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DEVELOPMENT PLANNING AND EVALUATION: STAKEHOLDERS, VISION AND ACTIONS

INTRODUCTION TO DEVELOPMENT PLANNING

Since his existence, man has made plans[1]. In the very beginning, planning was about solving existential issues – the need for food and a place to shelter. Ancient nations (Greek, Romans and others) planned towns in the widest sense of the word, the management of space, land, ownership and providing services to citizens[2]. They planned places in which they lived, streets as corridors of movement, squares as festive places/places of celebrations, pyramids in which people were buried. They also cared about the living space (habitat), art-cultural and sport facilities and economic activities, aiming at managing all aspects of people's life (Đokić et al., 2010).

Therefore some notion of planning is known to any reader even with only a basic idea of what it encompasses; today it is almost impossible to live without a prepared or at least roughly sketched plan. Everyday life is characterised by planning. We plan how much time we want to spend sleeping, which food we will eat, how we are going to spend our leisure time, whether we have sufficient sources to ensure basic living needs, etc. It is therefore not surprising that planning is the basis for the efficient management of much more complex systems such as schools, hospitals, firms, towns, ministries, and finally states.

Theoretical and practical planning requires a systemized approach, so we often find planning as an obligatory collegium in a great number of undergraduate, bachelor and postgraduate studies. Planning can be taught at planning departments (e.g. Department of Planning - Oxford Brookes University, Great Britain), or at schools for planning (individual or combined with another disciplines/fields, e.g. School of Architecture and Planning – University of Auckland, New Zealand). These examples clearly show the relevance of planning and how much

attention should be paid to it as an unavoidable aspect of the management of complex systems like towns, provinces, regions or states.

In order to manage complex systems like local self-government units (LGUs) or states in an efficient way, various instruments are applied in development policy. Development policy creates a framework for the future development of a territorial-administrative entity and it is not possible to implement it without having a plan or development programme prepared beforehand, because development policies encompass various sectors – economy, social issues, spatial planning and environmental protection etc. If that were not the case, if activities were to be carried out sporadically and in an uncontrolled way can, desired results (according to objectives set) would only be achieved by coincidence, and undesired impacts would be far more likely. A prudent and wise development policy decision-maker will, as much as possible, exploit all the possibilities in order to keep control over the instruments at his/her disposal and the results that (s)he wants to achieve.

It seems that development planning is again popular, at least in Croatia. In the countries of Central, East and South-East Europe, the word 'planning' stood still in the period between the Second World War up to the 1990s. Terms like' centrally-planned economy', 'centrally-planned economic model', 'planned economy' etc. had negative connotations. It took some ten years to bring the term 'planning' (and its related variations) in everyday talk into a positive light. At the same time, planning, so often found in the private sector and in the segment of firms' business activities, has been present all the time in Western capitalist economies. Healey (1997) builds on three basic/primary planning traditions:

– economy planning,
– spatial planning, and
– planning and the analysis of development policies.

Some authors, e.g. Sumpor (2005) summarize these three traditions as follows:

– economy planning that is directed towards the management of a country's and region's production forces and is linked to social policies, creating a framework for the welfare state;
– spatial planning that is, in a narrower sense, directed to the management of the physical development of towns and which serves to promote health, economy, comfort and attractiveness of urban habitats; and
– planning (and analysis) of development policies directed towards the efficient and effective management of processes to achieve objectives explicitly set out by public administration bodies.

All three traditions represent a basis for modern development planning, national, regional and local. Two decades ago, the word 'plan' tended to be replaced by the word 'strategy'. Even though it contains in itself characteristics of planning, it seems that it is often used as a synonym for a strategic document, especially at the national level. Strategic planning is above all a national need. In a globalized world, fast and frequent changes, especially unpredictable economic changes, and lately also more often disastrous climate changes have considerable impacts. There is a need to have a clear vision of a desired course of development for a country, region or LGU within a certain time span in order to maintain and possibly improve its social, economic and environmental situation. The new understanding of development has been regularly presented in a triangle comprised of economic growth, social inclusion and environmental equity. However, this development concept can rightly be expanded even further (into a multi-sided polygon!) by introducing other important aspects, such as cultural, institutional and spatial or territorial

development (Dräger et al. 2004, Sumpor and Đokić, 2011, Moulaert et al. 2012). This perception of policy makers has evolved and with the introduction of territorial cohesion as a new common European development policy objective, the interdisciplinary view on development is entering the regional policy of the EU. So, the new policy framework will not be detached anymore from the spatial or geographic context where development is actually taking place. (Pike et al., 2006, p. 35).

