

Institutionalization of Inclusive Monitoring and Evaluation (M&E) Instruments for the Performance Challenge Fund (PCF) Program

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Abstract

The premise of this paper is to campaign for the inclusion of project beneficiaries or inclusion of the voice of the people when doing Monitoring and Evaluation (M&E) of LGU projects funded by the Performance Challenge Fund (PCF) program. For the DILG validators to be the bridge in promoting transparent and effective local governance thru an efficient monitoring and evaluation approach.

The focus is mainly on the enhancement and development and eventual use of the PCF Program Management Office (PMO) of an inclusive M&E instruments for results-based LGU performance assessment and of using participatory methods such as the Most Significant Change (MSC) technique as part of the agenda to cascade and implement the M&E process through the two (2) project stakeholders, namely the PCF LGU beneficiaries and the community.

Recommendations from this study intends to institutionalize instruments to change or address the very donor and government-centric approach to M&E to include a citizen-centric M&E towards an inclusive PCF program management.

Chapter 1

The Problem and Its Context

This chapter presents the structure of the local government sector of the Department of the Interior and Local Government (DILG) as a national government agency. It also explains the role of the local government sector in fulfilling the Mandate, Vision and Mission of the entire Department as well as the Organizational Outcome Framework or the Logical Framework.

It also expounds on the two major programs of the Department that contributes to the achievement of the different sectoral outcomes, and to which this Capstone Paper study would help propose a mechanism that should institutionalize an inclusive monitoring and evaluation instrument to improve program management and project implementation.

Further, this chapter defines the problem statement using the problem tree and objective tree analysis. The Significance, coverage and constraints of the study are also presented.

1.1. Background of the Study

1.1.1. DILG Functions and Mandate

Republic Act (RA) 6975 series of 1990 otherwise known as DILG Act of 1990 reorganized the DILG into what it is today with local government, peace and order and public safety concerns included in the Department's mandate. With the passage of RA 7160 or the Local Government Code of 1990 the following year, DILG's organizational and functional structure changed with

the advent of decentralized governance. Nevertheless, the DILG pursuant to RA 6975, still continues to assist the President in the implementation of general supervision over local governments

Meanwhile, Executive Order (EO) No. 366, which called for a Rationalization Program of central government, gave the DILG a chance to reconfigure its structure and operations so that it can viably and successfully support local governance and autonomy. Along with this, the Department adopted a Monitoring and Evaluation (M & E) system for its programs/projects/activities (Department of the Interior and Local Government, 2019).

The DILG is the prime national government agency in-charge of assisting the President of the Philippines in the **general supervision** over local government units (LGUs), as well as, in promoting peace and order and public safety and further strengthening local government capability aimed towards the effective delivery of basic services to the citizenry. With this, the Department established a system of coordination and cooperation among the citizenry, local executives and the Department, to ensure effective and efficient delivery of basic services to the public (Department of the Interior and Local Government, 2019).

The DILG envisions itself as “a strongly determined and highly trusted department committed to capacitate and nurture local government units, public order and safety institutions to sustain peaceful, progressive, and resilient communities where people live happily”. Towards becoming such, its mission is “to promote peace and order, ensure public safety, **strengthen local government units capability through active people participation and a professionalized corps of civil servants.**”

1.1.2. DILG Outcome Framework

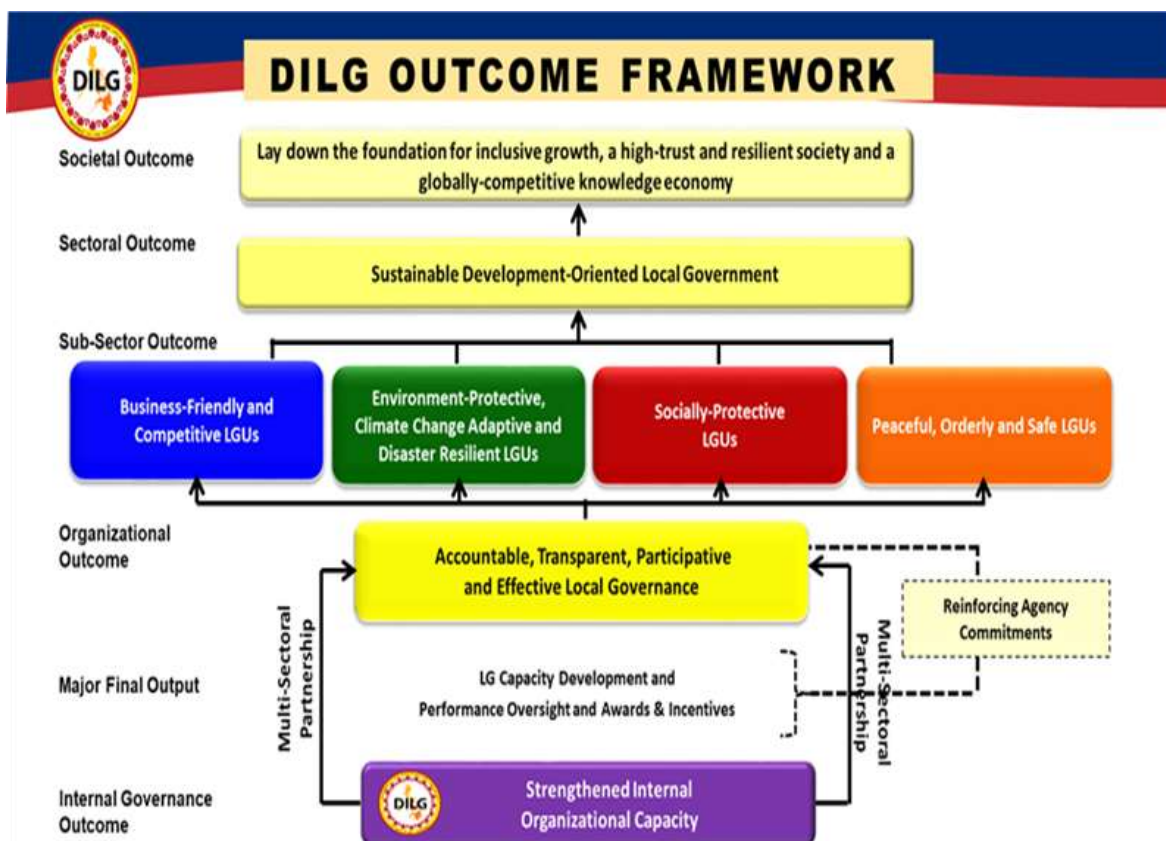


Figure 1. DILG Outcome Framework

The DILG – Local Government Sector Outcome Framework emphasizes that based on its mandate, all strategic pursuits of the Department does have meaning and significance in the overall design of things in the society and are contributory to the attainment of national goals and objectives (Department of the Interior and Local Government, 2019).

Consistent with the agency’s strategic direction, the DILG formulated its Organizational Outcome Framework as basis for the development and structuring of its programs, projects and activities (PPAs).

