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LOOKING OUT, LOOKING IN, LOOKING AHEAD

Guidelines for Managing Development Programs

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The theory and practice of public management in developing countries has been significantly shaped by the perspectives and practices of the international donor community. Donor funding has predominantly been packaged in the form of projects, whose output-production orientation emphasizes a short-term implementation perspective. Experience with projects, however, has shown them to be something of a mixed blessing for developing countries. While individual projects can effectively achieve specific targets if well designed and managed, the cumulative effect of promoting development in a project mode has led to some troubling side-effects; such as duplication of effort, "brain drain" from the public administration, proliferation of semi-autonomous organizational units loosely attached to public sector entities, multiplication of administrative and financial systems, aggravation of ballooning recurrent cost burdens due to the cumulative impact of covering the costs of project-initiated operations once external funding ends, and inability to continue provision of goods and services following project completion (Morgan 1983, Rondinelli 1983b, Gray and Martens 1983, Morss 1984, Honadle and Klauss 1979).

In response to these deleterious impacts and the deterioration of economic performance in the developing world during the 1980s, developing country leaders and international donor agencies have focused their attention on sustainability, that is, the capacity to generate sustainable flows of ongoing benefits from development investment after the initial investment period (Brinkerhoff and Goldsmith 1990). This concern with sustainability is reflected in developing country decisionmakers' efforts to assure stronger integration and synergy between national and externally provided resources, the multilateral banks' emphasis on structural and sectoral adjustment lending and macroeconomic reform, and other donors' shifts toward broad programs with long-term reform objectives, as well as discrete projects (see Lindenberg 1989, Rondinelli and Montgomery 1990, Vondal 1989, World Bank 1988). This focus on resource synergy, adjustment, and programs has, in turn, led to a new understanding of projects. Rather than being treated as independent investment "implants," they are increasingly seen as sets of activities that serve as building blocks for ongoing programs and reform capacity.

This paper examines development program management, as distinct from project management, from the perspective of the developing country manager. It summarizes the lessons of a seven-year applied research project funded by the U.S. Agency for International Development in the form of practical guidelines for managers (see Endnote 1). It presents these lessons within a simple model of program management tasks of three types: looking out, looking in, and looking ahead. Although the tasks have been separated for purposes of presentation, developing country managers need to undertake them continuously and often simultaneously. The outward-looking tasks deal with program environments; such

things as strategic planning, objective setting, stakeholder relations, demand generation, and so on.

The inward-looking tasks concern what goes on within program boundaries, which in most cases cut across individual organizations. These include designing program actions, establishing structures and systems, managing people, and troubleshooting performance problems. Looking-ahead tasks entail guiding the program toward performance; efficiency, effectiveness, capacity-building, and sustainability.

Programs: Defining Characteristics

Before continuing, it is important to answer the question, What are programs? Development programs are long-term, multi-activity endeavors implemented by networks of country institutions in multiple locations whose production and/or service delivery objectives and impact goals derive from indigenous policy choices. Following White (1987: 8-12), they have five major characteristics:

1. Programs are linked to existing public and/or private organizations in the country. This characteristic has critical implications for program management. Because programs function in ongoing organizations, they not only benefit from the strengths of the organizations but also are vulnerable to their weaknesses. To the extent that an organization lacks administrative capacity and sufficient operating resources, the programs it is responsible for will suffer. Pyle (1982) singled out organizational and bureaucratic factors as key constraints in moving from projects to programs, based on an analysis of Indian experience in the health sector. For example, public sector personnel systems (e.g. low salaries, advancement based on seniority, few rewards for performance) can pose problems for program managers who must rely on such staff (see Leonard 1977, Heginbotham 1975, Price 1975, or Esman 1972). Similarly, the cumbersome and highly centralized financial systems that many developing country agencies possess are a well-recognized impediment to program operations.

2. Programs continue over time. As opposed to projects, which by definition have finite, and frequently relatively short, lifespans, programs extend over long periods of time. Though they are modified as circumstances change and progress is achieved, programs are often repetitive sets of activities that produce goods and services on a regular and ongoing basis.

A major implication of this characteristic is that programs require a steady stream of resources and inputs to continue functioning. Whereas project managers are mainly concerned with initial investments and capital expenditures, program managers must seek means to cover recurrent costs over time. Thus, program managers look at institutional sustainability from a different perspective than that of project managers. For example, a program's budget is part of the financial system of its host organization(s) and is subject to competition for funds as part of the annual budget process. Project budgets, however, are frequently segregated and protected in special accounts, with allocations set for multiple years. Program managers are vulnerable to cutbacks, shortfalls, and fluctuations in the implementing organizations' budgets and must be concerned with whether the organizations can sustain themselves in the long run. Project managers' concerns relate more to accomplishing specific objectives in the short run.

