

SPENDING REVIEWS

LEVEL 3

Step 2: Process Maps and Logframe



Spending Review Methodology



In this step of the spending review, you will:

UNPACK	Unpack the implementation programme to understand how it works
CLARIFY	Clarify all the assumptions made by programme managers (especially around resourcing)
MAP	Map the processes involved in the delivery of the programme
DEMONSTRATE	Demonstrate how inputs are converted into activities, outputs, outcomes and impacts in a logical framework
IDENTIFY	Identify the key programme elements that link to key areas of management control
DETERMINE	Determine the potential for savings and efficiency improvements in how the programme operates

PROCESS MAPS AND LOGFRAME – BACKGROUND



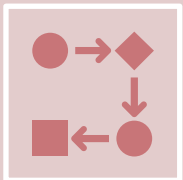
Tools for policy analysis



In this session, we introduce process maps and Logframes as analytical tools to help you analyse policies, legislation and regulations.

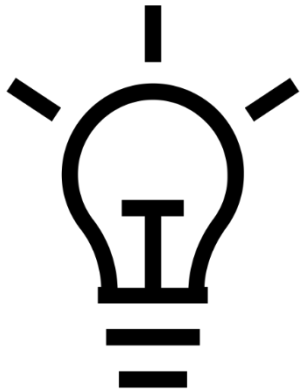


While the institutional analysis in **Step 1** uses an organisational perspective, **process maps and Logframes** allow for a more detailed scrutiny of delivery processes and the underlying programme logic.



While process maps look at the sequential flow of activities, the Logframe looks at how inputs (like funding) are translated into outputs, outcomes and impacts.

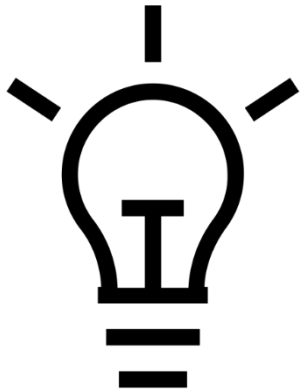
Process maps – why do them?



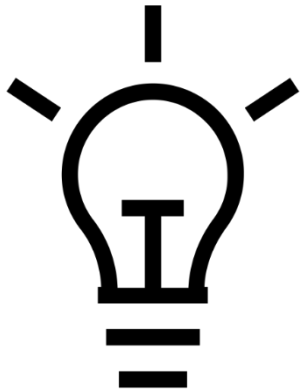
- **Process maps** make the work done by departments and agencies *visible* by mapping each step in the delivery of public services.
- We map implementation processes to:
 - Unpack how the work is done.
 - Identify what needs to be analysed and costed in a spending review.
 - Understand any inefficiencies in the delivery of the services. (e.g. are we duplicating efforts?)
 - Improve how resources are allocated to the processes (e.g. have we allocated a senior nurse to a process that can be done by an auxiliary nurse).
 - Allow for continuous process improvement.

What are Logframes?

- A **Logframe** explains how the activities in an implementation programme contribute to a chain of results that produce the intended outcomes and impacts.
- In its simplest form, a **Logframe** is represented as:

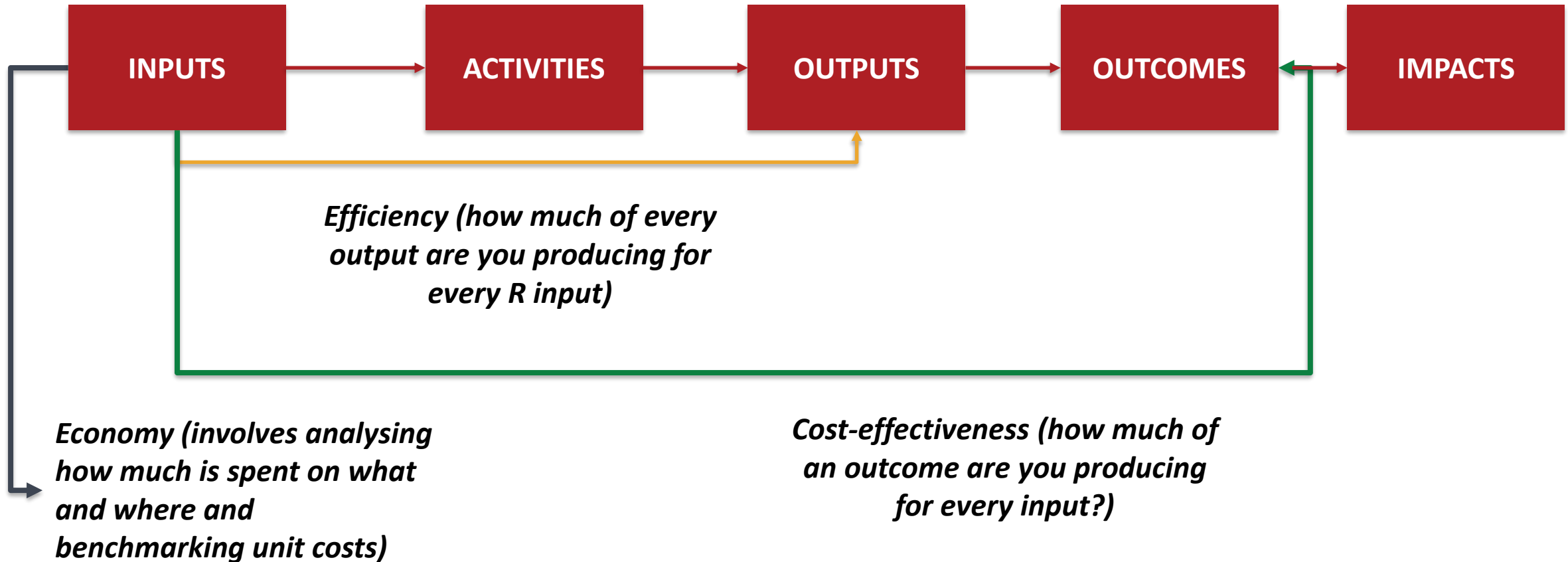


Why do a Logframe in a spending review?



