

CFR EVALUATION METHODOLOGY



The Commonwealth

CFR Evaluation Methodology (CEM)
COMMONWEALTH SECRETARIAT
LONDON

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CFR EVALUATION METHODOLOGY (CEM)

I. PURPOSE OF THIS DOCUMENT

This document outlines the methodology for evaluating the quality of a Commitment for Results (CFR). This methodology is based on the Guidelines for SMART developed by the Commonwealth Secretariat. Hence, this methodology is a complement to the SMART Guidelines and should be read along with it.

The CFR evaluation methodology outlined in this document is intended to provide a benchmark against which the design of an CFR can be evaluated. It provides an agreed definition of “quality” in the context of designing CFR. In the absence of such a shared understanding, there is a danger that the “quality” of CFR, like beauty, could lie in the eyes of the beholder.

II. APPROACH

Any ‘evaluation’ essentially involves comparing achievement against a target. Therefore, to evaluate the quality of an CFR we must agree on the target against which we shall judge the quality of CFR. Since CFR is supposed to be designed as per the CFR Guidelines, it is only logical and fair to use the CFR Guidelines as the benchmark / target for judging the quality of an CFR. In other words, our approach is to ascertain how well the CFR Guidelines were followed to draft the CFR that is being evaluated.

The Commitment for Results Evaluation Methodology (CEM) is a useful analytical tool designed to assess all CFR sections across all Departments using the same methodology and minimizing the subjectivity of the assessments.

For each section of CFR we have provided a number of assessment criteria against which a score is assigned, using the same 5 points rating scale already in use for the CFRs (from 60% to 100%). These criteria are largely based on the CFR Guidelines document. They comprise quantitative and qualitative criteria. Quantitative criteria aim to capture risks and limitations in a numerical way (e.g. "percentage of data populated"); qualitative criteria are applied to assessment areas for which a numerical analysis is not feasible but can indeed be measured against the agreed Guidelines for preparing CFR.

III. TARGET AUDIENCE

This methodology is meant primarily for the organizations preparing CFRs. It provides a convenient checklist for a self-audit. To ensure that all stakeholders are on the same page, this methodology is also meant for providing a useful platform during the departmental discussions with members of the Ad-hoc Task Force.

IV. RATIONALE AND IMPORTANCE OF CEM

CFR policy is based on the following fundamental principle of management: *What gets measured gets done*. This principle is transcendental in its application and it also applies, in equal measure, to the ‘quality’ of CFR. Unless we have an agreed yardstick for measuring the ‘quality’ of CFR, we will not be able to determine whether successive drafts represent an improvement or otherwise. Indeed, we will not be able to determine whether all our collective efforts are improving the ‘quality’ of CFRs over time.

In addition, we believe that the quality of deliberations and discussions would be much more systematic and objective. It will bring rigor and, therefore, greater credibility to our critiques of CFR.

Above all, we need to remember that CFR is a means towards an end and not an end in and of itself. The purpose of CFR is to improve performance of an organization by giving the departmental managers clear, meaningful and unambiguous targets and evaluating their performance by comparing their achievements against these targets.

If, however, the quality of targets is not very meaningful, then achieving these targets is not likely to be very meaningful. This then is the reason for ensuring that targets in CFR are meaningful. For example, the meaningfulness of targets depends, among other things, on their alignment with vision, mission and objectives. This is just another way of saying that quality of CFR matters.

The following heuristic equation captures the essence of the above arguments:

$$\boxed{\text{Performance against CFR Targets}} \times \boxed{\text{Quality of CFR}} = \boxed{\text{TRUE PERFORMANCE OF THE ORGANIZATION}}$$

For example:

$$\boxed{100 \% \text{ (CFR Composite Score)}} \times \boxed{70 \% \text{ (Quality Rating for CFR)}} = \boxed{70 \%}$$

Figure 1: Heuristic Equation Explaining True Performance of an Organization

In simple words, if the quality of your CFR is 70%, then the maximum score that you can get is 70%. The quality of CFR provides the upper limit on the maximum score a department can get.

V. CALCULATING OVERALL QUALITY RATING OF CFR

As we know, an CFR contains the following six sections:

- Section 1** Ministry's /department's Vision, Mission, Objectives and Functions
- Section 2** *Inter se* priorities among key objectives, success indicators and targets
- Section 3** Trend values of the success indicators
- Section 4** Description and definition of success indicators and proposed measurement methodology
- Section 5** Specific performance requirements from other departments that are critical for delivering agreed results
- Section 6** Outcome / Impact of activities of department/ministry

Figure 2: Summary of the Six Sections of the CFR

Hence, the overall quality of CFR would depend on the quality of each section and the relative priority of the section. Table 1 summarizes the relative weights for each of the six sections of the CFR and illustrative calculations used for arrive at the Overall Quality Rating for the CFR as well.