3. Programs integrate a wide variety of production and service delivery activities. Development programs combine clusters of related activities that form service production and delivery systems or networks. These systems often cut across several different organizational units or across separate agencies. Hjern and Porter (1981) argue that this feature is the most important defining characteristic of public sector policy implementation (see also Gage and Mandell 1990).

For example, an agricultural production program typically assembles activities drawn from some combination of the following: technology, research and development, marketing, transport, extension and dissemination, credit, cooperative development, irrigation, agricultural engineering, regional planning, and community mobilization (Kulp 1977). Each of these is usually the operational responsibility of a different organization; ministry of agriculture, agriculture universities, marketing boards, extension services, local cooperatives, and so on. Program managers, then, must perform a series of balancing acts among complementary and/or conflicting sets of objectives and tasks, and among multiple collaborating entities. Implementation authority is diffused among these different actors, and program managers must rely on influence and negotiation rather than control to obtain what is required to

achieve program objectives. Because the various actors involved in implementation are autonomous and program operating funds are divided among them, the kind of discretionary money that project managers often enjoy is relatively unavailable to program managers.

4. Programs operate in multiple settings. As networks of service production and delivery, programs extend beyond a single site or location to many sites, reaching the regional or even the national level. To continue the agricultural production example, such a program would normally work in one or more regions where the same major crops predominate; these regions subdivide into particular zones where the same farming systems prevail and/or similar climates occur; these zones break down into different farming communities, that is, areas served by a single crop collection point. Each of these subdivisions requires differentiation and adaptation of the program's technical package to effectively increase production and yields.

The multiple settings characteristic holds several key implications for program management. First, managers must be able to adapt activities and technologies to different settings, establishing information collection and analysis mechanisms and procedures for introducing flexibility while at the same time maintaining program coherence. Second, because the tasks are varied and performed in many settings, the coordination role in program management is very important. In large programs, much of the management task involves providing services produced by one program unit to another and coordinating the activities of two or more units, both of whose inputs are needed to serve beneficiaries. Third, due to the number and scope of these internal linkages, not to mention the external ones, managers are faced with a variety of choices about how to organize their programs. For example, the agricultural production program management team could decide to delegate certain operations to private agribusinesses via contracts, or they could work with regional offices of various ministries. And/or they could promote local cooperatives and community-based farmers' organizations for transport and marketing.

5. Programs are the product of policy choices by various groups in the country at national, regional, and/or local levels. Programs represent the operational manifestations of a country's policy choices; as such they derive their content and identity from political bargaining, competition, and negotiation among both formal and informal entities from the national level on down. For example, local politicians can lobby for programs to be active in their districts to satisfy their constituents, or ambitious bureaucrats at the central offices of a ministry can try to establish a national program to advance their agency interests and careers. The outcomes of such political dynamics shape programs' missions, intervention areas, scope, and budgets.

Projects can share this characteristic, but they are much more easily separable from bureaucratic and political dynamics. Donors can frequently buffer projects in a way that is not possible for programs. This means that program managers must be more attuned to the policy environment and the need to build commitment and coalitions around program content than project managers. Policy changes can have important impacts on the program's economic and political environment (Lamb 1987; Cohen, Grindle, and Walker 1985).

Links Between Programs and Projects

Development projects and programs are intertwined in several important ways. First, the activities that make up the content of a program can be treated as a set of related, concurrent or serial projects; thus projects can be thought of as one of the building blocks of programs. The other building block is ongoing operations. These are routine, repetitive activities that serve to maintain service delivery and production once the program is underway.

Examples are: budgeting and accounting, hiring and training personnel, maintaining equipment and supply inventory, or operating the motor pool.

Second, both development projects and programs usually blend indigenous and externally provided resources and assistance to achieve their goals. International donors provide support to both projects and programs, and the interaction of donor procedures with national ones has a key impact on programs and projects, though to differing degrees.

Third, projects and programs share a common set of management functions or roles that need to be fulfilled to achieve successful development results. Kiggundu (1989) distinguishes between two categories of managerial roles: those that deal with

operating tasks, for example, internal administration, employee supervision, input monitoring, technical production management, and so on; and those that deal with strategic tasks, long-range planning, developing a strong organizational culture, managing organizational interdependencies, influencing key constituencies, etc. Effective management of both kinds of tasks are critical for development, but in developing countries attention to the strategic tasks by individual organizations has been lacking (see also Paul 1983).