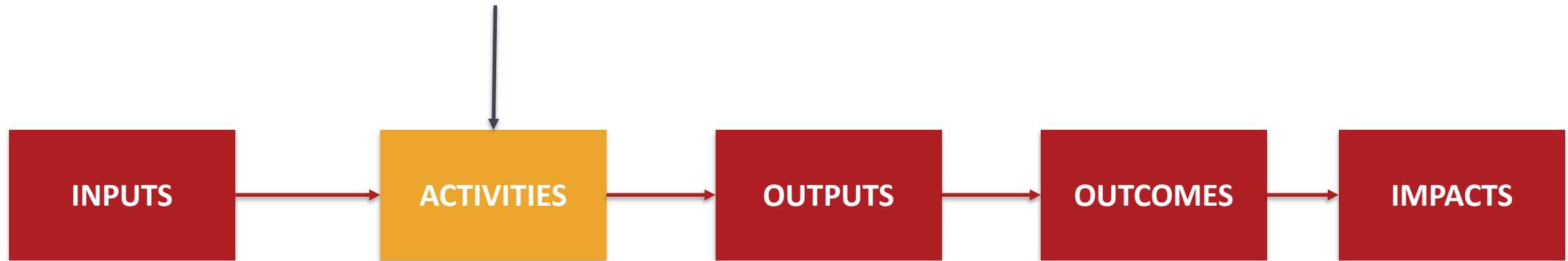
- Spending reviews are a highly effective tool for identifying **savings** and making **assessments of the efficiency and cost-effectiveness** of government expenditures.
- It does this by linking *expenditure (what government spends on)* to *performance (what government delivers)*.
- Logframes are the analytical tool that can be used to link inputs (*what government spends on*) to outputs (*what government delivers*) and outcomes (*what benefits citizens receive*).

How to use Logframes in a spending review?

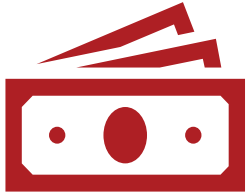


There is a link between process maps and the Logframe...

Process maps help you to understand the sequence of activities and is your first step in developing a Logframe.



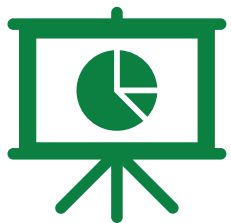
Terminology - Logframes



INPUTS are all assets and capabilities - drawn in the production process to deliver the outputs. Inputs include personnel, buildings, equipment, goods and services. Typically, it is anything we buy with government funding.



ACTIVITIES refer to the collection of functions and processes (actions, jobs, tasks) that consume resources required to produce outputs



OUTPUTS are goods or services – the “products” – a department/entity delivers to external parties. Examples of outputs include children vaccinated, textbooks delivered, crime investigations completed, etc.

Terminology - Logframes



OUTCOMES are the intended impacts of outputs – more precisely, the changes brought about by public programs upon individuals. Example of outcomes include healthier children (as a result of the vaccination programme), better quality teaching and reduced crime.



IMPACT typically targets societal level changes over the long-term such as under-five mortality rates, literacy levels, perceptions of crime amongst citizens.

Final versus intermediate outputs

- Sometimes, you will need to differentiate between intermediate and final outputs especially in concurrent functions or with regards to national departments involved in policy making.
- In a concurrent function, the national department might produce the intermediate output, like the policy, which is then implemented by provincial departments who produce final outputs.



Intermediate outputs are products that are produced for internal purposes necessary for the delivery of goods or services to the public or other beneficiaries such as other government departments. Examples include approved policies, strategies, business cases and business plans



Final outputs are goods or services – the “products” – a department/entity delivers to external parties. Examples include children vaccinated, textbooks delivered, crime investigations completed.

UNPACK THE IMPLEMENTATION PROGRAMME TO UNDERSTAND HOW IT WORKS



Unpacking the implementation programme

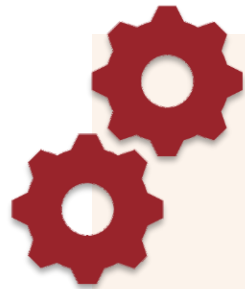
To understand the programme, you will need to draw on information from a variety of sources



Policy documents, Budgets, Sector strategies, Annual reports, Annual performance plans, Strategic plans, Norms and Standards

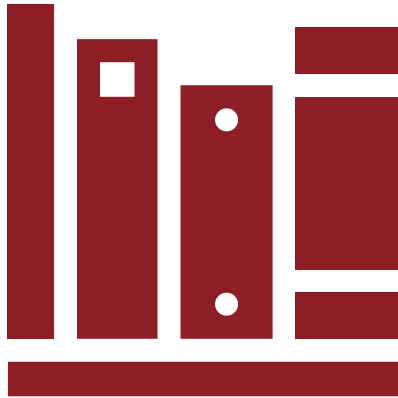


Consultations with programme managers, interviews with finance officials, engagement with implementing agencies



