought that I don’t have time for it. But I’ve discovered that, if I make the time, we avoid a lot of trouble. A good conflict analysis is vital to success.” – Liane Hryca, GIZ Afghanistan<sup>10</sup>*

#### Impact of EU engagement in Afar Region, Ethiopia

Afar is a region in the East of Ethiopia, where regional insecurity, weak regional government, loss of access to livelihood resources, and marginalization of minority groups, all risk creating physical conflict. The EU provided approximately two billion Euros between 1976 and 1994 in aid to Ethiopia, including a large-scale irrigation projects in the Afar region. A report by Saferworld concluded that these projects have excluded pastoralists from planning and implementation, depriving them of grazing land and increasing the risk of conflict between pastoralists, agriculturalists and the state.

To be effective in a CAE, the project logic needs to be based on an understanding of the conflict. This should be done through a conflict analysis, which is a systematic study of the profile, causes, actors, and dynamics of conflict.<sup>11</sup> In particular, the conflict analysis should identify the drivers (i.e. underlying causes) of conflict. For a selection of conflict analysis guidelines, see the key resources section at the end of the document.

#### Key Questions for Conflict Analysis<sup>12</sup>

##### Conflict profile

- What is the political, economic, and socio-cultural context?
- What are the emergent political, economic, ecological and social issues?
- What specific conflict prone/affected areas can be situated within this context?
- Is there a history of conflict?

##### Conflict actors

- Who are the main actors?
- What are their main interest, goals, positions, capacities, and relationships?
- What institutional capacities for peace can be identified?
- What actors can be identified as (potential) spoilers? Why? What are their incentives?

##### Conflict causes

- What are structural causes of conflict?
- What issues can be considered as proximate causes of conflict?
- What triggers can contribute to the outbreak/further escalation of conflict?

##### Conflict dynamics

- What are the current conflict trends?
- What are windows of opportunity?
- What scenarios can be developed from the analysis of the conflict profile, causes and actors?

<sup>9</sup> Anderson *Do No Harm: How Aid Can Support Peace or War*. Lynne Rienner Publishers. 1999 <http://cdacollaborative.org/>

<sup>10</sup> Interview with Liane Hryca (GIZ Afghanistan), September 28, 2012.

<sup>11</sup> Conflict Sensitivity Consortium, [How To Guide to Conflict Sensitivity](#), 2012.

<sup>12</sup> Conflict Sensitivity Consortium, [How To Guide to Conflict Sensitivity](#), 2012.

Implementers often find that generic conflict analyses are too broad to help them tailor their PSD programmes to the specific context. They can also be extremely resource and time consuming. It can consequently be more useful to conduct a conflict analysis into a particular economic sector, rather than the overall conflict.<sup>13</sup> One way to do this is to incorporate conflict analysis in other assessments that PSD projects typically carry out at the design stage, such as market systems or value chain analysis. For example, GIZ in Sierra Leone has incorporated conflict sensitivity into their value chain assessments. As well as evaluating economic potential, participatory workshops in each district explored the extent to which the value chains bring different groups together, and the risks of fostering increased competition on conflict.<sup>14</sup> More information on integrating conflict and economic analysis is available in the DCED publication [PSD in CAEs: Key Resources for Practitioners](#)<sup>15</sup>, which describes seven tools that practitioners can use to design conflict-sensitive PSD programmes in CAEs.

Ultimately, findings from the conflict analysis will allow you to minimise negative impacts on conflict and maximize positive ones by incorporating them into the project design and results measurement system. This establishes an accurate programme logic, enables the development of conflict-sensitive indicators, and ensures that changes in the context can be monitored and reflected in project design and the monitoring system. This may be easier to achieve if staff conduct and analyse the conflict analysis, rather than outsourcing it.<sup>16</sup> Ideally the initial conflict analysis should be conducted prior to or during the programme design phase, so that its findings can inform the programme. Critically, the conflict analysis must be regularly updated to detect any changes in the context and adjust interventions that may exacerbate the conflict.

#### ***1.1.1.2 Considering a project's potential negative effects through results chains***

A PSD project can create or exacerbate conflict in various ways, including:

- Real or perceived bias in the distribution of project resources, support or employment
- Resource transfers to parties to the conflict
- Enabling a diversion of other resources to conflict (e.g. warring parties are freed from their obligation to support civilians)
- Contributing to inflation
- Changing existing power structures, for example by increasing competition in a market.
- Reducing the capacity of local structures. For example, recruiting local government staff or activists (either formally or through payment of per diems for project work) or setting up parallel bodies.<sup>17</sup>

Consequently, it is essential for each project to consider its possible negative consequences. One well-established methodology for doing this is the [Do No Harm](#) (DNH) approach. This is “an effort to identify the ways in which international development assistance given in conflict settings may be provided so that, rather than exacerbating and worsening the conflict, it helps local people disengage from fighting

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<sup>13</sup> DFID (2013): [Integrated development and peacebuilding programming. Design, monitoring and evaluation.](#)

<sup>14</sup> Interview with Beatrice Tschinkel (GIZ), September 17, 2012

<sup>15</sup> DCED, [Private Sector Development in Conflicted Affected Areas: Key Resources for Practitioners](#), 2010.

<sup>16</sup> Conflict Sensitivity Consortium, [How To Guide to Conflict Sensitivity](#), 2012, 5.

<sup>17</sup> Anderson and Olson with Doughty. [Confronting War: Critical Lessons for Peace Practitioners](#), 2003, 22-28.

and develop systems for settling the problems which prompt conflict within their societies.” The methodology has been widely applied and has a large amount of guidance available.<sup>18</sup>

PSD programmes working in CAEs should adopt the DNH approach or a similar methodology to help them think about their effects on conflict. Several ways to incorporate the DNH approach in the creation of results chains are highlighted below.

**Case Study: Applying a Do No Harm Approach to PSD Interventions in Somaliland**

The [USAID-funded Partnership for Economic Growth project](#), implemented by DAI in Somaliland, is focused on promoting private sector development while using a Do No Harm approach to minimize potential negative impacts of the project on clan-based tensions:

1. During any market research and project design stages, the team conducts an ‘analysis of local political economy’. This maps scenarios in which the project could inflame clan tensions, e.g. by intervening in value chains dominated by specific clans, and informs strategies to ensure overall clan balance.
2. The project’s Communications and Community Outreach Officer and the security focal point continually inform the project team of any possible land conflicts or related tensions in and around project intervention areas and work closely with local government and civil society stakeholders to ensure that all project activities are supported by neighbouring communities.
3. The project will not directly support a business in a sector where there is a great deal of competition and tensions already or where this risks creating unfair advantages for business owners in one clan over those in another.
4. During the project’s business matching grants competition, all short-listed finalists are requested to submit a “Business Risks and Assumptions Report”, in which the grantee is also required to lay out their “Do No Harm approach” during the business expansion activity that the project will be supporting. This is verified through site visits and follow-up with key industry stakeholders.
5. The project uses formal (e.g. through government) and informal (e.g. between non-governmental organizations and local communities) communication approaches to explain the importance of indirect benefits (e.g. new employment creation) arising from PSD interventions.

*Identify conflict-related risks at each level of results chains*

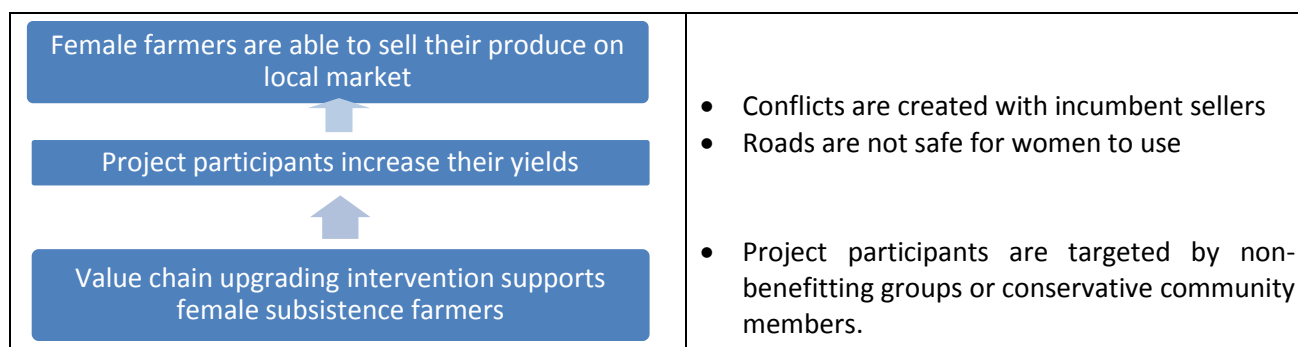
Developing results chains can help think through the conflict-related risks at all levels, from activity to impact (as illustrated in the simplified examples below). While researching these guidelines, the authors found that practitioners tended to effectively consider short term risks caused by activities, such as conflict over distribution of resources. However, it is rarer for practitioners to consider how the outputs and outcomes of their projects might affect conflict. This step is essential in order to fully understand and manage the risks of the project. The table below provide some simplified examples of how results chains can be used to consider conflict-related risks at activity, output and outcome level.<sup>19</sup>

<sup>18</sup> See, for example, <http://cdacollaborative.org/programs/do-no-harm/>

<sup>19</sup> Further information on conflict risks of different types of PSD programmes can be found in International Alert: [Business Environment Reform in Conflict-Affected contexts](#), 2010; GIZ: [Sustainable Economic Development in Conflict-Affected Environments. A guidebook](#), 2009; and DCED: [Private Sector Development in Conflict-Affected-Environments. Key Resources for Practitioners](#), 2010.

Table 1: Simplified example results chains and conflict risks at activity, output and outcome level

| Business Environment Reform Interventions   |   |
|---|---|
| Steps in Results Chain  | Conflict Related Risks  |
| <p>Businesses benefit through cost-savings</p> <p>↑</p> <p>Business-friendly regulations agreed through public-private dialogue are implemented</p> <p>↑</p> <p>New business-friendly rules and regulations are adopted</p> <p>↑</p> <p>Public-private dialogue forum on regulatory reform is established</p> | <ul style="list-style-type: none"> <li>• Implementing agencies may implement regulations unevenly if still linked to a conflict party</li> <li>• Stakeholders that felt excluded from the dialogue process veto/ block implementation</li> <li>• Public-private dialogue forum is perceived as illegitimate by some stakeholders</li> <li>• Some groups feel excluded from the consultation process</li> <li>• Poorly managed dialogue process reinforces conflict/ mistrust between business membership organisations or between business and the government</li> </ul>    |
| Entrepreneurship Training Intervention  |   |
| Step in Results Chain   | Conflict Related Risks  |
| <p>Participants start up their own businesses</p> <p>↑</p> <p>Participants increase knowledge on how to start a business</p> <p>↑</p> <p>Organisation provides entrepreneurship training to participants</p> <p>↑</p> <p>Organisation identifies participants in training session</p>                         | <ul style="list-style-type: none"> <li>• New businesses conflict with existing businesses in same sector.</li> <li>• New businesses pay taxes to local warlord, providing resources that fuel conflict.</li> <li>• Participants can't start businesses due to other constraints, and feel frustrated due to raised expectations.</li> <li>• Non-participants feel that the selection process was unfair.</li> <li>• Potential participants compete over who gets selected.</li> <li>• Local conflict parties require space in training for their own supporters.</li> </ul> |
| Value Chain/ Market Development Intervention  |   |
| Step in Results Chain   | Conflict Related Risks  |