The distribution of relative weights among various sections was decided after extensive consultations with all stakeholders, including members of the Ad-Hoc Task Force (ATF).

Table 1
Distribution of Relative Weights and Illustrative Calculation of Overall Quality Rating

Section of CFR	Section Description	Weight	Raw Score for the Section	Weighted Raw Score for the Section	Source of Data
1 (A)	Vision	5	90.0	4.50	Table 2
1 (B)	Mission	5	90.0	4.50	Table 3
1 (C)	Objectives	5	97.0	4.85	Table 4
2	<i>Inter se</i> priorities among key objectives, success indicators and targets	40	87.9	35.00	Table 5
3	Trend values of the success indicators	15	90.0	13.50	Table 10

Section of CFR	Section Description	Weight	Raw Score for the Section	Weighted Raw Score for the Section	Source of Data
4	Description and definition of success indicators and proposed measurement methodology	5	86.0	4.30	Table 11
5	Specific performance requirements from other departments that are critical for delivering agreed results	5	85.0	4.25	Table 12
6	Outcome / Impact of activities of department/ministry	20	88.0	17.6	Table 13
	Total Weight =	100			
Overall Quality Rating for CFR =				88.5	

In the following sections we will explain the criteria and their relative weights in evaluating the quality of each section of CFR.

VI. EVALUATION OF ORGANIZATION'S VISION (SECTION 1A)

According to CFR Guidelines, Vision is an idealized state for the department. It is the big picture of what the leadership wants the department to look like in the future.

Vision is a symbol, and a cause to which we want to bond the stakeholders, (mostly employees and sometime other stake-holders). As they say, the people work best, when they are working for a cause, than for a goal. Vision provides them that cause.

Vision is a long-term statement and is typically generic and grand. Therefore, a vision statement does not change from year to year unless the department is dramatically restructured and is expected to undertake very different tasks in the future.

Vision should never carry the 'how' part of vision. For example 'To be the most admired brand in Aviation Industry' is a fine vision statement, which can be spoiled by extending it to 'To be the most admired brand in the Aviation Industry by providing world-class in-flight services.' The reason for not including 'how' is that the 'how' part of the vision may keep on changing with time.

Writing up a Vision statement is not difficult. The problem is to make employees engaged with it. Many a time, terms like vision, mission and strategy become more a subject of scorn than being looked up-to. This is primarily because leaders may not be able to make a connection between the vision/mission and employees every day work. Too often, employees see a gap between the vision, mission and their goals and priorities. Even if there is a valid/tactical reason for this mismatch, it is not explained. The leadership of the ministry (Minister and the Secretary) should therefore consult a wide cross section of employees and come up with a Vision that can be owned by the employees of the ministry/department.

Vision should have a time horizon of 10-15 years. If it is less than that, it becomes tactical. If it has a horizon of 20+ years (say), it becomes difficult for the strategy to relate to the vision.

Features of a good vision statement:

- Easy to read and understand.
- Compact and crisp – leaves some things for people’s imagination.
- Gives the destination and not the road-map.
- Is meaningful and not too open-ended and far-fetched.
- Excites people and makes them feel energized.
- Provides a motivating force, even in hard times.
- Is perceived as achievable and at the same time is challenging and compelling, stretching us beyond what is comfortable.

The entire process starting from the Vision down to the objectives is highly iterative. The question is from where we should start? We strongly recommend that vision and mission statement should be made first without being colored by constraints, capabilities and environment. It is akin to the vision of several armed forces: 'Keeping the country safe and secure from external threats'. This vision is non-negotiable and it drives the organization to find ways and means to achieve their vision, by overcoming constraints on capabilities and resources. Vision should be a stake in the ground, a position, a dream, which should be prudent, but should be non-negotiable barring few rare circumstances.

From the above guidance on Vision we have culled out the following key criteria for evaluating the quality of a Vision statement included in an CFR. A Vision statement should:

- 1 deal with “what” the organization wants to achieve and not the “how” it intends to achieve it
- 2 be ‘Forward’ looking and focus on the destination and not on past achievements
- 3 be succinct and clear
- 4 Be inspiring and engaging

The Table 2 below shows the distribution of weight across these criteria and an illustrative calculation of the quality rating for Vision statement.

Table 2
Distribution of Relative Weights and
Illustrative Calculation of Quality Rating for Vision Statement

	Criteria to evaluate quality of a Vision Statement	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	The “What”, not the “How”	0.25		X				90	22.5	
2	Forward looking	0.25		X				90	22.5	

	Criteria to evaluate quality of a Vision Statement	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
3	Succinct and clear	0.25	X					100	25	See above for guidance
4	Inspiring and Engaging	0.25			X			80	20	
Quality Rating for Vision Statement =									90.0	

When a person evaluating the CFR gives less than 100% for any of the criteria, then the person must provide an explanation for arriving at this conclusion. Clearly, these four criteria require judgment. But by narrowing down the criteria we believe that the variation between experts evaluating CFR will be minimized, if not eliminated. Where we find that using the same criteria, experts come to very different and divergent ratings, then we may have to fine-tune the criteria and weights.