Administrative information, standard operating procedures, process maps

Consultations



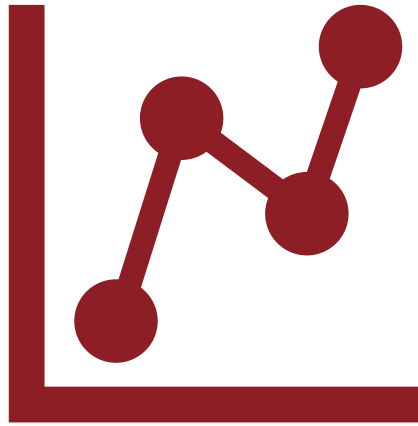
- Speak to programme managers within departments
- Some of the questions you could ask programme managers include:
 - How does the programme work?
 - Who does the work? Who are the people who deliver the programme?
 - How is success measured?

Policy documents



- Policy documents will give you information about the rationale for the programme, its policy goals and objectives, targeted beneficiaries and targets.
- In some instances, policies will also contain norms and standards that influence how resources are allocated in programmes.

Administrative information



- Administrative information is very useful. Often a department or agency will have business plans or standard operating procedures that will help you to draw up your own process maps.
- For instance, the police services have clear standard operating procedures on how to process a crime scene. This procedure outlines what police officers should do when they arrive at a crime scene and when the detectives should be called.

CLARIFY ALL THE ASSUMPTIONS MADE BY PROGRAMME MANAGERS (ESPECIALLY AROUND RESOURCING)



Unpacking the implementation programme

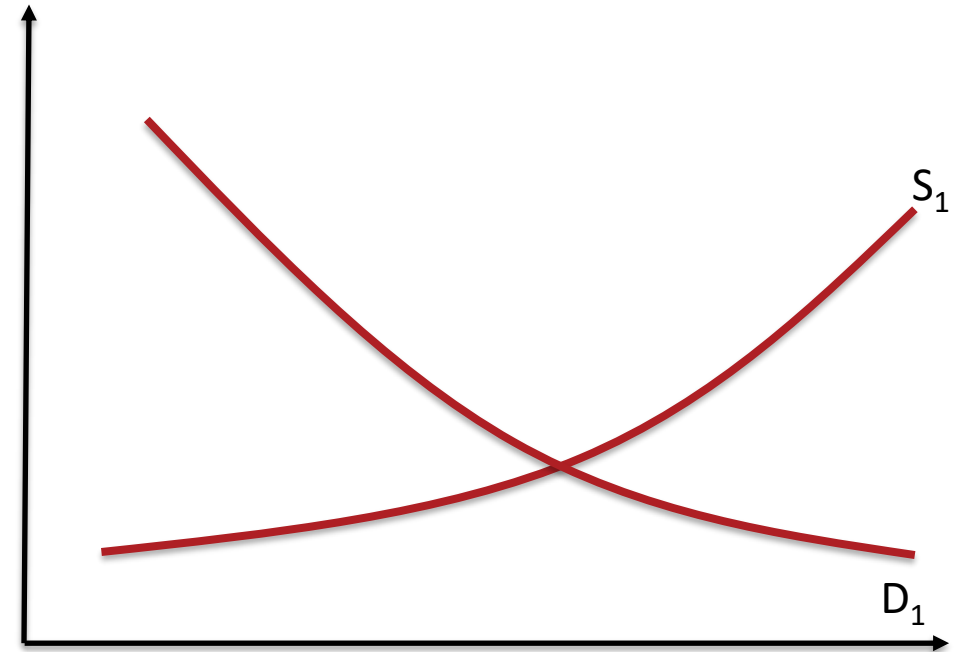
- When sourcing information, remember to collect data on how the programme is implemented, by whom and where.
- Find out about the assumptions that programme managers are making about resourcing.
- Are they formal or informal norms and standards that affect how activities are resourced?
 - E.g. a Social Worker has to screen families instead of a Community Development Worker (CDW)
 - 1 textbook per child per subject in Quintile 1-3 schools
 - Informal norms like teachers in rural areas don't work on payday. This effectively means that 1 teaching day is lost every month.

Understanding how assumptions affect a programme

- When designing a programme, officials made assumptions about both the demand for services and their supply capabilities.
- In order to accurately cost a programme, you will need to understand the **demand and supply side** assumptions made by programme designers.