Strategic planning is important at all territorial administrative levels. It enables the clear determination of resources needed for the realisation of a development vision and the achievement of planned objectives. According to Bryson (2003: 38), "Strategic planning can be defined as a disciplinary effort for taking basic decisions and undertaking of activities that determine subject, direct them towards what the subject is and for which purpose subject is active/acts." As such it has an increasing role in public and private life. It can be argued that planning is a way of thinking and behaving which enables:

- the management of development processes
- the formalization of development processes
- the control of processes and coordination of development activities
- the participation of stakeholders in processes (getting insights into real needs and problems)
- a constructive approach to problem solving.

The objective of planning is to prepare for and manage the (uncertain) future. Therefore it has the following key features:

- **Structure** – the planning process and its output (a development document) contain structural elements (process phases, document contents). In each part of the process and the document they have to be identified, determined and included, when the timing is appropriate (this depends on many circumstances). The linkage of these elements is like a molecular chain, in which an ordinary sequence plays a crucial role, otherwise it transforms into another substance that does not correspond to our primary set vision.
- **System** – the development process and planning have to be coherent, following the logical sequence from analysis through strategically set objectives to implementation (measures, projects, activities) to ensure accomplishment of the objectives. It is important to be aware of the fact that both process and further implementation of the document are usually part of a broader system in which they need to be appropriately integrated.
- **Goal oriented** – the ultimate aim of planning is to set targets that should be achieved in a certain time horizon. Therefore they should have SMART characteristics: **S**ustainable, **M**easurable, **A**chievable, **R**ealistic, **T**ime defined. This will enable easier monitoring of their implementation and evaluation of progress during the time period.
- **Negotiations and coordination based** – since development planning necessarily involves various actors/stakeholders, disciplines and sectors, reaching consensus over the many different, often conflicting ideas and visions what the future should (ideally) look like, requires constant negotiations and coordination efforts. Besides standard individual disciplinary background, skills like moderating, facilitating, coaching, tutoring and suchlike are essential for success.

Planning addresses several important questions:

- *Where are we now* (country, region, city)? – To better address this question, it is necessary to undertake various analyses.

Depending on the subject/object, analyses can be quantitative, qualitative, institutional, SWOT, PESTLE... Results obtained should identify the key development problems/issues, advantages and potentials, as well as the developmental needs to be solved in the short, medium or long term.

– *Where do we want to be in the future?*–The idea behind planning is to prepare as well as possible for future circumstances that are seldom predictable. It is therefore important to determine where we want to be within a realistic framework. Comparing predictions and analyses with others we share important similarities with, searching for benchmarks to reach new levels are one of the possible ways to find the most appropriate future options.
– *How will we get where we want?* – When the objectives have been set, it is necessary to decide what will be the key strategic direction to achieve the objectives and to identify concrete actions. This decision depends on a number of internal and external factors. From an internal point of view, strategic decisions can radically shift development in a direction which is beyond manageable control. Therefore such decisions have to be very solidly underpinned by a broad managerial consensus, analytical facts and well-backed up considerations and predictions. External factors mainly refer to objectively estimated limitations and risks in implementing the chosen strategy.
– *How we will know if we have arrived where we wanted?* - To make sure that we have arrived at the desired point, it is necessary to measure and monitor the progress that has been made. If fixed objectives have SMART characteristics, measuring of progress will not be difficult. If not SMART, measuring of progress in terms of more time-consuming activities, unpredicted financial requirements, additional human support etc. can become difficult and even quite useless. A well-designed monitoring system with standard and customized (if needed) indicators provides a firm platform for decision-making and quick response to unpredicted behaviour of endogenous and exogenous factors.

PROCESS, PRINCIPLES AND BENEFITS OF PLANNING

Even though sometimes planning does not have an overwhelmingly clear justification, in the majority of cases it is considered as useful. It brings new ideas and improves cooperation. Through the planning process, it is desirable (even required sometimes) to build consensus on development priorities and strengthen synergy between activities implemented by various stakeholders. Planning is not a linear procedure. On one hand it can help in solving conflicts and serious differences of opinion, but on the other it can also limit consensual efforts. The good side of planning is that it creates an atmosphere of positive expectations. In terms of efficiency, the planning process enables the introduction of new resources and stimulates the use of existing ones more efficiently (by directing resources to key productive priorities), coherently and in a transparent way. One of the benefits of planning is that it has more active influence on future development and it enables better "positioning" in a competitive environment. Another benefit of planning is that it improves institutional focus and gives directions for monitoring achievements and assessing results. Among the most relevant "non-tangible" product, being "produced" through the planning process, is the development of ownership of the planning process and consequently over the planning document. Planning is further useful because it provides

the basis for measuring progress and establishing mechanisms for need-driven change. In the core of planning is the promotion of strategic thinking, acting and learning through:

- the systemized collection of information on the institutional environment or public policy;
- the explanation and reasoning behind future direction and development priorities; and
- improvements in the implementation of public policies (links with budgetary process, analysis of environment).