This Capstone Project is focused on the outcome area of attaining an Accountable, Transparent, Participative and Effective Local Governance as shown in *Figure 1*. The researcher believed that when this outcome area is achieved in congruence with all other outcome areas, this will lead to the attainment of sustainable and development-oriented LGUs. Finally, it should lead to the societal outcome of laying down the foundation for inclusive growth, a high-trust and resilient society and a globally-competitive knowledge economy.

The Department is the primary agency tasked to develop and scale up the capacities of the LGUs, render performance oversight and provide incentives to LGUs that excel and perform. Thus, the DILG needs to position itself in a way that it can greatly influence and transform LGUs into becoming development-oriented, self-reliant, and peaceful and orderly. These things will strengthen the capability of the LGUs to reduce poverty in their respective localities and in turn contribute to the achievement of inclusive growth for the country (DILG, 2019).

As trusted partners, both the DILG and the LGUs need to be robust to meet their respective mandates. In performing its oversight function over the LGUs, the DILG needs to strengthen its internal governance capacity to shepherd and nurture LGUs to become accountable, transparent, participative and effective in rendering services to their constituents. On the other hand, the LGUs need to strengthen and carry out the mandate of good local governance for them to effectively discharge their own duties and responsibilities. By doing so, the LGUs are on their way to becoming socially-protective and safe; business-friendly and competitive; and disaster-prepared and climate change-adaptive.

Part of the DILG’s pursuit under the sectoral outcome area Accountable, Transparent, Participative and Effective Local Governance are the two (2) major programs namely Seal of Good Local Governance (SGLG) and the Performance Challenge Fund (PCF).

1.1.3. Seal of Good Local Governance (SGLG)

The Seal of Good Local Governance (SGLG): *Pagkilala sa Katapatan at Kahusayan ng Pamahalaang Lokal*, puts premium to integrity and good performance as it seeks to institutionalize the continuity of local governance reforms and development. It is a progressive assessment system that gives the LGUs (Provinces/Cities/Municipalities) the distinction for their remarkable performance across several areas.

SGLG began from the Seal of Good Housekeeping (SGH). It is the Department's answer to the clamor of the people for performance and integrity in public service. Through the SGLG, LGUs are recognized for exhibiting exemplary performance on good local governance practices while providing better public services to their constituents.

From its pilot run in 2010, SGH promoted transparency and accountability in local government operations through the assessment of their financial housekeeping in compliance with the accounting and auditing standards of the Commission on Audit (COA) and the Department's Full Disclosure Policy (FDP). Since then, the assessment SGLG criteria have been levelled up every year to encourage LGUs to raise the bar

on good local governance even higher. For the 2019 run, the LGUs need to pass all seven criteria in order to be conferred with the SGLG.

Thus, the SGLG becomes a continuing challenge for provincial, city, and municipal governments to perform even better and be conferred with the prestigious Seal during the annual recognition. The annual SGLG then becomes the ticket of the LGUs for them to eventually achieve the following desirable conditions: (a) Sustain the practice of transparency and accountability in the use of public funds; (b) Prepare for challenges posed by disasters; (c) Demonstrate sensitivity to the needs of vulnerable and marginalized sectors of society; (d) Encourage investment and employment; (e) Protect constituents from threats to life and security; and (f) Safeguard the integrity of the environment.

1.1.4. Performance Challenge Fund (PCF)

The passage of the Local Government Code in 1991 has put the spotlight on Local Government Units (LGUs), particularly on the huge responsibility that was entrusted to them as well as the amount of resources at their disposal to effectively discharge devolved functions.

On 20 February 2009, the Development Budget Coordinating Committee (DBCC) approved the Performance-Based Incentive Policy (PBIP) which provides for an incentive framework to rationalize national government intergovernmental transfers to LGU towards improving LGU performance in governance and delivery of basic services. It seeks improvement in LGU performance by linking incentives to the achievement of a set of performance targets.

It is along with this line that the DILG initiated the **Performance Challenge Fund (PCF)** to stimulate local government to put premium on performance. This way, they can avail of financial support that could help them jumpstart and sustain local economic development initiatives for poverty reduction in their respective localities.

The PCF is an incentive provided to LGUs in the form of financial grant for local development projects included in their Annual Investment Program (AIP) or the Local Development Investment Program (LDIP). The PCF aims to recognize good governance performance particularly in the areas of transparency, accountability, participation and service delivery. It seeks to rationalize national government intergovernmental transfers to LGUs, and encourage alignment of local development initiatives with national government development agenda and priorities.

Anchored on the DILG's brand identity of "Matino, Mahusay, at Maaasahang Kagawaran," the PCF supports DILG's banner campaign on promoting transparency and accountability. The DILG believes that by advocating these principles in local government operations, the LGUs will be able to improve their service delivery systems, and ultimately improve the living conditions of the people in their respective communities.

The PCF subsidy is used for developmental projects supportive of the Philippine Development Plan (PDP) 2017-2022. Among the PCF projects implemented by the LGUs nationwide that support the **Sustainable Development Goals** are school buildings, rural health units/health centers, birthing/lying-in facilities, water and sanitation, housing and settlements, rehabilitation centers, patrol cars and public safety and security command center equipment. Meanwhile, among the PCF projects that **stimulate local economic development and promotion of ease of doing business** are access roads, core local roads and bridges irrigation systems, post-harvest facilities, cold storage facilities, ports and wharves and other economic structures and growth enhancement projects like tourism facilities, market, slaughter house, automation of permits and

licenses, etc. PCF also covers projects that help LGUs **prepare for disaster and adapt to climate change** such as flood control, reforestations, storm drainage, dikes, seawall and related flood protection measures and slope protection, evacuation centres, rainwater collection facility, early warning system/devices and rescue equipment, etc. It also covers projects that **promote environmental protection** such as sanitary landfill, purchase of solid waste management equipment, material recovery facilities, sewerage system, etc. Finally, PCF helps LGUs to implement projects that could **further transparency and accountability** such as website development (www.pcf.dilg.gov.ph) and equipment, etc.

The PCF program has a yearly funding of One Billion Pesos (P1-Billion) which is distributed among the SGLG awardees in the Provinces, Cities and Municipalities. Ninety Eight Percent (98%) or a total PCF fund or P980-million is allotted as subsidy to the recipient LGUs or LGU beneficiaries while the remaining two percent (2%) of the fund amounting to P20-Million is allotted for program operations including the monitoring and evaluation of projects.

As of March 2019, a total of 3,241 LGU beneficiaries have availed the PCF to fund their local development projects. There are already 3,565 LGU implemented projects funded by the PCF with 3,164 projects already completed and utilized by its beneficiaries.

