

# A Primer

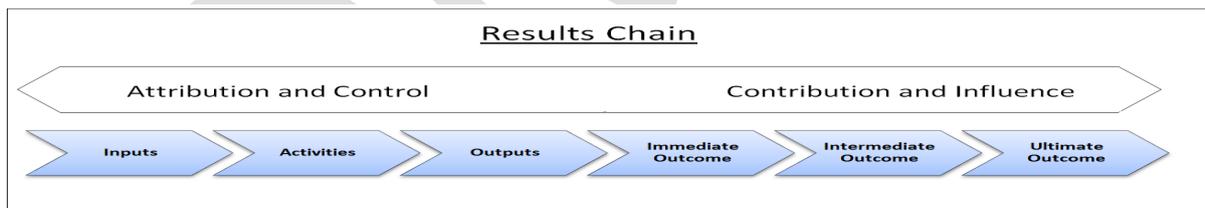
The purpose of this document is to provide an overview of the key terms related to the achievement of program outcomes. The primer supports the policy and directive on results produced by the Treasury Board of Canada Secretariat and is based on definitions from the Treasury Board, ESDC and those widely accepted by the Organization for Economic Cooperation and Development (OECD).

## Introduction:

Historically, government departments—and partner implementing organizations—focused their attention on inputs (i.e., what was spent), activities (i.e., what was done) and outputs (i.e., what was produced). This does not however tell implementers whether or not they were making progress in addressing the issues they had identified. Losing sight of the results their programs were aiming to achieve limited the effectiveness of their programming. Management scholar Peter Drucker, in 1954, referred to this as the “activity trap.”<sup>1</sup> Thus it is important to keep the following concepts in mind:

1. **Result/Outcome:** Results are the same as outcomes. An outcome is a describable or measurable change that is derived from an initiative's outputs or lower-level outcomes. Outcomes are qualified as immediate, intermediate, or ultimate; outputs contribute to immediate outcomes; immediate outcomes contribute to intermediate outcomes; and intermediate outcomes contribute to ultimate outcomes. Outcomes are not entirely within the control of a single organization, policy, program or project; instead, they are within the organization's area of influence. The terms results and outcomes will be used interchangeably in this primer.
2. **On-going results-based monitoring and evaluation:** Conducting monitoring and evaluation by collecting and analysing data on output and outcome indicators to measure progress on the expected outcomes is central to reporting on the Policy on Results.

## The Results Chain, Contribution and Attribution and Methods:



The results chain (pictured above) is the visual depiction of the “logical” relationships that illustrate the links between inputs, activities, outputs and outcomes of a given policy, program or project<sup>2</sup>. (See definitions below)

**Contribution, influence and progress on results:** In RBM there has been an understanding that intermediate and ultimate outcomes are usually not within the sole control of a single organization or project but that an organization or a project contributes to, and influences the achievement of, these outcomes. When reporting on outcomes, you can speak about progress “on” or “towards” the achievement of that outcome. This difference allows you to report on progress “towards” an outcome early in the life of the program.

<sup>1</sup> Peter F. Drucker, *The Practice of Management* (New York: Harper & Row), 1954

<sup>2</sup> Results Based Management: Global Affairs Canada: A How to Guide, 2016

Definitions of Elements of Results Chain	Examples
<b>Inputs</b> - Financial and non-financial resources used to support the delivery of program activities	Financial: Program Budget Non-Financial: FTEs, Technology etc.
<b>Activities</b> – Actions and tasks undertaken by the program to produce outputs	Conduct Training Manage Partnerships, etc.
<b>Outputs</b> – The products or services produced by the activities – usually deliverables which are tangible, can be counted and demonstrable.	Training Sessions or workshops held Partnerships created
<b>Immediate Outcomes</b> – Outcomes that occur as a direct result of outputs produced by a program	Partners and funded organizations have the capacity to deliver services
<b>Intermediate Outcomes</b> - Outcomes that are expected to logically occur after one or more immediate outcomes have been achieved	Target populations receive services that have intended impact.
<b>Ultimate Outcomes</b> – Highest level outcomes that usually represent the raison d’etre of a policy, program or initiative	A change of state in a target population, such as lower unemployment rate, increase of average family income, etc.