Strategic development planning is founded on the following key principles:

- Focus on changes and the implementation of development activities – the focus is on changing for the better through the implementation of those activities that will have strong developmental results, outcomes and longer term impacts.
- Consensus between various stakeholders, involvement of private and non-governmental sectors – since it refers to development planning of a specific territory in which a broad cross-section of the population live, it needs to take into consideration the interests of all inhabitants and not just the public administration officials!.
- Flexibility and reaction to a fast-changing and dynamic environment – during the process as well as in the planning document itself, changes in circumstances should be continuously monitored and appropriate measures to address these changes taken. Planning should not be rigid or static addressing only one possible scenario, but it should have more development options.
- Emphasis on the use and activation of internal resources – the level of understanding and experience responsible for planning varies from institution to institution. Some are capable to produce a well-designed and formulated document, which is later proved by more or less smooth implementation. Others need external assistance in the "production" phase (elaboration, methodological support, evaluation etc...). In any case, a critical moment is to objectively estimate whether bodies responsible for implementation have the internal resources to carry out this task. If external support is not in place, the success of implementation will mainly depend on internal capacity.

Strategic development planning is a process that usually consists of the following steps:

1. Preparation and organization of the process
2. Analysis of current situation
   a. Economy, society, environment, territory, institutions
   b. *SWOT analysis* (optional but recommended)
3. Defining strategic directions and vision
   a. Key questions and strategic vision
   b. Strategic objectives, priorities and measures
   c. Action plan(s)
4. Financing and contracting
5. Implementation
6. Monitoring
7. Evaluation

Here the focus will be on the widely used SWOT analysis (including stakeholder analysis that will be described later). SWOT is a qualitative method of analysis of a particular phenomenon or situation composed of four segments - **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats - which very useful in developing a strategy. Strengths and weaknesses are internal factors, on which we have a direct influence, while opportunities and threats are external factors, with little or no possibility to directly manage their influence. To influence internal factors, institutions in charge of planning use various mechanisms, exploiting strengths, such as a strong tradition in crafts, and overcoming

weaknesses such as a low capacity in project proposal skills. External factors have to be recognized in time and dealt with, such as opening a funding scheme for the education of civil servants for project proposal writing in order to turn a weakness into a strength. Inadequate laws and (new) regulatory schemes can be a serious threat and can have a negative impact, which the planning institution is expected to find a way to mitigate. Results of SWOT analyses, following often long discussions, are presented in a form of a table. However, the assessment of SWOT elements always has to a certain degree *subjective* characteristics, and therefore results should be carefully interpreted (e.g. if a person is very critical, even the average conclusion, compared to others, may be considered unsatisfactory). When analysing strengths, the questions listed in Table 1 are usually addressed:

1. Helpful questions for a SWOT analysis
source: various sources adapted by author

	POSITIVE ELEMENTS/SEGMENTS	NEGATIVE ELEMENTS/SEGMENTS
INTERNAL ELEMENTS	STRENGTHS What are our qualities? What are the good sides of (our) activities? What do we do well? What does our environment consider as (our) strong points? What are our advantages (what makes us distinctive), compared to other, similar institutions?	WEAKNESSES What are (our) weak sides? What can we improve? What do we have to avoid in the future? What we do worse than other, similar institutions? What do others object to?
EXTERNAL ELEMENTS	OPPORTUNITIES Are there acceptable possibilities in our environment? What are interesting trends that we can benefit from? Are there changes from the "outside" that we can use in a positive way?	THREATS Which barriers and limitations come from environment? Will conditions for our actions be more and more difficult and why (what are the causes)? Will/Can changes coming from "outside" negatively affect our work, effectiveness?

When doing a SWOT analysis, the following messages should be considered:

– Information often presents only one side of the story; therefore it is important to discuss them in a wider audience, and to check information, data relevance and accuracy;
– Existing studies, plans and programmes, and coherence of statements in the SWOT table should be checked; this is important for the further formulation of real and attainable objectives and measures;
– Statements indicated in a SWOT table have to be comprehensive for the vast majority if not all involved, regardless of professional background, without further explanation and they have to be based on information and findings from situation analyses.

