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Module 3: M&E Plans – Step 2: Developing and Selecting Performance Indicators

Session 1: Step Two: Developing and Selecting Performance Indicators (Part I)

The aim of this session is to learn how to develop or select appropriate indicators in order to measure and assess the programme's expected results.

This session will also provide an opportunity to reflect on how we are demonstrating results through the use of appropriate quantitative and qualitative indicators.

At the end of this unit, you will be able to develop performance indicators for your results as well as determine which indicators can be selected for measuring your results.

Developing and selecting Performance Indicators is the second step of establishing and implementing an integrated M&E System as described in the previous module. These are also included in your overall monitoring and evaluation plan.

This plan as we have discussed has eight columns and contains all the relevant information to monitor and measure change in your project or programme.

It is important to note, before we begin, that developing or selecting performance indicators is not done in isolation. Rather, it is an iterative process which should be revisited, at least on an annual basis, based on the programme's experience.

It also involves some thinking ahead to what methodologies might be appropriate for collecting the information.

An indicator is a signal that shows whether or not progress is being made. Indicators are used as a means to measure results at each level.

An indicator should usually be:

- unbiased and neutral (there is no direction like the result statement)
- Ideally, not include any targets

In some cases however, indicators do include targets and some donors accept a direction. For the purposes here however we will not be using targets within the indicator statement. We also suggest that indicators remain neutral and the change is captured in the result statement itself.



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When developing or selecting an indicator, we ask the questions:

“What does the result mean?”

“How do I know that the change has happened?”

Indicators are selected for each result statement in the results framework.

For each results, we need to ask, “which indicator would be best to measure and demonstrate the result has happened?”

So, how many indicators should we select for each result?

The answer is the number which is required to adequately demonstrate the result.

As we go up the results chain, typically we add more indicators

At output level, one indicator can be sufficient

Overall, it is a balance between what we “need” to know and what we “want” to know. Having too many indicators however, will increase the monitoring burden.

There are two types of indicators – those at the outcome level and those at the output level.

Outcome indicators measures the change (or the result statement)

They often use the unit of percentage, average or median and not number.

Indicators at the higher level outcome are also for the targeted population, not the broader population

Output indicators on the other hand are those that you can plan for in your budget

They do not measure any change. Instead, they demonstrate that a process has been completed

Indicators at this level often use the unit of number as we are simply demonstrating that a process has been completed.

For example,

At the outcome level we may want to measure a change in food security. We may select the indicator: percentage of households that are food secure.

At the output level we may want to see how many people are trained in a particular topic. We would then select an indicator such as: number of men and women trained in establishing a home garden



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Indicators can be either quantitative or qualitative.

Quantitative indicators measure quantity and are numerical. Examples of these could include:

- Number of
- Frequency of
- Percentage of
- Ratio of
- Median, Mean (or average), Mode

Qualitative indicators on the other hand measure perceptions, attitudes or judgments. Examples of these include:

- Perception of
- Existence of
- Type of
- Quality of
- Extent to which
- Level of
- Degree to which

We have come to the end of part one of developing and selecting performance indicators. In our next session we will continue with this topic and explore further how to develop or select a good indicator and criteria for selecting indicators.



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Session 2: Step Two: Developing and Selecting Performance Indicators (Part II)

Welcome to part two of developing and selecting performance indicators.

In the previous session we talked about what is an indicator and types of indicators.

In this session we will continue to learn about what makes a good indicator, disaggregation of indicators and criteria for selection of indicators.

Let's begin.

A good indicator generally contains five components.

First, determine what you are measuring. In our example, we want to measure school enrolment

Second, add a unit. For example, number of students enrolled

Third, add quality, specifics and the universe. For example, # of students enrolled in primary school

Fourth, add a time frame such as # of students enrolled in primary school each semester. The time frame is dependent on the sector so at times it is optional to include.

Finally, add your disaggregation. In our example we add disaggregation by sex and district

This process would apply also for qualitative indicators. The key is to be specific and to include all relevant information

When developing or selecting indicators there are other things to keep in mind.

As we mentioned, indicators should be disaggregated. This means that the indicator can capture different sensitivities such as sex, age group, economic class, geography and others which may be appropriate to your programme.

Examples of disaggregation can include:

- Disaggregation by sex and age group for an indicator capturing how many youth were trained on HIV/AIDS prevention
- Disaggregation by household type and geographic area for an indicator measuring households with sufficient food



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Where indicators are used to count people, they must always be sex-disaggregated to demonstrate that both men/boys and women/girls are benefitting equally

Finally, when we select or develop indicators, there are also key criteria we need to follow:

- **Validity.** Is the indicator valid? Does the indicator measure the result?
- **Reliable.** Is the indicator a consistent measure over time? Can we use the indicator to measure trends over time? And is the indicator sensitive to change over time?
- **Simplicity.** Will the data be easy to collect?
- **Utility.** Will the indicator be able to generate useful information for decision-making and learning?
- **Affordability.** Can the programme afford to collect the data with the resources it has? Is the data collected worth the effort and expense?

In summary,

1. Indicators are 'signals' to measure expected results at each level of the results chain
2. Indicators should be stated neutrally
3. Indicators at higher and lower outcome levels measure developmental change, whereas
4. indicators at output level demonstrate a completed process
5. Indicators at the higher level outcome are for the targeted population, not the broader population
6. Indicators at the outcome levels should use the unit of percentage and not number
7. Indicators should be disaggregated, where relevant
8. Where indicators are used to count people, they should always be sex-disaggregated
9. Don't add too many indicators unnecessarily. Follow the criteria when choosing or developing your indicators

Congratulations. You have completed Module 2 on developing and selecting performance indicators.

Click on the quiz for this session to test your knowledge on the concepts we have reviewed.

For further information and additional resources on indicators, click on on the resources section for this session.



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In our next module, we will explore Step 3 of an M&E System - HOW TO COLLECT DATA.