

Project planning

Lecture 2

Project plan/format

- A format is necessary to enable the analysis of conceived projects.
- The format provides an analytical framework for proposed investment in which cost and benefit accounts are prepared year by year.
- Information from a wide range of sources feeds into this framework, and since a good plan depend on accurate information, the framework enables various specialists to judge the accuracy of information provided and the appropriateness of assumptions made.
- The format also gives an idea of cost year by year so that those responsible for providing the necessary resources can do their own planning.

Project plan/format

- The administrative and organization problem which are likely to be encountered during implementation are also detailed in the plan.
- This enables planners to make arrangement for strengthening the management if this appears weak, at the same time, managers, planners and stakeholders are given better criteria for monitoring the progress of implementation of the project objectives, targets and work plan as was set out at the onset of implementation.
- The project format facilitate systematic and objective examination of results and alternatives .

Project plan/format

- Effects of a proposed project on national income and other objectives can be compared with the effects of projects in other sectors, or another project in the same sector, or other alternative designs including the option of not undertaking the project altogether

Project plan/format

- Once the national objectives are known absence of data at the national level can be solved by confining the project meant to achieve a national objective in a specific location with a specific target and beneficiaries.
- Thus local information on which to base the analysis can be efficiently gathered, field trials undertaken and judgment can be made about the social and cultural institutions that might influence the choice of project design and its pace of implementation.

Differences between project and programme

- A project is an investment activity where resources are used to create capital assets which produces benefits overtime and has a beginning and an ending with specific objectives, while a programme is an ongoing development effort or plan.
- A programme is therefore a wider concept than a project. It may include one or several projects at various time, with specific objectives linked to the achievement of higher level of common objective e.g a health program may include a water project, as well as construction of a health center both aimed at improving the health of a given community which previously lacked easy access to these essential facilities.

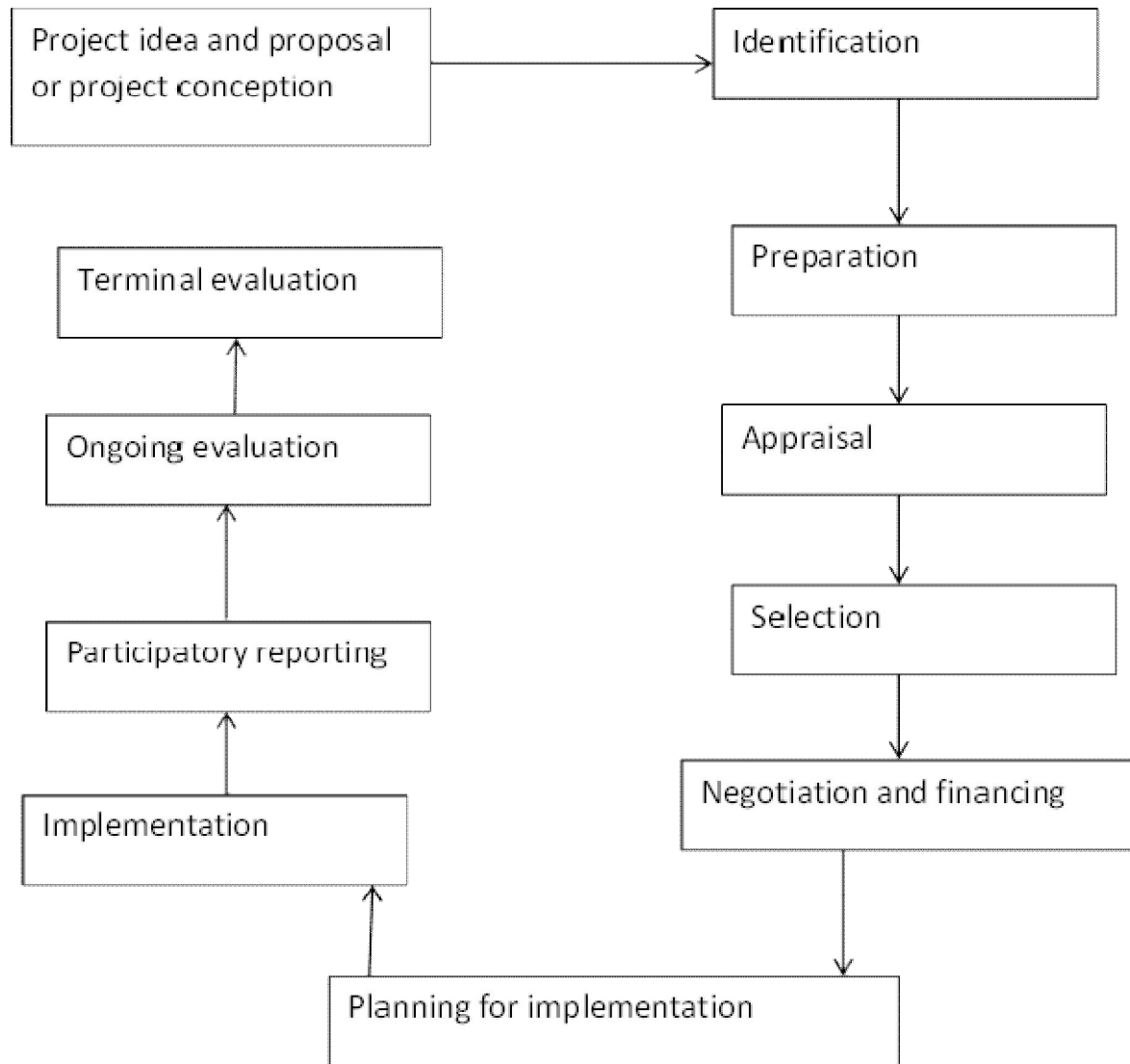
Differences between project and programme