Well-prepared analyses (including SWOT) precede the formulation of strategic objectives and vision for the development of a specific territory.

STAKEHOLDER ANALYSIS

Good quality and participatory planning also includes a stakeholder analysis. The purpose of this analysis is:

– Application of social inclusion principles – the implementation of a planning document will influence all levels of society, therefore those directly and indirectly affected have to be involved in the process (it is closely related to the above-mentioned feeling of ownership).
– Harmonisation of stakeholders' representativeness – planning should ensure a balanced representation of the different stakeholders (government, public companies, non-government, CSOs, private sector, youth, older, etc...).
– Selection of participatory procedures should be harmonised with the needs and capacities of particular stakeholders – different stakeholders require different approaches (they have different levels of disposable time, different lives, business and social perspectives, different motivation). This approach has to be tailor-made to provide the best responses/results.

– Determination of an adequate level of stakeholder involvement and role(s) – participation can never be 100% (nor does it guarantee success). Various stakeholders appear in different phases of the process and their level of involvement varies considerably. Their involvement also depends on the availability and mobilization of resources of their institution to exploit participatory methods (e.g. wealthier institutions can afford a campaign to attract targeted participants, while those financially limited will be pushed to look for alternative solutions to motivate and involve targeted stakeholders).
– Taking into consideration the interests of various stakeholders and their influence – various stakeholders have various interests. Their influence can be weak or strong, positive or negative also depending on the phase of the process and stage in which they get involved. It is useful to map a matrix of stakeholder influence[3] and to adjust the process accordingly to avoid failures and obstructions during the process and implementation of the planning document.
– Shaping participation procedures – stakeholder analysis can be a very useful tool in impeding, solving and/or transforming conflicts of interest. Through analysis, potential conflicts can be recognized on time, which gives an opportunity to shape adequate methods to address these conflicts in a positive way, with recommendations and solutions provided in advance, and discussed with an interested audience. In this way, the conflicting issues are narrowed down and relatively better under control.

Stakeholders are individuals or groups of people who have a significant interest in success or failure of programme/project. They can be:
– Bodies of state and public administration,
– Private sector, individual firms,
– Civil society (non-governmental organizations),
– Members of local communities (farmers, craftsmen, men or women, young or old, richer or poorer),
– Consultants (depending on the internal institutional capacity and the need for external, objective evaluation of the process and content of the planning document).

Stakeholder analysis usually consists of the following steps (sequence of steps is adjusted on the basis of Dalal-Clayton and Bass (2002)):
1. Stakeholder identification,
2. Stakeholder classification: primary/secondary, overt/hidden interests,
3. Development of a relationship matrix – mapping the relevance of individual stakeholders in solving questions,
4. Identification of risks and assumptions influencing the design and success of strategic document implementation,
5. Identification of an adequate stakeholder participation approach (e.g. partnership, consultation or informing)

Even though it is useful and recommended, stakeholder analysis has its limitations (OECD, 2002): stakeholder groups overlap, the need for a stakeholder group can change (strict grouping limits), the categorisation bears certain risks such as insufficient representation level and the risk of being misunderstood. Sometimes differences and conflicts arise without evident reasons, such as from differing values, question structuring and open question interpretation. Another risk that may appear is the risk of a simplified analysis or one too strict to encompass all key parameters of planned situations and dynamics between and within stakeholder groups. Participation has to be balanced, controlling stakeholder groups with strong influence and encouraging those with weaker positions. One of the limitations of stakeholder

analysis is open prioritizing of some stakeholders above others. According to OECD (2002: 127), *"An assessment of the particular powers (or lack of them) of stakeholders is crucial both to an understanding of each sustainable development issue (who are the dominant and the marginalized), and to the structuring of strategy processes (who needs to be involved to remedy problems and realize opportunities)*." Stakeholder power analysis is particularly useful for assisting in decision-making situations where various stakeholders have competing interests, resources are limited, and stakeholder needs must be appropriately balanced (Mayers, 2005:11). Mayers therefore addresses questions like: Whose problem? Who benefits? Who loses out? What are the power differences and relationships between stakeholders? What relative influence do they have? As well as evaluating existing policies and institutions, stakeholder power analysis can be used to appraise possible scenarios and to enable the identification of institutions and relationships which need to be developed or dealt with to avoid negative outcomes and enhance positive ones (Mayers, 2005).