The need to deal effectively with operational and strategic tasks is shared by project and program management. What differs is the mix between the two types of managerial tasks. Applied research on project management has identified a cluster of generic functions associated with success that relate mainly to operational tasks. These include specification of objectives, defined roles and responsibilities, realistic plans and schedules, performance-supporting sanctions, and feedback/adaptation mechanisms (Brinkerhoff 1986, Brinkerhoff and Ingle 1989). White identifies five functions fulfilled by successful program managers. These concentrate for the most part on strategic management tasks (1987). They are: contribution to the development content of program design, building the capacity of implementing organizations, expansion of program resources and political support, collaboration and coordination of multiple organizations and groups, and proactive leadership.

The links between project management and program management tasks can be illustrated as a continuum, with the operational tasks associated with projects at one end, and the strategic tasks associated with programs at the other. Figure 1 shows that program management consists of a higher concentration of strategic tasks relative to project management, though they share tasks in both categories. The proportions of the blend of operational and strategic tasks will vary depending upon the nature of the particular project or program. Brinkerhoff and Klauss (1985) note, for example, that social development projects—those that seek to combine service delivery with mobilizing local people to take charge of their own development—call for managers to be entrepreneurial and oriented toward analyzing and influencing the environment external to the project organization. Social development project management roles, then, approach the strategic end of the continuum and are closer to program management roles than those associated with conventional project management.

A Model of Program Management

Program management can be conceived of as a blend of three kinds of managerial tasks: looking out, looking in, and looking ahead. Program managers look out for mission and objectives; clients to serve; inputs to obtain; key stakeholders to please; a bureaucratic setting to navigate; a policy context to articulate with; and a political, sociocultural, economic, physical, and historical nexus to appreciate or to influence when possible. They look in at program design, structure, systems and processes, and people. They look ahead to outputs and impacts, and then to efficiency, effectiveness, capacity-building, and sustainability.

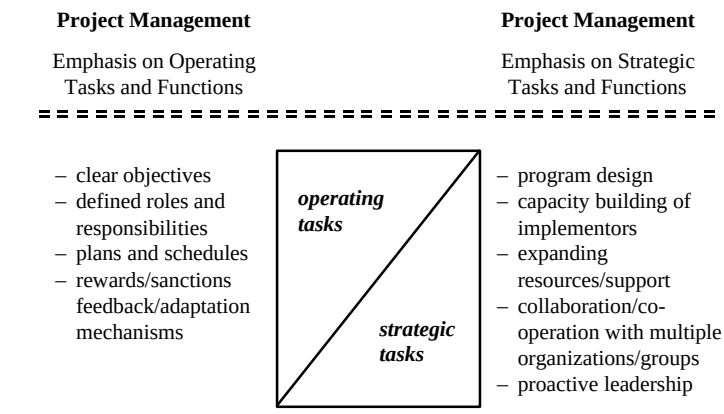
Program management means undertaking these tasks continuously, making adjustments and shifts of direction in response to results and change. The need for responsiveness and adaptation reflects the importance of the strategic dimension of program management relative to operations.

Looking Out: Appreciating, Adapting to, and Influencing Program Environments

As the characteristics of programs make clear, programs are integrated into their settings in several key ways: they function within the developing

Figure 1.

A Continuum of Project and Program Management Tasks and Functions



Source: Author

country's bureaucratic network and are normally implemented by national staff, they are linked to national policies, and they operate in many different areas of the country. These features make it crucial that program managers direct their attention not just inward to the inner workings of their programs, but outward to the environments their programs confront.

In the most general sense, a program's environment is anything that is not a part of the program itself. But no manager can accord equal attention to everything. The first step in the looking out task is deciding what is important to pay attention to and what is not. The second is assessing external constraints and opportunities. The third step is to manage the program environment proactively, not simply react to it. This means exercising influence, since managerial control, in the strict sense, is not possible (Stout 1980, Kotter 1985). Guidelines for the steps in looking out are as follows.

Discovering What to Look Outward At

Based on an initial specification of program goals and benefits, both short and long-term, conduct a rapid initial reconnaissance to prioritize the relevant factors in the program's external environment (economic, socio-political, technical, cultural, etc.) formanagement attention. Do not try to examine everything.

Conduct a stakeholder analysis. This consists of identifying who is important to the success and ultimate sustainability of the program in terms of: a) providing resources to the program (tangible, such as funding or approvals, and/or intangible, such as legitimacy or knowledge), or b) obtaining something from the program (e.g. using the goods and services produced, achieving an agency mandate). Look for winners and losers, and others with an interest in the program.

Pay special attention to policies that influence the program's activities and its stakeholders. Recognize that policies are important sources of cues and incentives for behaviors, and that these will change over the life of the program. Identify and monitor key policies.

Identifying External Constraints and Opportunities

Rank program stakeholders and relevant policies into two groups: those the manager can influence, and those that must be appreciated as constraints. Monitor these periodically, looking in particular for opportunities to shift from the appreciate to the influence category.