It is important to note that a flawed Vision can have an exponentially distorting effect on the quality of CFR. If Mission and Objectives are aligned to a flawed Vision, then the document takes us in a completely different direction. Hence, the importance of a well-crafted Vision cannot be underestimated. Ideally, 'Total Raw Score' of Vision, Mission and Objectives could be derived as a multiplicative score rather than as an additive score. However, in this version of CEM, we use additive scores and have not explicitly incorporated this source of potential distortion.

VII. EVALUATION OF ORGANIZATION'S MISSION (SECTION 1B)

An organization's *Mission* is the nuts and bolts of the vision. Mission is the 'who, what, and why' of the department's existence.

We strongly recommend that mission should follow the vision. This is because the purpose of the organization could change to achieve their vision. The vision represents the big picture and the mission represents the necessary work.

Mission of the department is the purpose for which the department exists. It is in one of the ways to achieve the vision.

Famous management expert Mintzberg defines a mission as follows:

"A mission describes the organization's basic function in society, in terms of the products and services it produces for its customers."

Vision and Mission are part of strategic planning exercise. To see the relation between the two, consider following definitions:

1. **Vision:** outlines what the organization wants to be, or how it wants the world in which it operates to be (an "idealised" view of the world). It is a long-term view and concentrates on the future. It can be emotive and is a source of inspiration. For example,

a charity working with the poor might have a vision statement which reads "A World without Poverty."

- **Mission:** Defines the fundamental purpose of an organization or an enterprise, succinctly describing why it exists and what it does to achieve its vision. For example, the charity above might have a mission statement as "providing jobs for the homeless and unemployed".

To evaluate the quality of a Mission Statement in an CFR we have agreed to use the following criteria:

- 1 Is the Mission aligned with Vision (follows the level of Vision and is long-term)?
- 2 Does the Mission deal with “how” Vision will be achieved but at higher levels of conceptualization than Objectives?
- 3 Is Mission Statement succinct and clear?

The Table 3 below shows the distribution of weight across these criteria and an illustrative calculation of the quality rating for Vision statement.

Table 3
Distribution of Relative Weights and
Illustrative Calculation of Quality Rating for a Mission Statement

	Criteria to evaluate quality of a Mission Statement	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Aligned with Vision (follows the level of Vision and is long-term)	0.4		X				90	36	See Above for Guidance
2	The “How” (at higher levels than Objectives)	0.3		X				90	27	
3	Succinct & clear	0.3		X				90	27	
Quality Rating for Mission Statement =									90	

VIII. EVALUATION OF ORGANIZATION’S OBJECTIVES (SECTION 1C)

Objectives represent the developmental requirements to be achieved by the department in a particular sector by a selected set of policies and programmes over a specific period of time

(short-medium-long). For example, objectives of the Ministry of Health and Family Welfare could include: (a) reducing the rate of infant mortality for children below five years; and (b) reducing the rate of maternity death by the end of the development plan.

Objectives could be of two types: (a) Outcome Objectives address ends to achieve, and (b) Process Objectives specify the means to achieve the objectives. As far as possible, the department should focus on Outcome Objectives.¹

Objectives should be directly related to attainment and support of the relevant national objectives stated in the relevant Five Year Plan, National Flagship Schemes, Outcome Budget and relevant sector and departmental priorities and strategies, President's Address, the manifesto, and announcement/agenda as spelt out by the Government from time to time.

Objectives should be linked and derived from the Departmental Vision and Mission statements.

In view of the above, we believe that quality of the objectives should be judged by the following four criteria:

1. Alignment with Mission and Vision

Here we should ask ourselves whether achievement of the objectives specified would lead us to achieve departmental vision and mission. This is not an exact science and judgment would be required. For example, if the Vision of a department is "Healthy Nation" then it would seem "Reducing Child Mortality" would be an objective that could be considered aligned with departmental vision.

2. Results-driven (At the level of program rather than actions)

If a department's vision includes "Safer Roads" then an objective of "increasing awareness about road safety" would be considered well aligned and focusing at program level as it focuses on "road Safety Awareness Program."

However, if the department were to include an objective such as "conducting road safety awareness programs," it would still be aligned to departmental Vision of 'Safer Roads' but it would be more at the level of action than program.