*Visually depict serious risks alongside results chains*

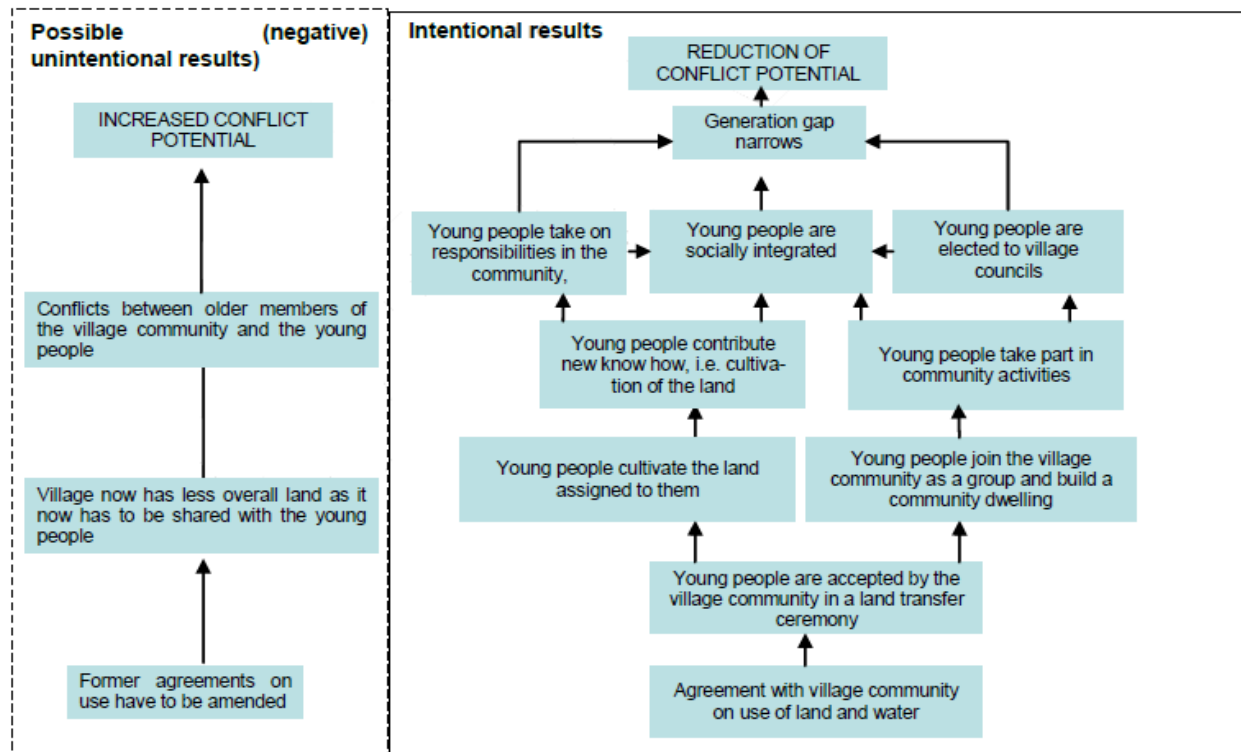
Serious risks can be represented more fully by creating a secondary strand in a results chain. This will allow you to either adjust your activities to address the risk or – if you think the potential risk is small and the impact low – to assign indicators to ensure that these risks are closely monitored. For example, the following figure presents one example from East Timor. The project developed an agreement with the village community on the use of land and water, enabling young people to cultivate land and integrate into communal life. This was expected to reduce the potential for conflict. However, the agreements would reduce the overall land available for each villager, potentially creating a new source of conflict, as identified on the left side of the results chain (see Figure 3 on the next page).<sup>20</sup>

As serious risks are identified, it may be necessary to adjust existing activities or develop additional activities to mitigate the sources of conflict. These adjustments and their results should be incorporated during subsequent updates to your results chains.

Be aware that results chains often cannot capture all of the complex interactions between conflict and your project. Be alert for unanticipated negative effects, and responsive to feedback from the field staff and community.

<sup>20</sup> Lange, Ralf et al.: Results and Results-based Monitoring of the Contributions made by Vocational Education & Training and the Promotion of Employment to Social (Re-)Integration in (Post-)Conflict Situations. Draft version – Unpublished, 2011, BMZ/GIZ, 11.

Figure 3: Mapping Possible Negative Unintentional Results



### 1.1.2 Incorporating Peacebuilding into PSD

Conflict is often driven by economic factors<sup>21</sup>, and so PSD may play a critical role in creating the conditions for a stable society. It can address the causes or escalating factors of conflict, such as unemployment or poverty. It can also support peacebuilding and reconciliation processes, for example by supporting the business community to negotiate between different parties to the conflict.

Projects may consequently wish to build their intervention logic(s) around contributing to peacebuilding. However, not all projects should try to capture their impact on conflict and be realistic in their assessment of whether such impacts are likely. While peacebuilding and economic objectives may overlap in practice, there is also a need to carefully consider potential trades-off between scalable economic development strategies and peacebuilding needs (see Table below); for example, interventions focused on benefitting vulnerable groups or establishing economic linkages between conflict parties may be unlikely to achieve the same economic impacts as interventions focusing on economic growth potential.

Moreover, incorporating peacebuilding into PSD requires adequate staff capacity and knowledge, time, and funding. Few PSD projects have thus far been able to do so effectively. DFID (2013) notes, for example, that peacebuilding programmes in general are often ‘unintentionally poorly defined, [with] unclear or overly broad purpose statements, implicit, unarticulated and/or untested theories of change,

<sup>21</sup> Love, Roy, [Economic Drivers of Conflict and Cooperation in the Horn of Africa: A Regional Perspective and Overview](#), 2009.



[and] lack of explicit conflict analyses".<sup>22</sup> With sufficient resources, however, it can be very valuable to design and monitor PSD programmes for peacebuilding impacts.

Table 2: Different design criteria of PSD programmes aimed at peacebuilding or economic development

| Design criteria of PSD programmes aimed at peacebuilding (examples) <sup>23</sup>  | Design criteria of PSD programmes aimed at economic development (examples)  |
|--|---|
| <ul style="list-style-type: none"> <li>• Potential for re-integrating ex-combatants</li> <li>• Potential for strengthening markets, products, services and activities that are broadly accessible and do not reinforce divisions in communities and society</li> <li>• Potential for diversifying economies and diminishing dependence on primary commodities</li> <li>• Potential for linking conflict-affected parts of the country with peaceful regions and encouraging integration</li> <li>• Potential for job creation for unemployed young people</li> </ul> | <ul style="list-style-type: none"> <li>• Potential for strengthening sectors or regions with high economic growth potential</li> <li>• Potential for enhancing productivity and competitiveness</li> <li>• Potential for attracting Foreign Direct Investment</li> <li>• Potential for supporting returning or local high-growth entrepreneurs</li> <li>• Potential for re-establishing trade- and transport related infrastructure</li> <li>• Low risk of project disruption due to conflict dynamics</li> </ul> |

If projects do wish to capture their impact on stability, they should first outline their theory of change, or results chain, explaining how they expect to have a positive impact on the conflict. This should be rooted in the conflict analysis, and aim to address the identified drivers of conflict. To inform the development of peacebuilding results chains, consider the list on the following page<sup>24</sup>, which presents several ways in which PSD can address some of the most recognised types of conflict causes and drivers, thereby contributing to peacebuilding during or after conflict, or preventing active conflict in a stable situation.

Note that PSD programmes in CAEs may also aim to mitigate the negative impacts of conflict, thereby contributing to socio-economic recovery and the wider peacebuilding agenda. Examples include programmes aimed at reintegrating internally displaced persons, or reconstructing and expanding infrastructure and services with private sector participation.

<sup>22</sup> DFID (2013): [Measuring the Un-measurable. Solutions to Measurement Challenges in Fragile and Conflict-affected Environments.](#)

<sup>23</sup> Based on DCED (2010): [PSD in Conflict-Affected Environments. Key Resources for Practitioners.](#)

<sup>24</sup> Drawn and adapted from The Donor Committee for Enterprise Development, [Private Sector Development in Conflict-Affected Environments – A Framework of Peacebuilding Impacts](#), 2010; Rachel Goldwyn, *Livelihoods and Peacebuilding – what are current approaches to contributing to peacebuilding through livelihoods interventions* (unpublished); Church, Cheyanne and Mark M. Roberts, [Designing for Results: Integrating M&E in Conflict Transformation Programmes](#), 2006; Mercy Corps. [Evaluation and Assessment of Poverty and Conflict Interventions. Conflict & Economics: Lessons Learned on Measuring Impact.](#) Undated.

Table 3: Simplified example results chains of how PSD can contribute to peacebuilding\*

\* N.B. In practice, results chains are likely to be far more complex than these examples, with multiple levels and branches. For one example, see the [DCED case study of GIZ in Sierra Leone](#).

| Most relevant type <sup>25</sup> and phase of conflict  | Simplified Example Results Chain  | Explanation   |
|---|---|---|
| <p><b>Types of conflict:</b></p> <ul style="list-style-type: none"> <li>Conflicts involving horizontal inequalities among ethnic, religious or regional groups</li> <li>Resource conflicts between different communities</li> </ul> <p><b>Conflict phase:</b></p> <ul style="list-style-type: none"> <li>Stable situation with latent conflict</li> <li>Stabilised (post-conflict) situation</li> </ul> | <pre> graph TD     A[PSD Intervention] --&gt; B[Greater economic interaction among parties to conflict]     B --&gt; C[Higher levels of trust]     B --&gt; D[Increased economic incentives for peace]     C --&gt; E[Reduced conflict]     D --&gt; E     </pre> | <p><b><i>PSD interventions foster greater economic interaction among parties to a conflict, which creates economic incentives for peace and reduces the desire for conflict.</i></b></p> <p>This theory of change is applicable in various types of PSD programmes. Business environment reform programmes may use dialogue in business associations or public-private dialogue fora to promote trust inter-group cooperation on economic issues; in agricultural value chain programmes, economic interaction could be promoted through joint farming activities, value chain linkages or common marketplaces for opposing groups. Mercy Corps’ Building Bridges to Peace program in Uganda, for example, supported joint economic initiatives such as farming and marketplace rehabilitation between groups that had previously clashed in the Northeast Karamoja region. Compared with communities that did not receive project activities, the targeted villages reported better economic opportunities, reduced perceptions of insecurity and stronger interaction between ethnic groups.<sup>26</sup></p> |

<sup>25</sup> The three types of conflict referred to in the table are based on a broadly recognized categorization of conflict causes and drivers, as document in: Brown, Graham, Arnim Langer and Frances Stewart (2008); [A typology of post-conflict environments. An overview](#), CRISE Working Paper, for DFID. They include: (1) a lack of economic opportunities as well as competition around scarce resources; (2) horizontal inequalities between ethnic, religious or regional groups; and (3) the presence of lootable, high-value natural resources.

<sup>26</sup> Mercy Corps, [Peacebuilding through Economic Development Approach](#), 2011, 2.

| Most relevant type <sup>25</sup> and phase of conflict   | Simplified Example Results Chain   | Explanation   |
|--|--|---|
| <p><b>Types of conflict:</b></p> <ul style="list-style-type: none"> <li>Conflicts driven by poverty and lacking economic opportunity</li> </ul> <p><b>Conflict phase:</b></p> <ul style="list-style-type: none"> <li>Post-conflict situation</li> </ul>  | <pre> graph BT     A[PSD intervention] --&gt; B[Improved economic opportunities for young people]     B --&gt; C[Fewer young people out of work]     C --&gt; D[Reduced levels of conflict]             </pre> | <p><b>PSD interventions create income and employment opportunities that reduce the incentives to engage in conflict.</b></p> <p>For individuals with no income or jobs, conflict may be the only way to support themselves or their families. Even if they do not fight themselves, they may participate in war economies, such as by growing drugs. Employment opportunities in peaceful vocations reduce this incentive to go to war. This theory is often applied by ex-combatant reintegration programmes. For example, GIZ’s Employment Promotion Programme in Sierra Leone included interventions to develop the cocoa, coffee, livestock and rice value chains and helped youth working in diamond fields to resettle and earn a steady farming income in the villages.<sup>27</sup></p>                                       |
| <p><b>Types of conflict:</b></p> <ul style="list-style-type: none"> <li>Regional or community-based resource conflicts</li> </ul> <p><b>Conflict phase:</b></p> <ul style="list-style-type: none"> <li>Stable situation with latent conflict</li> <li>Stabilised post-conflict situation</li> <li>Active conflict</li> </ul> | <pre> graph BT     A[PSD intervention] --&gt; B[Greater economic opportunities that do not rely on over-exploited resources]     B --&gt; C[Reduced conflict over resources]             </pre>                | <p><b>PSD interventions increase economic opportunities that do not rely on over-exploited resources, thereby reducing a key driver of conflict.</b></p> <p>Conflicts are often driven by inadequate access to resources that are critical to livelihoods (e.g. water, grazing land). Negotiated agreements over the use of such resources are most sustainable where groups have other economic opportunities. In Somalia, Mercy Corps supported the negotiation of eight agreements to limit competition for scarce resources including trees while simultaneously supporting alternative economic opportunities such as nursery management. These alternative livelihood opportunities can reduce the prevalence of economic activities that put a strain on over-exploited resources (e.g. charcoal production).<sup>28</sup></p> |