Examples of supply side assumptions:

- Capacity to deliver
- Norms, standards and resourcing practices



Examples of demand side assumptions:

- Demographic profile of beneficiaries
- Eligibility criteria

MAP THE PROCESSES INVOLVED IN THE DELIVERY OF THE PROGRAMME



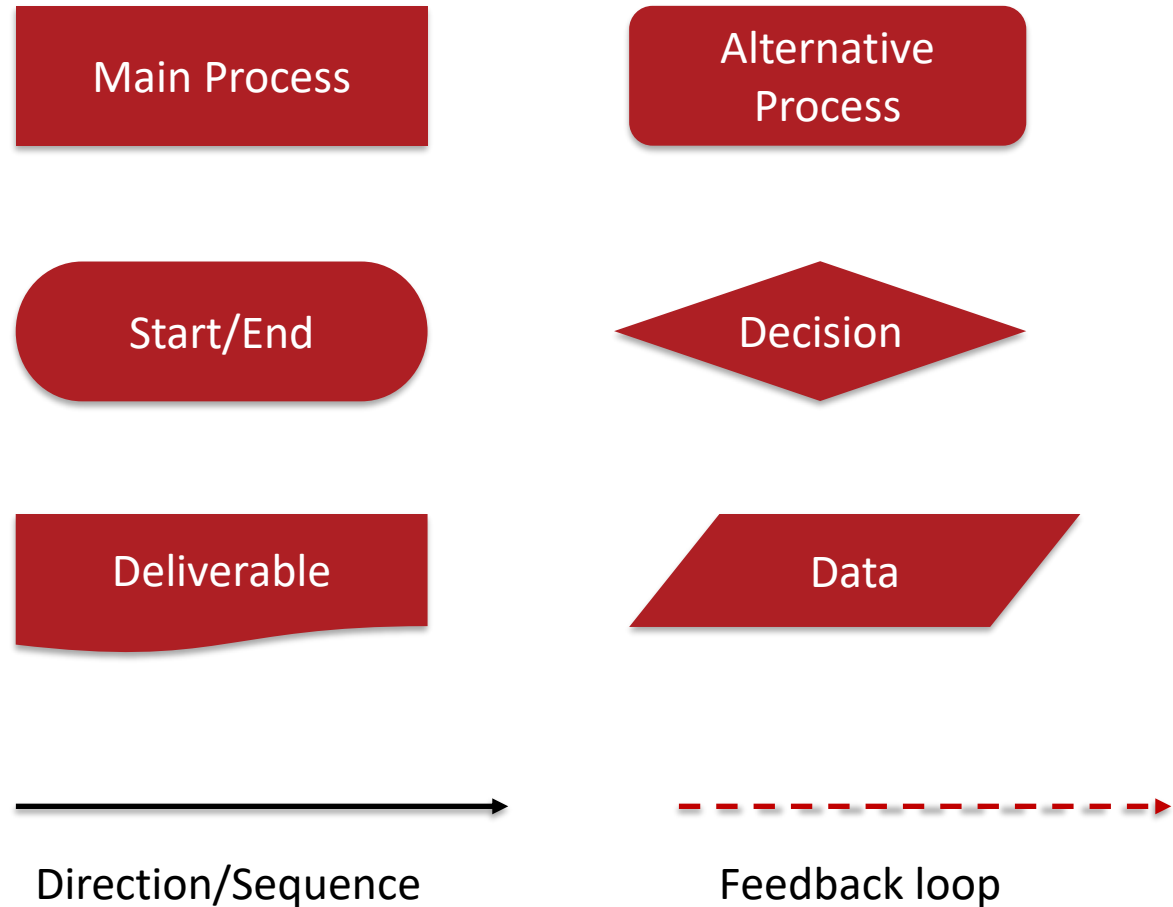
How to map a process?

- The first step in analysing your policy or programme is to map out how delivery happens.
- You can map your processes in PowerPoint or using a specialist software like Lucidchart (<https://www.lucidchart.com/pages/>). You can register for free.

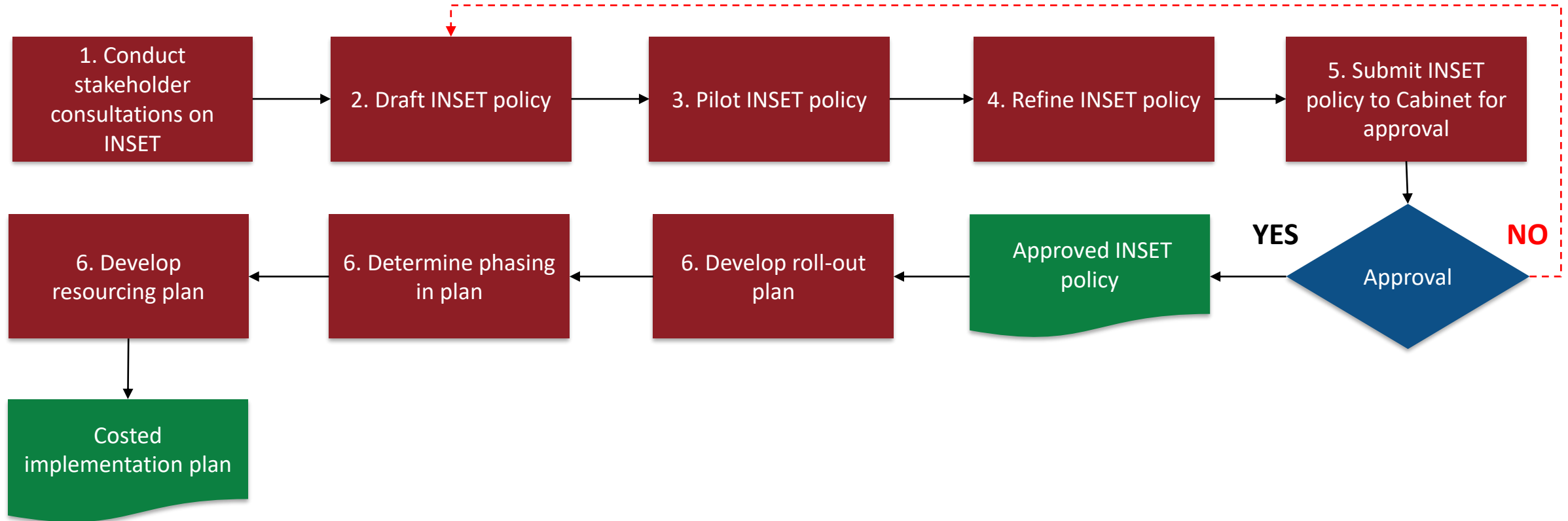


Some tips for drawing your processes

- In a process maps, shapes mean different things.
- On the right hand side, here are some common shapes you will use.
- To access them, go to the INSERT tab in PowerPoint, click on Shapes and look for the flowchart shapes.



