**Chapter 3**

**Framework for Project**

**3.1. The Logical Framework Approach (LFA)**

**History and Definition of LFA:**

* The first logical framework developed for USA at the end of 1960’s.
* It is a systematic planning procedure for complete project cycle management.
* It is a problem solving approach which takes into account the views of all stakeholders.
* It also agrees on the criteria for project success and lists the major assumptions.
* the Logical Framework Approach (LFA) was designed to address three basic concerns, namely that:
* Planning was too vague, without clearly defined objectives that could be used to monitor and evaluate the success (or failure) of a project;
* Management responsibilities were unclear; and
* Evaluation was often an adversarial process, because there was no common agreement as to what the project was really trying to achieve.

**Features of LFA**:

* Stakeholder involvement, needs-based approach, logical intervention approach, framework for assessing relevance, feasibility and sustainability, results-oriented – not activity driven, logically sets objectives and their causal relationships, shows whether objectives have been achieved: Indicators, describes external factors that influence the project’s success: assumptions and risks.
* The LFA is a way of describing a project in a logical way so that it is:
* Well designed
* Described objectively
* Can be evaluated
* Clearly structured

**The LFA helps to:**

* Analyze an existing situation, including the identification of stakeholders’ needs and the definition of related objectives;
* Establish a causal link between inputs, activities, results, purpose and overall objective (vertical logic);
* Define the assumptions on which the project logic builds;
* Identify the potential risks for achieving objectives and purpose;
* Establish a system for monitoring and evaluating project performance;
* Establish a communication and learning process among the stakeholders, i.e. clients / beneficiaries, planners, decision-makers and implementers.

**Main elements in LFA:**

* Stakeholder Analysis**,** SWOT Analysis**,** Problem Tree Analysis**,** Objective Tree Analysis**,** Logical Framework Matrix **and** Monitoring and Evaluation are the elements of LFA.

1. **Stakeholder Analysis**

* Stakeholder is any individuals, group or organization, community, with an interest in the outcome of a program/project.
* **Purpose in Stackholder analysis:** To identify:
* The needs and interest of stakeholders
* The organizations, groups that should be encouraged to participate in different stages of the project;
* Potential risks that could put at risk program;
* Opportunities in implementing a program;
* To assess the performance and capacity of the participating units, divisions of organization.

**Table 1. Stakeholder Analysis Matrix**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Stakeholders | Key Interests | Importance to Project | Influence on project | Participation |
| Primary |  |  |  |  |
| Secondary |  |  |  |  |

**Table 2. High Potential/Significance/Importance**

|  |  |
| --- | --- |
| Low influence | High influence |
| May need special project initiatives if interests are to be projected. The Target Group should be in this category | Project Managers will need to develop good working  relationships with these stakeholders to ensure effective mobilization of support for project activities |
| The interests of these stakeholders should be monitored to ensure that they are not adversely affected | Influential stakeholders but with less importance for achieving project purpose and outputs. They affect outcome of activities and need careful management |

1. **SWOT Analysis**

* SWOT analysis is a tool for institutional appraisal and a brainstorming exercise in which the representatives of the organization participate fully.
* **SWOT stands for:**
* Strengths - the positive internal attributes of the organisation;
* Weaknesses - the negative internal attributes of the organisation;
* Opportunities - external factors which could improve the organisation’s prospects;
* Threats - external factors which could undermine the organisation’s prospects
* SWOT analysis is an examination of an organization’s internal strengths and weaknesses, its opportunities for growth and improvement, and the threats the external environment presents to its survival.
* Most probably it is used for further development of established projects.
* The aim of any SWOT analysis is to identify the key internal and external factors that are important to achieving the objective.
* The internal factors may be viewed as strengths or weaknesses depending upon their impact on the organization's objectives.
* External factors – The opportunities and threats presented by the external environment

**Strengths-**

* Current organizational factors that have prompted outstanding organizational performance that needs to be initiated in the feature.

It Answers the question

* What advantages does your organization have?
* Identify skills and capabilities that you have.
* What can you do particularly well, relative to rivals?
* What do analysts consider to be your strengths?
* What resources do you have?
* Is your brand or reputation strong?

**Weakness:** Weakness of the project will be

* No suggestions for solving disagreements
* Giving too focus for the short term objectives
* Having High cost
* Complexity
* Rigidity
* Collaborative
* Slow implementation
* Inappropriate initial point of the project
* Forgetting the presence of other external similar projects

**Opportunities: answer the questions:**

* What good opportunities can you spot?
* What interesting trends are you aware of?
* How are your customers and their needs changing?
* How is technology changing your business?
* Are there new markets for your strengths? (e.g. foreign)
* Are there new ways of producing your products?
* A useful approach when looking at opportunities is to look at your strengths and ask yourself whether these open up any opportunities. Alternatively, look at your weaknesses and ask yourself whether you could open up opportunities by eliminating them
* Useful opportunities can come from:-
* Changes in technology and markets on both a broad and narrow scale.
* Changes in government policy related to your field.
* Changes in social patterns, population profiles, lifestyle changes, and so on.