3. Appropriate number of objectives (no duplication or redundancies in objectives, no conflicts in articulated objectives)

Management experts generally recommend that the number of objectives for a normal organization should not generally exceed eight. Of course, large organizations will tend to have more objectives and smaller ones will have less. We propose that the following guidelines should be used for determining the appropriate number of objectives:

Excellent	Very Good	Good	Fair	Poor
8-10	7 or 11	6 or 12	5 or 13	≤4 or ≥14

¹ Often a distinction is also made between "Goals" and "Objectives." The former is supposed to be more general and latter more specific and measurable. The Vision and Mission statement are expected to capture the general direction and future expected outcomes for the department. Hence, only the inclusion of objectives in Section 1 is required.

Figure 3: Appropriate Number of Objectives

These are only guidelines and should, like any other guideline, be used judiciously and not mechanically.

4. Non duplication, non-redundancy and absence of overt conflicts in stated objectives

It is also important to make objectives crisp and non-duplicative. We should not include redundant statements and generalities as objectives. Even more importantly, we should not have explicitly contradictory and overtly conflicting objectives.

The Table 4 below shows the distribution of weight across these four criteria and an illustrative calculation of the quality rating for the section dealing with ‘Objectives.’

Table 4
Distribution of Relative Weights and
Illustrative Calculation of Quality Rating for list of Organizational Objectives

	Criteria to evaluate quality of Objectives	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Aligned with Mission	0.3	X					100	30	See above for Guidance
2	Results-driven (At the level of program rather than actions)	0.3		X				90	27	See above for Guidance
3	Appropriate number of objectives	0.2	X					100	20	See above for Guidance
4	Non duplication, non-redundancy and absence of overt conflicts in stated objectives	0.2	X					100	20	See above for Guidance
Quality Rating for Objectives =									97	

IX. EVALUATION OF SECTION 2 OF CFR

The heart of any CFR is Section 2 and the heart of Section 2 is Figure 4. That is why in the overall rating of CFR, this section has a weight of 40%. The description of each column is given in the Guidelines for CFR.

Column 1	Column 2	Column 3	Column 4		Column 5	Column 6				
Objective	Weight	Actions	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	Very Good	Good	Fair	Poor
						100%	90%	80%	70%	60%
Objective 1		Action 1								
		Action 2								
		Action 3								
Objective 2		Action 1								
		Action 2								
		Action 3								
Objective 3		Action 1								
		Action 2								
		Action 3								

Figure 4: Format of Section 2 of CFR

The following is the summary table for the evaluation of Section 2 of the CFR:

Table 5
Distribution of Weight and Sample Calculation of Quality Rating for Section 2

	Criteria to evaluate Quality of Targets for SIs	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Extent to which actions (in Column 3 of CFR) adequately capture objectives	15		X				90	13.5	See below for guidance
2	Extent to which success indicators (Column 4 of CFR) adequately capture Actions	15	X					100	15.0	See below for guidance

	Criteria to evaluate Quality of Targets for SIs	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
3	Quality / Nature of Success Indicators (SIs)	40			X			81	32.4	Table 6
4	Appropriateness of distribution of weight among objectives	15		X				90	13.5	See below for guidance
5	Quality of targets for respective Success Indicators in CFR	15		X				90	13.5	Table 9
Rating for Quality of Targets =									87.9	

Brief guidance on Table 5:

The following five criteria are proposed for assessing the quality of elements of Section 2 of the CFR given in Table 5 above:

1. Do actions (in Column 3) adequately capture objectives?

For each objective, the department must specify the required policies, programmes, schemes and projects. Often, an objective has one or more policies associated with it. Objective represents the desired “end” and associated policies, programs and projects represent the desired “means.” The latter are listed as “actions” under each objective.

Assessors and evaluators should use their domain knowledge and knowledge of the department to ensure all key actions are listed under various objectives. Often, departments do not mention some key schemes under action just because they feel they may not be able to achieve the expected target for such important schemes.

Ideally, all actions, taken together, should cover close to 100% of plan funds. But money is not everything. Evaluators must ensure that those actions that may not require money are also being adequately covered.

In evaluating this aspect, we should also examine whether actions from previous years have been dropped for valid reasons.

2. Do success indicators (Column 4) adequately capture Actions?

For each of the “action” specified in Column 3, the department must specify one or more “success indicators.” They are also known as “Key Performance Indicators (KPIs)” or “Key Result Indicators (KRIs).” A **success indicator** provides a means to evaluate progress in implementing the policy, programme, scheme or project. Sometimes more than one success indicator may be required to tell the entire story.

Success indicators should consider both ‘*qualitative*’ and ‘*quantitative*’ aspects of departmental performance.

3. Quality / Nature of Success Indicators (SIs)

In selecting success indicators, any duplication should be avoided. For example, the usual chain for delivering results and performance is depicted in Figure 5. An example of this results chain is depicted in Figure 6.