Here is an example where we have mapped out the first few processes from the INSET programme



DEMONSTRATE HOW INPUTS ARE CONVERTED INTO ACTIVITIES, OUTPUTS, OUTCOMES AND IMPACTS IN A LOGICAL FRAMEWORK



Logframes

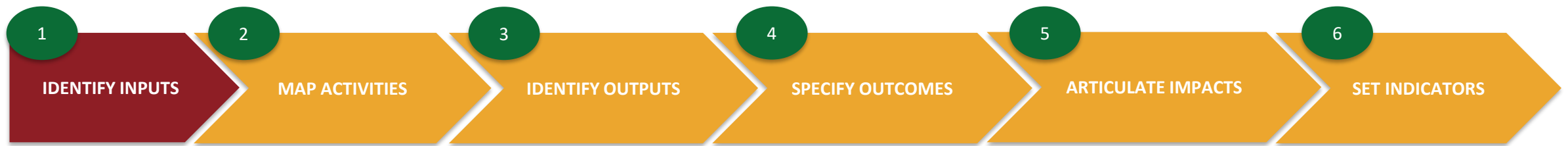


- Remember that the Logframe translates the inputs and activities government does into outputs, outcomes and impacts.
- Now that you have your process maps, you can slot them into your Logframe.
- Keep your process maps handy while you develop the Logframe.



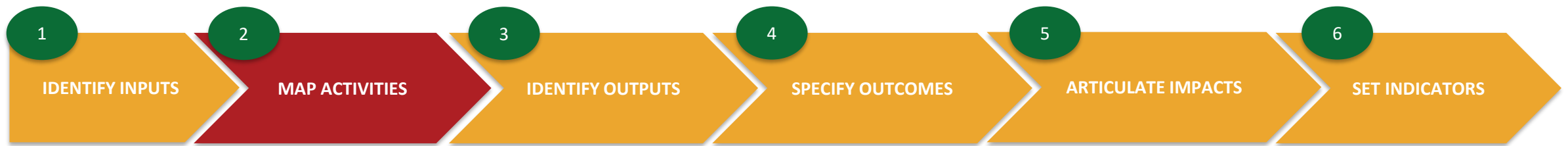
There are 6 steps in developing a logical framework