There is a limit to how far progress can be made in either the analysis or the effective change of policy without broaching issues of power differences. Ways need to be found to get some of these power issues 'out into the open' if they are going to be tackled (Mayers and Bass, 1999). For strategy analysis, a useful first step is to identify the relative degree of stakeholders' power, the source of that power and the means by which power is exercised. Although both participatory and independent means of identification can work, documentary evidence of these types of power is the most effective.

EVALUATION

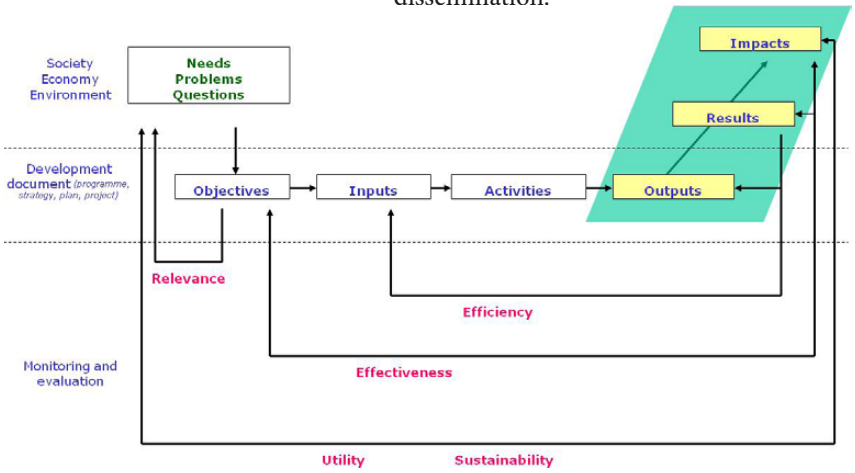
Once the development document is adopted, its implementation starts. Sometimes it is called 'Tuesday morning syndrome', after the regular City/Town Council session at which the development programme/plan is adopted, which happens usually on Mondays. The first actions should be undertaken the morning after: drafting of first tasks, tables, making phone calls, sending requests, preparing various procedural steps etc... If this does not happen on Tuesday, then not-doing it continues on Wednesday and the rest of the week, implementation of the document can suffer from the risk of not being implemented at all. Therefore, it is of utmost importance to start immediately the day after adoption (Tuesday), so as not to lose momentum.

Implementation of development documents should be evaluated, if not prior to their adoption (ex-ante), then during the implementation, and certainly at the end of implementation period (ex-post). In the Project Cycle Management Guidelines (European Commission, 2004) evaluation is defined as *"a periodical assessment of efficiency, effectiveness, impact, sustainability and relevance of programme/project in the context of defined objectives"*. It is usually carried out as an independent analysis of environment, objectives, results, activities and invested resources in order to provide conclusions that could serve as a basis for future decisions. The purpose of evaluation is to improve quality, effectiveness and consistency of programme and implementation. Standard evaluation comprises of the collection, analysis and use of available information as a basis for future decision-making (see Fig. 2).

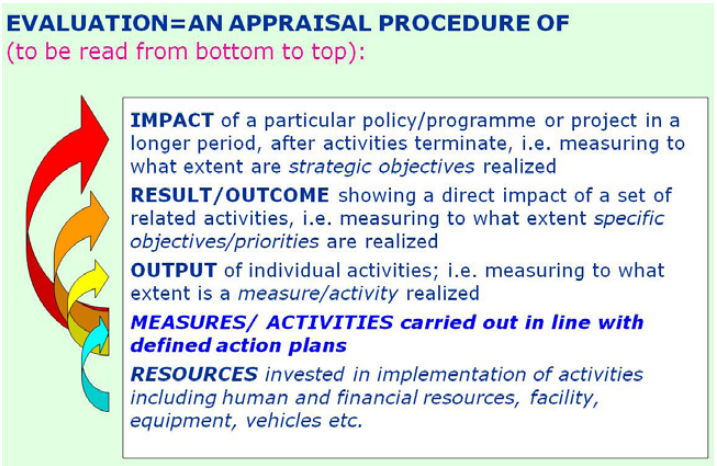
For the evaluation procedure, it is necessary to identify who is responsible, when the evaluation should be carried out, what is necessary to concentrate on and to what extent. It can be carried out at the programme and project levels. Principles of evaluation are:

- completeness and independency, to ensure objective assessment;
- credibility – evaluation should be carried out by independent experts;
- transparency of procedure, including distribution of results;
- involvement of various individuals and representatives of different stakeholders (various perspectives and utility aspects);
- utility of evaluation results, appraisal;
- concise, clear and timely information dissemination.