Assess the minimum features of the program's environment that are needed to proceed with program implementation (perception of a performance gap, commitment to change, multilevel involvement, willingness to learn, and availability of resources). If these initial conditions are sufficiently positive, move beyond a rapid reconnaissance to rate the environment in terms of uncertainty and hostility. Highly uncertain and hostile settings will require much more managerial time and attention than relatively certain and benign ones. Managers may need to find ways to buffer their programs, especially in the early stages of implementation, from high levels of turbulence.

Managing the Environment Strategically

Develop a management strategy that responds to the need to achieve short-term performance and also long-term sustainability. Early successes build stakeholder confidence and commitment, which is critical for sustaining the program over time.

Since program managers in the public sector must work with a network of actors across several agencies and can rarely operate independently, develop a cooperative strategy that incorporates key actors whose inputs and resources are critical to achieve success. Be clear about what cooperation and coordination mean for the program; is it information sharing, resource sharing, joint action, or a mix?

Recognize that effective cooperation and coordination must deal with three obstacles. First, collaborators may experience cooperation as threatening to their operational autonomy. Second, not everyone involved will agree on what should be done and how. Third, there may be conflicts between the requirements for horizontal cooperation among collaborating agencies and the hierarchical demands of individual agencies' vertical reporting relations.

Implement the program's strategy using a mix of persuasion and exchange methods to influence key collaborators and stakeholders, as shown in Table 1. Be alert to emerging opportunities for incorporating new constituencies to broaden and/or deepen support to the program.

Do not get caught by surprise; keep looking out on a regular basis. Programs extend over many years, the environment will evolve, key stakeholders will change, their interests will change, policies will be modified, resource levels will fluctuate. Balance attention to internal operations with the outward-looking, strategic orientation that will position the program for achieving ongoing results, impact, and sustainability. Be entrepreneurial.

Table 1.
Influence Methods for Managing the Environment

Degree of Choice in Compliance	Influence Methods: Persuasions	Influence Methods: Exchange
Higher	Information Dissemination Public Relations Education Marketing & Lobbying Informal Consultation and Advice Demand Mobilization	Positive Incentives and Inducements Coalition Building Reciprocal Agreements Reinforcemen and Behavior shaping Mediation of Rewards
Lower	Psychological Manipulation Informal Negotiation and Mutual Consent Formal consultation	Formal Bargaining and Negotiation Threats and Sanctions Contracts

Source: Author from Brinkerhoff and Klauss (1985), Lindenberg and Crosby (1981), and Rondinelli (1976)

Looking In: Program Design, Structure, Systems and Processes, and People

Program managers' looking-in tasks address four aspects internal to programs. These include: designing what the program is to accomplish, setting up the program's implementation structure, developing its operating systems and processes, and managing its people.

Designing Programs

National planning requirements and donor procedures play a large role in fixing how programs are designed (Rondinelli 1983a). These rules determine the path managers follow in their role as program designers. However, significant latitude exists in program content, i.e., intended goals, activities, and approaches. Program content reflects varying levels of innovation, and program managers must deal with a two-way match here. The first match is between the level of design innovation and the strategies of the program's implementing organizations. The second is between the level of innovation and conditions in the environment. Experience suggests the following guidelines for program design.

Assess what kind of strategies the program's implementing organizations use as the starting point for designing program content. Because programs are integrated into indigenous bureaucratic settings, design options are constrained by what will fit with the current strategies of implementing organizations. Table 2 provides a matrix of implementing strategies and their implications for program design.

Examine the level of innovation required by the initial program design in terms of predictability of outcomes, and the demand for new procedures, behaviors, and actions by implementors and beneficiaries. Program designs can be grouped into four major categories: incremental expansion, comprehensive change, discrete change, and progressive innovation (Middleton, Rondinelli, and Verspoor 1987).

Assess the level of environmental uncertainty and hostility as a basis for adjusting program design to the external context (see Endnote 2).

Integrate the three analyses (strategy, design innovation, environment) to determine the degree of fit among them. In situations of poor fit, examine the options of changing the program's design, changing the implementing organizations' strategies, influencing the environment, or a mix. Select the program design with the most potential for

Beware of overdesign (excessive blueprinting). Treat designs as initial specifications of what to do, subject to change as learning takes place and the environment evolves (see Korten 1980). This means using a structured yet flexible approach to program management where programs advance through iterative cycles of planning/design-implementation-replanning/redesign (Brinkerhoff and Ingle 1989). Use structure to meet bureaucratic requirements and organize inter-agency collaboration; use flexibility to learn and adapt.

Table 2.