- Projects which are not linked with others to form a program are sometimes referred to as stand alone projects.
- A project to built a feeder road from an interior agricultural district to a district headquarter may qualify to be a stand alone project.
- A programme designed to improve health of the community will comprise the following projects: rural clean water supply project, health center construction project, pit latrine construction project and sanitary education project.
- During the project life, management should focus attention to three parameters: QUALITY, COST and TIME.

Differences between project and programme

- A successfully managed project is one that is completed at a specified time, quality delivered on or before the deadline, and within the budget.
- In addition, client satisfaction will indicate success and possibility of replication or sustainability.
- Each of these parameters is specified in details during the planning phase of the project. This specification then forms the basis for evaluating the project during the implementation phase.

Project cycle stages



Key measures on project management

- Define the objectives, goals and products of the project e.g in animal health project you need to have objectives and goals of the project
- Check for feasibility i.e is the project viable or not
- Make a project plan or schedule of activities
- Organize the people who are going to carry out the project and make sure that communication is clear
- There is a need to have a baseline data
- Then execute the plan
- Control the activities and monitor the progress of the project

Key measures on project management

- Measure and assess the project against the baseline
- Evaluate the project
- Re-plan any changes to the project implementation with greater precision until project completion
- Close the project
- Learn lessons from the project

Why manage a project?

- The essence of project management is to:
 - Maximize chances of reaching the objectives of the project which fits with the specification, and respect or exceed the agreed QUALITY to be delivered in TIME, SCOPE and BUDGET
 - Strive for efficiency because of limited resources which are available, and the need to achieve the objectives of the project as earlier as possible

Project cycle

- A cycle is a sequence of events which a project follows.
- These stages (events) or phases can be divided into several equally varied ways, depending on the executive agencies or parties involved e.g world bank, african development bank, SIDA etc
- But some of these stages may overlap

Project conception

- At this stage an idea regarding a required intervention in a specific area is conceived
- The idea is usually formed through discussion with specialists and local leaders from the community as a need based issue and this is crystalized in to a proposal

Project conception

- Projects are conceived through:
 - Need: To make available to all people in an area minimum amount of certain basic material requirements – a need assessment survey will establish the agency for intervention
 - Market demand: This can be domestic or overseas
 - Resource availability: This includes opportunities to make profitable use of the available resources
 - Basis of technology improvement

Project conception

- Natural calamity: These are mainly against the adverse effects of natural events such as floods and drought
- Political considerations

Project identification

- Potential projects arising from ideas which were formed or crystalized in the first stage are determined
- The information in the proposal from project conception may be submitted by an individual or community representative to an agency capable of identifying an institution to provide the necessary support to realize the expectation

Project identification

- The type of information provided at this stage is usually general and descriptive in nature.
- The information is basically provided to justify an intervention through a felt need in the community.
- Usually some objective judgment is applied to assess the proposal or a set of proposals to establish if the proposal can proceed to the next stage of the cycle.
- In many ways, stages one and two are so interlinked but some people call them identification phase.