Project M&E and reporting of these PCF projects were being done by the different PCF program stakeholders. All of these projects are being monitored and evaluated by the DILG Regional PCF Management Team (RPCFMT) and the PCF Central Office Management Team (PCFMT). The PCFMT is composed of different Bureaus and Services in the DILG Central Office namely: the Bureau of Local Government Development (BLGD) as the lead Office and the Bureau of Local Government Supervision (BLGS), Financial Management Service (FMS), Public Affairs and Communication Service (PACS), Internal Audit Service (IAS), Planning Service (PS), Information System Technology Management Service (ISTMS), National Barangay Operations Office (NBOO) and the Office of Project Development Service (OPDS). While these offices have their own respective mandates, they collectively act as the Technical Working Group (TWG) of the PCF program.

The RPCFMT conducts quarterly monitoring visits to PCF subsidized projects or as often as necessary. The PCFMT conducts M&E of pre-determined PCF projects through field validation and spot-checking. Progress monitoring of PCF projects is done through monthly submission of progress accomplishment report by the LGU beneficiaries. Said reports are encoded directly to the PCF website (<http://www.dilg.gov.ph>) by the DILG Cluster Heads and or Provincial Focal Persons. The PCF website serves as the official central online data repository by Regional Focal Persons for quick submission of project proposals. It is the official source of data by the PCF central management team for submission of reports needed by the DILG management and other national government stakeholders.

1.2. The Problem Statement

The DILG leads the way in the management and operation of the PCF program. Monitoring and Evaluation (M&E) of the PCF program and its subsequent LGU projects were being done by the PCFMT composed of the different offices in the DILG central office headed by the BLGD as the Program Management Office (PMO).

The proponent of this Capstone Project serves as the Focal Person or Program Manager of the PCF program. He leads in the design, preparation and conduct of M&E through field validation of targeted

LGU projects. During the course of the PCF implementation, the Department uses different processes for effective M&E of the various LGU projects implemented nationwide. These M&E instruments or tools were designed to measure results from the standpoint of the DILG and other PCF funders, a very DILG or Funder Centric orientation per se. These instruments are used as basis in providing reports to National Government Agencies (NGAs) and other requesting entities.

At present, the PCFMT conducts annual field validation and spot-checking of LGU implemented PCF projects as its M&E method of the PCF program. During this field visits, the visiting team uses two (2) instruments to assess the performance of the LGU beneficiaries on the PCF project implementation. One instrument is the M&E tool which captures pertinent on the financial, budget utilization, project timelines and compliance to PCF guidelines.

The visiting PCF team conducted either group interviews, one-on-one interviews, or focus group discussions with the key LGU personnel to capture the needed data for this M&E instrument. Meanwhile, the PCF monitoring team also conducted physical observations of horizontal, water and vertical projects using a technical tool to assess the functionality and adherence of the completed LGU project to the project design specification.

While these two instruments are effective in getting data to assess LGU performance in PCF project implementation, these instruments still need to be enhanced for these instruments to conform to the present culture and social norms. Also, new instruments need be developed to include assessed projects that fall under the categories of Information and Communication Technology (ICT) and acquisition of motor vehicle.

The researcher envisioned the M&E tool to be inclusive of both the LGU performance assessment and the project impact assessment by capturing the voice of the people.

At present, the PCF program framework only covers the LGU performance assessment but it does not include the community residents' or project beneficiaries perception on the qualitative benefits of the LGU implemented projects. Thus, the researcher saw the necessity to institutionalize inclusive M&E instruments to further strengthen a results-based monitoring and evaluation of PCF program/projects.

Thus, this capstone project is conceptualized to capture the extent of community satisfaction on the PCF projects implemented by the LGUs. By capturing the voices of the people or the beneficiaries, the researcher aimed to document the good stories and best practices on the impacts of these development projects. Consolidated assessment of the people's perceptions and insights were then presented to the PCF Project Management Office as basis for developing a holistic and inclusive PCF Program Management and Citizen-Centric monitoring and evaluation.

Figure 2 below shows the problem tree analysis while Figure 3 shows the objective tree analysis.