Relationship Between Strategic Choice and Program Design and Content

Choice of Services	Choice of Clients: Current Client Groups or Service Areas	Choice of Clients: New Client Groups or Service Areas
Current Products, Services and/or Technologies	**I.** ❑ Low risk ❑ Low additional information ❑ Needs for design ❑ Low design innovation ❑ Program content - same objective - same activities	**II.** ❑ Low-Medium risk ❑ Low-Medium info needs for design ❑ Low-Medium design innovation ❑ Program content - same objective - same activities
New Products, Services, and/or Technologies	**III.** ❑ Medium-High risk ❑ Medium-High info needs for design ❑ Medium-High design innovation ❑ Program content - same objective - same activities	**IV.** ❑ High risk ❑ High info needs for design ❑ High design innovation ❑ Program content - same objective - same activities

Source: Author

sustainability from Table 3.

Look at design changes in terms of reducing the level of innovation the program calls for, reducing the level of environmental uncertainty and hostility, and/or increasing the implementing organizations' capacity to deal with innovation and with uncertainty and hostility.

Proceed with program design using a team approach, one that brings together, to the extent possible, planners, technical specialists, implementors, beneficiaries, and other key stakeholders. Remember that plans are only as good as the information and analysis that go into them plus the agreements and commitments to act on them that are generated during the design process.

Maximize the chances for sustainability by including in program design a balance between starting up and making the transition to operations to meet short-term performance, and building the capacity for long-term performance through learning and adaptation to produce future benefits.

Setting Up Program Structures

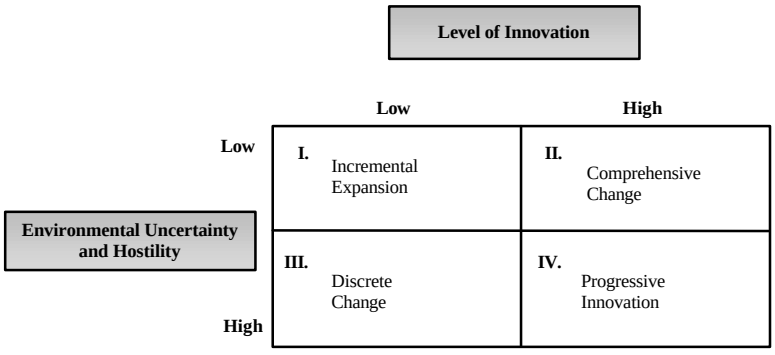
Program structures comprise interorganizational implementation networks; they are matrix entities where staff work within a particular organization, but in the service of the program's overarching purposes (Gage and Mandell 1990). Being integrated into ongoing organizations, program managers need to look inward to see how these organizations are set up and what goes on inside them, to identify the degrees of freedom available in structuring their programs.

Program structures vary in the degree to which they are authoritarian or egalitarian, hierarchical or non-hierarchical, formal or informal, centralized or decentralized. Thus program structures, like individual organizations, can be characterized along the mechanistic-organic continuum (see Hage and Finsterbusch 1987). The following are recommendations for setting up program structures.

- Select a structural variant that fits the program's strategy, level of innovation, and environmental conditions. Look at the active, goods and services production component and at the reflective component to decide whether relatively mechanistic or organic structures are called for, bearing in mind the incentives likely to be created.

Table 3.

Sustainable Program Design Strategies



Source: Author from IDMC/DPMC (1988), Hage and Finsterbusch (1987), Middletn, Rondinelli, and Verspoor (1987:109)

- Keep mechanical tasks structured mechanistically, but consider changes that might streamline efficiency. These could include minimizing hierarchical clearances on actions, broadening latitude for discretion within specified boundaries, improving standard operating procedures, and so on.

- In recognition of the underorganized nature of the relationships among most program implementing partners and of the inherent fuzziness of non-hierarchical, "dotted line" linkages, regularize interaction by introducing some degree of formalization. This could be as simple as regularly scheduled joint program review sessions, or the designation of certain staff positions as official "linking pins" among collaborators.

- Build some redundancy into the structure. Personnel transfers, reorganizations, budget cuts, and so on are commonplace in developing country administrative settings, and since programs by definition endure over long time periods they are guaranteed to confront changes. Programs should anticipate these by making sure that more than a single individual or unit has responsibility for key activities and functions. One way of including redundancy is to design unit responsibilities with some degree of overlap.

- As a means of establishing and maintaining linkages with program environments, consider setting up a temporary or permanent program advisory committee or board of directors composed of major stakeholders and, whenever possible, members of beneficiary groups. This kind of structural innovation is a good way to provide managers with valuable feedback they may not get from their own staffs or partner agency personnel.

- An easy way to make structures more organic is to assemble temporary task teams to deal with specific, time-bounded problems or issues. Use of temporary teams and task forces increases flexibility, facilitates group decision-making, brings together actors and stakeholders who might not otherwise work together, builds solidarity and unity of purpose, and enriches information exchange. Temporary teams also let

managers experiment with different structural configurations to help discover better ways of arranging what needs to be done.