Project preparation

- This stage involves a more thorough exercise of collecting data and information on the proposed project.
- The exercise is performed by personnel with technical skills in consultation with the target and beneficiary community.
- At this stage of project cycle, the objective is known as Alternative Decision Describer.
- Project preparation contains design of a set of proposals that are feasible technically, financially and economically, and which are also socially acceptable

Project preparation

- Decisions are made on scope of the project, location, site and size amongst others.
- The details of a feasibility study depend on the complexity of the project and on how much is already known about the proposal.
- A succession of increasingly detailed feasibility studies are sometimes called for in corporate projects.
- The feasibility studies provides an opportunity to shape the project to fit its fiscal and social environment and exclude relatively poor alternative ways of achieving the project goals.
- A careful preparation may cost up to 10% of the total projects investment, but this is absolutely necessary to ensure projects efficiency.

Project appraisal

- This involves a further analysis of a proposed project
- At this stage, a critical review of the proposal is undertaken
- A systematic and comprehensive review is undertaken by an independent team in consultation with project stakeholders
- This provides an opportunity to re-examine every step of a project plan, and to examine if the proposal is justified before funding

Project appraisal

- This is based on project plan, but may involve new information if the appraisal team feels that some of the data used in preparation or some assumptions are faulty.
- The implication of the projects in the society and the environment is also thoroughly evaluated and recommendations are made
- Similarly technology, design, financial measures, commercial agents, incentives, economic parameters are variedly scrutinized

Project appraisal

- On the basis of an appraisal report decisions are based about whether to go on with the project or not
- The appraisal report may also change the project plan or develop a new plan

Project selection

- This is achieved on the basis of stakeholders and the available resources
 - For example, treasury may impose a budget ceiling on ministries with a big portfolio of investment calling for prioritization of the important or core and low priority projects

Negotiation and financing

- Once the project to be implemented is agreed on, for donor funded projects, discussions are held on funding and associated aspects of funding such as conditions for grants, repayment period and interest rates on loans
- Flow of funds from the stakeholders and if there is co-financing or not
- This culminates in an agreement document for the project which binds the parties involved during the implementation of the project

Planning for implementation

- This is a stage before actual the implementation begin or before the start of a new phase of implementation of the project
- The exercise is conducted at the level of the project and involves the implementers, beneficiaries and the funding agencies i.e all the stakeholders to the project

Planning for implementation

- The exercise involves enabling the project management team to address the important implementation issues including the realigning of project objectives, scope, financial arrangement and implementation schedule given the overall project structure and the resource and working environment
- The likelihood of further changes occurring either in design or fiscal and policy environment that may affect the project are also discussed

Planning for implementation

- During the exercise, the team should define clearly as possible the objectives and hierarchy of the project's objectives
- One technique for defining and analyzing the objectives is the logical framework approach or goal oriented project planning approach