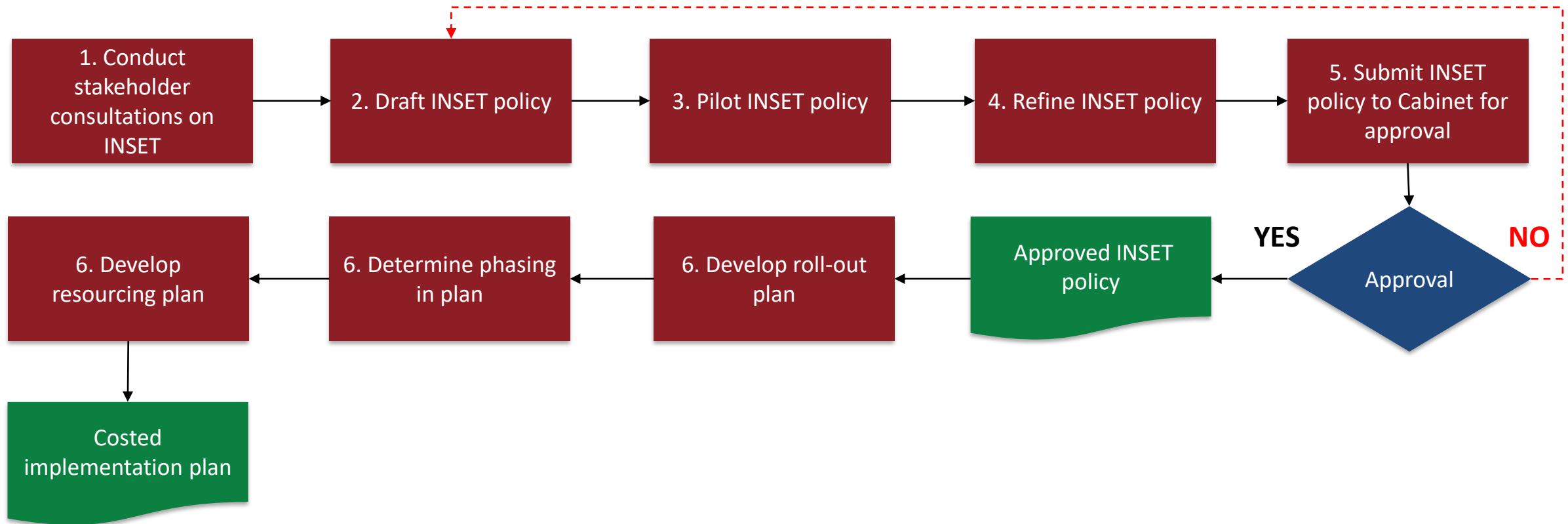


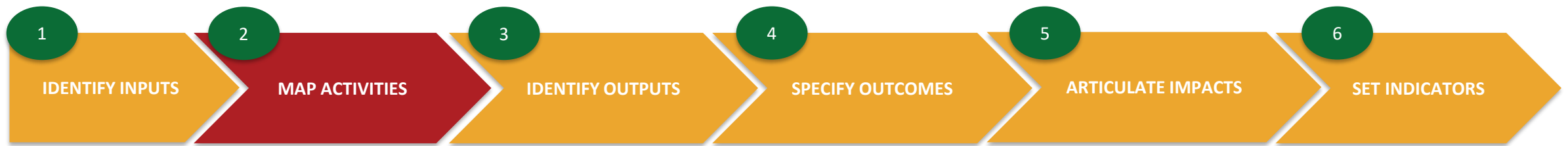
- Be specific about the types of inputs needed
- A significant input in most government programmes is personnel
 - Identify the types of personnel needed
 - This information will help you track personnel expenditure in PERSAL!





Use your process maps to populate the activity segment of the Logframe.

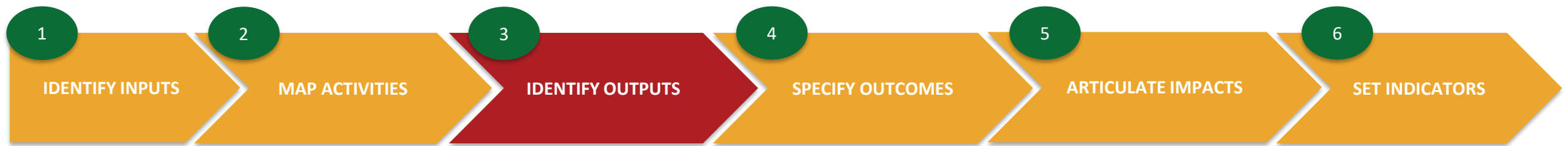




Activities are what the programme “does” to deliver the outputs. Activities always begin with action verbs (e.g. identify, develop, design, prepare and train). Correctly specifying your activities will help you to allocate the programme’s expenditure



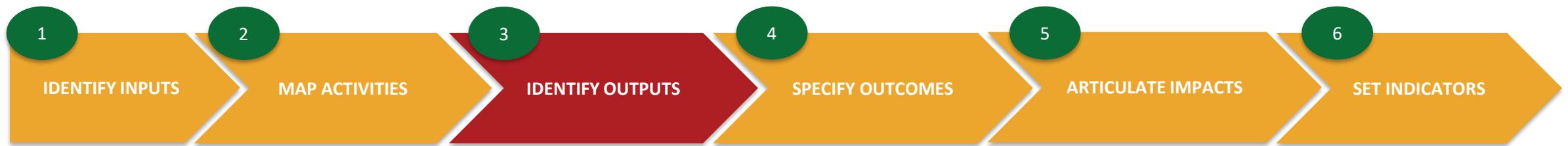
INSET									
	National Department of Basic Education								
Impacts	Skilled and productive population								
Outcomes	Improved quality of teacher education and development in order to improve the quality of teachers and teaching								
Outputs	Individual and systematic teacher development needs are identified and addressed								
Intermediate Outputs	Overall policy for INSET	Costed Implementation Plan		Sector fully informed of INSET strategy and opportunities	Required capacity within DBE to implement policy	Functioning system of self-assessment in place	Clear INSET priorities	High quality INSET courses	Functional monitoring systems in place
Process / Activities	Refining of INSET policy	Develop roll-out plan		Cost the policy	Keep stakeholders informed	Develop norms and standards	Manage the self assessment tool and data gathered by tool	Allocate/redirect funding to targeted programmes	Obtain SACE approval for courses
Process / Activities	Piloting	Determine phasing-in process		Develop overall resourcing plan	Develop communication plan	Create required posts & establish capacity	Develop diagnostic self assessment tools	Categorise teacher development needs	Develop course materials that addresses identified needs
Process / Activities	Stakeholder consultation			Establish costs for PEDs		Set targets of NICPD relating to INSET	Develop content frameworks that describe what educators need to know	Review education statistics	Appoint expert groups
Inputs	Curriculum and assessment specialists	Planners and project managers		Project managers	Communication media (newsletters, internet etc)	Project Managers	IT system specialists	Sector expertise	Identified teacher development needs
									IT systems & administrative processes



Outputs are the results produced by the programme. Because INSET is a concurrent function, we have divided the outputs between intermediate and final outputs. The national department develops the INSET policy and whereas the actual training happens in provinces.



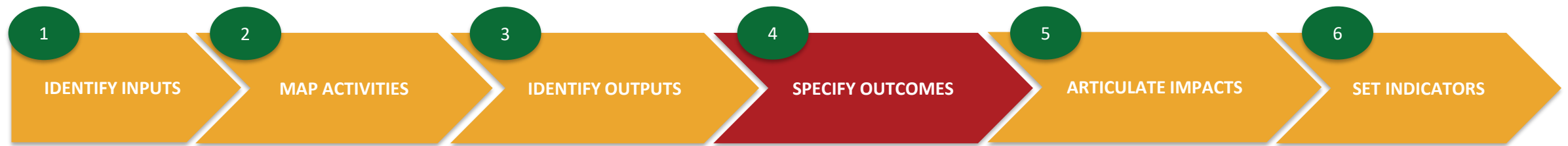
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You can find information on the outputs of a programme in the strategic plan, annual performance plans or ENE. Remember that in some cases, departments might not report on outputs in the level of detail that you need.