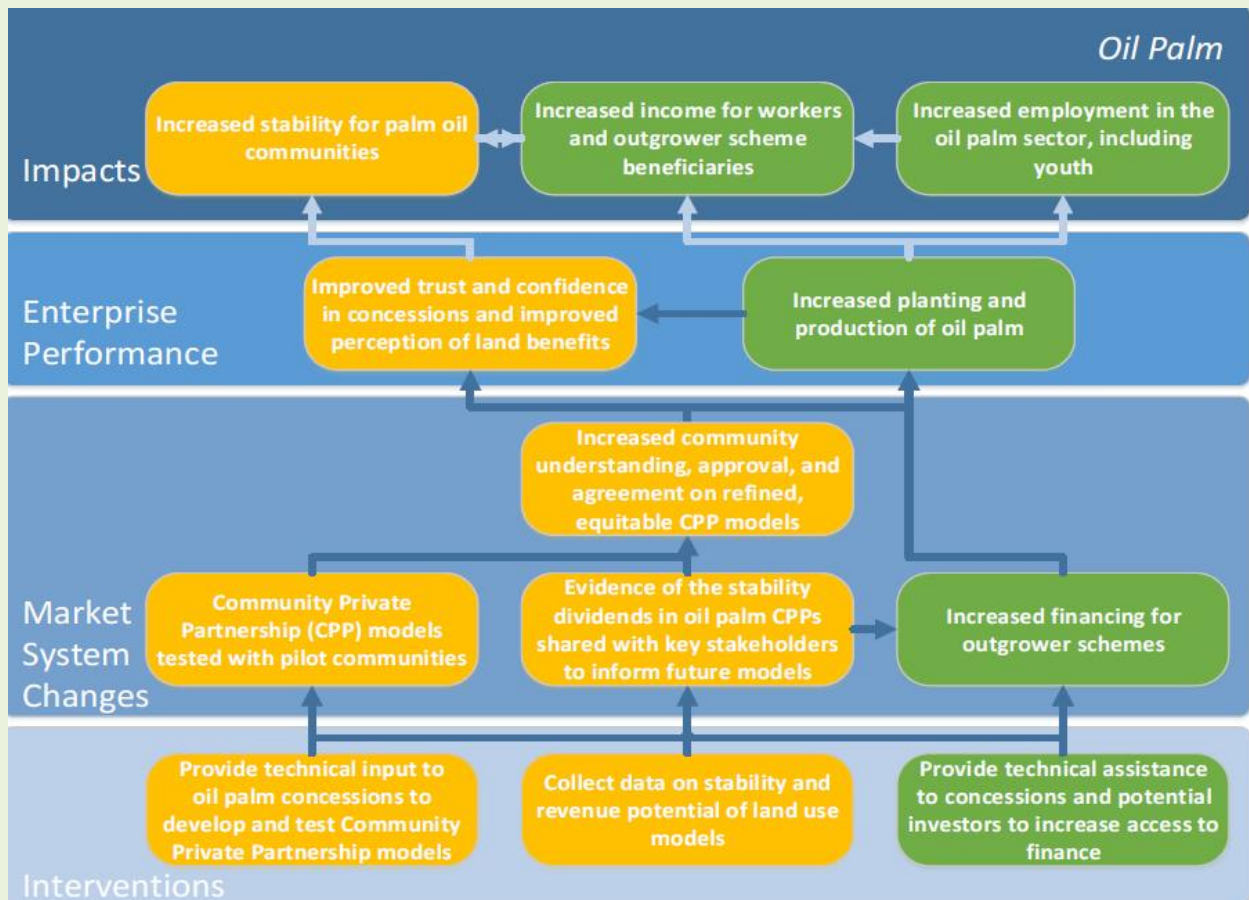
<sup>27</sup> DCED (2013): [Measuring Results of PSD in Conflict-Affected Environments. A Case Study of the GIZ Employment Promotion Programme in Sierra Leone.](#)

<sup>28</sup> Mercy Corps, [Peacebuilding through Economic Development Approach](#), 2011, 3.

| Most relevant type <sup>25</sup> and phase of conflict  | Simplified Example Results Chain  | Explanation  |
|---|---|--|
| <p><b>Types of conflict:</b></p> <ul style="list-style-type: none"> <li>Conflicts involving the looting of high-value natural resources</li> </ul> <p><b>Conflict phase:</b></p> <ul style="list-style-type: none"> <li>Active conflict</li> <li>Stabilised post-conflict situation</li> </ul>  | <pre> graph BT     A[PSD intervention] --&gt; B[Private sector improves governance]     B --&gt; C[Reduced diversion of resources to parties of the conflict]     C --&gt; D[Reduced conflict]             </pre> | <p><b><i>PSD interventions improve the governance of the private sector, which reduces the diversion of resources to parties in the conflict.</i></b></p> <p>As a major societal actor, the decisions and behaviour of the private sector has a major role in influencing government behaviour and actions. Initiatives such as the Extractive Industries Transparency Initiative encourage private firms to behave responsibly and transparently in their relations with the state, reporting what payments are made and to whom. This can reduce conflict by denying combatants the funds needed to fuel conflict.</p> |
| <p><b>Types of conflict:</b></p> <ul style="list-style-type: none"> <li>Conflicts involving horizontal inequalities among ethnic, religious or regional groups</li> </ul> <p><b>Conflict phase:</b></p> <ul style="list-style-type: none"> <li>Stable situation with latent conflict</li> <li>Stabilised post-conflict situation</li> </ul> | <pre> graph BT     A[PSD intervention] --&gt; B[Reduced inequality]     B --&gt; C[Reduced tension between different groups]     C --&gt; D[Reduced conflict]             </pre>                                  | <p><b><i>PSD interventions reduce inequality between parties to a conflict, thus reducing resentment and the likelihood of conflict.</i></b></p> <p>Where conflict is driven by resentment and anger over inequitable distribution of resources, PSD interventions that support economic improvements by marginalized populations may reduce these tensions and thus support peace.</p>  |

**Case study: Designing and monitoring a programme for peacebuilding impacts – Grow Liberia**

Grow Liberia, a 5-year Sida-funded programme launched in 2013, is a PSD initiative that considered peace and stability impacts from the design phase. It conducted a conflict analysis when selecting intervention sectors, and identified the palm oil sector as offering a clear connection between economic development and stability. The sector strategy combines interventions to improve economic opportunities for local communities with interventions exclusively aimed at promoting stability, in particular by improving trust through community-private partnerships and improved perception of land benefits. The results chain below highlights relevant steps in the results chain in yellow.



*Complementing PSD with peacebuilding interventions*

As illustrated by the case study of [Grow Liberia](#) above, PSD programmes may also complement economic interventions with other activities in order to achieve peacebuilding objectives. For example, a programme that seeks to establish trust between conflicting groups may not only rely on the promotion of economic interaction but also use community training on conflict resolution, inter-group dialogue fora or social services in order to make positive peacebuilding impacts more likely. Another example for this approach is a GIZ programme in the Democratic Republic of Congo, in which GIZ complemented vocational training and business development services development aimed for young people with interventions to foster social integration, e.g. counselling and life-skills training.<sup>29</sup>

<sup>29</sup> More information and a results model for this project can be found in GIZ (2014): [Social \(Re\)-integration in \(Post-\)Conflict Situations by TVET and Employment Promotion. Results and Results-based Monitoring.](#)

Each of the above-mentioned results chains is based on assumptions about the underlying causes of conflict, which will not hold true in every situation. The logic of the results chain should be informed by a rigorous conflict analysis that identifies the drivers of conflict and analyses how the project can best address them. Results chains will make these assumptions explicit. PSD interventions do not automatically have a positive impact on a conflict,<sup>30</sup> so your monitoring system should research and test them. The table below presents common parts of peacebuilding results chains and examines the assumptions underlying them.

Table 4: Challenging Conflict-Related Assumptions in PSD programmes aimed at peacbuilding – Examples

| Step in Results Chain   | Assumptions   |
|---|---|
| <p>Increased trust between conflicting groups</p> <p>↑</p> <p>Increased economic interaction between conflicting groups</p> | <p><b>Economic interaction will build trust.</b> Economic interactions may reduce rather than increase levels of trust where they increase competition. For example, a PSD programmes may wrongly assume that interaction in the workplace, such as between conflicting ethnic groups, automatically promotes stability. Wietzke (2014)<sup>31</sup> highlights the importance of carefully testing such assumptions as they involve particular methodological challenges and existing evidence on the links between workplace interactions and social cohesion is rather mixed and anecdotal.</p>  |
| <p>Reduced incentive to engage in conflict</p> <p>↑</p> <p>Increased employment/income</p>                                  | <p><b>Conflict is primarily driven by desire for additional resources.</b> Conflict frequently has multiple causes, e.g. ideology, discrimination, and inequality. The causes will vary from country to country, or even community to community, hence findings from cross-country studies need to be treated with caution. For example, the World Bank found that, across seven countries, 40% of rebels join because of unemployment or idleness – while only 13% join because of belief in the cause.<sup>32</sup> But in Mali and the West Bank the trend was reversed, with 46% citing belief in the cause, and 20% citing unemployment. Other recent country-level studies further illustrate the complex and varying links between employment and violence.<sup>33</sup></p> |
| <p>Reduced conflict</p> <p>↑</p> <p>Reduced inequality</p>  | <p><b>Lower levels of inequality reduce the risk of conflict.</b> While <i>overall inequality</i> in the economy is not associated with a higher risk of conflict, case study evidence suggests that <i>horizontal inequality</i> between regions or ethnic groups is.<sup>34</sup> Horizontal inequality often correlates with overall inequality, but not always; a society might have high levels of inequality between ethnic groups, but low overall levels of inequality. If a PSD project seeks to reduce conflict by reducing inequality, it should clarify in its results chain which groups it expects to work with, and how inequality between these groups causes conflict.</p>   |

<sup>30</sup> Gündüz, Canan and Diane Klein, [Conflict Sensitive Approaches To Value Chain Development](#), 2008, 21.

<sup>31</sup> Frank Borge Wietzke (2014): Pathways from Jobs to Social Cohesion, World Bank Policy Research Working Paper.

<sup>32</sup> World Bank, [World Development Report 2011: Conflict, Security and Development](#), 2011, 80.

<sup>33</sup> See, for example, Berman, Eli et al.(2011): [Do Working Men Rebel? Insurgency and Unemployment in Afghanistan, Iraq, and the Philippines](#); Blattmann, Chris and Jeannie Annan (2014): [Can Employment Reduce Lawlessness and Rebellion? A Field Experiment with High-Risk Men in a Fragile State](#); and Blair, Robert et al. (2014): [Predicting Local Violence](#).

<sup>34</sup> Humphreys, Macartan, [Economies and Violent Conflict](#), 2002, 3-4.

Project learning and adaptation is a critical to developing effective results chains in CAEs. The following case study of Mercy Corps' INVEST programme in Afghanistan emphasizes the importance of collecting information to test a project's assumptions about the drivers of conflict.<sup>35</sup>

#### Case Study: Testing Assumptions – Mercy Corps' INVEST programme in Afghanistan

The **DFID-funded INVEST programme in Helmand/ Afghanistan** is a vocational training programme implemented by Mercy Corps. The programme's initial theory of change was based on the assumption that vocational training and employment opportunities would reduce support for armed opposition in the long term. An evaluation however later found that employment and economic conditions were in fact not a major factor motivating political violence. Instead, greater confidence in local institutions, social status and cross-tribe interactions were identified as predictors of support to political violence. This finding illustrates the importance of researching and testing the mechanisms through which a programme expects to influence stability. It also raises the question of how economic development programmes can be designed to address social and political grievances where these are identified as major conflict drivers.