2. Levels and purpose of evaluation
source: Sumpor and Dokic, 2012 (adapted from The New Programming Period 2007-2013 - Indicative Guidelines on Evaluation Methods: Ex-ante Evaluation, Working Document No.1, 2006, p. 4)



3. Steps of appraisal procedure
source: Sumpor and Dokic, 2012



For the evaluation of development programmes and projects, the following criteria are applied:

- **Relevance** – appraisal of the extent to which the objectives of the programme/project are appropriate and relevant in relation to the problems that they were supposed to address and with regard to physical and political context in which programme/project is implemented.
- **Efficiency** – appraisal of success with regard to costs, speed and mode of management, all together applied in carrying out the activities that led to expected direct outputs; appraisal of the quality of results (value for money).
- **Effectiveness** – appraisal of success, i.e. contribution of results to the programme or project objectives and assumptions and their influence on programme achievement; if the results and impacts (have) contributed to the achievement of objectives.
- **Sustainability** – appraisal with regard to the possibility of continuation of the programme/project towards benefits gained; if the impacts of implemented activities are sustainable in the long term and if they continue to contribute to finding solutions to problems even after the programme or the project ended.
- **Utility** – appraisal of to what extent the programme influences target groups with regard to their needs; if the impacts of implemented activities solve real (identified) needs and problems of targeted groups.

Additional criteria for projects:

- Capacity – appraisal of experience, management capacity and available resources;
- Methodology – appraisal of consistency and coherence of the applied methodology in line with logical framework approach and project cycle management.

The above criteria are applied in an evaluation procedure from the level of resource use, to the evaluation of the impact that an undertaken activity/measure will have in the end. This is demonstrated in Fig. 3.

The complexity of planning and programming issues can be demonstrated by the Croatian example presented in Table 4. Planning still commonly refers to spatial planning practice and a formalized hierarchy of planning documents related to territorial development (Dokic et al., 2010). These plans are passive by nature, but once adopted, they serve as a basis for the further elaboration of developmental directions in relation to envisaged land use and environment protection. As such, they represent an unavoidable source of information for the preparation of quality development documents, especially at the local level. During the 1990s and following periods, an era of elaboration of strategic documents started. The adoption of development, long-term, strategic documents at national, regional and local administrative levels was only formalized in Croatia a few years ago (and then only at the national and regional levels). These documents did not take into account a territorial dimension in which activities are supposed to be implemented. The obligation to adopt these plans did not exist at different administrative levels, and even today it is not clear who is responsible if they are not implemented, making the development planning system even more fragile, development documents unbalanced and incomparable, and managing overall development questionable.

4. General overview of development documents – the case of the Republic of Croatia
source: Đokić and Sumpor (2007), ICAM in Croatia - Another Plan or Strategic Projects?, 2007

Development documents (By sectors: economic, social, environmental, spatial, public administration etc.; or Integrated)	**Governance responsibility** (political and administrative)
International and EU related programmes, e.g.: - Integrated pre-accession programme – IPA - Operational Programme Cohesion and Competitiveness - Mediterranean Action Plan - MAP	International and National level - Government offices and Ministries - policy impacts: national
National development strategies, programmes, plans, such as: - National regional development strategy, - National spatial planning strategy, - and more than 200 other documents	National level - Ministries, Agencies, Institutes - policy impacts: national/regional
Regional development strategies, programmes, plans, such as: - Operational programmes to be implemented on NUTS II regional level;	National and regional level - Government office, Ministries and groups of Counties - policy impact: national and regional
- Regional operational programmes or County development strategies on NUTS III level;	Regional level - County authority - can serve as basis for negotiation with Ministries, EU financed programmes
- County spatial development plans	National and Regional level - County authority and planning institutes, Ministry - policy impact: regional and local
Sub-regional development strategies or programmes, such as: - Sustainable island development programmes	National, regional and local - Ministries, Counties, Local units - policy impacts: sub-regional/local
Local development strategies, programmes, plans, such as: - Local socio-economic development strategies, - Local spatial plans and physical planning document	Local level - at first stance - local authorities, BUT: - higher level approvals necessary for implementation of programmes/plans/ projects - need to be coordinated with all responsible institutions on higher governance levels (county, ministries, etc.) - policy impact local/regional

Documents listed in Table 4 (sectoral, regional, infrastructural) have to be mutually supportive and coordinated. If their implementation is partly or fully financed from external sources (especially the EU), planning then goes beyond the requirements of national needs and it has to take into consideration external factors. These documents then become a basis for attracting future national and international investment sources.