- Emphasize collegiality and downplay hierarchy to the extent possible. Matrix structures do not work very well when their members continually resort to channeling their actions in superior-subordinate terms. Hierarchy can be used strategically to resolve conflicts, but the kind of negotiating, bargaining, and collaborating that program management calls for is more effectively accomplished in structures that accentuate direct horizontal, collegial interactions.

- Pay attention to informal structure. Organic structures are more informal, but that does not mean that mechanistic ones display no informal mechanisms. Observing where informal structures exist or emerge can often lead to the identification of inefficiencies in the formal structure, which could potentially be changed. Also, since discrepancies between formal and informal authority are pronounced in the highly personalized administrative systems found in many developing countries, managers need to remain aware of how and where things really get done, as opposed to what written statutes and organization charts may indicate.

- Beware the tendency to retain large quantities of operational responsibilities and tasks at the top of the program structure. Top management overload is common in developing country organizations. Take advantage of the efficiencies of decentralization, particularly appropriate for programs, which by definition contain multiple "nodes" of activity. Retain overall strategic responsibility for the program manager, but set up structures that deconcentrate and delegate operations to those units and individuals close to the action. A variety of criteria can be used to guide the choices here, such as: a) efficiency, who would do the job at the least cost, requiring the least degree of capacity-building? b) political support, who would provide the most valuable support to the program in return for a role in implementation? c) sustainability, who is best positioned to continue program activities once external support has ended? or d) equity, who would most contribute to getting goods and services to those who need them most?

- Consider a role for the private sector. Privatization in developing country service delivery is still in the learning phase, but it is promising both from efficiency and equity perspectives. Ask and answer the following questions. Is there a strong rationale for structuring the program as a public sector function? If no, would implementation by the private sector entail unacceptable disruption of an essential public service? If no, are private sources available and is competition likely? If yes, could the service be produced and delivered more efficiently and effectively by private entities? If yes, allocate program implementation to the private sector (Marston 1987).

Developing Systems and Processes

Systems (information, finance, personnel, and so forth) set standards, determine operational requirements, and affect incentives. Systems are accompanied by processes, either formalized or informal, that characterize their use. For example, is program planning conducted in a participatory way, or are plans assembled by a small group of senior staff members? Are subordinates issued orders they are expected to carry out without questioning or modification, or do they have the latitude for making changes on individual initiative? Guidelines here deal with guidance, reporting, and financial systems, plus computerization.

Guidance Systems

Effective program management requires some kind of a guidance system that blends control (structure) with adaptation and discretion (flexibility) to achieve performance. For most situations, a multi-year strategic framework with an annual guidance cycle represents a good balance between the effort needed to undertake the process and the results achieved. For programs operating in particularly uncertain and turbulent environments, and/or using highly innovative and untested technologies, the cycle might need to be accelerated.

Develop a guidance system via five process steps:

1) set annual program priorities (from program design and plans broken down by activity set),

2) communicate priorities to program staff,

3) prepare workplans by activity set,

4) review and consolidate activity workplans into an annual program plan, and

5) use the plan to monitor and guide implementation and future planning.

Employ an open, participative process to the extent feasible; sometimes it is better to sacrifice technical sophistication to maximize involvement. Bring together those with appropriate knowledge and skills, plus other stakeholders. Participation will improve the quality of the information collected and included in plans, and will help to build commitment and understanding, making monitoring and control easier.

Reporting Systems

Base reporting systems on the principles of economy, differentiation by user, and parsimony. Recognize that effective systems build compliance with reporting requirements through participation and consensus-building. This is critical because program reporting systems are mainly horizontal; managers have limited authority to "command" compliance from implementing partners.

Develop initial systems by:

1) identifying key decisions and decision-makers (what information for whom?),

2) determining periodicity (when?),

3) identifying sources (where from and how?), and

4) specifying transmission points (what to whom?).

Review the initial system and revise it to minimize reporting overload and redundancies, and to maximize utility. Plan system installation as a project; recognize the need for experimentation and adaptation. The first version of the system will not be perfect.

Financial Systems

Existing operating procedures will likely determine the shape of the system's accounting and financial control functions. Make modifications that fulfill the more strategic financial management function that feeds into guidance. These include collecting and analyzing information on: costs and/or revenues by program or sub-program (project), operating and maintenance costs associated with capital investments, recurrent cost projections, and so on.

Use system outputs for marketing and publicity; match information to recipient interests and priorities. What do the finance ministry, politicians, international donors, etc. want to know regarding program finances?