**Threats: answer the questions**

* What obstacles do you face?
* What are your competitors doing?
* Are customers able to meet their needs with alternative products?
* Are customers’ needs changing away from your product?
* What are your competitors developing?
* Are your rivals improving their product offerings or prices?
* Is new technology making your product obsolete?
* Is your cash-flow and debt position healthy?
* Are your employees satisfied? Is turnover high?
* Is new competition coming?
* Are sales growing slower than the industry average?

**Potential Uses of SWOT Analysis:** SWOT analysis is potentially used for

* Setting Objectives
* Environmental Scanning
* Analysis of existing strategies
* Solving Strategic issues defined
* Developing new/revised strategies
* Establishing critical success factors
* Preparation of operational, resource, projects plans for strategy implementation
* Monitoring results

1. **Log frame matrix, Logical Framework Analysis/Approach, LFA is**

* 4x4 matrix
* Ensures clear statement of objectives (distinction between purpose and objectives)
* Introduces indicators of progress
* Focuses attention on the assumptions and risks involved

**Key Features of the Logical Frame Matrix (LFM)**

* The LFM is a participatory Planning, Monitoring & Evaluation tool whose power depends on the degree to which it incorporates the full range of views of intended beneficiaries and others who have a stake in the program design.
* It is a tool for summarizing the key featuresof a program and is best used to help program designers and stakeholders.
* **Objectively Verifiable Indicators**: Cost-effective and stated independently from other levels.
* Indicators should make clear how the target group will benefit from the realization of outputs. Indicators should be specific in terms of:
  + Quality (what?)
  + Quantity (how much?)
  + Time (when, how long?)
  + Target Group (who?)
  + Place (where?)
* The main output of the LFA is the log frame matrix.
* The LFM is used to present information about project objectives, outputs and activities in a systematic and logical way.
* The basic LFM contains 16 cells organized into 4 columns and 4 rows, as indicated in the table:

**Table 3. The Logical Framework Matrix**

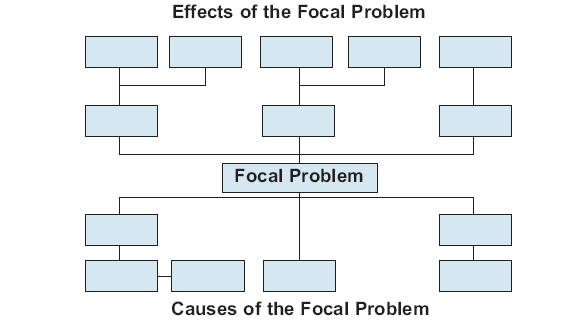
|  |  |  |  |
| --- | --- | --- | --- |
| Objectives & activities | Indicators | Means of verification | Assumptions |
| **Goal**  (Impact) |  |  |  |
| **Purpose/** (Outcome |  |  |  |
| **Outputs** |  |  |  |
| **Activities** |  |  |  |

1. **Problem Tree Analysis**

* Purpose: to identify major problems and their main causal relationships.
* Output: problem tree with cause and effects
* Steps in Undertaking Problem Tree

1. Identify the major problems that the project will address. State problems in negative manner.
2. Group problems by similarity of concerns.
3. Develop the problem tree:
   1. Select a focal problem from the list and relate other problems to the focal problem.
   2. If the problem is a cause of the focal problem it is placed below the focal problem
   3. If the problem is an effect of the focal problem is goes above

**Figure 1. Problem Tree**



1. Analysis of Objectives: The picture of the future situation

* Here the project analyst Stipulate in concrete terms the objectives at different levels:
* The objectives should be specific, attainable, relevant, realistic, limited in time, and preferably measurable.
* The objective of the project shall be to remove the causes of the main problem, which has been identified.
* It answers the question
* 1. Why is the planned project important for the target group, the region, the country?
* 2. What are the development goals in the sector?
* Transforming the problem tree into an objectives tree by restating the problems as objectives. Problem statement converted in to positive statements.
* Top of the tree is the end that is desired. Lower levels are the means to achieving the end.

**6. Monitoring and Evaluation**

Based on the logical framework strengthens, accountability and transparency provides information for effective management and helps determine what works are well and what requires improvement.

**3.2. So why do projects fail?**

* A project has a degree of UNCERTAINTY. The reasons for the failure of projects could be different. A comprehensive list of *“where things went wrong”* will include the following:
* Poor project and program management discipline
* Lack of executive-level support
* Wrong team members
* Poor communication
* No measures for evaluating the success of the project
* No risk management
* Inability to manage change
* Unrealistic expectations.
* Unsupportive policy environment

**How to measure the success of a project**

* We measure the success of a project using 4 major project constraints, specifically:
* **Project scope** – Have all the project requirements (i.e., deliverables) been completed?
* **Project cost** – Is the cost of the project close to the amount the customer has agreed to pay?
* **Schedule** – Was the project completed on time?
* **Customer satisfaction** – Is the customer happy with the quality of the project?