FROM VISION TO ACTION

Implementation of a development document represents a challenge. Detailed steps of implementation are usually drafted in an Action or Implementation Plan. That plan contains information about: measures, responsible institutions/offices/departments/(sub)units, priorities (in terms of degree of relevance), periods of implementation, assessment indicators at

the beginning and end of the implementation period, estimation of costs, sources of financing and additional remarks. A 'measure' usually refers to projects and/or activities (a set of projects/activities can be covered by one measure). A 'project' can be defined as a series of activities aimed at bringing about clearly specified objectives within a defined period of time and with a defined budget (European Commission, 2004). Making good quality project proposals in the context of EU programming, gained a lot of importance during the last two decades, as financial resources from various EU sources can only be obtained on the basis of elaborated plans and programmes with detailed planned/programmed activities and projects.

Therefore a project should always be consistent with, and supportive of, broader policy and programme objectives, but it should develop something 'new', rather than simply support ongoing activities. Like development documents, a project proposal should also have clearly defined objectives which address identified needs and clearly identified target group(s). At the project level, a project management team has to be established with clearly defined management responsibilities, a specified set of resources and a budget that can be used during the project implementation period. A project can fail if it is not linked to a broader programme or policy framework, or targets are rigid, processes are inflexible, and over-optimistic goals to attract finance create false expectations. Failure of the project can also happen if too short a term for implementation is set and they end abruptly, if (key) stakeholders are not involved and if the projects are purely externally "driven" by external professionals and not locally owned.

A cycle of project management is characterised by a sectoral/programme linkage in a broader policy context, a demand-driven approach, including improved analysis, and objective orientated planning which focuses on sustainability with determined and verifiable impact(s). Like in previously described planning processes, a new project proposal should, where possible, be built on the lessons learned from previous evaluation(s). The success of project/programme cycle management depends on effective team-work between stakeholders. This means understanding different perspectives and realities, respecting different knowledge and skills, establishing responsibilities of different team members, giving adequate time to the process while still focusing on results, and transparent communication patterns. Building a project proposal for EU funding requires practice and experience. Project Cycle Management Guidelines published by the European Commission (2004) are useful in acquiring this skill. Various ideas and information should be systemized and logically connected. It is therefore recommended to apply the Logical Framework Approach (LFA) that consists of the following elements (phases):

- **Stakeholder analysis** - identifying & characterising potential major stakeholders; assessing their capacity;
- **Problem analysis** - identifying key problems, constraints & opportunities; determining cause & effect relationships;
- **Objective analysis** - developing solutions from the identified problems; identifying means to an end relationships;
- **Strategy analysis** - identifying different strategies to achieve solutions; selecting the most appropriate strategy;
- **Developing Logical Framework matrix** - defining a project structure, testing its internal logic & risks, formulating measurable indicators of success (this is usually the mandatory document in application for EU funding procedure);

– **Activity scheduling** - determining the sequence and dependency of activities; estimating their duration, and assigning responsibility;
– **Resource scheduling** - developing input schedules (from activity scheduling) and a budget.

The Logical Framework Approach as an aid to systematic and logical thinking and the process itself (i.e. who is involved and how) is as important as the product. Tools used in this process should be applied as part of an iterative process, not as a set formula, while the the Logframe matrix (the product of the analysis) must be open to review and revision. Nevertheless, it should be mentioned the LFA tools are not 'exclusive' – there are many other complementary tools, such as SWOT, Venn Diagrams and other participatory tools, that can be used to support effective PCM. Information contained in the Logframe Matrix and useful questions per category are presented in Figure 5.

As in standard planning procedure, a stakeholder analysis should be carried out at the project level. Stakeholders are any group of people (or individuals) who have an interest/role in addressing identified problems or achieving desired solutions relevant to the project, e.g. government institutions and organisations, private sector groups, individual companies, civil society groups (NGOs, CBOs), community members (farmers/traders, women/men, young/old, rich/poor). For stakeholder analysis, various tools can be used:
– stakeholder matrix (interests +/-, roles, capacities etc);
– SWOT analysis (strengths, weaknesses, opportunities, threats);
– Venn Diagrams (relationships between stakeholders);
– Organisational charts (formal lines of authority/responsibility);
– Gender analysis (tasks, responsibilities, time allocation).