## 1.2 Managing the results chain (Control Points 1.3 – 1.4)

In order to successfully manage results chains in a CAE:

- **Keep it simple.** With high staff turnover and limited resources, there is typically limited capacity to use and manage results chains. Consider reducing the number of steps to show only key changes that are expected, or splitting a bigger intervention into smaller, more manageable results chains. Adapt the complexity to the capacity of the team.
- **Regularly review and revise (as needed).** There is a risk that the use of results chains can lead project staff to adopt an inflexible, linear approach. This is inappropriate in CAEs, where project staff need the flexibility to respond to unpredictable situations. The results chains should be reviewed regularly (at least every six months), and adjusted when circumstances change or the original results chains are invalidated.<sup>36</sup> They should not be considered a prescriptive guide to programme activities, but a way to explore and challenge the assumptions of the programme.
- **Consult all stakeholders.** This is particularly important in a conflict situation, where you need acceptance from multiple groups. Stakeholder consultations can themselves have a positive impact upon the conflict by creating opportunities for sharing and joint ownership. Consider whether groups in conflict should be consulted jointly or separately. However, be aware that groups may be biased towards particular positions, and consultations should be carefully planned so as not to favour any particular party. GTZ notes that "particularly in direct post-conflict situations, organisations and institutions with direct links to conflict parties are often the most visible but not necessarily the most eligible partners."<sup>37</sup> This is an extremely difficult issue for many projects in

<sup>35</sup> Fearon, James et al, [Evaluating Community-Driven Reconstruction: Lessons from post-conflict Liberia. Development Outreach](#), 2009.

<sup>36</sup> Vogel, Isabel, [Review of the use of 'Theory Of Change' In international development'](#), 2012, 27.

<sup>37</sup> Becker, Sabine, Conflict Prevention and Peace Building Elements of PSD/SED Programmes, 2006, GTZ

CAEs, and it is essential to take the time to understand the different group dynamics and consult widely.

- **Support project staff to understand the results chains and use it to drive their decisions.** In a CAE various factors can minimize staff understanding of results chains, including high staff turnover, increased use of partners, and low staff capacity. Consider making it part of the induction for new staff, and holding regular training on it. For more strategies to address human resources issues, see section 8 on [managing the results measurement system](#).

## 2 Defining Indicators of Change

### 2.1 Defining indicators for results chains (Control Point 2.1)

The DCED Standard requires the tracking of each change in a results chain. Projects need to carefully assess the changes they must measure to assess the theory of change, recognizing that capacity and resources are typically very limited in a CAE.

PSD projects in CAEs should disaggregate key indicators by parties to the conflict, and incorporate additional indicators that would not be necessary in stable environments. As introduced in [Section 1](#), all projects should set indicators to monitor the negative effects of their work, and ensure that they are not inadvertently causing harm. Projects with a peacebuilding objective may also wish to set indicators to examine the positive impact of their work.

#### 2.1.1 Disaggregate key changes by parties to the conflict

Projects should disaggregate key indicators by parties to the conflict, in order to:

- Ensure that the project is not disproportionately benefiting one group, which might create conflict.
- Reveal potential positive impacts on conflict, such as increased ethnic diversity among partners' workforces.

*"If you ask someone about their clan in Hargeisa (Somaliland), you will be put on the first plane out of there."* – Interviewee, SEED Somalia

While disaggregating indicators by ethnic group can be helpful, it can also add to tensions, as the quote above illustrates. Measurement by geographic area may therefore be more appropriate where this serves as a proxy for ethnicity.<sup>38</sup> Table 5 shows some examples of disaggregating PSD indicators:

Table 5: Defining Conflict-Sensitive PSD Indicators

| Standard PSD Indicator                           | Disaggregated PSD Indicator  |
|--|--|
| Jobs created as a result of programme activities | Jobs created as a result of programme activities (disaggregated by relevant party to the conflict / geographic region) |
| Change in SME net income                         | Change in SME net income (disaggregated by relevant party to the conflict / geographic region)                         |

#### 2.1.2 Assessing negative effects of the project on conflict

<sup>38</sup> ECOPA, Adapting IFC M&E approaches for projects in conflict-affected countries, Phase 2: Case studies and recommendations, August 2011, 41-42.



All projects should use their results measurement system to ensure they avoid conflict. There are various ways in which a PSD project can create or exacerbate conflict, as noted above in [Section 1](#).

Indicators should be tailored to the identified conflict risks and linked to project activities and expected outcomes. They must be informed by the conflict assessment, as different conflicts will have different observable effects.<sup>39</sup> Indicators can act as early warning signs of conflict and enable programme staff to understand the long-term effects of the programme and manage it accordingly.

At the activity level, simple indicators can serve as early warning systems of the conflict. For example, the SEED programme in Somalia used the following indicators:

- Boycott of programme meetings by invited parties
- Unofficial meetings with a negative agenda convened locally to discuss the programme
- Reluctance by state officials, interest groups, or programme clients to participate in programme interventions
- Complaints from state officials or community leaders of non-involvement/non-recognition
- Segregation of certain organized interest groups/individuals in community mobilization processes
- Lack of participation by stakeholders in project interventions
- Threats to staff/partners
- Expression of grievances or discontent around resource distribution
- Use of political, social or economic influence to interfere with programme interventions

For more indicator examples and details on their use, see the [full case study of the SEED programme on the DCED website](#).

The close monitoring of such indicators – as well as vigilant observation by programme staff of unexpected or unusual behaviours – can provide early warning to a project of potential dangers. Nevertheless, recognize that a project can never anticipate all potential sources of conflict and your conflict indicators will therefore never be comprehensive. Remain vigilant for other sources of conflict that are not captured by your indicators.

At the output and outcome level, indicators should be defined that are relevant to the conflict and the programme. Examples are given in the table below.

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<sup>39</sup> [Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peace Building Resource Pack](#), 2004.

Table 6: Defining Indicators to Test Conflict-Relevant Risks

| Results Chain Box  | Risk  | Conflict-Sensitive PSD Indicator   |
|--|---|--|
| Jobs created   | Project resources are seen to (or actually do) favour some groups over others   | Beneficiaries’ perceptions of fairness of job distribution.<br>Percentage of individuals in project area who a) Are aware of the beneficiary targeting criteria. b) Believe that the targeting criteria are fair. c) Believe that the targeting criteria were correctly applied.   |
| SME revenues increase  | Significant imbalance in income change between parties to the conflict  | Change in SME net income (disaggregated by relevant party to the conflict / geographic region)   |
| Business membership organizations (BMOs) attract new members | Conflict parties are excluded from the BMO<br><br>BMO members compete for project resources (e.g. training, per diems). | Participation in BMO (disaggregated by relevant party to the conflict / geographic region)<br>Percentage change in willingness to economically interact with members of conflicting communities<br>Reasons cited by non-members of BMOs for not joining.<br>Number of conflicts caused by competition for project resources. |

### 2.1.3 Measuring positive effects of the project on the conflict

PSD projects wishing to have a positive impact on conflict should make this explicit in their results chains and develop related indicators that are informed by the results of a conflict assessment and stakeholder feedback. This ensures that your conflict indicators are closely tied to the logic of your project. It helps to avoid vague, overarching indicators, while allowing you to trace changes related to your programme and build a credible story for why you believe you have had a positive impact.

The table below illustrates indicators for three simplified results chains.<sup>40</sup> Each one depicts a different strategy for increasing peace and stability based on varying assumptions about the source of conflict. Different indicators are therefore required to assess the results chains’ validity.

The top level in each of the above results chains is ‘increase in peace and stability’. The appropriate indicators to include will vary by context. To enhance reliability, it is useful to use baskets of different indicators where possible for all levels of the results chain, rather than to rely on a single measure (e.g. perception as well as non-perception data; see also section 3.2 on Good Research Practices).<sup>41</sup>

#### Measuring social integration – sample indicators by GIZ

Where socio-economic grievances of youth are among the drivers of conflict or present risks to future stability, PSD programmes may wish to promote and measure economic as well as social integration of young people. However, social integration is a complex process which can be difficult to assess and measure. [GIZ \(2014\)](#) offers some practical suggestions in this context, as well as a number of sample indicators that projects can consider (see in particular p.27/28).

<sup>40</sup> In practice, results chains are likely to have multiple levels and branches, as does [this one](#).

<sup>41</sup> DFID (2013): [Measuring the Un-Measurable](#).

Table 7: Sample Indicators for Measuring Positive Effects on Conflict<sup>42</sup>

| Results Chain  | Result 1 (Middle black box)  | Result 2 (Middle white box)  | Peace and Stability impact  |
|--|--|--|---|
| <p>The Results Chain diagram consists of four boxes arranged vertically, connected by upward-pointing arrows. From bottom to top: 1. 'Project supports business partnership and linkage forums' (light grey box). 2. 'Increase in economic interactions between members of conflicting groups' (dark grey box). 3. 'Increase in trust between members of conflicting groups' (white box). 4. 'Increase in peace and stability' (light grey box).</p> | <ul style="list-style-type: none"> <li>• # of businesses jointly owned by members of conflicting communities</li> <li>• % change in level/frequency/type of economic interaction between members of conflicting communities</li> </ul> | <ul style="list-style-type: none"> <li>• % change in negative stereotypes about members of “opposing” groups</li> <li>• % change of target beneficiaries experiencing increased trust or confidence in relevant governing institutions, industry stakeholders, or specific groups with which disputes have occurred in the past</li> <li>• % of ex-combatants who, at the end of year X, routinely identify themselves as members of the larger community rather than belonging to one group or faction</li> </ul> | <ul style="list-style-type: none"> <li>• # of violent confrontations and extrajudicial killings over land, water, or grazing rights (by identity group)</li> <li>• % reduction in perceptions that conflict is likely</li> <li>• % of the population who perceive improving security</li> </ul> |

<sup>42</sup> Drawn from Mercy Corps, [Evaluation and Assessment of Poverty and Conflict Interventions. Conflict & Economics: Lessons Learned on Measuring Impact](#), 2011; DFID, [Measuring and managing for results in fragile and conflicted affected states](#), 2012; presentations by Mercy Corps and GIZ at a [DCED Workshop on results measurement in CAEs](#) in November 2014; and interviewees.

|  |   |  |  |
|--|---|--|--|
| <p>Increase in peace and stability</p> <p>↑</p> <p>Members of conflicting group have economic interest in peace</p> <p>↑</p> <p>Increase in economic interactions between members of conflicting groups</p> <p>↑</p> <p>Project supports business partnership and linkage forums</p>         | <ul style="list-style-type: none"> <li>• # of businesses jointly owned by members of conflicting communities</li> <li>• % change in level/frequency/type of economic interaction between members of conflicting communities</li> </ul>  | <ul style="list-style-type: none"> <li>• % change in perceived cost of conflict with members of community X</li> <li>• % change in the number of people who can articulate a concrete, tangible benefit from interacting with an “opposing” group.</li> <li>• % change in perceived benefits from economic interaction with members of community X</li> <li>• % change in # of people who believe that their economic well-being and/or future is dependent on their economic relationship with the other group</li> </ul> | <p>situation, disaggregated as appropriate</p> <ul style="list-style-type: none"> <li>• Change in % of target beneficiaries with decreased approval of violence as a means to resolve disputes</li> <li>• % change in perception of personal safety</li> </ul> |
| <p>Increase in peace and stability</p> <p>↑</p> <p>Participants have more economic incentives to avoid war/ reduced economic grievances fueling conflict</p> <p>↑</p> <p>Participants have more jobs, increased income</p> <p>↑</p> <p>Project supports growth in dynamic market systems</p> | <ul style="list-style-type: none"> <li>• % change in income</li> <li>• # of jobs created</li> <li>• % change in satisfaction with livelihoods</li> <li>• % of target beneficiaries with an increased perception of benefits from natural resources, in particular land</li> <li>• % of demobilised ex-combatants maintaining an independent livelihood after X year(s)</li> </ul> | <ul style="list-style-type: none"> <li>• % change in perceived cost of conflict</li> <li>• % change in # of people who believe that they will incur economic losses if violence breaks out</li> <li>• % change in # of people who see violence as a way to earn money</li> <li>• % change in # of people who cite economic reasons for not supporting violence</li> </ul>  |  |

## 2.2 Measuring the universal impact indicators (Control Point 2.2)

The inclusion of the three universal impact indicators – scale, income, employment – in monitoring systems supports the aggregation of PSD impacts across multiple projects. However, their use is optional as they should only be measured if the programmes aims to achieve them. If so, it can be useful for the programme to disaggregate employment and income results in particular, to assess the distribution of benefits – provided that such distribution effects are relevant in the specific conflict context.

There is general consensus that the uniqueness of each CAE prevents the development of universal indicators for peacebuilding.<sup>43</sup> Rather, PSD programmes with a peacebuilding objective should develop impact-level indicators as needed based on the specific nature of the conflict.

