

## Results based management vs performance management: A case for Zimbabwean NGOs

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The management approach to productivity, effectiveness, and efficiency in the Non-Government Organisations is a cause of debate among thought leaders. It creates a distinct dichotomy splitting schools of thought into those for results-based management and those against it. In Zimbabwe Non-Government Organisations (NGOs) have traditionally favoured the results-based management approach. However, observations of trends in management and the operating environment suggest that there is a need by NGOs to rethink the way they conduct their operations in order to maximise the value of output they get from their activities.

Firstly, results-based management (RBM) is an approach to management that orients all action and use of resources towards achieving clearly defined and demonstrable results. RBM has the advantage of increasing transparency and accountability, allowing interventions to complement each other and avoid overlap and waste. Three interconnected processes, namely good planning, monitoring and evaluation (M&E), can greatly enhance the effectiveness of investment projects and plans. Good planning helps to focus resource allocation and subsequent implementation of the results. Effective M&E helps to assess progress towards the achievement of results and to learn from the past to ensure that future initiatives better contribute to development impacts. The whole system can be summed up in a 'Logical Framework' grid. Ideally the above reasons on paper make RBM favourable with donors because of increase in transparency and accountability.

However, the RBM approach is flawed. Research has shown that results-based management is not an effective way of managing and reporting most NGOs' performance. The following reasons explain some of the challenges faced by RBM:

- Results-based management assumes that social changes can be predicted, controlled and reduced to a single overarching problem. But they can't.
- Social results and impact normally lie outside NGOs' control and may take years to emerge. Many other stronger factors influence them. So results cannot be attributed to a specific organisation's effort.
- Logframes tend to focus attention more on specific NGOs' actions and less on the people we are trying to help and their wider context, or other actors' efforts.

Research has shown that the majority of NGO staff indicated that they did not refer to the log frames once funding was secured and implementation began. Thus what is written is often divorced from reality, both at the planning and reporting stages of the cycle leading to misrepresentation of information. More so, RBM assumes that social changes can be predicted, controlled and reduced to a single overarching problem. But they can't. Ultimately the plans and guidelines often prove irrelevant at

best, distorting at worst, and do little to support or enhance the development work being undertaken.

Early efforts at results-based management were most often focused on outputs –the direct goods and services produced – rather than on outcomes – the benefits achieved as a result of those goods and services. Today the focus is more on outcomes. What are the donors getting for their grant money? Are the beneficiaries really benefiting as intended from the service or program? Lessons learned when measuring and using output information may be of limited use when outcome information is sought and used. This, therefore, necessitates a management approach that is more objective and reliable...enter performance management.

Performance management is an ongoing process of communication between a supervisor and an employee that occurs throughout the year, in support of accomplishing the strategic objectives of the organization. The communication process includes clarifying expectations, setting objectives, identifying goals, providing feedback, and reviewing results. From the definition alone one can pick out an advantage. Performance management is an ongoing process thus it is able to address the shortcomings of RBM. It allows for flexibility and adaptability when it comes to task execution and goal attainment RBM wait to measure results at the end of a project. Thus if there are changes because of the VUCA environment performance management allows for quick response and adaptability. Therefore overseeing performance and providing feedback on an ongoing process that takes place throughout the year. The Performance Management process is a [cycle](#), with discussions varying year-to-year based on changing objectives.

The performance-based metric that will help NGOs effectively achieve their goals is the Balanced Scorecard. Balanced Scorecard. What advantage will the Balanced Scorecard bring to Zimbabwean NGOs? Balanced Scorecard basically connects dots between the strategic part of the organization and the operational elements. It makes sure that the mission, vision and core values of the organization are well reflected in the objective, initiatives and measures taken by the employees.

In conclusion, NGOs should keep abreast of management trends so as to get the maximum value from their core activities. This can be realised through migration from results-based management approach to performance-based management specifically adopting the balanced scorecard performance metric.

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