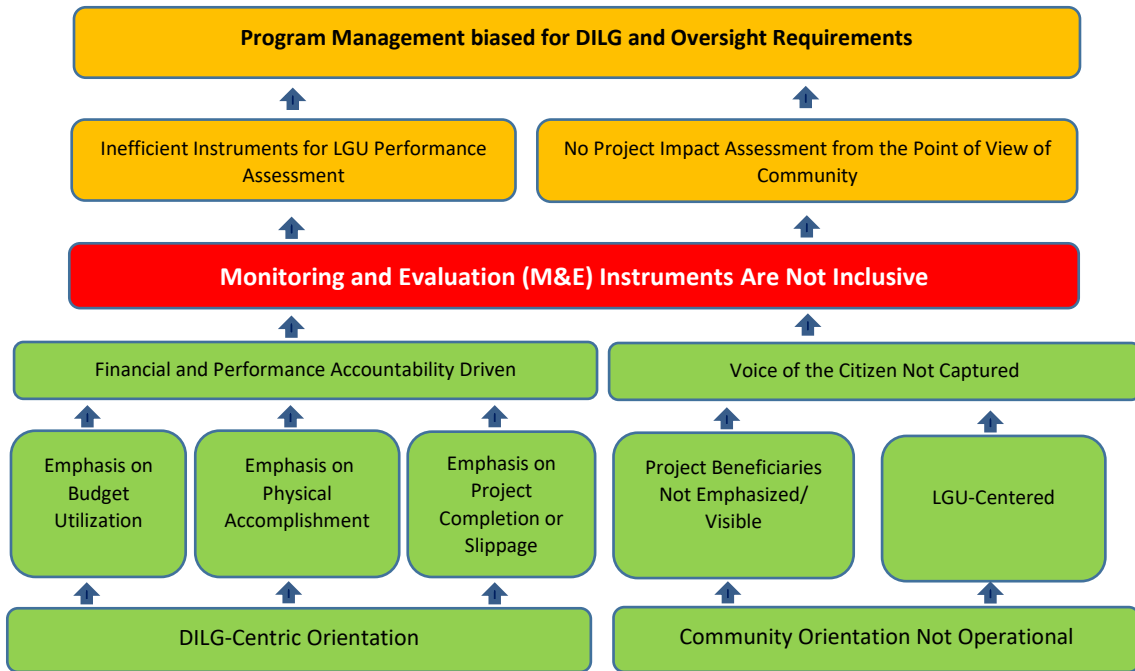


Figure 2. Problem Tre Analysise

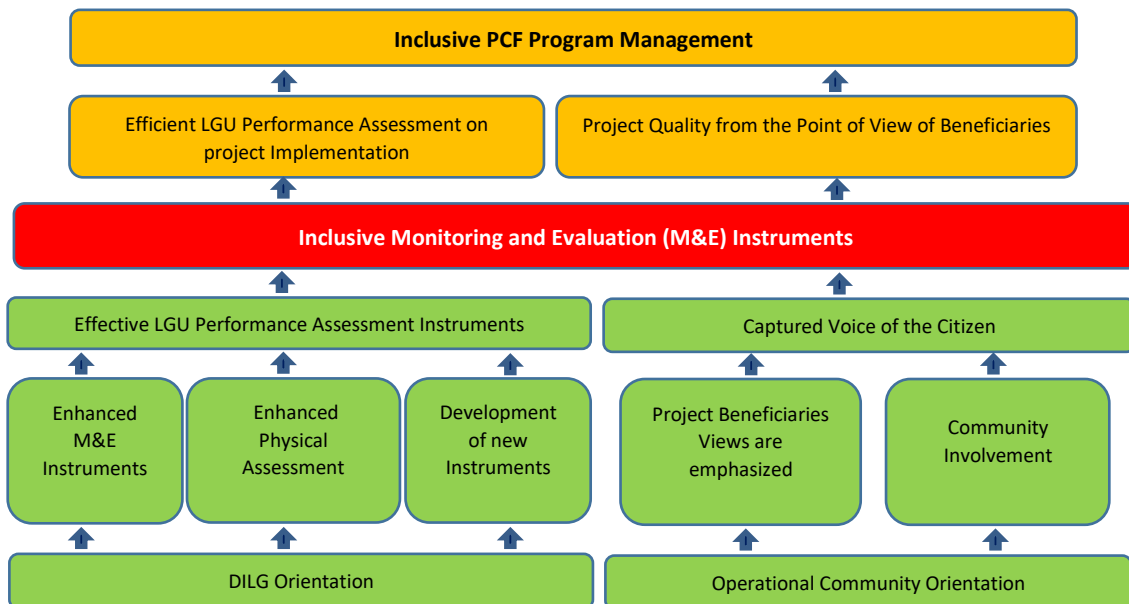


Figure 3. Objective Tree

Per Problem Tree shown in Figure 2, the core problem that needs to be addressed by the PCF Team is the **Monitoring and Evaluation (M&E) Instruments which are Not Inclusive**. One possible cause identified is the use of DILG-oriented or DILG Centric M&E mechanism which has been in effect since the program started in 2010 until today. This mechanism is a donor driven M&E which heavily focuses on results as reinforced by the oversight agencies. Using this tool the PCF monitoring team can only assess

the financial, physical and performance accountability of the LGU as implementers of their respective PCF projects.

Another problem identified in the present M&E tool is the lack of participation from the project beneficiaries at the community where the PCF projects are located. This LGU-centered M & E tool lacks the system of generating pertinent information from the point of view of the project recipients. In addition, this tool uses the top-down approach instead of a bottom-up approach. Said tool is primarily designed only to monitor LGU compliance to the set PCF guidelines and reporting instead of monitoring how the project fare in terms of realizing its objectives.

Hence, this Capstone project is designed to address the above-mentioned problems and consequently bring positivism and solution for an efficient management of the Performance Challenge Fund.

1.3. Significance of the Study

The success of this Capstone project lies on the effective and efficient design, administration and implementation of the instruments to be used in monitoring and evaluation of PCF projects. This study is expected to be beneficial and significant to the following:

The DILG. For the DILG as the implementing agency of the program, results of this capstone project can be used as the official M & E tool when conducting a comprehensive monitoring and evaluation of all PCF projects and possibly other locally-funded programs and projects of the Department. Instead of just focusing on accountability, this tool can effectively monitor and gather learnings from the community and use the information to further improve the implementation of the PCF projects in the succeeding years. The results of the study shall also serve as feedback mechanism for the Department to nudge LGUs to efficiently implement their respective locally-funded projects towards efficient management.

With the documented good stories from the various PCF site visits, these will likewise serve as a repository of knowledge Base for the PCF Management Team. Said information will also form part of the Information and Educational Campaign (IEC) materials of the PCF.

- **LGU.** For the LGU the results of this study can serve as a tool for them to effectively plan and implement projects in their respective areas of jurisdictions in response to the felt needs of the community. Said projects are expected to lean toward improved delivery of services; are implemented in close consultation with citizens; and are contributory to the bigger picture of the national government priorities and agenda.

The best practices at the LGU level can also be showcased by the DILG when compiling good stories that can be possibly replicated to other parts of the country that are planning to pursue similar endeavors.

- **Project Beneficiaries/Citizen.** For the project beneficiaries/citizens, results of this capstone project shall provide them with the opportunity to get involved in local governance by communicating their perceived satisfaction or dissatisfaction on the quality of services delivered by their local chief executives. It will also be an opportunity for them to voice out the positive or negative impact after the implementation of the PCF project in their respective areas.
- **The Barangays.** For the barangays, results of this capstone projects will empower them to perform beyond compliance level through their respective project implementers. With the active participation of their constituents and the full support of their local chief executives, the barangays will be more involved in the planning and implementation of PCF and other locally-funded projects implemented in the barangay levels that truly brings significant change to their people.

- **Other National Government Agencies.** For other national government agencies, the result of this Capstone Project will help them refocus their M & E strategies from mere assessment on the performance of the project implementer to include the direct impact of their funded projects to the lives of the people/beneficiaries at the community level.
- **Academe and other Private Sector Groups.** For the academe and other private sector groups, output of this capstone project will create linkages and will provide insights and information on an inclusive M&E system highlighting the use of two (2) processes namely: Results-based Monitoring and Evaluation (RbME) for Performance Assessment and Most Significant Change (MSC) technique to get project impact thru the voice of the people.
- **Researcher.** For the researcher, the outcomes of this study will guide, enlighten and give answers about the question regarding the effectiveness of the improved M & E system. As part of the key decision makers in the PCF Project Management Office (PMO), this study will also be beneficial to the researcher in effectively planning for M&E of various PCF projects administered nationwide.
- **Future researchers.** This Capstone Project will be considered as future reference or resource material that will hopefully uncover the critical areas of sustainability and replicability in the Monitoring and Evaluation system. With the inclusion of most significant change from the usual M & E system, this study will hopefully contribute towards a more effective an efficient program management.

1.4. Scope and Limitations

This study will only include the four key milestones in the entire process of institutionalizing an inclusive M&E tool using the combined improved Results-based Monitoring and Evaluation (RbME) and documentation of the people's voice thru the Most Significant Change (MSC) technique. These four (4) major milestones are all geared towards a holistic and inclusive PCF program management. To wit:

- Development of new tools and enhancement of existing instruments;
- Pilot-testing of the instruments;
- Tools assessment from the results of the pilot-test conducted and
- Institutionalization of the instruments.

Particularly, this study will delve into the current M & E instruments used by the Central Office evaluators in assessing the LGU performance of their respective PCF Projects. For the RbME activity, there will be a review of existing tools will be done which will be coupled with the enhancement of the existing instruments. Said instruments shall be used to collect data on LGU performance assessment relative to the implementation of their respective PCF and subsequent projects. Collection of data will involve document reviews, Key Informant Interviews (KIIs), Checklist and On-site assessment of PCF projects.