## 2.3 Assessing likelihood of sustainable impact (Control Point 2.3)

The inclusion of indicators that assess the sustainability of project interventions pushes projects to assess whether development interventions will lead to lasting change. The unpredictability and fluctuations in CAEs makes the use of indicators of sustainability particularly important. Given the devastating impact that conflict can have upon the private sector, monitoring the potential for conflict is a critical aspect of sustainability. The indicators presented above can help in accomplishing this.

## 2.4 Managing indicators (Control Point 2.4)

During the course of project implementation, changes in the CAE context and project learning based on implementation results may both require changes to the results chains. This may require different or additional project indicators.

A common mistake in CAEs (and elsewhere) is to overburden staff with indicators. Ensure indicators are relevant to the logic of your project and that there is capacity and budget to collect, analyse and use them.

One way to manage this is to plot all current indicators on a grid like the one to the right, based on the experience of the team.<sup>44</sup> Select indicators in the top right of the graph that are relevant to the project logic and easy to collect while avoiding those in the bottom left.

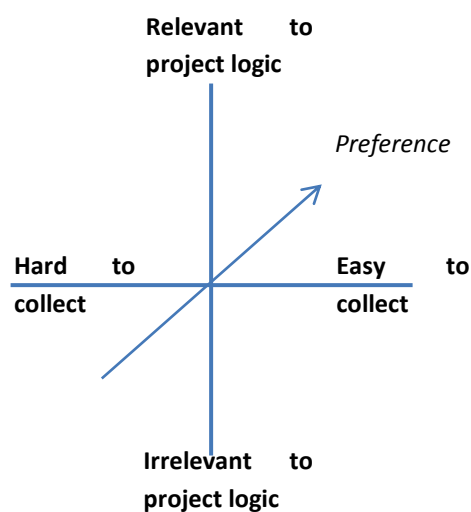


Figure 4: Indicator Selection Tool

<sup>43</sup> ECOPA, Adapting IFC M&E approaches for projects in conflict-affected countries, Phase 2: Case studies and recommendations, August 2011, 106.

<sup>44</sup> RAND Europe, interview September 25, 2012.

**Tip!**

Community members are often best placed to understand what would represent an improvement in peace in their particular context. Running workshops with them can be an important source of information in the indicator development process.<sup>45</sup> For instance, in Nepal a community peacebuilding project consulted community members to develop indicators for an economic development project. They learned that being viewed as credit-worthy by local moneylenders was a critical early indicator that the ultra poor had made economic gains.<sup>46</sup>

## 2.5 Projections (Control Points 2.5)

Predicting the results of programme interventions provides staff with targets and a way to assess whether interventions are proceeding as expected. They also enable up-front assessments of whether the expected results of specific interventions are worth their investment.

Setting projections in a CAE requires making adjustments for the difficult operating environment. Projects frequently take longer to achieve their goals in CAEs. For example, a survey of International Finance Corporation (IFC) projects found that just 17% achieved their timeframe targets in environments where conflict was increasing, compared to approximately 50% of projects in non-CAEs.<sup>47</sup> To compensate, projects are advised to set realistic targets. The most common adjustments are to reduce expected deliverables and/or lengthen the timeframe for achievements. The many delays, disruptions and setbacks that frequently occur in CAEs can be reflected by setting longer timeframes for deliverables. Another strategy is to reduce the duration of time over which projections are made so as to account for the fast-changing environment.

## 3 Measuring Changes in Indicators

It is critical to measure changes in indicators to assess project performance and impact. However, there are many challenges to data collection in CAEs. These challenges are frequently present in humanitarian crises and developing countries more generally, and so may be relevant for practitioners implementing the DCED Standard in those contexts. Challenges include:<sup>48</sup>

- **Limited access.** Risks of harm to project staff and project clients may limit the ability to access project sites and meet with project clients. Political institutions may also not allow access, or restrict the questions that can be asked.

<sup>45</sup> Sartorius, Rolf and Christopher Carver. [Monitoring, Evaluation and Learning for Fragile States and Peacebuilding Programs: Practical Tools for Improving Program Performance and Results](#), undated, 44.

<sup>46</sup> McGrew, Laura, [Community Peace building in Nepal: Lessons Learned](#), 2006, 11.

<sup>47</sup> Dalberg Global Development Advisors, [Adapting IFC M&E approaches for projects in conflict affected countries, Phase 1: Formative research and key issue diagnosis](#), undated, 6.

<sup>48</sup> For further reference, see DFID, [Managing Results in Conflict Affected States](#), Annex J.

- **Weak capacity.** It is often challenging to find and retain effective results measurement staff,<sup>49</sup> while low capacity among third parties (universities, survey firms, consultants) may reduce the ability to outsource the collection of data.
- **Limited secondary data.** Government institutions may not collect or publish accurate data owing to limited capacity and resources. In particular, there may be limited data on populations, which reduces the validity of sampling techniques. This may necessitate an increased amount of primary data collection.
- **Greater monitoring costs.** A lack of infrastructure (e.g. roads, telecommunications networks), security costs and recruitment challenges will typically require higher spending on results measurement.<sup>50</sup>
- **Sensitivity of data.** Clients and partners may be put at risk if project data is accessed by parties to the conflict. Obtaining sensitive information (e.g. lists of beneficiaries, their locations, household income, assets levels, ethnicity) can expose individuals to danger or create jealousy among those who did not benefit. This may also cause unwillingness among beneficiaries and other stakeholders to share information. Participants in focus group discussions held by Mercy Corps in Indonesia, for instance, requested that it be known that they had not benefited from their participation in the discussion.<sup>51</sup>
- **Data interference.** Local staff or partners may be biased in their reporting. For example, in an area with strong clan loyalties they may feel under pressure to portray their own ethnic group positively, or to report results that will cause a project to continue operating in their home area.
- **Slower implementation and results.** It takes longer to achieve and measure results relative to other contexts.<sup>52</sup> For example, the Department for International Development (DFID) notes that it can require 15 years to build peace in the best of situations, which is far longer than the typical project reporting cycle.<sup>53</sup>

### **3.1 Collecting baseline information (Control Point 3.1)**

Baselines are an essential tool for results measurement. They capture the situation at the beginning of an intervention, enabling change in key indicators to be detected. They can also capture additional information about the context, such as further exploring issues that arose during conflict analysis.

However, baselines in CAEs can be particularly complex due to the challenges listed above. Moreover, projects in CAEs are more likely to require a flexible implementation strategy that involves changing their activities, outputs and outcomes as the project goes on. This could conceivably render original baseline information irrelevant. The DCED Standard emphasizes the importance of articulating specific

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<sup>49</sup> Dalberg Global Development Advisors, *Adapting IFC M&E approaches for projects in conflict affected countries, Phase 1: Formative research and key issue diagnosis*, undated, 21.

<sup>50</sup> Dalberg Global Development Advisors, *Adapting IFC M&E approaches for projects in conflict affected countries, Phase 1: Formative research and key issue diagnosis*, undated, 20-21.

<sup>51</sup> Mercy Corps, [Evaluation and Assessment of Poverty and Conflict Interventions: Indonesia Case Study Report](#), 2011, 9.

<sup>52</sup> Dalberg Global Development Advisors, *Adapting IFC M&E approaches for projects in conflict affected countries, Phase 1: Formative research and key issue diagnosis*, undated, 20.

<sup>53</sup> DFID, [Measuring and Managing for Results in Fragile and Conflict-Affected States and Situations: How To Note](#), 2012, 3.

results chains and indicators for each project intervention. Consequently, instead of conducting a single, large project-wide baseline, each intervention may have its own smaller baseline. This enables projects to avoid discarding all baseline data if, for instance, conflict renders some of a project's interventions unfeasible.

Retrospective baselines are baselines conducted after the intervention has already started, by asking participants to recall the situation before the start of the project. They may be the only option to collect information about the past, although their use is not ideal and can produce biased and erroneous results.<sup>54</sup> If using retrospective baselines, it is important to carefully consider both the time lag since the event in question has occurred and the type of event that you are asking about. The type of experience determines how well it can be recalled. For example, questions about actions performed directly by the respondent are more likely to be recalled. Information that was heard or read – for example, market access information provided by a service provider in a phone call – will be forgotten more quickly. A rough guide is to not ask recall questions about events that occurred over a year ago, as memory becomes increasingly unreliable.

### **3.2 Good research practices (Control Point 3.2)**

While the standard good research practices that are listed in the DCED's [Guide to Conducting Research](#)<sup>55</sup> apply to CAEs, there are other important considerations. The challenges of working in CAEs mean that the acceptable standard for research practices, including sample sizes and attribution measurement, (see the section on attribution, below) may be less rigorous. Less exacting standards of practice are sometimes all that is possible.

This section presents good practices for designing research tools and collection information in CAEs. Ultimately, maintaining a focus on the three principles for success (simplicity, flexibility, sensitivity) is key. Some tips for selecting questions and information tools are:

- **Use short, simple questions.** Simple questions are more easily understood by staff and users and therefore provide better results. Overly complicated questions can greatly increase the workload both in data collection and analysis. Similarly, close-ended survey questions are often preferable for their greater ease of coding and analysing. Focus group discussions and surveys also should be of a manageable size. One practitioner suggests that 40 survey questions and 10 focus group discussion questions should be the maximum in order to not overwhelm data collection teams and respondents.<sup>56</sup> Shorter surveys also typically allow a greater number of interviews to be conducted and thus increase the total potential sample size.
- **Complement the measurement of beliefs and attitudes when possible.** Asking about beliefs and attitudes can provide helpful information about changes that are otherwise difficult to measure. However beliefs and attitudes can be influenced by many factors, can change based on events occurring around the time of the survey and may be tailored to fit the expected biases

<sup>54</sup> Ravailon, Martin, [Can We Trust Shoestring Evaluations? Policy Research Working Paper 5983](#), 2012.

<sup>55</sup> Donor Committee for Enterprise Development, [Measuring Achievements in Private Sector Development Implementation Guidelines](#), Version 1g, 5<sup>th</sup> March 2010, 26-27.

<sup>56</sup> Interview with Jenny Vaughan (Mercy Corps), October 1, 2012.



of the interviewers. Asking about behaviour can help to complement this information. For example, asking about levels of trust between groups directly may not elicit useful responses. Behavioural questions such as “in the last year, have you bought anything from a member of group X” can be more reliable.

- **Use proxy indicators or positive framing of questions to be conflict sensitive.** In some cases, it might be dangerous or inappropriate to directly ask about conflict related factors. In this case, you can use proxy indicators. For instance, the breadth of inter-group economic transactions, rate of intermarriage or collaboration on decision-making bodies are all potential proxy indicators to measure the state of inter-group acceptance.<sup>57</sup> In other contexts, experience also shows that positive framing of sensitive issues can be an effective approach to receiving relevant information. For example, Mercy Corps in Indonesia avoided asking explicitly about the causes of conflict in a village where programme participants were particularly reluctant to discuss disputes. Instead, programme staff framed discussions in terms of what is working to resolve current disputes.<sup>58</sup>
- **Field test tools.** It is important to test tools with staff, partners and community members before widespread roll out. Many methods look easy on paper but require fine tuning once you start to use them. Field-testing tools will help ensure that questions are appropriate, conflict-sensitive, and simple to administer.

Some tips for data-collection are:

- **Build trust.** Results measurement frequently relies on discussions or surveys with those affected by the intervention, such as partners and the communities who utilise products or services. If these groups do not trust the project staff, they may refuse to answer questions or choose not to answer honestly. This is especially relevant when investigating sensitive topics related to conflict. Asking for direct feedback on project impact may also be challenging, as this will be perceived to affect future funding in the area. Consequently, programmes should build strong relationships with partners and the community.
- **Provide training in conflict-sensitive monitoring approaches.** To mitigate the risk of inflaming sensitivities through data collection, adequately train the individuals collecting monitoring information. Training should emphasize providing the option for participants to not answer questions if they wish, keeping answers confidential, and taking care when asking questions which may be sensitive. In certain contexts the use of terms like conflict or clan are highly inflammatory, while in others – such as was the experience of Mercy Corps in Uganda<sup>59</sup> – they are not.

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<sup>57</sup> DFID, [Working Effectively in Conflict-affected and Fragile Situations: Briefing Paper I: Monitoring and Evaluation](#), 9.

<sup>58</sup> Mercy Corps, [Evaluation and Assessment of Poverty and Conflict Interventions: Indonesia Case Study Report](#), 2011.