Recognize the need for financial flexibility; resist the urge to overcontrol funds use. Aim for getting agreement from implementors and sources of funding on discretionary spending within certain limits, subject to post-expenditure review. Be prepared to trade more detailed information on results and achievement of objectifs for increased spending autonomy.

Computerization

For all kinds of systems, guidance, reporting, and financial, start with the system and its processes. Do not start with computers; if there is no system, there is nothing to computerize (Berge et al 1986). Treat computerization as an organizational change intervention with policy and behavioral dimensions (see Brodman 1987). It is not simply a technology. Computers hold great potential for increasing efficiency and contributing to effectiveness, but do not become overly enamored of the computer mystique. Remember that computerized garbage is still garbage, it just looks more impressive.

Managing People

People and their actions are the medium through which program managers accomplish their objectives. Therefore, the characteristics and behaviors of program staff are important for performance: what skills do they have and/or need? What motivates them? What kinds of leadership are appropriate? Human resource issues extend beyond the immediate program personnel to include program clients and beneficiaries. Many development-oriented goods and services are "co-produced" by the program and its intended clients in the sense that without appropriate inputs, responses, and actions on the part of beneficiaries the goods and services would not exist (Levine 1984). For example, a health ministry program to establish rural community health services could not provide those services without the participation of the villagers who, though not members of the ministry organization, are selected to

be community health workers. The lessons of experience counsel the following guidelines for managing people.

Scan the environment for the critical features that will influence staff behavior: incentives and (de)motivators (see Klitgaard 1989). These include regulations for hiring, salary, bonuses, advancement, and so on. Use stakeholder analysis to compare interests with incentive patterns.

Review the staff available (currently or potentially) for program implementation in light of the different activities the program engages in. Look for matches and mismatches. In the case of mismatches, try to assess the sources of lack of fit; do they lie mainly with the person, the program, the implementing organization(s), or a mix?

Communicate to program staff that performance matters, that is, getting goods and services to intended beneficiaries. Even if the surrounding setting has major constraints in this regard, do not accept these as givens. Develop and try out reward systems, perhaps informal, that recognize and reward people for achieving results, not simply "going through the motions."

Recognize the importance of effective leadership to managing programs and people. Program structures are managed more by influence than authority; use bargaining, exchange, and negotiation (see Table 1) as leadership strategies. Remember that effective leadership can be a motivator in and of itself. Blend directive with supportive leadership behaviors; emphasize helping people to do their jobs better instead of pointing out and punishing failure. Set work targets collaboratively with program staff. Be willing to delegate, but set a timeframe for review of delegated activities to avoid losing control. Be willing to distribute leadership roles throughout the implementation structure (but don't forget to monitor what has been delegated).

Remember that a program's human resource picture is more like a movie than a still photograph. Neither programs nor people are static; needs, desires, skills, and so on will shift over time. Succession, turnover, and change are normal and need to be planned for.

Training will likely surface as an important component of program management, given that human resource development is part of the program manager's function. Training should not be handled ad hoc, but planned for. In developing training plans, conduct training needs assessments. Determine whether needs relate to knowledge, skills, or attitudes (or a mix). Establish explicit training objectives. Where possible, emphasize action-training, which links learning with immediate task application (Kerrigan and Luke 1987).

Looking Ahead to Sustainable Development: Managing for Performance

Looking ahead completes the triad of tasks that make up program management as we have treated it here. Although looking out and looking in have been discussed first, the performance orientation embodied in looking ahead underlies these two tasks and is, in fact, an essential element in both of them. Decisions, choices, and actions emerging from looking out and looking in — program objectives, strategies, designs, key stakeholders, structures, management systems, leadership, incentives, and resources — are all a function of looking ahead. The rationale for deciding, choosing, and acting is to achieve some desired state in the future, which can only be conceived of by looking ahead toward that future. So, of the three interlinked program management tasks, looking ahead is really the "first among equals." This is why program management's strategic dimension is primary.

Performance joins a program's starting point and its intended future. Program managers look ahead to performance in terms of efficiency and effectiveness, capacity, and sustainability. Which of these managers emphasize depends upon whether they are thinking of performance as reaching the destination or undertaking the journey. We see it as both; you cannot have one without the other.

The concept of performance — what is it?— and measuring performance— how do we know whether we've got it and how much is there?— are problematic, especially in the public sector and in the realm of socio-economic development (Israel 1987). Issues of efficiency, effectiveness, equity, distribution, values, culture, and power affect both the definition and measurement of performance (Kanter and Brinkerhoff 1981). Nevertheless, program managers need to be able to develop definitions of performance appropriate for their particular programs and organizations, to identify gaps in performance and deal with performance improvement, and to measure progress. These definitions and measures will help to guide their own actions and provide the basis on

which to report performance information to those who need it, for example, their superiors, the planning ministry, the finance ministry, donor agencies, and so on. Recommended actions for looking ahead include the following.