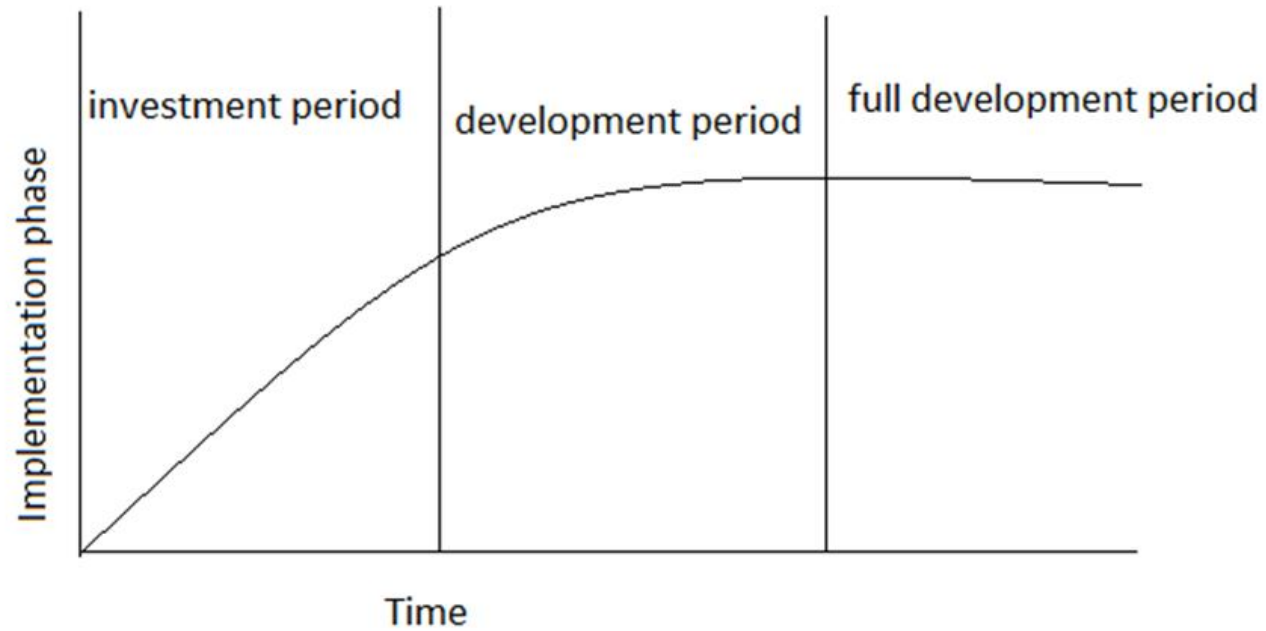
Planning for implementation

- The logical framework allows definition of activities, inputs, outputs and objectives with corresponding verifiable indicators and assumptions
- To obtain goals of the project, a plan for action for a specified period is desirable to form a basis for activities to be undertaken during planning periods
- The implementation phase has three (3) phases:
 - Investment period
 - Development period
 - Full development period

Planning for implementation

- The investment period forms the life of the project investment period referred to when the major project are undertaken, and can take 1-3 years depending on nature of project
- The development period occurs as production build up
- Full development is reached when production peaks up
- Both financial and economic analysis of the project relates to this time horizon

Planning for implementation



Investment period

- This is the critical stage of any project since the objective of the earlier effort was to have the project to be undertaken.
- At this stage the activities of the project are carried out and funds disbursed to facilitate the activities.
- The management should ensure that the project is carried out according to the design, however, depending on the fiscal and policy environment there may be need for flexibility to the reality on the ground.
- Monitoring or progress reporting therefore becomes crucial.
- Implementation is a process of refinement or learning from experience and can be considered as a minicycle in a larger project cycle.

Monitoring and evaluation

- This should be an ongoing activity during the implementation
- Monitoring is carried out by the beneficiaries, the implementing staff, the supervisory staff and the management staff
- The aim should be to ensure that the activities of the project are being undertaken on schedule to facilitate implementation as specified in project designed
- Any constraint in operationalizing the design can be quickly detected and corrective action taken
- This would enable the management to be proactive rather than being reactive in correcting mistakes during implementation

Monitoring and evaluation

- The channels of communication should also be clear and easy to allow transparency and accountability for all staff involved
- Thus relevant actions, results and barriers to implementations should be monitored for smooth implementation of the project

Evaluation

- Ongoing evaluation

- This stage involves a systematic review and/or examination of the elements of success and failure in the project experience, during the projects life to learn how better to plan for the future
- This implies that evaluation is a continuous exercise during projects life and is very related to monitoring
- Monitoring provides data on which evaluation is based, however, formalized evaluation is undertaken at specified periods
- There is usually a MID TERM and TERMINAL EVALUATION, however, evaluation can also be undertaken when the project is in trouble as the first step in re-planning effort

Evaluation

- Careful evaluation is also undertaken before any follow up of a project is undertaken
- Evaluation can be done internally or by external reviewers
- Some organizations have monitoring and evaluation units
- Such units can provide the management with useful information to ensure efficient implementation of projects especially if it operates independently and objectively
- This is because what the unit needs is to judge project on the basis of objectives that original project was designed and the reality on the ground, that is the operating fiscal environment
- With no free hand, the feedback mechanism will be hindered and information will be held back instead of being feedback

Evaluation

- Some projects may be subjected to external evaluation
- The aim of the evaluation is largely to determine the extent to which the objectives are being realized

Project cycle management

- Project management can be defined as realization of concepts and goals through efficient, effective, transparent, accountable and responsible administration of a given set of activities to the satisfaction of the stakeholders
- All stakeholders should be regularly consulted on matters affecting the project to ensure coordination in the projects activities
- Project cycle management therefore implies a process oriented project management system covering the whole project cycle from project conception to project completion

Project cycle management

- Project management involve a combination of various project cycle phases with corresponding management tasks
- It is an effective decision making process that ensure that certain actions occurs at the right time, within the life of a project so as to attain the desired and specified quality of output within the budget