Part also of the first milestone is the inclusion of Most Significant Change (MSC) technique to gather the voice of the people in areas where the PCF projects are located. A stakeholder mapping or profiling of respondents shall be done before implementing the MSC technique to determine the direct project beneficiaries. The motivation behind the stakeholder analysis is to recognize partners, evaluate their needs and interests, and decide how their needs and interests may positively or negatively influence project feasibility, pose danger or speed up project implementation, and affect functionality and sustainability after the project is turned over to the LGU.

For the second milestone on pilot testing of the instruments, this will be conducted in the Municipality of Pura, Tarlac on June 10-11, 2019. Participants to the said pilot-testing shall be selected members of the

PCF Management Team (PCFMT) who composed the instrument's "champion." They will conduct the pilot run of the project evaluation using the M & E tools for both RbME and the MSC technique.

During the field visits, interviews with the Mayor or with the next higher official present, LGU functionaries or the LGU PCF Team (i.e. MPDO, Accounting Office, Engineering Office, etc.) shall also be conducted to gather pertinent data on the RbME. A separate conduct of Focus Group Discussion (FGD), *Kwentuhan*, or KII with the respondents or beneficiaries will also be undertaken to document the most significant story from the lens of the beneficiaries.

For the third milestone on the tools assessment based on the results of the pilot-test conducted, this will cover the review and implementation of needed corrections on the M & E instruments. The corrected version of the M & E tools for both RbME and the MSC technique will then be endorsed to the PCF Project Management Team for finalization, adoption, and institutionalization.

Likewise, the evaluation results from the pilot testing of the RbME activity and the MSC technique will both form part of the project feedback report to the LGUs on the gaps that they need to enhance and the good practices that they need to sustain.

The fourth milestone is the Institutionalization of the M&E instruments for a holistic and inclusive PCF program management. The M&E instruments shall be approved by the PCF Project Management Team and the Director of the Bureau of Local Government Development (BLGD) through the issuance of an official document. The final M & E tools will be used as official M & E tools for both RbME and the MSC technique which will be used by the PCF Project Management Team for all its succeeding field visits.

On the strategic level, results of the field visits in all PCF projects nationwide will be compiled by the PCF PMO. It shall become a feedback mechanism that will nudge the LGUs and the concerned DILG Central and field offices to further improve the project management towards a more effective and efficient implementation of PCF projects.

In addition, the collected stories about the most significant change felt by beneficiaries shall be compiled into a compendium of Good Stories. From which, these stories and messages can be uploaded in the PCF website and other social media entities like Facebook, Instagram, Twitter, etc. These good stories can also be possibly replicated by other LGUs who are pursuing similar projects. These good stories will also serve as handy reference materials in the development of future PCF Information and Educational Campaign (IEC) materials.

Due to time limitations, this Capstone paper will cover all four major milestones but the actual site visits to all PCF projects nationwide will no longer be covered. Instead, the results of this Capstone paper will become part of forward-looking measures in future endeavors of the PCF project.

Chapter 2

Project Conceptual Framework

This Chapter presents related studies and literature aimed at ensuring some fundamental information or concepts so as to help the readers comprehend and strengthen the research goal of this Capstone paper.

2.1. Review of Related Literature

2.1.1 Defining Monitoring and Evaluation

Monitoring is defined as the ongoing process by which stakeholders obtain regular feedback on the progress being made towards achieving their goals and objectives. It involves the review of the project's progress against its set goals (United Nations Development Programme, 2009, p.8).

Evaluation is an independent and rigorous assessment of either completed or ongoing projects or activities. This is used to determine the extent of achievement of the stated objectives and is contributory to planning and decision making. (United Nations Development Programme, 2009, p. 8)

Monitoring and Evaluation (M&E) is an area of growing importance for a developing community because it allows those involved in development activities to learn from experience, to achieve better results and to be more accountable. (Kusek, 2004). An effective government is essential to achieving sustainable socioeconomic development. With the advent of globalization, there are growing pressures on governments and organizations to be more responsive to the demands of internal and external stakeholders for good governance, accountability and transparency, greater development effectiveness, and delivery of tangible results. Governments, citizens, the private sector, nongovernmental organizations (NGOs), civil society, international organizations, and donors are among the stakeholders interested in better performance. As demands for greater accountability and real results increased, so goes the more pressing need for monitoring and evaluation of policies, programs, and projects. (Kusek, 2004)

The aim of most National Government Agencies (NGAs) in the Philippines including the DILG is to come up and realize an innovative system, especially M&E system innovation. There are three (3) approaches identified in the arena of monitoring and evaluation (M&E): result-oriented, constructivist and reflexive (Mierlo, 2011). Result oriented approach includes Logframes, Logical Charts and the Theory of Changes; Constructivist approach methods include Learning Histories, Responsive Evaluation and the Most Significant Change (MSC) while the 3rd approach – Reflective approach methods include Reflexive Monitoring in Action, Reflexive Process Monitoring and Interactive Learning Approach (Mierlo, 2011)

Every approach includes principles, methods and tools that can be used for programs, projects or services that can possibly contribute to the development of a system innovation. Each approach differs widely in terms of vision, reality, on-going processes, results and even ways of supporting, managing or adjusting these processes. Deciding on the best method to be utilized and applied depends heavily on the nature of the project, its context, and the monitoring and evaluation objectives (The World Bank, 2004, p. 5).

2.1.1. Result-based Monitoring and Evaluation (RbME)

A Result-Based Monitoring and Evaluation (RBME) System is both a management and a motivational tool which provides essential information of an organizational performance. By using this system, managers, officials, and staff can generate crucial information whether a particular intervention (program/project) is appropriate, adequate, effective and efficient (PAHRODF-DILG, 2013). It is a powerful public management tool that can be used to help policymakers and decision makers track progress and demonstrate the impact of a given project, program, or policy with emphasis on the outcomes and impacts (Kusek, 2004, p. 1)

The clamor for greater effectiveness in the delivery of government programs, projects and activities has reached crisis proportions in many developing countries. There are even cases when the state failed to deliver even such fundamental public goods as property rights, roads, and basic health and education (World Bank, 1997, p. 2)

One strategy to address this need is the design, development, and implementation of results-based monitoring and evaluation (M&E) systems. This strategy tracks the results produced (or not produced) by the governments and other entities, This strategy seeks to rationalize, harmonize,

streamline, simplify, integrate, and unify the performance management systems and activities of oversight government agencies (IPDET, 2007, p. 182)

The result-oriented monitoring and evaluation lies in “measuring” the degree at which the original project objectives and subsequent interventions have been achieved. In other words: what are the results? (Kusek, 2004). Result-oriented approaches are often used to provide an accountability trail for the project investment, whenever financiers and their backers have to or want to see what has been done with their money. Among the matching planning methods for this type of M&E are LogFrames, Logic Charts, and the more flexible Theory of Change (Mierlo, 2011).