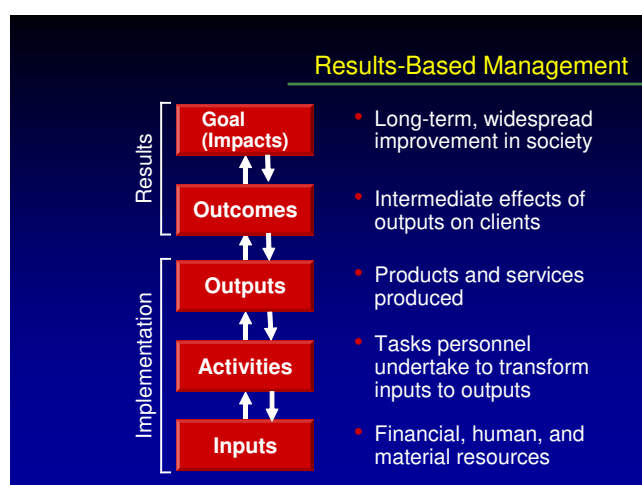


Figure 5: Typical Results Chain

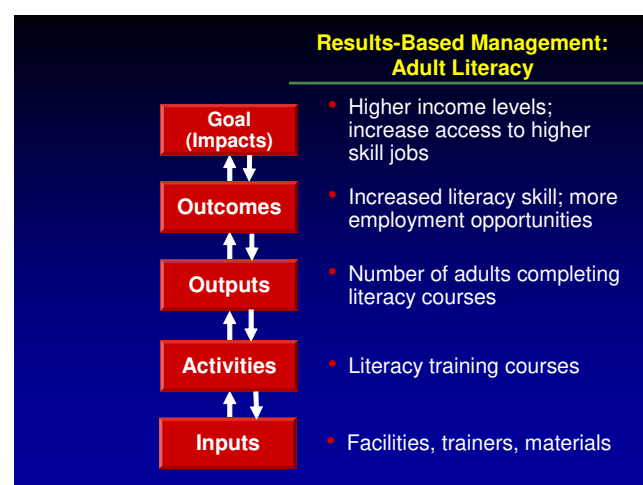


Figure 6: An Example of Results Chain

If we use Outcome (increased literacy) as a success indicator, then it would be duplicative to also use inputs and activities as additional success indicators.

Ideally, one should have success indicators that measure Outcomes and Impacts. However, sometimes due to lack of data one is able to only measure activities or output.

The common definitions of these terms are as follows:

- i. **Inputs:** The financial, human, and material resources used for the development intervention.
- ii. **Activity:** Actions taken or work performed through which inputs, such as funds, technical assistance and other types of resources are mobilized to produce specific outputs.
- iii. **Outputs:** The products, capital goods and services that result from a development intervention; may also include changes resulting from the intervention which are relevant to the achievement of outcomes. Sometimes, ‘Outputs’ are divided into two

sub categories – internal and external outputs. ‘Internal’ outputs consist of those outputs over which managers have full administrative control. For example, printing a brochure is considered an internal output as it involves spending budgeted funds in hiring a printer and giving orders to print a given number of brochures. All actions required to print a brochure are fully within the manager’s control and, hence, this action is considered ‘**Internal’ output**. However, having these brochures picked up by the targeted groups and, consequently, making the desired impact on the target audience would be an example of external output. Thus, actions that exert influence beyond the boundaries of an organization are termed as ‘**external’ outputs**.

- iv. **Outcome:** The likely or achieved short-term and medium-term effects/ impact of an intervention’s Outputs.

The quality score for SIs is calculated as shown in Table 6 below:

Table 6
Calculation for Quality Score for SIs

	Criteria to evaluate Quality of Success Indicators (SIs)	Weight	Criteria Values					Raw Score	Weighted Raw Score	Data flows from CEM Table
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Outcome-Orientation of Success Indicators	0.90			X			80	72.0	From Table 7
2	Quality-Orientation of Success Indicators	0.10		X				90	9.0	From Table 8
Quality Rating for SIs =									81.0	

The **Outcome—Orientation** of Success Indicators is calculated as follows in Table 7:

Table 7
Calculation of Outcome—Orientation of Success Indicators

	Criteria to evaluate Outcome Orientation of Success Indicators (SIs)	Weight	Criteria Values					Raw Score	Weighted Raw Score	Data flows from CEM Table
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
			Outcome	External Output	Internal Output	Activity	Input			
1	Success Indicator 1	0.3			X			80	24	See Above for Guidance
2	Success Indicator 2	0.3	X					100	30	
3	Success Indicator 3	0.2				X		70	14	
4	Success Indicator 'N'	0.2					X	60	12	
Quality Rating for Outcome—Orientation of Success Indicators =									80	

The **Quality—Orientation** of Success Indicators is calculated as follows:

Table 8
Calculation of Quality—Orientation of Success Indicators

	Criteria to evaluate Quality-Orientation of Success Indicators (SIs)	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
			5 SIs	4 SIs	3 SIs	2 SIs	1 SI			
1	Number of indicators explicitly measuring quality of Government Performance	100		X				90	90	
Rating for Quality—Orientation of Success Indicators =									90	

4. Is the distribution of weights among objectives appropriate to capture the relative emphases required for achieving the Mission and Vision of the organization?

