DEVELOPMENT CO-OPERATION TIPS TOOLS INSIGHTS PRACTICES In practice

FINLAND'S APPROACH TO CREATING A System for managing for sustainable development results

Key messages

Finland's approach to Managing for Sustainable Development Results has been developed in a stepby-step process over a decade. Key elements included learning from external evaluations and peer collaboration, and management through internal action plans and gradual appetite building. Demonstrating the value of the new approach has proved important.

Keywords

Institutional arrangement | Learning and knowledge management | Managing for Sustainable Development Results

• Key partner Finland

Challenge

Finland is a relatively small development co-operation partner, with development policy integrated in the Ministry for Foreign Affairs. An <u>external strategic evaluation in 2011</u> highlighted that Finland was not managing for results. Focus on results was unclear and sporadic at the project level, the country programme/partnership level and the holistic development policy level. Management was focusing on inputs and partnerships, while results and effectiveness information were underutilised.

Approach

Finland launched a reform to clarify its approach. Development of a system for Management for Development Results was guided by three internal action plans (2013-14, 2016-18 and 2019-20). Each plan identified elements of a results-based management (RBM) approach, including:

- accountability and reporting on implementation
- o cross-organisational and stakeholder involvement



• guidance by management on the next steps.

Public external strategic evaluations provided perspective on where the next challenges were nested in the system. They looked at the project level RBM (2011), policy guidance for results (2015) and knowledge management (2019). The recommendations were integrated into future action plans, and provided food for thought on tools and approaches.

Various outputs were created. **Finland developed tools** to support a project results focus, including a manual for bilateral co-operation, country programmes and an <u>RBM Guidance Note</u>.

To improve policy guidance, **thematic theories of change** were developed, together with aggregate indicators. A renewed set of <u>Theories of Change and indicator lists</u> included stronger alignment to Agenda 2030. This was achieved by first indicating contribution to the SDGs at goal level, then to SDG targets, and ultimately selecting a set of indicators aligned with or derived from SDG indicators. This allowed a more systemic approach, with cross-SDG and cross-thematic interlinkages.

Annual and election-period calendars and processes were developed to ensure that data, information and knowledge on results were shared, synthesised and utilised in decision making.

To improve accountability, **a results report to the Parliament** was created, stating explicit contribution to the Agenda 2030. The report is presented every four years; the second will be presented in 2022.

Results

Finland's development co-operation modalities and partnerships are now managed for results. At project/ programme level, RBM has improved considerably. Finland has paid much attention to ensuring that results information and knowledge are gathered, analysed and used in strategic decision making in development policy and co-operation as a whole. There is an annual cycle:

- **to synthesise and review annual reports** of all programmes, from the co-operation modality perspective and the priority area (thematic) perspective
- to debate and discuss the findings, learning and conclusions
- to use what is learned to further decision making.

Finland has seen an increase in awareness and knowledge of the effectiveness of development co-operation and of factors that contribute to achieving/not achieving expected results. This has led to wider willingness to share good practices and to develop the capacity to address noted challenges. It has also reinforced the ability to aggregate results data and analysis, and to be held accountable by the public.

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Lessons learnt

A change in management process takes time, requires leadership and should be based on clear plans and iterative lesson learning.

- **Moving step by step is key to success.** Prioritising certain elements will build an appetite for further reform.
- **Demonstrating the value of the new approach is crucial for motivating staff to focus on results.** Information on results can be used to create public and political debate and to generate processes for reflection and learning.
- **A results culture is fragile and needs to be supported.** This can be done through a core group of people across the organisation and stakeholders, and by keeping the agenda alive and visible. External evaluations and public and political discussions have proved useful.

Further information

Ministry for Foreign Affairs of Finland (2020), *Theories of Change and Aggregate Indicators for Finland's Development Policy 2020*, <u>https://um.fi/documents/35732/0/theories-of-change-and-aggregate-indicators-for-finlands-development-policy-2020.pdf/7bc4d7f2-ffc8-5f4d-8382-43193fd887e8?t=1584355537316.</u>

Ministry for Foreign Affairs of Finland (2019), *Evaluation: How Do We Learn, Manage and Make Decisions in Finland's Development Policy and Cooperation*, <u>https://um.fi/documents/384998/0/Evaluation+report+Knowledge+Management+2019+%281%29.pdf/f5c3b583-6887-bfdf-6cce-9c78ee4a5fe7?t=1567156930398</u>.

Ministry for Foreign Affairs of Finland (2018), *Results Report of Finland's Development Policy 2018*, <u>https://um.f</u> i/publications/-/asset_publisher/TVOLgBmLyZvu/content/kehityspolitiikan-tulosraportti-2018.

Ministry for Foreign Affairs of Finland (2015), *External evaluation 2015: Finland's Development Policy Programmes from a Results-Based Management Point of View 2003–2013*, <u>https://um.fi/development-cooperat</u> <u>ion-evaluation-reports-comprehensive-evaluations/-/asset_publisher/nBPgGHSLrA13/content/evaluointi-su</u> <u>omen-kehityspoliittiset-toimenpideohjelmat-tulosjohtamisen-nakokulmasta-2003-2013/384998</u> (includes a video presentation).

Ministry for Foreign Affairs of Finland (2015), *RBM Guidance Note 2015 (to be updated in 2021)*, <u>https://um.fi/</u><u>documents/35732/48132/results based management rbm in finland s development cooperation</u>.

Ministry for Foreign Affairs of Finland (2011), *Evaluation Report 2011: Results-Based Approach in Finnish Development Cooperation*, <u>https://um.fi/development-cooperation-evaluation-reports-comprehensive-evaluations/-/asset_publisher/nBPgGHSLrA13/content/evaluointiraportti-2011-2-results-based-approach-in-finnish-development-cooperation/384998.</u>

OECD resources

OECD, Results in development co-operation, https://www.oecd.org/dac/results-development.

OECD, *Guiding Principles on Managing for Sustainable Development Results*, <u>https://www.oecd-ilibrary.org/dev</u><u>elopment/managing-for-sustainable-development-results_44a288bc-en</u>.

To learn more about Finland's development co-operation see:

OECD (2021), "Finland", in *Development Co-operation Profiles*, OECD Publishing, Paris, <u>https://doi.org/10.178</u> 7/dbcd0a36-en.



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OECD (2017), *OECD Development Co-operation Peer Reviews: Finland 2017*, Development Co-operation Peer Reviews, OECD Publishing, Paris, <u>https://doi.org/10.1787/9789264287235-en</u>.

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