Result-oriented methods are dominant instruments but these systems have limitations in innovation processes. RBME is based largely on Logical Framework which is biased towards the agency or institution’s objectives, output and outcome. The strength of result-oriented methods lies in asking the questions on the project’s output, outcome and impact, but these methods can only provide part of the answer most of the time (Mierlo, 2011). Collective learning and innovation processes do not evolve linear methods and are mostly unpredictable. As a consequence, cause and effect relationships are not easily traceable. Moreover, result-oriented methods do not address the value of collective learning and development as well as shared understanding of the project and/or its context (Mierlo, 2011).

The voice of the people or the beneficiaries who are ultimate users of the project is not truly heard when using RbME.

2.1.2. Rural Development Tourism

Rural development tourism is described as a brief rural visit by a “professional” from an urban center (Chambers R. , 1979). It is a widespread phenomenon involving biases of experience and perception with a varying degree of combination on strategic ignorance, shortage of time, convenience, accessibility, and stage management (Chambers, 2017). Rural poverty is often unseen or misperceived by outsiders. Chambers (1979) contends that government workers, researchers, scientists, administrators and fieldworkers rarely appreciate the richness and validity of rural people's knowledge or the hidden nature of rural poverty (03).

With the government’s priority thrust of reducing poverty and accelerating change in the whole Bureaucracy, up-to-date and realistic information have recently surfaced containing data on the lives and conditions of people living in poverty (rural beneficiaries). Pressures and incentives increasingly trap decision-makers in central offices, headquarters and capital cities which further reinforces greater attraction of urban ‘cores’ and the more neglect of rural ‘peripheries’ (Chambers R. , 1979).

There are six (6) key biases of the brief rural visit which impede outsiders' contact with rural poverty: spatial biases (urban, tarmac and roadside), project bias, person biases, dry season biases, diplomatic biases (politeness and timidity) and professional biases - against seeing, meeting and learning from the poorer people (Chambers R. , 1979).

To offset these biases, the so called “professionals” must make more visits, not fewer, and to enjoy doing the visit better. Approaches should be done like experiential, direct learning, face-to-face with poor and marginalized people (Chambers R. , 1979).

For the PCF program, a participatory approach in monitoring and evaluation should be done in a relaxed an unhurried manner to offset those biases. This can be done by listening not lecturing, by probing instead

of passing on the next topic, by unimposing instead of being important, by seeking out the poorer people, women, Indigenous Peoples (IPs), and by learning their concerns and priorities (Chambers R. , 1979).

2.1.3. Most Significant Change (MSC) Technique

‘The Most Significant Change (MSC) technique is a form of participatory monitoring and evaluation. It is participatory in nature because it involves a number of project stakeholders in figuring out the change that needs to be recorded and in analyzing the data gathered. It is a form of monitoring because it occurs throughout the program cycle and gathers information on the impact and outcomes to help people manage the program. MSC also contributes to evaluation because it can be used to assist or help assess the performance of the program as a whole (Davies & Dart, The ‘Most Significant Change’ Technique: A Guide to its Use, 2005, p. 8).

MSC is a qualitative and participatory form of monitoring and evaluation based on the collection and systematic selection of stories of reported changes from development activities (Serrat, 2009).

The Most Significant Changes also involves monitoring of common practices in at least four respects, namely: (a) The focus is on the unexpected, (b) Information about those events is documented using text rather than numbers, (c) Analysis of information is through the use of explicit value judgments, and (d) Aggregation of information and analysis takes place through a structured social process (Davies & Dart, The ‘Most Significant Change’ Technique: A Guide to its Use, 2005)

MSC involves the collection and systematic selection of reported changes from the beneficiaries or stakeholders by means of purposive sampling and getting the best stories. It involves eliciting anecdotes, focusing on what is the most significant change that has occurred as a result of an initiative, and why they think that change occurred (Serrat, 2009).

These set of stories are passed up the chain and winnowed down to the most significant as determined by each management layer until the best story or stories had been selected—a story that describes a real experience, reviewed, defended, and selected by the people charged with the success of the project or program. Participants enjoy the process and usually bring to it a high level of enthusiasm—this owes mainly to the use of storytelling (Serrat, 2009).

2.1.4. Monitoring, Evaluation and Learning (MEL) System Framework

MEL is basically Monitoring and Evaluation that includes Learning. Learning is the process through which information generated from M&E is reflected upon and intentionally used to continuously improve a project’s ability to achieve results (NIDOS, 2019). MEL is an integral part of project design, implementation and completion; MEL is done and is embedded at all stages within the project cycle (NIDOS, 2019).

Foundations, government agencies, and other grant makers can use MEL when they need a systematic way to monitor comprehensively, evaluate selectively, and learn continuously to support their programs or initiatives (Mathematica Policy Research, 2019).

MEL frameworks provide tools to help evaluate and improve programs that include multiple grantees pursuing similar objectives through different means or contexts (Mathematica Policy Research, 2019). MEL frameworks often include logic models, evaluation matrices, and learning products.

The purpose of monitoring, evaluation and learning practice is to apply knowledge gained from evidence (monitoring) and analysis (evaluation) to improve development outcomes and ensure accountability for the resources used to achieve them (USAID, 2019).

2.1.5. Performance Audit

Performance auditing is a systematic, objective assessment of the accomplishments or processes of a government program or activity for the purpose of determining its effectiveness, economy, or efficiency. It embraces audit on the economy of administrative activities in accordance with sound administrative principles and practices and management policies. It also includes audit on the efficiency of utilization of human, financial and other resources, including examination of information systems, performance measures and monitoring arrangements, and procedures followed by audited entities for remedying identified deficiencies. Likewise, it covers audit on the effectiveness of performance in relation to achievement of the objectiveness of the audited entity. It also covers audit of the actual impact of activities compared with the intended impact (Larsson, 2004). Ian McPhee (2006) during a forum said that performance auditing examines the economy, efficiency and effectiveness of government programs and organizations. At the same time, it answers questions such as: 1) Do the inputs represent the most economical use of public funds? 2) Are we getting the best services from available resources? 3) Are the aims of the policy met fully? and 4) Are the impacts the result of the policy?

As government programs continue to grow in magnitude and complexity, public sector auditing has evolved and extended its scope beyond mere financial or compliance audits to the auditing of performance to support policy makers in their oversight role (Waring & Morgan, n.d).

Performance audits can combine the direct performance approach with that of Auditing control systems approach. Direct performance approach focuses on input, output, results and impacts while the Auditing control systems approach focuses on the adequacy of policies and procedures. These approaches are implemented by managers in promoting, monitoring and evaluating program. (Daujotaite, 2008). In the case of PCF projects, performance evaluation audits for LGU implementers shall be done through document review, physical evaluation, etc.

2.2. Synthesis and Gaps

In view of all the literatures, concepts and studies mentioned, monitoring and evaluation frameworks and plan are all necessary towards the effective and efficient program management. Institutionalizing an inclusive M&E instruments require development of tools and guideline documents. With the plethora of available M&E methods that can be used to satisfy change, it remains a huge challenge for the program and project implementers to design and choose the best M&E instruments, methods or techniques to be employed that will best gather pertinent information about the thousands of PCF projects administered all over the country. These instruments shall be able to capture information from all major stakeholders like the PCF oversight agencies, LGU recipients and project beneficiaries or the community.