Objectives in the CFR (Column 1 of figure 4) should be ranked in a descending order of priority according to the degree of significance and specific weights should be attached to these objectives. The Minister in-charge will ultimately have the prerogative to decide the *inter se* priorities among departmental objectives and all weights.

If there are multiple actions associated with an objective, the weight assigned to a particular objective should be spread across the relevant success indicators.

5. What is the quality of targets for respective Success Indicators in CFR?

Targets are tools for driving performance improvements. Target levels should, therefore, contain an element of stretch and ambition. However, they must also be achievable. It is possible that targets for radical improvement may generate a level of discomfort associated with change, but excessively demanding or unrealistic targets may have a longer-term demoralizing effect.

The target for each SI is presented as per the five-point scale given below:

Excellent	Very Good	Good	Fair	Poor
100 %	90%	80%	70 %	60 %

Figure 7: Target of SI

It is expected that budgetary targets would be placed at 90% (Very Good) column. For any performance below 60%, the department would get a score of 0%.

Table 9 summarizes the criteria for judging the quality of targets:

Table 9
Rating for Quality of Targets for each SI

	Criteria to evaluate Quality of Targets for SIs	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Consistency with Planning Commission / MOF Targets	70		X				90	63	See Figure 8
2	Degree of Stretch	30	X					100	30	See Figure 8
Rating for Quality of Targets =									93	

Following Figure-8 provides guidelines for evaluating the degree of consistency of targets and also establishing the degree of stretch (challenge) built in targets.

	Criteria to evaluate Quality of Targets for SIs	Criteria Values				
		Excellent	Very Good	Good	Fair	Poor
		100%	90%	80%	70%	60%
1	Consistency with Planning Commission / MOF Targets	100 % targets are consistent	90 % targets are consistent	80 % targets are consistent	70 % targets are consistent	60 % targets are consistent

	Criteria to evaluate Quality of Targets for SIs	Criteria Values				
		Excellent	Very Good	Good	Fair	Poor
		100%	90%	80%	70%	60%
2	Degree of Stretch	100% targets are challenging	90% targets are challenging	80% targets are challenging	70% targets are challenging	60% targets are challenging

Figure 8: Guidelines for Evaluating the Degree of Consistency of Targets

To establish whether targets are consistent with Planning Commission / MOF targets, we will need the departments to show evidence. For major targets it can be ascertained from country's Annual Plans, 5 Year Plans, strategy documents, approved demand for grants, and Outcome Budget, and so on.

To determine whether the targets are challenging one has to use one's judgment and look at many sources of information. Clearly, information from Section 3 would be among one of the most useful sources of information for this purpose.

The summary table for the calculation of the Quality of Section 2 of the CFR is reproduced below again for reference.

Table 5
Distribution of Weight and Sample Calculation of Quality Rating for Section 2

	Criteria to evaluate Quality of Targets for SIs	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Extent to which actions (in Column 3 of CFR) adequately capture objectives	15		X				90	13.5	See above for guidance
2	Extent to which success indicators (Column 4 of CFR) adequately capture Actions	15	X					100	15.0	See above for guidance
3	Quality / Nature of Success Indicators (SIs)	40			X			81	32.4	Table 6

	Criteria to evaluate Quality of Targets for SIs	Weight	Criteria Values					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
4	Appropriateness of distribution of weight among objectives	15		X				90	13.5	See above for guidance
5	Quality of targets for respective Success Indicators in CFR	15		X				90	13.5	Table 9
Rating for Quality of Targets =									87.9	

X. EVALUATION OF SECTION 3 OF CFR

For every success indicator and the corresponding target, Section 3 of CFR provides target values and actual values for the past two years and also projected values for two years in the future (reproduced below). The inclusion of target values for the past two years *vis-a-vis* the actual values are expected to help in assessing the robustness of the target value for the current year. However, one cannot begin to evaluate the robustness or otherwise without data in Section 3. Therefore, Table 10 measures the degree to which the data for Section 3 has been provided in the CFR.