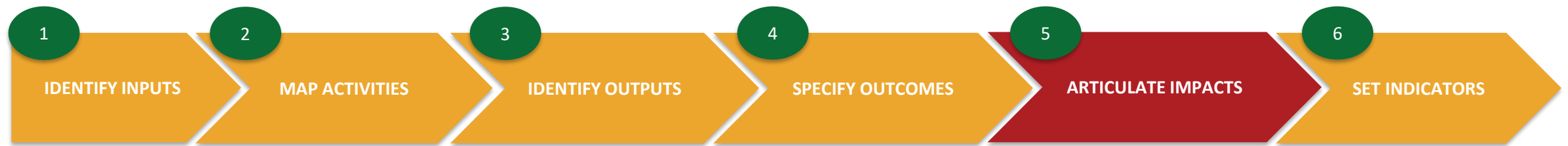
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Outcome statements should reflect the influence of the programme on beneficiaries over the medium term.



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Sources of information:
NDP, MTSF, PGDS
departmental
strategic plans,
sector strategies



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IMPACT

Impact indicators

Number of young, motivated, and trained teachers attracted into the teaching profession each year

OUTCOME

Outcome indicators

Improvement in Matric languages, mathematics and science results

OUTPUT

Output indicators

Number of INSET courses offered

ACTIVITY

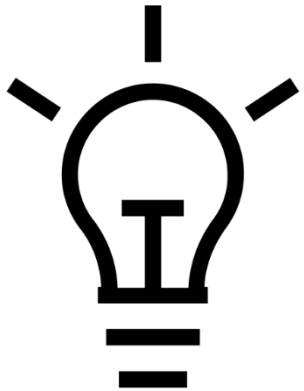
Activity indicators, efficiency indicators

INPUT

IDENTIFY THE KEY PROGRAMME ELEMENTS THAT LINK TO KEY AREAS OF MANAGEMENT CONTROL

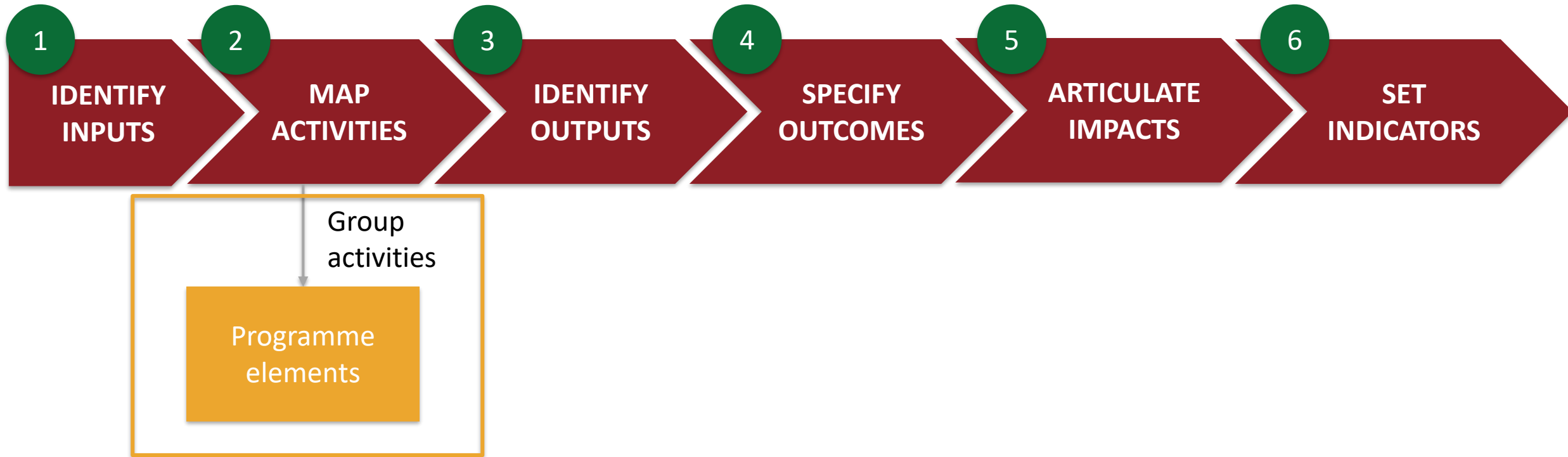


What are programme elements?



- Programme elements are a grouping of activities (and/or processes) that together produce a significant intermediate or final output, which is important to monitor and manage for the success of the overall programme. **Programme elements typically fall under the management control of an organisational unit within a department.**
- Identifying the programme element will help you find expenditure in BAS.