### The Return of Impact and Attribution:

In recent years there has been a return to methods which focus on measuring impact and demonstrate attribution e.g., using such methods as net impact analysis and rapid impact evaluation.

<b>Attribution:</b> Results that can be demonstrated to be directly linked or the results of a specific initiative carried out by an organization.
<b>Impact:</b> A positive or negative, primary or secondary long-term effect produced by a development intervention, directly or indirectly, intended or unintended. <sup>3</sup>
<b>Net Incremental Impact Analysis:</b> The difference between what happened with the intervention and what would have happened in a different situation (the counterfactual). The incremental impact is thus the extra or incremental effect the program has on an outcome, beyond what the counterfactual would have had. Net impacts which are attributable to a specific program intervention as compared with control groups which did not participate in the same program.
<b>Rapid Impact Evaluation</b> –A structured way of gathering expert assessments of program impact by systematically involving experts and beneficiaries working with scenario based counterfactuals.
<b>Overall Impact:</b> An aggregate measure of the program’s incremental impact across all outcomes, reported as a percentage.
<b>Target:</b> A measurable performance or successful level that an organization, program or initiative plans to achieve within a specified time period. Targets can be expressed quantitatively or qualitatively.

The ultimate goal of evaluation is to determine the extent to which observed results can be attributable to the evaluated program. This is done by controlling for the effects of external factors in order to determine what part of the changes experienced by program participants resulted from their participation in the program.

In order to attribute observed effects to program participation, the incremental impact analysis uses a counterfactual approach. In other words, as illustrated by Figure 2, the incremental impact analysis measures the difference in the experience of participants from before to after participation minus the difference in the experience of a comparison group before and after participation.

<sup>3</sup> OECD DAC

Two types of comparison groups are used and demonstrated in Figure 2 in the Annex:

- Comparison group of non-participants: Individuals (with similar socio-demographic characteristics to those of the participants) who were eligible to participate in the program and who did not receive any program or service. A comparison group of non-participants allows determination of the net effect from participation.
- Limited treatment comparison group: When it is not possible to construct a comparison group of non-participants, the effects of participating in a program are measured relative to the effects of participating in a limited treatment (i.e., low intensity services). This measures the differential effects of participating in a given program relative to participating in a limited treatment.

**Incremental impacts** can use quantitative, qualitative targets and/or methods or a combination of both.

### **Data Gathering Methods should incorporate a mix of quantitative and qualitative**

**Quantitative statistical measures:** These are composed of number which provides the magnitude (how much) and the unit which gives the number its meaning (what).

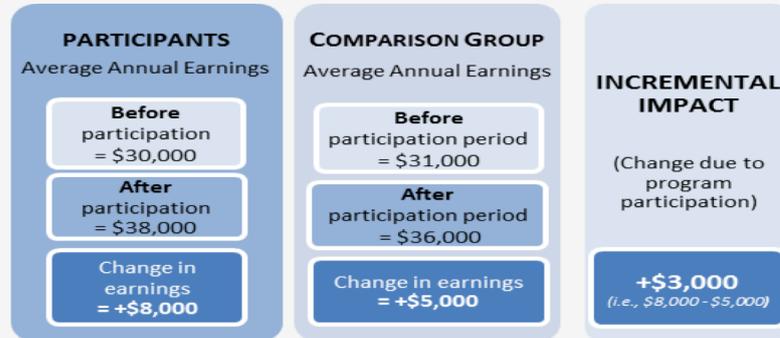
- Number of ...
- Frequency of ...
- Percent of ...
- Ratio of ...
- Variance with...

**Qualitative judgments and perceptions:** These are expressed in explanatory form, assessment of quality are summarized in rating scales – excellent, average, below average, which allows comparability over time.

- Presence/absence of ...
- Congruence with ...
- Level of ...
- Quality of ...
- Extent of ...
- Degree of ...
- Satisfaction with...
- Performance Stories of...

## ANNEX

Figure 2: Outcome and Incremental Impact Calculation (based on an illustrative example)



**Incremental impacts:** The incremental impact is \$3,000.

- While the earnings of participants increased by \$8,000, the earnings of the comparison group increased by \$5,000 from \$31,000 before participation to \$36,000 after participation.
- The \$3,000 difference between the change experienced by participant and the change experienced by the comparison group results from program participation.