- Think about program performance in terms of a hierarchical chain stretching from activities to outputs to utilization to impact. Although the more immediate links in the chain will be the main day-to-day focus of looking ahead, periodically direct program participants' vision to the higher-level links that are the rationale for doing the program.

- Balance the pursuit of efficiency and effectiveness within the program. Maintain cost-consciousness, but recognize the effects of different timeframes on assessments of efficiency and effectiveness. Don't become trapped into looking ahead only to the short-run, due to implementation pressures.

- Assess who is interested in the program's performance and why. Remain open to varying perspectives, particularly those from outside the program's implementing entities. Programs with narrow, internally defined definitions of performance are not successful in the long-run. Marketing and client/consumer satisfaction are integral to performance in both the public and private sectors (see Korten 1984, Finsterbusch and Van Wicklin 1987).

- Go for multiple performance measures; don't settle for just one or a few. Development program activities and outcomes are too complex to be captured in a few simple indicators. A range of measures helps to deal with different groups' perspectives by offering a "menu" of choices to meet their particular tests of performance.

- Remember the link between measures and program staff behaviors. People will tend to do what they are measured on and rewarded for. The danger is that their behaviors will not actually lead to the desired performance. Too much measurement is a disincentive to perform.

- Besides specific performance measures, use managerial surrogates that offer incentives to perform. Examples include: delegation of activities to the private sector to take advantage of the incentives competition can provide; flexible, collegial structures that give people the latitude to do what needs to be done; systems that relate resource use to outcomes, not just activities; and teamwork and leadership that build competence and commitment to performance.

- Use these managerial responses to build capacity for tomorrow as well as to stimulate performance today. Capacity and performance are integral to each other. The best way to build capacity is through actual performance, and the best way to achieve performance is by building capacity (see Endnote 3).

- Treat sustainability as a separate dimension of program performance that extends managers' fields of vision to the program's return-on-investment period, where ongoing development impact takes place. Develop "double vision" that looks at managerial action in terms of its effects on performance in the near-term and on sustainability in the long-run. Be attuned to the potential for trade-offs and conflicts between the two perspectives.

Conclusions

This paper has synthesized a large body of field experience and findings regarding what successful development program management calls for. The synthesis is organized in terms of outward-, inward-, and forward-looking managerial tasks. Although this model is simple, program management is not. Following the guidance summarized above is not a sure-fire recipe for performance improvement. Social technologies always involve irreducible elements ofuncertainty and "loose" cause-and-effect links. The advice offered has sought to narrow down the uncertainty and tighten the links by assimilating the experience and learning of large numbers of analysts and practitioners in various management circumstances. However, it is up to individual program managers, facing their particular situations, to cull what seems useful and appropriate from the lessons presented here (and elsewhere) and apply them. In that selection and application process lies the creative artisanship side of management.

NOTES

1. The Office of Rural and Institutional Development of USAID's Bureau for Science and Technology funded the Performance Management Project (No. 937-5317) from 1983-1990. The project was implemented by the National Association of Schools of Public Affairs and Administration, the Development Program Management Center of the U.S. Department of Agriculture, and the International Development Management Center of the University of Maryland. Project staff worked on over 50 short- and long-term assignments in developing countries worldwide, dealing with management improvement and capacity-building. A full treatment of the program management model, the lessons learned, and the guidance for program managers can be found in the author's book, Improving Development Program Performance: Guidelines for Managers (Boulder, CO: Lynne Rienner Publishers, 1991).

2. Environmental uncertainty and hostility can be thought of as a variable composed of: 1) level of demand for program outputs, 2) extent to which outputs are public or private goods, 3) level of socioeconomic status and demand-making capacity of program stakeholders, 4) degree of economic and political stability, 5) degree of economic distortion and reliance on external resources, and 6) degree of difficulty in introducing change (Brinkerhoff and Goldsmith 1990). 3. These categories can be defined as follows:

a) Incremental expansion: Introduction of moderate innovation with gradual expansion to other sites as implementation capacity is built.

b) Comprehensive change: Introduction of broad innovations in numerous sites simultaneously.

c) Discrete change: Introduction of moderate to high levels of innovation in relatively few sites.

d) Progressive innovation: Introduction of limited change initially with increasing innovation over the life of the program as implementors build management capacity and learn what works.

3. Program strategies can emphasize the active dimension ("doing things right") or the reflective dimension ("doing the right things"). Research shows that a primary focus on the active dimension is most appropriate for relative low levels of innovation and relatively stable and benign environments. Greater concentration on reflection and learning is called for where programs pursue highly innovative strategies in relatively hostile and uncertain environments (see Brinkerhoff and Goldsmith 1990).

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