At present, the PCF Project Management Team uses as its M&E tool the RbME or the Logical Framework (Log Frame), a result-based monitoring and evaluation tool. This tool mostly deals with objectives, output, outcome and impact of the project – the funder's requirements. Using this tool, PCF program management conducts on-site monitoring and evaluation of PCF project implementation. While this tool delves into the project expectations, it does not tackle the beneficiaries' insights and expectations on the projects being implemented, thus failing to capture the true voice of the people.

In most cases, results frameworks and results-based monitoring and evaluation systems, such as managing for development results being pushed by the government and institutional funders, are usually planned and developed in isolation from the realities at the ground level. Bilateral and multilateral

fundes including government agencies mostly contribute to the identified priority results and not on the needs and expectations of the project beneficiaries.

Also, RbME reports use jargons that are hard to understand by the common *Pinoy*. The terms for results, as they are presented in RbME frameworks by different donor agencies and government departments, are too often simply bureaucratic jargon (Armstrong, 2012). The academic appearance and vague meaning of the RbME terms make it hard for the common *Pinoy*s to interpret and implement the various programs funded by line agencies and their partners at the grassroots level. As Mark Schacter (2014) pointed out, RbME terms are confusing not just in translation, but for people working with English as a native language. Hence, there is a dire need to simplify the language of planning, results gathering and reporting.

Bilateral and multilateral program funders including government agencies or central planners have the partiality to go down to urban centers. They assumed that the value standard of urban centers is superior to those of the rural community. This is the gray area with development tourism. It does not sense the marginal or the peripherals who are in the rural community. The brief rural visit impede outsiders from having closer contact and better assessment on how to solve rural poverty. Monitoring is always done at the urban areas or more accessible places that oftentimes the voice of the rural community is neglected.

In such programs, the whole program documentation and management were prepared by the funding institutions. These institutions do not usually organize consultative meetings or assemblies with the people that will supposedly find ways to analyze or solve the peoples' problems. In most cases, program managers of these funding institutions think they know better than the people.

Hence, there is a need to sense out the point of view from the lens of the stakeholders or the beneficiaries. The voice of the women, indigenous people, senior citizens etc., who are in the rural areas– the marginalized ones who are usually left out in development projects. It is the voice of the people that will be amplified through the Most Significant Change (MSC) technique.

For this capstone paper, it will focus on the development and approval of M&E instruments to assess both the LGU performance and citizen's satisfaction. The researcher will assess LGU performance on project implementation thru document review, stakeholders' interview, physical infrastructure assessment, etc.

Meanwhile, the researcher will measure project impact from the voice of the people thru community insights and lessons using the MSC method. Focus group discussion, *pakikipagkuwentuhan* or KII are the main methods of gathering the people's voice to get their perspectives on the PCF project implemented by the LGUs in their respective localities. Monitoring and evaluation instruments shall be utilized to incorporate learning throughout all its processes.

2.3. Conceptual Design

This Capstone project is based on the idea of combining two (2) processes when conducting site visits for monitoring and evaluation of PCF projects implemented by the LGU recipients. One is assessing LGU performance thru results-based performance audit on its project implementation, project effectiveness and thru its financial and physical reports. The other process is getting the Voice of the People on their perceived project quality, delivery of service and project expectation thru the Most Significant Change (MSC) technique.

For this capstone project to be realized, the researcher needs to enhance the existing project monitoring tools and design new instruments to be used in assessing LGU performance on their PCF project implementation. Among the methods used to gather the needed data are document review, FGD and KIIs.

Physical projects assessment (i.e. infrastructure projects, computer hardware/software, motor vehicle acquisition, etc.) as to its work program implementation, quality and usefulness shall also be done. With these, trends and patterns Reviewing the number and types of incidents as well as findings from performance audit should help in identifying trends and patterns, and presents opportunity for prevention and improvement in how critical incidents are managed.

Meanwhile, gathering of stories thru the voice of the citizen or project beneficiaries as to the project quality, project expectations and how the service was delivered as implemented by the LGU shall be done thru the MSC technique. MSC technique involves documenting the most significant change story the project had done to the beneficiaries’ lives thru a FGD or KII. These stories shall be our feedback tool on better project management by reflecting on experiences that encourages insight and complex learning. Better project management and improved service delivery will be stagnant when we control our learning. Therefore, beneficiaries’ reflections, lessons and insights are best done when we write down their stories. Sharing said stories to stakeholders for proper reflection and learning would eventually result to effective and efficient project management and delivery.

These two M&E processes shall form a holistic and inclusive PCF program management. This will hopefully help in achieving the Department’s organizational outcome objective of accountable, transparent, participative and effective local governance. Results of the assessment shall be the basis for feedback mechanism to the LGU and the PCF management teams for more effective project management.

