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RE: Strategic Project Management

In my Inception Report (December 2006) I recommended that the Project develop a strategic management system and take action to ensure transparency and accountability, activity coordination and team work, and a unified vision and common understanding of project objective (especially in terms of decentralisation and village control of local development processes).

Integrated rural development is always complex and made especially so when it is driven by the need to decentralise poverty reduction activities and initiate democracy at the village level (as per Government Decree No. 79/2003/ND-CP). There needs to be a sense of urgency in developing a strategic management plan which guides the Project towards achieving these objectives. The Project has now been running for 1 year and we are nearing the end of the 1st quarter of the second year.

DPPR has the twin goals of **decentralisation** and **poverty reduction**. According to the "Objectives Working Paper 5: Capacity building for Decentralised Development – Quang Binh Sub-Project" (pp. 8-9), the objectives of capacity building are to:

- (a) Improve the capacity and understanding of government staff at all levels for effective implementation of decentralized and community driven development; and
- (b) Build the capacity of the beneficiaries and grassroots institutions so that they are pro-active partners in the development process, and are able to make better use of their natural and human resources for their economic well being.

For this reason, the Project needs to focus more on **process** and **outcomes** than on inputs and outputs. While inputs and outputs are important indicators of overall project success, it is imperative that the process of achieving poverty reduction is increasingly taken over by the CPC and community based organisation (CBOs) at the village level such as the self-management groups (SMBs) and other activity groups. Achieving Project objectives is hampered by the tendency to focus on outputs with inadequate thought as to how activities will directly facilitate progress towards decentralising poverty reduction activities and initiating democracy at the village level.

There is still a tendency within Project activities to focus on outputs with insufficient thought as to how those will directly facilitate progress towards meeting Project objectives. The following are observations on the current status of the Project's strategic management and recommendations to improve it.

1. **Transparency and accountability:** The flow of information, especially from activity coordinators and implementers (including) TA needs to be regular and sufficient to provide an understanding of potential Project impacts, problems and lessons learned. Best management practice requires regular activity

reports, detailing achievements against targets, problems in implementing activities, and recommendations for overcoming problems.

- Activity coordinators in PPMU and all national TA need to provide a **monthly work plan** and a **monthly report** in order that management has a clear idea of the activities undertaken by (sub)components and any problems that require attention. [Forms were provided in the Inception Report.] In addition, there needs to be regular monthly meetings where activity managers discuss problems they are having in implementation and how better to coordinate (harmonise) Project activities.
 - There **needs to be greater staff accountability** with a clear understanding of the organisational structure. Presently organisational structure and job responsibilities are unclear. Staff who do not have sufficient capacity to effectively perform their jobs need to be trained up and work closely with international and national TA.
 - **TORs need to be clearly defined TORs and closely followed.** Many staff do not adhere to their TOR, partially implement their TOR or else take on many more activities that are not listed in their TOR.
 - It is recommended that the **national Training TA be responsible for coordinating and managing all Project training** to ensure that training is effective, has immediate relevance for trainees, contributes towards implementing decentralisation, and is gender sensitive.
 - The new national Trainer TA is presently analysing the TNA forms distributed in December 2005 and will develop a training program for DPPR staff.
2. **Activity coordination and team work:** One of the greatest threats to achieving Project objectives is the lack of team work (and team spirit). Good team work is the basis of effective Project coordination.
- (Sub)components and their respective national TA work independently of each other and work on implementing immediate outputs (short term). Activities are conceptualised and implemented from the perspective of the TA and consequently do not take into account other activities and are not designed to achieve the wider Project objectives of decentralising poverty reduction activities and initiating democracy at the village level.
 - Many **activities are only partially implemented and with no clear strategy in stimulating interest and participation within villages** (see Field Report).
 - For example, to date none of the demonstration farmers are working with fellow farmers, and no farmer field schools are planned. It is difficult to envision how technologies /

techniques will diffuse within the community and where the stimulus for activity groups will come from.

- In addition, there is no cooperation between production and rural finance so that credit may not be available to farmers when required if they choose to adopt demonstrated technologies / techniques.
- What is driving the project are **short-term achievements that are not necessarily related to long-term goals** (decentralising poverty reduction activities and initiating democracy at the village level).
 - For example, while the Project is implementing demonstration farms, some SMEs and CSGs, it is done solely with the framework of the implementers and not within the Project framework. [Activities are based on the AWPB and not the intention as outlined in the Working Paper narratives.]
- The Project needs to promote **team work** where staff work closely together in formulating and implementing activities, and within the framework of a common vision of decentralising poverty reduction activities and initiating democracy at the village level.
- Each (sub)component is compartmentalised (fragmented) without clear and common linkages (horizontal and vertical). **(Sub)component activities and deliverables need to be harmonised** in order to develop synergies and maximise the multiplier effect.
- A **strategic management system needs to be put in place** to effectively coordinate (sub)component activities, including production activities (farming systems, aquaculture and livestock), savings/credit groups (Revolving Fund), small and medium enterprise development (SMEs), infrastructure construction, and capacity building (training for both staff and beneficiaries). This can only be accomplished through **effective team work and communication**.
- **Communication between (sub)components needs to be regularised** such as through regular monthly meetings in order to discuss strategies for decentralising poverty reduction activities and initiating democracy at the village level.
 - Their needs to be a white board listing the activities and targets of all (sub)components:
 - Community facilitation
 - Rural Finance
 - SME
 - Farm Systems
 - Animal husbandry
 - Aquaculture
 - Infrastructure