<sup>59</sup> Mercy Corps, [Evaluation and Assessment of Poverty and Conflict Interventions: Uganda Case Study Report](#), 2011, 9.

- **Use mobile technologies.** Technology can reduce or eliminate the need for physical visits to collect information, thereby reducing both cost and risk. Mobile phones are common and cheap in most CAEs, and often provide a good technological solution to information gathering.<sup>60</sup>

**Case Study: Collecting Conflict-Related Data through SMS Reporting<sup>61</sup>**

Columbia University's *Voix-des-Kivus* project piloted a data-gathering system in Eastern Congo in which reporters in randomly selected villages reported on events in real time. They selected three reporters in each of 18 villages; one traditional leader, one women's representative, and one elected by the community. Each received \$1.5 a week in return for sending at least one text reporting on current events. A pre-agreed coding system allowed for easy and systemised data collection. For example, a text beginning '46' indicated ethnic violence.

In total, 4,623 unique events were reported – many were reported by more than one person. 30% of these were conflict-related. The researchers found that this method was much cheaper and more reliable than traditional questionnaire data. It works in places where survey teams cannot reach, gathers information in real time, and builds a relationship of trust between the project and the reporters, enabling higher-quality information to be collected. By combining this rich dataset with a randomised intervention run by the IRC, Columbia University found aid projects reduced conflict. There is the potential for a PSD project to imitate aspects of this pilot. It improves accountability to the local community, allowing them to text suggestions and complaints. Moreover, it can be integrated into the results measurement system to monitor the effects of the project on conflict in real time.

- **Build flexibility into the monitoring schedule.** Schedule additional time for data collection to allow for potential disruptions. Develop an alternate survey plan with a second sample already selected in case security issues prevent the initial plan from proceeding.
- **Select a conflict-appropriate sample.** Depending upon the type of information you wish to collect and conflict-related sensitivities, a purposive sample may be preferable to a random sample. A purposive sample can allow you to capture data from perspectives that are important to the conflict but that may be missed by using a randomized approach.
- **Build a balanced monitoring team.** Using a mix of local and non-local staff brings both an independent perspective and local knowledge to monitoring. This can bring in external expertise and reduce bias in data collection while benefiting from local knowledge and experience. It can also build the capacity of the local staff if well managed.
- **Protect against loss of your sample.** In contexts where migration is high and where there is insecurity, projects may be unable to re-survey some members of their baseline. Ways to protect against the loss of one's sample including oversampling (i.e. surveying a larger population than is statistically required) to gain a larger initial sample and requesting a contact

<sup>60</sup> One popular free software for conducting polls and surveys through mobile phone is [Frontline SMS](#).

<sup>61</sup> Windt and Humphreys, [Crowdseeding Conflict Data: An Application of an SMS-based Data System to Estimate the Conflict Effects of Development Aid](#)

Windt and Humphreys, [Voix des Kivus: Reflections on a Crowdseeding Approach to Conflict Event Data Gathering](#), 2012.

person who would know where participants have gone if they relocate. The IRC's large sample size across multiple regions in the Democratic Republic of the Congo allowed a randomized control trial to continue despite political issues in one region that ended its data collection there.<sup>62</sup> The IRC has also found that the baseline data collected on individuals who leave can still serve the purpose of comparing the characteristics of more mobile populations versus those who stayed in the program.

- **Triangulate information.** Given the frequent lack of high quality data in a CAE, all information should be triangulated where feasible. This means that multiple methods should be used to improve the reliability of the results. Often qualitative, quantitative and participatory methods (e.g. open focus group discussions) can be used together to triangulate information, as can interviewing multiple sources.
- **Outsource data collection.** Outsourcing data collection to local entities can allow implementing agencies to collect data in areas where implementing agency staff lack access. It can also reduce the political pressure on project implementers to report positive results by creating a formal barrier in data collection. Effective outsourcing does however require effective oversight by the implementing agency.

#### Triangulating information in the SEED programme

The SEED programme in Somalia, implemented by FAO, uses a variety of ways to triangulate information, including:

- **Partner reports.** Implementing NGOs are required to submit regular reports on their progress.
- **Random calls.** A dedicated unit within FAO calls a random sample of between 2-3% of all beneficiaries, to verify that reported results have been achieved. They also call key informants, such as elders or market vendors.
- **Field monitors.** The monitoring unit has 25 local field monitors, who can access insecure areas and verify that the activities are taking place
- **Satellite imagery.** FAO have a large programme to rehabilitate irrigation canals. They require partners to map out the planned canal route with a GPS device, and FAO use satellite imagery, to assess the progress of the project.
- **Biometrics.** FAO are trialing biometric identification tracking via fingerprint scanners for cash-for-work programme recipients.

More information is available in the SEED case study, available on the DCED website.

<sup>62</sup> Interview with IRC, Jeannie Annan, September 26, 2012.

### Researching the frequency of violent incidents: The experience of Mercy Corps in Indonesia

Mercy Corps' Economic Recovery programme in Indonesia used surveys and focus group discussions to establish the frequency of violent incidents over time. They concluded that the following strategies would help them generate more accurate data on violent incidents in the future:

- Given that individuals had difficulty remembering incident numbers on both the survey and in focus groups, monitoring forms for tracking incidents as they occur may be more reliable than asking someone to reflect back over a given period of time.
- Individual monitoring forms should be triangulated where possible, for example through police reports or community-based records.
- Complementary surveys may be most useful with forced multiple choice responses on the frequency of violence. In addition, focus group discussions can yield qualitative information on which types of disputes led most frequently to a violent incident.

Source: [Mercy Corps \(2010\)](#)

### 3.3 Qualitative information (Control Point 3.3)

Qualitative information is necessary in any context, but especially in CAEs, where perceptions, beliefs and opinions are essential to the success of a project. Qualitative information typically requires more time to collect and analyse than quantitative information. It is therefore important to carefully consider when qualitative questioning is most important and use it judiciously. Too many qualitative questions on surveys, for instance, increases the time required for interviews and subsequent analysis. This may limit your sample size and therefore your ability to extrapolate from your findings to the broader population.

One common approach to collecting qualitative information is to use participatory techniques that take into account the perspectives and insights of all stakeholders, beneficiaries and partners as well as project implementers. They typically emphasise building the capacity of all these groups to reflect on interventions to analyse what worked and did not. This can be used to strengthen relationships among parties to a conflict and agreement on future collaboration.

## 4 Estimating Attributable Changes

Estimating attribution requires establishing a causal link between an intervention and observed changes in indicators and accounting for what would have happened even if the program had not been operating (i.e. the counterfactual). This is difficult because many other factors may contribute to the change. For instance, a 50% increase in employment among project sites in Somalia following an intervention may be due to the project's activities but could also be owing to favourable macroeconomic conditions, an increase in illicit activities (leading to increased wealth and employment), or good weather. To estimate attributable change, it is necessary to assess how much of the observed results are caused by the project and how much would have happened without it.

Designing an effective approach to attribution is essential to properly assessing the impact of your project, as it greatly increases the credibility of reported results. While always a challenge, in CAEs designing an effective approach to attribution is particularly difficult because of:

- **Difficulty of information gathering.** Proving attribution often requires gathering additional information, which is particularly challenging in a CAE. This is particularly problematic for experimental or quasi-experimental designs that require large amounts of high quality data.
- **Rapidly changing context.** CAEs typically change rapidly. If conflict is ongoing, then conditions may be rapidly deteriorating. If it is post-conflict, the environment may be rapidly improving as the country moves forward from the war. In both cases, relationships between different groups, the business environment, and external investment will likely be fluctuating greatly. This makes it harder to attribute change to your programme.
- **More complex theories of change.** The more external factors affect the outcomes you are measuring, the harder it will be to attribute change. This is because there will be more alternative explanations for the change that you observe, and so it will be more challenging to show the role played by your programme. A sub-national conflict, for instance, may be influenced by international policies (e.g. sanctions), national policies, socio-cultural norms and many other factors. There are usually multiple causes of any change and disentangling the links between them is extremely difficult. Whereas many PSD projects attempt simply to attribute positive economic outcomes (e.g. employment, income) for project clients to their interventions, those with peacebuilding objectives often try to establish that those positive economic outcomes reduced or prevented conflict. The greater number of links to be proven increases the challenge of demonstrating attribution.

The DCED Standard recognises the complexity of demonstrating attribution, and advocates for an approach that would convince a “reasonable but sceptical observer”.<sup>63</sup> It recognises that there are multiple contributors to any positive (or negative) outcome, and the programme in some cases may have a relatively minor part to play. In particular, the DCED Standard does not require ‘scientific’ proof of causality, which often requires randomised control trials and is generally not practical within the constraints of development programmes. The DCED has published separate guidelines on measuring attribution that can be found [here](#).

#### **4.1 Approaches to estimating attribution (Control Point 4.1)**

There are a number of potential approaches to estimating attribution in CAEs. First, use the results chains as the basis for attribution by validating each key change. This is a ‘theory-based’ approach to assessing attribution, which argues that there are several necessary conditions for claiming attribution:<sup>64</sup>

- The results chain must be well designed, logical and evidence-based.
- The expected changes at every level of the results chain must have occurred.
- Alternative explanations for these changes have been considered and rejected.

<sup>63</sup> Sen, Nabanita, [Attribution: Measuring attributable change caused by a programme](#), 2012.

<sup>64</sup> White and Phillips, *Addressing attribution of cause and effect in small n impact evaluations: towards an integrated framework*, 2012, 3ie, 14

If these are all met, it is reasonable to conclude that the results can be attributed to the project. The results chain tells a ‘contribution story’ which shows how you believe you influenced the outcomes.

Second, utilise qualitative tools for assessing attribution. These support the use of the results chain to demonstrate attribution, by assessing the links between the results chain. In particular, qualitative tools are typically well suited for CAE environments in which large-scale data collection is challenging.

Participative methods are one way to assess the difference made by the project. For example, it would be possible to ask beneficiaries to rank the different factors that contribute towards an observed outcome. The following figure shows one example in which participants were asked to rank the factors contributing to an improvement in food security. Factors coloured in blue were influenced by the project’s interventions, while those in red were not:<sup>65</sup>

| Factor                        | Rank            | Score |
|-------------------------------|-----------------|-------|
| Improved Rainfall             | 1 <sup>st</sup> | 33    |
| Improved Security             | 2 <sup>nd</sup> | 26    |
| Improved Seeds                | 3 <sup>rd</sup> | 19    |
| Government Extension Services | 4 <sup>th</sup> | 12    |
| Provision of Fertilizer       | 5 <sup>th</sup> | 8     |
| Provision of Tools            | 6 <sup>th</sup> | 2     |

Figure 5: Factors Reportedly Contributing to Improved Food Security

In this case, the programmes contributed to the use of improved seeds and fertilizer. However, they cannot claim responsibility for government extension services, and certainly not for improved rainfall. Be aware of the biases that qualitative and quantitative research is susceptible to; for example, beneficiaries may wish to give a positive impression of the programme in order to please the interviewer, or in order to gain more funding. Likewise, the interviewer may be biased towards their own organisation.

Finally, quantitative attribution analysis can be applied, including techniques like randomised control trials (RCTs), statistical analysis, or quasi-experimental techniques. They generally rely on collecting quantitative data from large numbers of people, and using statistical techniques to create a ‘counterfactual’, to understand what the situation would have been like without the intervention. This is compared to the measured results of the intervention to determine the improvement that can be attributed to the project. This is often seen as impractical in conflict affected environments, but it can be achieved.

For example, the International Rescue Committee (IRC) is implementing RCTs in Afghanistan, Burundi, DRC, and Liberia, including one of a savings group programme. IRC’s experience suggests that RCTs are possible to implement in CAEs but face additional challenges. For instance, the lack of population data means that selecting an appropriate sample can be difficult. Census data must in some cases be collected directly. Further, randomization can increase costs and complexity. In Liberia, for instance, random

<sup>65</sup> Taken from Catley, Andrew et al, Participatory Impact Assessment - A Guide for Practitioners, Feinstein International Centre, 2008, 50.

selection of project sites requires the project to work across areas using two different languages and with significant distances between sites. This is particularly an issue when seeking to measure changes in conflict at a community level rather than an individual level: having a sufficiently large sample for randomization would require working in several hundred villages. Another consideration in using a randomization approach in CAEs is that making changes to project strategy – a more frequent necessity in such environments – can compromise the findings of the RCT. There is also a risk that randomization can exacerbate the conflict by creating resentment among control groups members of the treatment group. IRC’s experience suggests that this latter challenge can be overcome by being open and transparent about the process of selecting project clients.<sup>66</sup> Still, randomization approaches require highly trained staff and high costs, and will not be realistic for most projects.