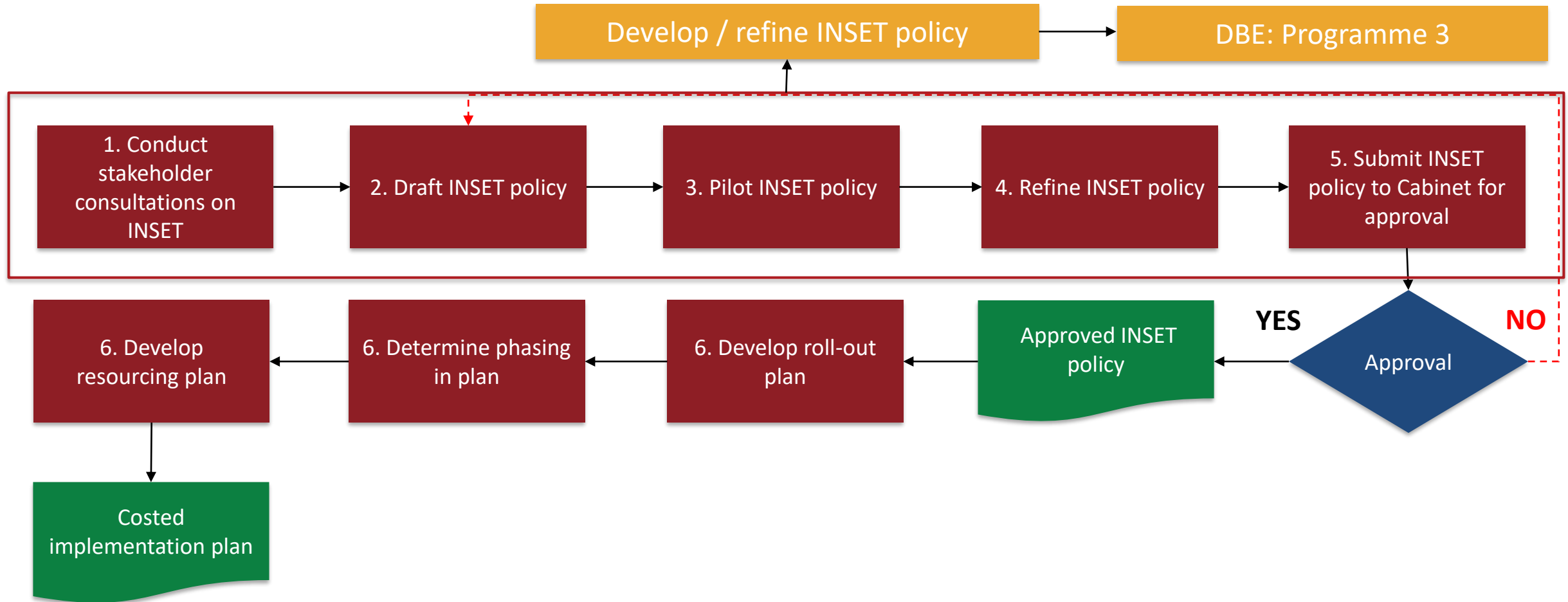
Programme elements



Another example of programme elements

Claims and Payments	
Programme Elements	Intermediate Outputs
NSFAS	
Manage loan/bursary agreements for pilot institutions	Universities paid and informed timeously of claims approved or rejected (within 30 days)
Approve claims submitted for payment (non-pilot institutions)	
Make payment to universities and TVET Colleges for approved claims/agreements	Payments are made to student fee account within 7 days
Universities and TVET Colleges	
Quality assure all documentation submitted to NSFAS to reduce return rate	No documentation submitted to NSFAS is rejected on the basis of incomplete completion
Transfer funds to student fee account once paid by NSFAS	Payments are made to student fee account within 7 days
Report on student academic progression	Final reports trigger loan-to-bursary conversion as incentive to improved student performance
Loan/bursary beneficiaries (students)	
Complete loan or bursary agreement online or in the Financial Aid Office when required to do so	Students understand and have reference to their loan or bursary agreement

How to identify programme elements?



How to develop your logical framework in Excel?



- Open the file called Logframe template
- Check out the video on “How to complete a Logframe?”
- Some tips for filling out the template:
 - STEP 1: Start by identifying your activities
 - STEP 2: Fill out the inputs
 - STEP 3: Identify your intermediate and final outputs
 - STEP 4: Articulate the outcomes
 - STEP 5: Specify the impact
 - STEP 6: Group your activities into programme elements
 - STEP 7: Identify who is responsible
 - STEP 8: Set indicators for key activities, outputs, outcomes and impacts.

DETERMINE THE POTENTIAL FOR SAVINGS AND EFFICIENCY IMPROVEMENTS IN HOW THE PROGRAMME OPERATES



Analyse the policy and programme logic

- Analyse your logical framework, using the following questions as a guide:
 - Is this programme addressing the right problem?
 - Does it make sense? Is there a logical structure to the programme?
 - Are there any potential inefficiencies in the way activities are organised and sequenced?
 - Can savings be achieved by restructuring or reorganising the programme?



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TEST YOUR KNOWLEDGE



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Test your knowledge

- In the next slide, there is a short quiz to test your knowledge.
- You can complete the test by going to the next slide or if that doesn't work clicking on the link below or scanning the QR code on your phone.
- All results are anonymised and we will not share your information.

<https://forms.office.com/Pages/ResponsePage.aspx?id=-dOfVHvy8EOUBIFiKNexstJNbCIIOvdLkL3ZUImuXgpUQ1IUV1RCUFBWWUIwNUowUVhQSU9CN0daRy4u>





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NEXT SESSION WILL BE:

STEP 3: INDICATORS



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