- Training
 - Project management
- There needs to be **close coordination of activities to build synergies that maximise outcomes.**
 - For example, rural financial services and production need to coordinate their activities so that credit is available to farmers at the appropriate time. This will lead to greater diffusion of the technologies / techniques that are demonstrated.
 - Infrastructure also need to better coordinate its activities to reflect what changes are occurring within villages and construct those infrastructure which will intensify the changes brought about by the Production Support component.
 - It is anticipated that the PNA in year-1 villages and second round of PRA in year-2 villages will address many of these issues by enabling better VDP.
- A greater problem for building effective team work is the **absence of national TA in Dong Hoi.** Only the national Trainer TA is based in Dong Hoi. Under such conditions it is not possible to generate team work, effectively coordinate activities, or provide an environment for informal communication.
 - Although it is possible to arrange visits from the TA from CARD (Hue) and RIA1 (Hanoi), **intermittent visits are no replacement for presence in the PPMU** and minimises the development of good working relations and dynamic interactions and is responsible for weakness in Project coordination.
 - It is **difficult to coordinate from a long range** as there is no interaction on a regular basis. Moreover, as most national TA do not work out of PPMU, they tend to work very independently, flowing their budget cost line but with little concern in how those activities will directly facilitate Project objectives of decentralising poverty reduction activities and initiating democracy at the village level.
 - It is **doubtful whether this problem will improve with time.** And of greater concern, the inputs of TA are very limited with respect to the life of the Project. Therefore there is insufficient capacity building in DPPR staff as the **working relation between DPPR staff and TA is weak.**
- While it may not be critical for the TA with very technical specialities to be based in Dong Hoi, especially given the short duration of their annual inputs, it is **necessary that longer-term TA be based at**

PPMU. These are full-time positions. While TA do provide inputs within the Project site, they are not an effective part of the PPMU team as they do not work directly from PPMU (and have no office at PPMU).

- Given their absence from the PPMU **it is critical that national TA provide work plans and a monthly report.** Their reporting is very sparse and there is information provided 'lessons learned'.
 - The Livestock sub-component is finished until 2007; they provided no 'Exit Report'.
- The present arrangement with Production Support TA is a **contract with institutions and not individuals** so that institutions and not individuals are responsible for inputs. **It is difficult to coordinate institutions.**
 - It is recommended that the Extension TA and Ecological TA be based in PPMU.
 - It is recommended that at least one of the two Rural Financial Services TA be based in PPMU. (**Presently there is one regular TA and 3 individuals that provide intermittent inputs.**) These are very important positions as they are full-time positions for a period of three years.
 - The international TA for RFS has had minimal contact with PPMU staff and has provided no written documentation on the first two months of input. It is unclear what outputs the international TA has provided. It has not been a productive arrangement.
- There **needs to be a clear understanding on how to effectively use the CTA and PDA.** Presently, we are marginal to the Project and there is no clear plan on how to use our services. The stated TOR in the CTA's and PDA's contracts cannot be implemented without sufficient support.
 - There also needs to be a regular flow of information to the CTA and PDA and in the authority to implement strategic management and effective participatory approaches.
 - Clarification of what is expected (not stated in TOR) of CTA and PDA and the authority to carry out those expectations.

3. Unified vision and common understanding of project objectives:

The Project needs a **clear and unified sense of purpose and project identity.** Aside from implementing activities there is no common understanding of

decentralisation – what it is, how it might work, how to stimulate and nurture it, etc. This is not an easy task but it is not impossible.

- A **unified vision and common understanding of Project objectives** can only be **attained through team work and regular group discussions**. Staff need to discuss together strategies and problems, and jointly develop solutions and plans.
- As noted above, **(sub)components work independently of each other with little to no cooperation, discussion of Project objectives, and regular exchange of information**.
 - There is a risk that while the Project will implement activities (i.e. construct infrastructure, provide farm demonstrations, lend money through SCGs, and develop a few SMEs), there will be little synergies developed and the Project objective of promoting local village democracy through SMBs, activity groups, village controlled VDP will not be achieved.
- It is recommended that **all DPPR staff attend a (Re)Orientation Workshop** to work through the Project goals and objectives. The initial start-up workshop was held in April 2005, before most of the TA were in place and before CFs were hired.
 - **Attendance at the Workshop will indicate an acceptance of staff of their TOR** and a commitment to carry out the intention and spirit of their TOR.
 - Workshop will provide an **opportunity for all staff to meet each other** and share ideas and sew the foundations of a team spirit. Additional objectives of the (Re)Orientation Workshop will be to:
 - **Clarify roles and responsibilities of all DPPR staff.**
 - Provide an **understanding of all staff TOR** in relation to the goal of decentralisation.
 - Discuss need for **effective (sub)component coordination**.
 - Require the **attendance of all DPPR staff, including the National TA at RIA1 and CARD.**