5. Information contained in the Logframe Matrix
source: European Commission, 2004

Project Description	Indicators	Source of verification	Assumptions
Overall objective: The broad development impact to which the project contributes – at a national or sectoral level (provides the link to the policy and/or sector programme context)	Measures the extent to which a contribution to the overall objective has been made. Used during evaluation. However, it is often not appropriate for the project itself to try and collect this information.	Sources of information and methods used to collect and report it (including who and when/how frequently)	
Purpose: The development outcome at the end of the project – more specifically the expected benefits to the target group(s)	Helps answer the question 'How will we know if the purpose has been achieved'? Should include appropriate details of quantity, quality and time.	Sources of information and methods used to collect and report it (including who and when/how frequently)	Assumptions (factors outside project management's control) that may impact on the purpose-objective linkage
Results: The tangible results (goods and services) that the project delivers, and which are largely under project management's control	Helps answer the question 'How will we know if the results have been delivered'? Should include appropriate details of quantity, quality and time.	Sources of information and methods used to collect and report it (including who and when/how frequently)	Assumptions (factors outside project management's control) that may impact on the result-purpose linkage
Activities: The tasks (work programme) that need to be carried out to deliver the planned results (optional within the matrix itself)	(sometimes a summary of resources/ means is provided in this box)	(sometimes a summary of costs/ budget is provided in this box)	Assumptions (factors outside project management's control) that may impact on the activity-result linkage

Choice of a particular stakeholder analysis tool depends on the nature of the project, the spectrum of stakeholders, the need of in-depth analysis of relationships amongst stakeholders, and the requirements regarding presentation of the analysis results.

In the project proposal, the part referring to the problem analysis is crucial. In this step, it is necessary to collect background information describing a problematic situation, ensuring lessons learned from previous similar projects or programmes are accessed and considered, identifying key stakeholders and ensuring the 'right' people participate in the analysis. Once all this information has been collected, it is recommended to prepare a problem tree which provides a simplified but robust version of reality. The problem tree establishes cause and effect relationships and thereby helps ensure that root problems are identified and subsequently addressed. The main steps in the creation of a problem tree are:

- Identification of one or two (initial) major problem(s) affecting the target group(s) in terms of their livelihood and/or access to services;
- Identification of related problems/constraints;
- Analysis and identification of cause and effect relationships;
- Checking of the internal logic between the elements;
- Drafting the problem tree diagram.

Basically, once the problems have been well identified and elaborated, they will clearly show that it is important to solve them. This element usually has the greatest weight in project proposal assessment, and it is of particular importance that is well prepared. The problem analysis is followed by the analysis of objectives, in which problems are transformed into desired situations, when the problem ceases to exist. Finally, strategy analysis aims to analyse the identified (potential) objectives in relation to a set of 'feasibility' criteria and to identify a strategy which is relevant, efficient, effective and will result in sustainable benefits for the target group(s). In order to regularly check project progress, a system of objectively verifiable indicators (overall objective, purpose and results) should be established with **SMART** characteristics. The complete project proposal will consist of an activity plan which breaks activities down into operational details, clarifies sequence, duration and precedence of activities, identifies key milestones and assigns management responsibility. Additionally, a resource schedule will facilitate results-based budgeting and monitoring of cost-effectiveness, provide the basis for the planned mobilisation of resources and identify recurrent cost implications (counterpart funding requirement, post-project financial sustainability).

For those who will get involved in making a project proposal, the following are to be recommended:

- In presenting project applications, negative or weak aspects (relating to priorities and measures) should be minimised, while the positive or strong points of the bid should be emphasised;
- Clear evidence of the need for the project should be provided, including emphasising the socio-economic or technological impacts of the project, supported by relevant statistics and data. This will demonstrate understanding of the key issues;
- Identification of the priority and most appropriate measures should be made. It should be clearly demonstrated how the project proposal meets the programme priorities and the measure it is applying. Any direct links with other measures or how the project might be linked with other funded projects should be emphasised.

– Identification/determination of realistic and achievable SMART targets should be provided;
– Learning from the results and lessons of the previous calls for proposals, influencing programme developments in EU, national or regional priorities, may be useful and will avoid typical/standard mistakes;
– Partnerships are always treated more favourably and tend to overcome the problem of duplication of effort. A balance of different types of organisations is often favoured.

CONCLUSION

Planning is a complex process. Its main purpose it to organize future activities in compliance with objectives that want to be achieved. It is commonly recognized at the policy, programme, plan or project level. Tools used in various stages of planning can be applied at different levels of planning. A maximum degree of coherence, internally within the document or project and externally with other documents/projects is a prerequisite for positive developmental impacts and successful project results. It will be accomplished through an intersectoral, interdisciplinary and multi-stakeholder approach, ensuring long-term benefits for a wide array of beneficiaries and users.

1. For more about planning see Healey (1997)
2. For more see Mumford (1967)
3. For more see Sustainable Development Strategies: A Resource Book (Organisation for Economic Co-operation and Development, OECD, 2002)

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