Objective	Actions	Success Indicator	Unit	Actual Value for FY 11/12	Actual Value for FY 12/13 (anticipated)	Target Value for FY 13/14	Projected Value for FY 14/15	Projected Value for FY 15/16
Objective 1	Action 1							
	Action 2							
	Action 3							
Objective 2	Action 1							
	Action 2							
	Action 3							
Objective 3	Action 1							
	Action 2							
	Action 3							

Figure 9: Section 3 of the CFR - Trend Values for Success Indicators

To evaluate the quality of Section 3 of CFR we have agreed to use the following criterion:

Table: 10
Calculation of Quality Rating of Section 3 of the CFR
Percentage of Data Populated

	Criterion to evaluate Quality of Section 3	Weight	Target / Criterion Value					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Percentage of data populated	100		X				90	90	See Above for Guidance
Quality Rating for Section 3 =									90	

This is a basic requirement for any management effort. Unless the trend values of the previous and future years are available, it is difficult to assess whether the targets in CFR are challenging or not.

To assess the value under this criterion, we need to count the total number of cells which contain data. For each success indicator there should be 5 data values – the data for previous 2 years, the current year target value and the data for future two years.

$$\text{Percentage of data Populated} = \frac{\text{Number of cells containing data}}{\text{Total number of SIs X 5}}$$

Figure 10: Formula for Calculating the Percentage of Data Populated

There are only two legitimate reasons for not having data in a particular cell of Section 3.

1. The success indicator is being used for the first time and no records were maintained in this regard in the past
2. The values are in dates and hence they do not represent a trend and using them is not meaningful.

XI. EVALUATION OF SECTION 4 OF CFR

CFR is a public document and hence it must be easily understood by a well-informed average stakeholder. Towards this end, CFR contains a section giving detailed definitions of various success indicators and the proposed measurement methodology. Abbreviation/acronyms and other details of the relevant scheme are also expected to be listed in this section.

Wherever appropriate and possible, the rationale for using the proposed success indicators should be provided as per the format in the SMART. Figures 11 and 12 give a sample of Section 4 data from Department of AYUSH (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy).

Acronym	Description
ASU	Ayurveda, Siddha and Unani
ASUDCC	Ayurveda, Siddha and Unani Drugs Consultative Committee
ASUDTAB	Ayurveda, Siddha and Unani Drugs Technical Advisory Board
AYUSH	Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy
CHCs	Community Health Centres
COE	Centre of Excellence
D and C	Drugs and Cosmetics

Figure 11: Sample of select Acronyms from Section 4 of Department AYUSH CFR

Success Indicator	Description	Definition	Measurement	General Comments
[1.1.1] Primary Health Centres/Community Health Centres /District Hospitals covered	Completion of infrastructure, equipment, furniture and provision of medicines for the co-located AYUSH Units of Primary Health Centres (PHCs), Community Health Centres (CHCs) & District Hospitals (DHs).	Co-located AYUSH Health Care Units at Primary Health Centres (PHCs), Community Health Centres (CHCs) & District Hospitals (DHs) implies facilities for provision of AYUSH health services along with allopathic health services.	Number of Units	As per approved norms, assessments of the needs will be measured through the appraisal of the Programme Implementation Plan(PIP) of the State Governments and the outcomes shall be monitored through progress reports and periodical reviews.

Figure 12: Sample of SI Definition and Measurement Methodology from Section 4 of AYUSH CFR

To evaluate the Section 4 of CFR we have agreed to use the following criteria:

1. Whether all acronyms used in the body of the CFR have been explained in simple layman's terms?
2. Whether necessary explanations and justifications have been given for using a particular type of success indicator, where required?
3. If so, what is the quality of explanations?

The Table 11 below shows the distribution of weight across these criteria and an illustrative calculation.

Table 11
Distribution of Weight among Criteria and Illustrative Calculation of Quality of Section 4 of the CFR

	Criteria to evaluate quality of Section 4	Weight	Target / Criteria Value					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	All Acronyms have been explained	0.1	X					100	10	See Above for Guidance
2	Necessary explanations have been given for SIs?	0.5		X				90	45	See Above for Guidance
3	Quality of explanations?	0.4			X			80	32	See Above for Guidance
Quality Rating for Section 4 =									87	

XII. EVALUATION OF QUALITY OF SECTION 5 IN CFR

Section 5 of CFR should contain expectations from other departments that impact the department's performance and are critical for achievement of the selected Success Indicator. These expectations should be mentioned in quantifiable, specific, and measurable terms. While listing expectations, care should be taken while recording as this would be communicated to the relevant Ministry/Department and should not be vague or general in nature. This should be given as per the new format incorporated in the SMART.

Location Type	State	Organization Type	Organization Name	Relevant Success Indicator	What is your requirement from this organization	Justification for this requirement	Please quantify your requirement from this Organization	What happens if your requirement is not met
			Data for this table will be provided by the Department.					
			Not to be entered for CEM.					

Figure 13: Sample Section 5 from CFR

To evaluate the Section 5 of CFR we have agreed to use the following criteria:

4. Whether claims of dependencies/requirements from other departments are appropriate or not?
5. Whether requirements from other departments/ claims of dependencies are specific or not?

