Effectiveness Trends
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What are we looking for?

- avoid misuse
- be efficient
- have impact
Focus on Efficiency

How much goes into the project?

How much should it cost to rise one $?
Approach on Efficiency

- Agree on definition and methods
- Analyse costs and revenues
- Develop benchmarking model
- Monitor efficiency
Definition and Method
Approach on Efficiency

1. Agree on definition and methods
2. Analyse costs and revenues
3. Develop benchmarking model
4. Monitor efficiency
Administration Costs

- 78% Projects and services *
- 22% Administration
- 8% Fundraising
- 14% Other administration

* including related costs
Drivers

- Size
- Activity
- Costs
- Structure
- Govern. funds
Fundraising Efficiency

Costs
- Fundraising
- Remaining Admin.
- Projects

Revenues
- Private Donors
- Instit. Donors
- Legs
- Governmental Funds
- other

1:10
Approach on Efficiency

1. Agree on definition and methods
2. Analyse costs and revenues
3. Develop benchmarking model
4. Monitor efficiency
## Benchmarks

<table>
<thead>
<tr>
<th>Drivers</th>
<th>Projects and services</th>
<th>Fundraising</th>
<th>Other administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
<td>Int. Aid</td>
<td>81 %</td>
<td>8 %</td>
</tr>
<tr>
<td></td>
<td>Nat. Social</td>
<td>78 %</td>
<td>8 %</td>
</tr>
<tr>
<td></td>
<td>Nat. Health</td>
<td>78 %</td>
<td>7 %</td>
</tr>
<tr>
<td>Size</td>
<td>large</td>
<td>86 %</td>
<td>5 %</td>
</tr>
<tr>
<td></td>
<td>middle</td>
<td>80 %</td>
<td>7 %</td>
</tr>
<tr>
<td></td>
<td>small</td>
<td>73 %</td>
<td>11 %</td>
</tr>
<tr>
<td>Structure</td>
<td>single</td>
<td>82 %</td>
<td>8 %</td>
</tr>
<tr>
<td></td>
<td>corporate</td>
<td>70 %</td>
<td>13 %</td>
</tr>
<tr>
<td></td>
<td>section</td>
<td>76 %</td>
<td>8 %</td>
</tr>
<tr>
<td>Governm. Funds</td>
<td>&gt; 40 %</td>
<td>82 %</td>
<td>4 %</td>
</tr>
<tr>
<td></td>
<td>10-40 %</td>
<td>79 %</td>
<td>8 %</td>
</tr>
<tr>
<td></td>
<td>&lt; 10 %</td>
<td>72 %</td>
<td>14 %</td>
</tr>
</tbody>
</table>
Approach on Efficiency

- agree on definition and methods
- analyse costs and revenues
- develop benchmarking model
- monitor efficiency
## Individual Analysis

<table>
<thead>
<tr>
<th>Name of Charity</th>
<th>Activity</th>
<th>Size</th>
<th>Structure</th>
<th>Governmental funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Health sector</td>
<td>Small</td>
<td>Single</td>
<td>&gt; 40%</td>
</tr>
<tr>
<td>Total administration</td>
<td>20%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>10%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Remaining administration</td>
<td>10%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Impact of Monitoring

2004

- 75%
- 25%

2007

- 78%
- 22%

- 8%
- 14%

75 %

25 %

8 %

17 %

8 %

14 %
The products, capital goods and services which result from a development intervention. «drink-water supply is constructed»

The likely or achieved short-term and medium-term effects of an intervention’s outputs. «more families have access to clean water»

Positive and negative, primary and secondary long-term effects produced by a development intervention. «less children die»
Approach on Effectiveness

- Standards
- Create awareness
- Building capacity
- Provide tools and promote
Awareness

Most charities find that measurement of effectiveness is a relevant topic, which will become more important and should be approached. Only 10-20% do it systematically.
Approach on Effectiveness

- standards
- provide tools and promote
- building capacity
- create awareness
Capacity Building

Promoting factors
- Content of contracts
- Demand within the NPO

Restraining factors
- Importance for fundraising
- Cost-benefit relation
- Know-how and methods
Approach on Effectiveness

- Create awareness
- Building capacity
- Provide tools and promote
- Standards
ZEWO Wirkungsmessung
Pilot-Leitfaden für die Entwicklungszusammenarbeit

Pilot-Leitfaden der Stiftung ZEWO in der Entwicklungszusammenarbeit.

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3 Übergeordnete Ziele
4 Projektziele
5 Wirkungsmodell
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7 Implementierung und Monitoring
8 Evaluation der Wirkung
9 Erkenntnisse
10 Organisatorische Voraussetzungen
11 Grenzen der Wirkungsmessung
12 Über diesen Leitfaden
13 Hilfsmittel

Übergeordnete Ziele

Projektziele

Erkenntnisse

Wirkungsmodell

Evaluationsplanung

Implementierung und Monitoring

~ 3 Jahre

6 Monate

Evaluation der Wirkung

Diese Leitfaden zeigt Schritt für Schritt was in den einzelnen Phasen des Projektmanagement-Zyklus in Bezug auf Wirkungsmessung zu tun ist.
Approach on Effectiveness

- standards
- provide tools and promote
- building capacity
- create awareness
Standards on Effectiveness

- Implementation of and adequate system
  - Not ONE method for all
  - No benchmarks

- Dealing with results
  - Transparency
  - Communication
Thank you for your attention