In summary, there are several approaches to assessing attribution. The most appropriate combination of approaches will vary based on the nature of the intervention and capacity of the implementing team.

## **5 Capturing Wider Changes in the System or Market (Control Point 5.1)**

Systemic change refers to “[c]hanges in market systems and the structures, such as government and civil society, that support markets that cause sustainable shifts in the way those market systems and structures operate, for example, changes in relationships within and among both private enterprises and public agencies, in incentives and in market support structures. Systemic change causes widespread indirect results such as crowding in, copying, enterprises shifting sectors and changes in enterprise start-up and exit rates.”<sup>67</sup> Measuring systemic change is extremely important to understanding the full impacts of PSD programming. Its omission from results measurement frameworks means that projects will underreport their impact and miss many of the most important types of change.

Owing to the limited experience in explicitly applying the entire DCED Standard in CAEs, there are still very few experiences in attempting to measure systemic change in a CAE context. Systemic change is less likely to occur where trust among neighbours and businesses has been weakened and economic activity is more limited. Estimations of the amount of copying and crowding-in sparked by project interventions, particularly if derived from benchmarks in non-CAEs (e.g. economic multipliers) thus may need to be more conservative.

## **6 Tracking Programme Costs (Control Points 6.1 – 6.2)**

Tracking programming costs is important to understand and improve programming efficiency. In CAEs characterized by significant pressure to spend quickly, tracking costs is particularly important. However, projects in these contexts face a number of challenges. The costs of implementation are frequently

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<sup>66</sup> DFID, Interim Guidance Note: Measuring and Managing for Results in Fragile and Conflict-Affected States and Situations, Undated, 38.

<sup>67</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 18.

higher yet achievements (e.g. employment generation, increases in income) fewer.<sup>68</sup> As such, be careful in benchmarking the benefit-cost ratios of projects implemented in CAEs with those implemented elsewhere. Projects also need to be careful if publishing financial reports disaggregated by region or ethnic group. If spending is unequally distributed among conflicting areas or groups, this may fuel tension and put project staff or partners at an increased risk.

## **7 Reporting Results (Control Points 7.1 – 7.5)**

Reporting results creates transparency about development programming. Given the high visibility of many CAEs and pressure from donors to show results, there is often great pressure to report results quickly. However, reporting project results can potentially create harm in CAEs. Identifying specific clients creates the risk that they can be singled out for harm, even in seemingly safe places like project reports.

The pressure to report results can also have negative effects on the programme, encouraging short term interventions and ‘quick wins’ at the expense of sustainable, longer-term change. Although this is unavoidable to some extent, programme staff should be aware of this pressure and manage relationships with donors to give themselves adequate time to achieve change in a CAE.

**Caution!** Carefully consider how to safeguard monitoring information and publish it in responsible ways that do not put others at risk.

Consider the following when safely reporting results:

- **Data protection:** Computers with sensitive data should be password protected, data encrypted and guarded.<sup>69</sup>
- **Pre-publishing review:** All monitoring documentation should be reviewed with a conflict-sensitive perspective prior to publication to ensure that it does not create the risk of harm. Strategies to achieve this can include seeking permission from any person who is named in a report (including staff), developing guidelines with key stakeholders (e.g. government if appropriate, donors, partners, local community), or asking these stakeholders to comment on drafts before review.
- **Word choice:** The language used by a project can itself be contentious. Using appropriate language (e.g. ‘context analysis’ instead of conflict analysis, ‘tension’ instead of conflict) can help. CAEs are often characterized by significant donor overlap. Multiple projects may work with the same partner businesses and households. Moreover, the results that you are trying to achieve will be affected by many other actors, including government, local communities, and changes in the broader context. In such an environment, recognising the contributions of these other actors is essential.

<sup>68</sup> Dalberg Global Development Advisors, *Adapting IFC M&E approaches for projects in conflict affected countries, Phase 1: Formative research and key issue diagnosis*, undated, 5.

<sup>69</sup> MEDA, *Monday Development Magazine*, July 2010, 14.



## 8 Managing the System for Results Measurement

A successful results measurement system must be integrated into all aspects of programme management, from design through implementation to monitoring and evaluation. This section suggests ways in which the management system can be adjusted to CAEs.

### 8.1 Establishing a clear system for results measurement (Control Points 8.1)

Results measurement systems should use the following approach to ease adoption.

- **Invest from the beginning.** Many results measurement systems are added to existing projects after their launch, rather than being designed from inception. This often means it is too late to generate quality data – for example, because baseline data is not collected – and creates additional challenges for staff and partners who must adapt to a new system. It is worth investing additional resources during the design stage to ensure that the results measurement system is robust from the beginning.
- **Phase in the monitoring system.** The DCED Standard can be demanding, especially for new partners. Consider phasing in the results measurement system, successfully implementing one component before moving on to the next. This increases the likelihood of the results measurement system being used for project management. For example, you may initially require new partners to monitor and report only against activities. Once that is established, move on to monitoring outputs, then outcomes. At each stage, give further training, feedback and encouragement. Ensure that you have matched the complexity of the system with the ability of your partners, and have a clear plan for moving towards implementation of the full Standard as soon as possible. However, make sure that partners are aware of this plan, so that they understand and can prepare for the change in the system.
- **Require more regular reporting.** Shorter reporting periods may be appropriate in more difficult environments. A DFID-funded programme in the DRC changed from six monthly to quarterly progress reporting. It also adopted monthly targets to support a more flexible management approach in the early stages of the project.<sup>70</sup> This is particularly effective if it is tied to opportunities for the project to revise its results chains and indicators if necessary, and based on a realistic assessment of what the programme can provide.
- **Knowledge management.** Given the frequent high turnover of staff, it is essential to properly document the results management system. This should include a clear explanation of the results chain, monitoring plan, and systems for collecting and analysing results. It should also cover key decisions and compromises that were made. For example, if the results chain was simplified to improve usability, document the changes that were made and the reasons behind them. This will prevent future managers from redoing the same work.

### 8.2 Human and financial resources (Control Point 8.2)

Recruiting and retaining qualified staff is a serious challenge in CAEs where local capacity may be low, international staff unwilling to work and turnover extremely high.

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<sup>70</sup> Cox, Marcus and Nigel Thornton, [Managing Results in CAEs: A stock-take of lessons, experience and practice](#), 2010, 20.

- **Consider the composition of your team.** Are they all from the same region or ethnic group? International organisations commonly hire staff with a minimum level of education – who may primarily be from historically dominant groups. This may reduce the perceived neutrality of your intervention, or impede cooperation from local communities and government.
- **Ensure that the team are well informed about conflict, and conflict sensitivity.** Try to hire staff with experience working in conflicts, and deliver additional training on conflict sensitivity as necessary. Staff may be initially reluctant to report on conflict, and may need additional training to encourage them to do so. It may also be necessary to hire staff focused specifically on conflict sensitivity.
- **Invest in training courses, mentoring and additional support for local staff.** Give regular training, opportunities for staff to share lessons, and constructive feedback on the monitoring information that they provide.
- **Train local partners or communities to assume additional M&E responsibilities.** The Aga Khan Development Network, for example, has supported Social Audit Committees, elected by the village to scrutinize the village council accounts. Aga Khan trains the committees on basic book-keeping, supports them to examine the village council accounts, and then holds open village-wide assemblies where they present their findings.<sup>71</sup>
- **Decentralize your monitoring.** Staff that are close to the ground are often better able to adjust in conflict situations and also typically less expensive than adopting a centralized monitoring strategy.
- **Hire regional consultants.** They are generally less expensive than international consultants, may speak the language, have local knowledge, and may be more acceptable to the local community. This strategy depends on the availability of regional experts and thus will be more applicable in some contexts than others.

**Case Study: Building Local Capacity in Results Measurement in Afghanistan<sup>72</sup>**

The International Fund for Agricultural Development (IFAD) Afghanistan builds local capacity through the Young Professionals Programme. They hire recent agriculture sciences graduates, who have a strong academic background but little work experience. These young professionals work for a year with IFAD's local partners, conducting field surveys and site visits in order to independently verify outputs and results.

The programme views this strategy as creating multiple benefits. It is able to cheaply employ motivated, energetic young professionals, enabling effective monitoring of remote projects. In return, the young professionals receive a stipend and gain invaluable work experience. Following the pilot, 80% of participating graduates found a job in their desired fields.

Literature typically suggests devoting 5-10% of a project's budget to results measurement, which is likely to be more costly in CAEs.<sup>73</sup> In particular, there is likely to be a greater need for primary data collection,

<sup>71</sup> Coffey International Development, *The Cost of a Good Deed - Monitoring in Post-Conflict Environments and the Application of the Logframe*, 2009.

<sup>72</sup> Interview with Abdul Latif Zahed, IFAD Afghanistan, September 17, 2012.

<sup>73</sup> Church and Roberts. [Designing for Results, Integrating Monitoring and Evaluation into Conflict Transformation Programmes](#), 2006, 132; DFID. [Measuring and Managing for Results in Fragile and Conflict Affected States and](#)

due to non-existent or poor quality secondary data. Changes in results chains and indicators created by shifts in the environment will require additional data collection to re-establish baselines. Staff, transport and accommodation are also frequently more expensive.

In environments with multiple donors, look for opportunities to share results measurement costs. For example, multi-donor evaluations may be able to attribute change more effectively. They bring together different viewpoints, and reduce the cost both to the commissioning partner and the recipient stakeholders. If it is impossible to distinguish between the effects of different donor efforts, it may be more realistic to evaluate the donor effort as a whole. However, this can also bring additional logistical and management challenges, as it may require coordination between donors with different political agendas and theories of change.<sup>74</sup>

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[Situation](#), 18; Dalberg, *Adapting IFC M&E approaches for projects in conflict affected countries, Phase 1: Formative research and key issue diagnosis*, 7.

<sup>74</sup> OECD, [Encouraging Effective Evaluation of Conflict Prevention and Peacebuilding Activities](#), 2007.

## Annex 1: Key Definitions<sup>75</sup>

*Activity:* A discrete piece of work, typically represented by a contract between the programme and a contractor, partner or consultant. Interventions typically consist of several activities, that are intended to achieve change at various different points in the overall market system.

*Assumption:* A supposition or best guess which forms part of the basis for calculation of an indicator value.

*Attribution:* The ascription of a causal link between observed (or expected to be observed) changes and a specific intervention

*Baseline:* An analysis describing the situation prior to a development intervention, against which progress can be assessed or comparisons made.

*Conflict:* The result of parties disagreeing (e.g. about the distribution of material or symbolic resources) and acting on the basis of these perceived incompatibilities.<sup>76</sup>

*Conflict affected environments:* Environments that have recently been, currently are or are prone to being affected by conflict.

*Conflict analysis:* The systematic study of the profile, causes, actors, and dynamics of conflict.<sup>77</sup>

*Conflict sensitivity:* The ability of an organisation to understand the context in which it operates; understand the interaction between an intervention and the context; and act upon the understanding of this interaction, in order to avoid negative impacts and maximise positive impacts.<sup>78</sup>

*Copying:* Other target enterprises copying behavioural changes that those affected directly by programme activities have adopted.<sup>79</sup>

*Counterfactual:* The situation or condition which hypothetically may prevail for individuals, organisations, or groups were there no development intervention.

*Crowding in:* Enterprises at levels other than the target level copying behaviours that those affected by programme activities have adopted or entering a sector or value chain as a result of improved incentives and environment created (at least partly) by the programme. This term also applies to government agencies or civil society organizations, who are not directly involved in the programme, copying

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<sup>75</sup> Unless noted, all definitions drawn from OECD, Glossary of Key Terms in Evaluation and Results Based Management, 2002.

<sup>76</sup> [Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peace Building Resource Pack](#), 3.

<sup>77</sup> [Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peace Building Resource Pack](#), chapter 2, page 1

<sup>78</sup> [Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peace Building Resource Pack](#), 3.

