

Development Action Round 2 SDF Analysis

Initial Findings

8 June 2011

Kia ora Development Professionals,

Development Action is pleased to announce that our assessment of applications for SDF Round 2 was completed last week, and participating organisations were sent copies of their reports as well as our funding decisions at the beginning of this week. This marks the completion of the first part of our analysis for SDF Round 2, with the following steps still to be completed:

1. Comparing Development Action's decisions with MFAT's.
2. Writing a fresh set of OIA's to fill in gaps.
3. Drafting a final analysis for SDF Round 2.

While our analysis is incomplete, we have decided to share the initial findings with the sector. As with SDF Round 1, all applicants have asked that their information remains anonymous.

In total, six diverse organisations sent us a range of Activity Design Documents (ADD) and Concept Notes (CN). We received four complete ADD's and eleven CN's; sixteen applications in total. From this, we used selective randomisation to choose twelve applications for the Round 2 assessment pool. Essentially this means that organisations who sent in only one application were automatically added to the pool, while organisations who sent in multiple applications had their applications chosen randomly through a simple randomisation process in Excel.

Some basic facts concerning what was assessed:

- IDG has stated it expects about 100 applications per round. Until the actual number of applications received is verified, we will assume our pool represents about 12% of the total.
- If all twelve applications had been accepted, the total amount of funding dispersed would total \$12.6 million, or 46% of the remaining money allocated to SDF for the first three years (\$27.5 million left after Round 1).
- If the applications which we accepted were funded, \$8.2 million would be dispersed, or 65% of the total asked across all twelve applications. The high success rate reflects a general increase in quality of application writing. It was more difficult to find reasons to decline applications this round.
- Using IDG's scoring (which is based on assessing "quality", a term poorly defined within SDF), the

average score across questions was 4.51 out of 6, or 75%. Development Action interprets this to mean that applicants gave adequate to good quality answers to the questions on the ADD and CN forms.

- CN's had a greater chance at success than ADD's. Development Action didn't accept any of the ADD's for funding, and only one of the four ADD's received a conditional grade.
- For applications that were accepted, 39% of the funding went to the Pacific, and 25% to South East Asia. Only one application was for project work outside of these two regions and it was not accepted.
- ADD's were assessed across a matrix of 76 criteria, and CN's across 56 criteria. CN's took on average two and a half hours to assess and ADD's took four hours. In all, design of the process, assessment and administration for twelve applications took at least 50 hours. The ESP was given 40 hours total to read, assess and discuss the entire pool of applications for Round 2.

Difficulties and differences from Round 1 included:

- Applicants had difficulty with outcomes and outputs, especially putting them in statements which allowed for straightforward monitoring and evaluation.
- Those applications that used hard facts and limited rhetoric made the strongest arguments, especially where the facts were based on past work and backed up by third parties, such as recognised research bodies.
- Applications that were written by New Zealand head offices did better than applications written in the field.
- No application made explicit use of IDG's Standard Output Indicators (though in some cases they could be implied).
- Much better and broader “value added” answers were given that evidenced contact with public and private sector, and other New Zealand organisations outside of the usual development circle.

Chart 1: Development Action SDF Round 2 pool funding decisions by number of applications accepted

Type of application	Proceed to Design/Accepted	Conditional	Not to proceed
CN	4	2	2
ADD	0	1	3

Chart 2: Development Action SDF Round 2 pool funding decisions by region and number of applications accepted

Type of application	Pacific	South East Asia	Rest of World
CN	5	3	0
ADD	0	3	1

Chart 3: Development Action SDF Round 2 pool funding percentages dispersed across regions

Region	Proceed to Design/Accepted	Conditional	Combined accepted and conditional totals
Pacific	39%	5%	44%
South East Asia	25%	7%	32%
Rest of World	0%	0%	0%

How the applications were assessed

The extensive assessment criteria used by Development Action was compiled by dissecting each application question into its key information requests, adding the known IDG assessment criteria, and also adding the known criteria used by the ESP. Also included was a region weighting which heavily favoured Pacific applications. Evidence from OIAs suggest that Round 2 will heavily (perhaps exclusively) favour the Pacific.

Two documents were produced per assessment. The first was a spreadsheet which used:

- IDG's scoring (1 – 6, with 1 = very poor quality, 6 = very good quality)
- Pacific weighting
- Detailed question analysis
- Known IDG assessment criteria from Round 1
- ESP assessment criteria for Round 2

Applicants also received a modified SDF Helpline sheet which gave thoughts and analysis where needed against questions. We felt the level of detail was necessary given the range of unknown factors affecting the analysis.

Also different from Round 1, each application received two final decisions per application. The first was based on Development Action's criteria and final score, and the second was a best guess at what IDG and the ESP would decide. On a number of occasions these were not identical. The main reason for this was upgrading Pacific projects from conditional to accepted as a result of the project region and the Minister's desire for the majority of funds to go to the Pacific.

A question of “quality”

Rather frustratingly, an answer in the application could be inadequate, but still get a high score (or vice versa). This is due to IDG's opaque definition of “quality”. IDG's assessment scale is based on quality. However, “quality” is never clearly defined and could mean a quality answer (one that is answering the question well), quality concept (reflects good development practice) or quality in light of other MFAT priorities, which could mean that poor practice and poor answers are overlooked due to the nature of the project, or most likely, the region where the project will take place. An organisation may have provided the information asked for by the question (high quality answer), but the information highlights something which shows the application was misaligned with SDF. It is unclear how IDG or the ESP deals with this issue. Interpretation of quality would be a major factor contributing to lack of consistency across assessors.

Development Action has favoured “quality answer” for the simple reason that good development practice is

not in our opinion part of SDF, and also because there are too many unknowns with regard to MFAT priorities. As we saw with Round 1, good development projects that took place in the Pacific were not funded. It was obvious that unstated criteria were therefore being used to make final funding decisions.

Limitations

The limitations of the assessment are important to keep in mind when looking at our final data:

1. Development Action is not affiliated with IDG or MFAT. We receive no funding from MFAT, and the channels of communication have to date been restricted to responses to OIA's.
2. The pool of applications assessed is small and until the final figures are released by MFAT, our figures should be used with caution.
3. In the case of IDG's assessment criteria, the information Development Action has is incomplete and likely obsolete. Efforts to rectify this prior to the assessment were unsuccessful.¹
4. As with Round 1, limited information seems to have been given to IDG or ESP assessors to explain key assessment concepts.

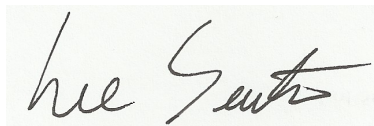
Final report

Development Action's final report will be with you in the coming months. In the meantime, we encourage you to share information with us concerning your experience with SDF, especially with regard to project implementation and the process of application.

Last, on behalf of the team, let me express my gratitude for the support and participation which Development Action has received in our first year of operation. Our job would be impossible without either.

Good luck with your work!

Sincerely,



Lee Sentes

Co-Director
Development Action

E: lee@developmentaction.co.nz
T: 04 907 0151
M: 021 114 7962
W: www.developmentaction.co.nz

¹ To see the assessment criteria for both IDG and the ESP, these can be downloaded by putting these addresses into your web browser or clicking on the link: <http://dl.dropbox.com/u/8760947/SDF%20Appraisal%20Checklist%20from%20Development%20Action%20OIA%2004.2011.pdf> and <http://dl.dropbox.com/u/8760947/Development%20Action%20OIA%20request%20reply%2020.05.11.pdf>