Table 12 below shows the distribution of weight across these two criteria and an illustrative calculation:

Table 12
Distribution of Weight and Illustrative Calculation of Quality of Section 5 of the CFR

	Criteria to evaluate Quality of Section 5	Weight	Target / Criteria Value					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	Appropriateness of claims of dependencies	0.5		X				90	45	See Above for Guidance
2	Specificity of requirements / claims of dependencies	0.5			X			80	40	See Above for Guidance
Quality Rating for Section 5=									85	

XIII. EVALUATION OF QUALITY OF SECTION 6 OF CFR

This section should contain the broad outcomes and the expected impact the department/ministry has on national welfare. It should capture the very purpose for which the department/ministry exists.

This section is included for information only and to keep reminding us about not only the purpose of the existence of the department/ministry but also the rationale for undertaking the CFR exercise. However, the evaluation will be done against the targets mentioned in Section 2. The whole point of CFR is to ensure that the department/ministry serves the purpose for which they were created in the first place.

The required information under this section should be entered in Figure 14. The Column 3 of the Figure is supposed to list the expected outcomes and impacts. It is possible that these are also mentioned in the other sections of the CFR. Even then they should be mentioned here for clarity and ease of reference. For example, the purpose of Department of AIDS Control would be to Control the spread of AIDS. Now it is possible that AIDS control may require collaboration between several departments like Health and Family Welfare, Information and Broadcasting, etc. In Column 3 all the departments / ministries jointly responsible for achieving national goal are required to be mentioned. In Column 4 department/ministry is expected to mention the success indicator(s) to measure the department/ministry outcome or impact. In the case mentioned, the success indicator could be “% of Indians infected with AIDS.” Columns 6 to 10 give the expected trend values for various success indicators.

S. No	Objectives	Outcome / Impact	Jointly responsible for influencing this outcome / impact with the following organisation (s) / departments/ministry (ies)	Success Indicator (s)	Unit	2011 - 2012	2012 - 2013	2013 - 2014	2014 - 2015	2015 - 2016
				Data for this table will be provided by the Department. Not to be entered for CEM.						

Figure 14: Outcome / Impact of activities of department/ ministry

To evaluate the Section 6 of CFR we have agreed to use the following criteria:

1. Percentage of Objectives from Section 1 covered under Section 6?
2. Percentage of results-driven Outcome/Impact statements
3. Percentage of results-driven success indicators

The Table 13 below shows the distribution of weight across these criteria and an illustrative calculation:

Table 13
Distribution of Weight and Sample Calculation of Quality of Section 6 of CFR

	Criteria to evaluate Quality of Section 6	Weight	Target / Criteria Value					Raw Score	Weighted Raw Score	Source of Data
			Excellent	Very Good	Good	Fair	Poor			
			100%	90%	80%	70%	60%			
1	% of objectives from Section 1 covered?	0.20	X					100	20	See Above for Guidance
2	% of Results-driven Outcome/Impact statements	0.40		X				90	36	See Above for Guidance
3	% of Results-driven success indicators	0.40			X			80	32	See Above for Guidance
Quality Rating for Section 6 =									88	

XIV. PUTTING IT ALL TOGETHER

We have completed the description of all the individual elements of the overall quality rating of CFR as mentioned in Table 1 earlier and reproduced below for ready reference.

Table 1
Distribution of Relative Weights and Illustrative Calculation of Overall Quality Rating

Section of CFR	Section Description	Weight	Raw Score for the Section	Weighted Raw Score for the Section	Source of Data
1 (A)	Vision	5	90.0	4.50	Table 2
1 (B)	Mission	5	90.0	4.50	Table 3
1 (C)	Objectives	5	97.0	4.85	Table 4
2	<i>Inter se</i> priorities among key objectives, success indicators and targets	40	87.9	35.00	Table 5
3	Trend values of the success indicators	15	90.0	13.50	Table 10
4	Description and definition of success indicators and proposed measurement methodology	5	86.0	4.30	Table 11

Section of CFR	Section Description	Weight	Raw Score for the Section	Weighted Raw Score for the Section	Source of Data
5	Specific performance requirements from other departments that are critical for delivering agreed results	5	85.0	4.25	Table 12
6	Outcome / Impact of activities of department/ministry	20	88.0	17.6	Table 13
	Total Weight =	100			
Overall Quality Rating for CFR =				88.5	

The general principle for writing an CFR critique would be to take individual elements and do a consensus rating. Where ATF / evaluators fail to reach a consensus, they may take the average of the individual ratings given by members.

Where judgment is involved and the score given by the evaluators is less than 100%, then the onus is on them to explain in writing the reasons for their dissatisfaction with that aspect of CFR.

The robustness of this methodology, in the final analysis, will be judged by how close the final ratings are of different groups evaluating the same CFR. Till they become close enough, we will need to keep improving this methodology from the experience on the ground.