<sup>79</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 15.

behaviours of those who are directly involved in the programme, or who change their behaviour as a result of improved incentives or environment created (at least partly) by the programme.<sup>80</sup>

*Displacement:* Some enterprises may be negatively affected because others are benefiting from programme activities. Displacement is the amount of negative effect on those enterprises harmed by programme activities.<sup>81</sup>

*Do No Harm:* Ways in which international humanitarian and development assistance given in conflict settings may be provided so that, rather than exacerbating and worsening the conflict, it helps local people disengage from fighting and develop systems for settling the problems which prompt conflict within their societies.

*Evaluation:* The systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results. Evaluation also refers to the process of determining the worth or significance of an activity, policy or program. An assessment, as systematic and objective as possible, of a planned, on-going, or completed development intervention.

*Impacts:* Positive and negative, primary and secondary long-term effects produced by a development intervention, directly or indirectly, intended or unintended.

*Intervention:* A coherent set of activities that share a single results chain, and are designed to achieve a specific and limited change.<sup>82</sup> A project usually manages multiple interventions and thus multiple results chains.

*Monitoring:* A continuing function that uses systematic collection of data on specified indicators to provide management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds.

*Peacebuilding:* Measures designed to consolidate peaceful relations and strengthen viable political, socio-economic and cultural institutions capable of mediating conflict, and to strengthen other mechanisms that will either create or support the necessary conditions for sustained peace.<sup>83</sup>

*Proxy indicator:* An indicator for which measurable change is clearly and reliably correlated with an indicator of a change that the programme aims to achieve (but is generally more practical to measure).<sup>84</sup>

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<sup>80</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 15.

<sup>81</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 16.

<sup>82</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 16.

<sup>83</sup> [Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peace Building Resource Pack](#), 5.

<sup>84</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 17.

*Results chain:* The causal sequence for a development intervention that stipulates the necessary sequence to achieve desired objectives beginning with inputs, moving through activities and outputs, and culminating in outcomes, impacts and feedback.

*Results measurement:* The process of designing a measurement system in order to estimate a programme's impact so that it can be used to report results and improve project management.<sup>85</sup>

*Sustainability:* The continuation of benefits from a development intervention after major development assistance has been completed. The probability of continued long term benefits.

*Systemic change:* Change in systems that are caused by introducing alternative innovative sustainable business models at support market level (such as in private sector, government, civil society, public policy level). These changes often cause widespread indirect impact by crowding in at support market levels impact and copying at final beneficiary level.<sup>86</sup>

*Theory of Change:* A testable hypothesis regarding how the planned activities will contribute to achieving the desired results for the programme.<sup>87</sup>

*Triangulation:* The use of multiple theories, sources or types of information, or types of analysis to verify and substantiate an assessment.

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<sup>85</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 17.

<sup>86</sup> The Donor Committee for Enterprise Development, The DCED Standard for Measuring Achievements in Private Sector Development: Control Points and Compliance Criteria, Version VI, 2013, 18.

<sup>87</sup> CARE, International UK, [Peacebuilding with Impact: Defining Theories of Change](#), 2012, 3.

## **Annex 2: Acronyms and Abbreviations**

|       |  |
|-------|--|
| BMO   | Business Membership Organization                       |
| CAE   | Conflict Affected Environment                          |
| DCED  | Donor Committee for Enterprise Development             |
| DFID  | Department for International Development               |
| IFAD  | International Fund for Agricultural Development        |
| IFC   | International Finance Corporation                      |
| IRC   | International Research Committee                       |
| MSA   | MarketShare Associates                                 |
| M&E   | Monitoring and Evaluation                              |
| NGO   | Non-Governmental Organization                          |
| OECD  | Organisation for Economic Co-operation and Development |
| RCT   | Randomized Control Trial                               |
| UNDP  | United Nations Development Programme                   |
| USAID | United States Agency for International Development     |

## Annex 3: Overall Resource List

### CROSS-CUTTING RESOURCES

[DCED Measuring Results Resources](#). Provides several key resources for results measuring of PSD and peacebuilding.

[DCED Online Library on PSD in Conflict-Affected Environments](#). Provides access to more than 450 documents on the theme, including on different PSD approaches, country studies and evidence on the links between PSD and conflict.

[DCED Compilation of Guidance by Various Agencies for Practitioners of PSD in Conflict-Affected Environments](#). Links to existing advice and guidance for assessment, programme design and implementation and measuring results.

[Design, Monitoring and Evaluation for Peacebuilding](#). Offers resources and discussions on resources for monitoring and evaluation of peacebuilding programming.

**Organization for Economic Co-operation and Development.** [Overview of the Network's Current Work On Evaluating Conflict Prevention And Peacebuilding](#). Presents the Organization for Economic Co-operation and Development (OECD)'s conflict prevention and peacebuilding evaluations.

### CONFLICT ANALYSIS GUIDELINES

[Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peace Building Resource Pack, Chapter Two](#). Very comprehensive conflict sensitivity guidelines. Chapter two describes conflict analysis in detail. Of particular interest are pages 12-40 in chapter two, which summarise 15 different conflict analysis tools from major donors. For each they discuss the primary purpose, summarise the main steps, and give examples of lessons learned and current applications. If you are selecting a conflict analysis framework, this is an invaluable resource.

**CDA.** [The Do No Harm Handbook: The Framework for Analyzing the Impact of Assistance on Conflict, 2004](#) This guide provides a step-by-step guide to assessing the potential of a project to cause harm in its selected context.

**GIZ.** [Peace and Conflict Assessment \(PCA\): A Methodological Framework for the Conflict- and Peace-Oriented Alignment of Development Programmes](#). Examines the application of peace and conflict assessments at multiple stages in a project, including impact monitoring.

**USAID.** [Conflict Assessment Framework, Version 2.0](#). Provides a framework for diagnosing a conflict and generating responses. Application guidelines can be found [here](#).

### RESULTS CHAINS AND THEORIES OF CHANGE IN CAES

**Becker, Sabine.** [Conflict Prevention and Peace Building Elements of PSD/SED Programmes](#). Reviews many of the key relationships between PSD and peacebuilding.



**CARE International UK.** [Peacebuilding with Impact: Defining Theories of Change](#). Offers guidance in developing the logic of how project interventions will impact upon peacebuilding.

**Davis, Peter.** **Corporations, Global Governance and Post-Conflict Reconstruction.** Synthesizes the impacts corporations may have on a conflict and supporting reconstruction, drawing from Azerbaijan, Bosnia and Rwanda.

**DFID.** [Integrated development and peacebuilding programming. Design, monitoring and evaluation.](#) Gives guidance on how to design, monitor and evaluate programmes that aim to achieve both development and peacebuilding goals.

**Humphreys, Macartan.** [Economics and Violent Conflict](#). Reviews the evidence for linkages between economics and conflict.

**Mercy Corps.** [Peacebuilding through Economic Development Approach](#). This publication outlines five theories of change that Mercy Corps is implementing and testing through its work and provides examples of each.

**Mierke, Axel.** [Conflict Prevention and Peace Building Elements of PSD/SED Programmes](#). Analyzes the potential support of private sector development programming to peacebuilding.

**Pottebaum, David.** [Relationships between Conflict, Poverty, Inequality, and Economic Growth](#). This publication reviews the evidence for relationships between conflict, poverty, inequality, and economic growth.

**Sen, Nabanita.** [A Guide to Making Results Chains](#). Provides the key steps required to create a results chain.

**USAID.** [Conflict-Sensitive Approaches to Value Chain Development, microNote #101](#). Outlines how to incorporate a conflict lens when conducting research on value chains that can inform the results chain logic.

**Vogel, Isabel.** [Review of the uses of 'Theory of Change' in International Development](#). This report examines how theories of change are used in the field, different applications and best practice.

## **CONFLICT SENSITIVITY**

**Conflict Sensitivity Consortium.** [Conflict-Sensitive Approaches to Development, Humanitarian Assistance and Peace Building Resource Pack](#). Provides guidance on how to incorporate a conflict sensitive approach throughout the project cycle, including monitoring and evaluation.

**Conflict Sensitivity Consortium.** [A How To Guide to Conflict Sensitivity](#). Based on the above document, this adopts a similar approach. It is updated and shortened slightly from the original resource pack.

**Chigas and Goldwyn.** [Monitoring and evaluating conflict sensitivity. Methodological challenges and practical solutions.](#) DFID, CARE International UK, and CDA. 2013. Gives practical on how to monitor and evaluate interactions between an intervention and conflict.

**DFID.** [Measuring the Un-measurable. Solutions to Measurement Challenges in Fragile and Conflict-affected Environments.](#) Provides an overview of tools and methodologies that can be used for measuring intangible change in conflict-affected environments.

## DEFINING INDICATORS

**Agoglia et al.** [Measuring Progress in Conflict Environments.](#) Provides a significant volume of outcome indicators around five aspects of a conflict, including the existence of a sustainable economy. These are high-level indicators for gauging the overall stability of a situation, rather than the direct success of an individual project

**Anderson.** [Indications for Assessing Aid's Impact on Conflict.](#) CDA. 1999. Provides various indications of a project's positive and negative effects on the conflict.

**Church, Cheyanne and Mark M. Roberts.** [Designing for Results: Integrating M&E in Conflict Transformation Programmes.](#) General guidelines on monitoring and evaluating in CAEs. Chapter four includes a good discussion on indicators and some helpful examples.

**DFID.** [Interim Guidance Note: Measuring and Managing for Results in Fragile and Conflict-Affected States and Situations.](#) Annex A lists of indicators for high level objectives, and possible data sources. More focused on country programmes than projects.

**Mercy Corps.** [Evaluation and Assessment of Poverty and Conflict Interventions. Conflict & Economics: Lessons Learned on Measuring Impact.](#) Provides a menu of 29 peace and conflict indicators and 49 economics and conflict indicators. Each indicator is defined and a list of potential disaggregations is suggested. There is a useful discussion of how the indicators were selected and measured, including the tools and surveys that were used.

## INDICATOR MEASUREMENT IN CAES

**Mercy Corps.** [Evaluation and Assessment of Poverty and Conflict Interventions: Conflict & Economics: Lessons Learned on Measuring Impact.](#) Provides several conflict monitoring tools, including a violent incident reporting form, a disputes and dispute resolution assessment, a scored community relationship mapping tool, and a conflict and resource mapping tool.

**Catley, Burns, Abebe and Suji,** [Participatory Impact Assessment: A Guide for Practitioners,](#) 2008, Feinstein Centre. Outlines an eight-step approach to conducting a participatory impact assessment.

**Frontline SMS.** Frontline SMS is a free software for creating and managing SMS activities such as making announcements, conducting polls, and automatically replying to incoming SMS. In particular, it is excellent for managing large mobile phone surveys, and was used in the above example by Colombia University to gather data in Eastern DRC.

Muaz Jalil. [Practical Guidelines for Conducting Research](#). Provides a review of good practices in designing and conducting research in line with the DCED Standard.

Sartorius, Rolf and Christopher Carver. [Monitoring, Evaluation and Learning for Fragile States and Peacebuilding Programs: Practical Tools for Improving Program Performance and Results](#). This provides a large number of tools for measuring peacebuilding programmes, alongside tips on measurement and example indicators.

#### ATTRIBUTION IN CAES

Evaluation Journal. [Special Issue: Contribution analysis](#). Multiple articles introducing the concept of contribution analysis and its application to results measurement.

Mayne, John. [Contribution Analysis: An approach to exploring cause and effect, 2008](#). A short introduction to Contribution Analysis.

OECD. [Evaluating Peacebuilding Activities in Settings of Conflict and Fragility: Improving Learning for Results](#). Provides guidance on assessing attribution in the evaluation of peacebuilding activities.

Sen, Nabanita. [Attribution: Measuring Attributable Change Caused by a Programme](#). A brief, accessible outline of how to estimate attribution when applying the DCED Standard. A brief, accessible outline of how to estimate attribution when applying the DCED Standard.

Stern, Elliot et al. [Broadening the Range of Designs and Methods for Impact Evaluations](#). Addresses the issue of attribution in depth, looking at the role of mixed methods and theory-based approaches to assessing attribution.

#### SYSTEM MANAGEMENT IN CAES

The [People in Aid Code](#) is an internationally recognised management tool that aims to help humanitarian and development organisations improve the quality of their human resources management.

#### EVALUATION

OECD. [Evaluating Peacebuilding Activities in Settings of Conflict and Fragility: Improving Learning for Results](#). Provides guidance on how to conduct evaluations in CAEs.

DCED. Why Evaluations Fail. [The importance of good monitoring](#).