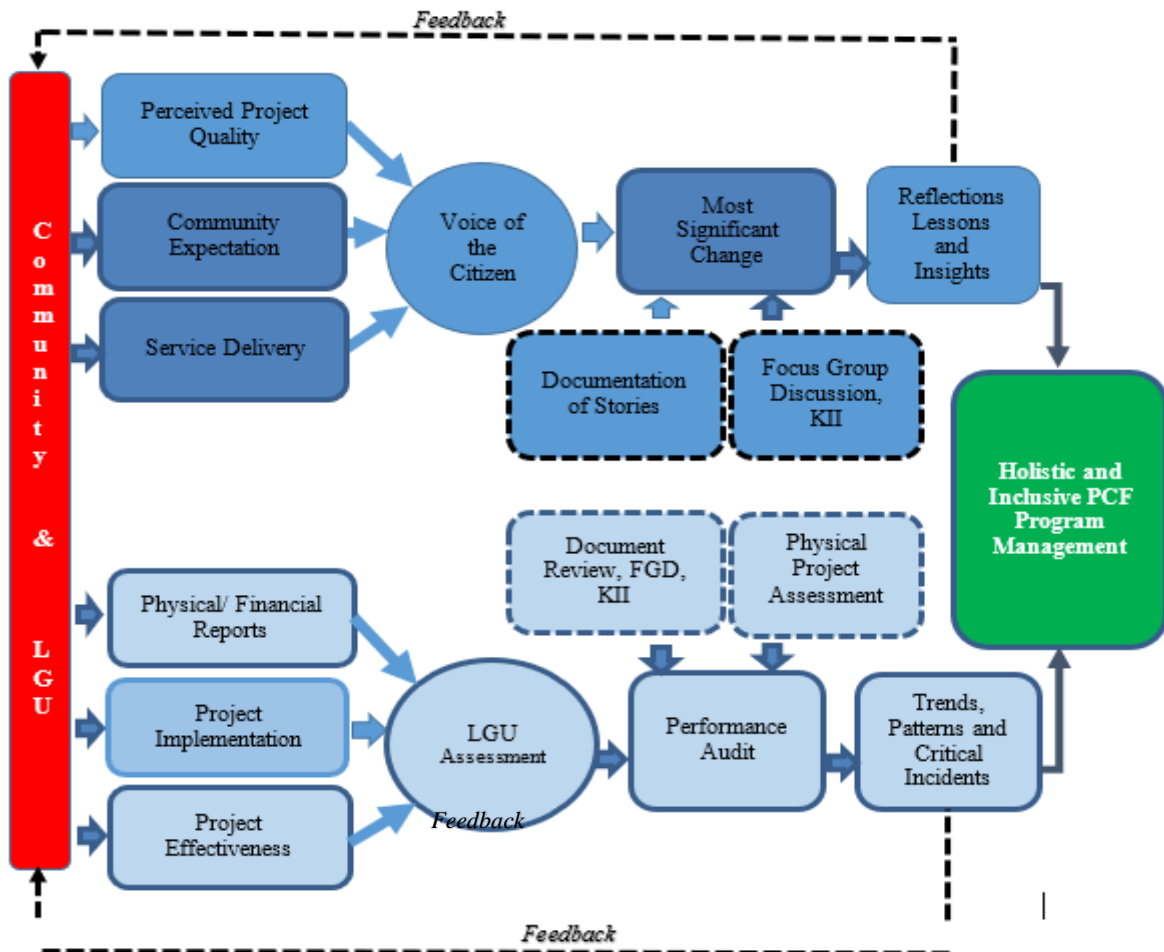


Fig.4 M&E Conceptual Framework

Chapter 3

Methodology

This chapter presents the research design, locale of the study and method/s used in the Capstone Project. It includes the review and analysis of the existing M&E instruments and crafting of new ones to cover both the RbME and MSC techniques. These instruments will be pilot tested in assessment of project. This chapter also entails the design that will be utilized to answer the problems presented in this project.

3.1. Research Design

This Capstone Project utilized the Action Research method. Action research involves observing or examining a collection of data undertaken and being observed by participants in social situations. This method is used to improve the reason and integrity of their own practices, their understanding of these practices, and the situations in which the practices are carried out (W. Carr and S. Kemmis, 1986). Action research also involves examining the problem using the data collected as well as planning, designing and implementing a solution to address the problem in this capstone project. It was used to collect and analyze data (qualitative analysis) in assessing LGU performance using RbME and getting the voice of the people through the Most significant Change (MSC) technique. Using the action research method, the RbME and MSC were combined in seeking solutions towards an inclusive and holistic PCF program management.

Meanwhile, review of the existing RbME instruments and development of the new MSC instruments were done through the collaborative efforts of the Capstone project Team. The team is composed of the project proponent/researcher; the PCFMT composed of BLGD PCF Team; and other personnel from the DILG Central Office - Planning Service (PS), Public Affairs and Communication Services (PACS), Information Systems and Technology Management Service (ISTMS), Financial Management Service (FMS), National Barangay Operations Office (NBOO), Bureau of Local Government Supervision (BLGS), Office of Project Development Services (OPDS) and Internal Audit Service (IAS). The team also took part in conducting the pilot test, administering the interview and facilitating the focus group discussion, and in pursuing all other pertinent activities during the data collection phase of the Capstone Project.

For the MSC, data were generated through *kuwentuhan* or Focus Group Discussions (FGDs) with the beneficiaries or and Key Informant Interviews (KIIs). Entry protocols and securing informed consent of the identified participants were observed per data privacy act. FGD Participants were the direct beneficiaries of the PCF project from the community or the Puroks. Stories shared by the beneficiaries were documented by the PCF Project Management Team.

The ten (10) implementation steps in MSC served as guide for the researcher in designing the instruments/tools, selecting the beneficiaries, conducting the data gathering procedures, and writing the good stories.

For the Performance Evaluation aspect, RbME method was utilized. It includes the design and implementation of RbME tools such as LGU interview questionnaires, project observation and assessment tool, and document review. Stakeholders interviewed were the officials of the Local Government Units or LGU functionaries that composed the LGU PCF team. Document review, KII, and project physical assessment were likewise administered as part of the data evaluation and generation. These were done through roundtable discussion, one-on-one interview and project on-site validation.

3.1.1. Locale of the Study

This research study was pilot-tested in the Municipality of Pura, Tarlac. The LGU was selected because it

has a considerable number of implemented PCF projects, being a consistent winner of the SGLG award. The Municipality of Pura is a fourth class municipality found at the northeastern side of Tarlac Province bordering the municipality of Guimba in the Province of Nueva Ecija. As its name implies, everything in here is pure and natural. It is a growing community located in the mid-northern part of Central Luzon’s extensive central plains.

The municipality of Pura is located at the Northeastern part of the Province of Tarlac of Region 3 (Central Luzon) island of Luzon. A landlocked municipality, Pura’s mother province and surrounding geographic municipalities are the Municipality of Ramos, Tarlac in the north, about five point two (5.2) kilometers away; Municipality of Victoria, Tarlac in the south about six (6.6) kilometers away; Municipality of Guimba, Nueva Ecija in the east about fourteen point one (14.1) kilometers away; and the Municipality of Gerona, Tarlac in the west about five point nine (5.9) kilometers away. Pura is located about 78.5 kilometers from the Regional Center (San Fernando City, Pampanga), 55 kilometers from Clark Special Economic Zone (CSEZ) (Angeles City, Pampanga), and 144.9 kms. North from Manila. It has an absolute location between 15 34’00”-15 40’00” latitudes and 120 37’00”-120 41’00” longitudes (Municipal Profile, 2019).

The municipality is within the cross road of three major thoroughfares, the Tarlac-Pangasinan-La Union Expressway (TPLEX), the Gerona-Guimba Road and the East-West Coast Road (Dingalan-Lingayen Highway) which bring a great deal for economic growth for the town. Along with this, Pura is envisioned to be a sustainable community characterized by a mix of land uses that combines utility and aesthetics with an ambience that soothes the spirit, invites high productivity, and encourages healthy living (Municipal Profile, 2019).

Pura, Tarlac has a total land area 3,142.00 hectares or equivalent of 31.42 square kilometers which represents 1.02 % of the entire provincial area. It is comprised of sixteen (16) barangays of which barangays Poblacion 1,2, & 3 are considered as urban area and the rest of the barangays are considered rural areas. The land area per barangay is shown in Table 1 below.

Table 1: Barangay Land Area
Barangay Land Area
Pura, Tarlac

Barangay	Land Area (in has.)
Balite	154.98
Buenavista	396.54
Cadanglaan	170
Estipona	450.87
Linao	307.75
Maasin	217.0
Matindeg	120
Maungib	192
Naya	240.71
Nilasin 1 st	152.90
Nilasin 2 nd	119.77
Poblacion 1	84.63
Poblacion 2	48.71
Poblacion 3	51.67
Poroc	112.94
Singat	321.53
Total	3,142.00

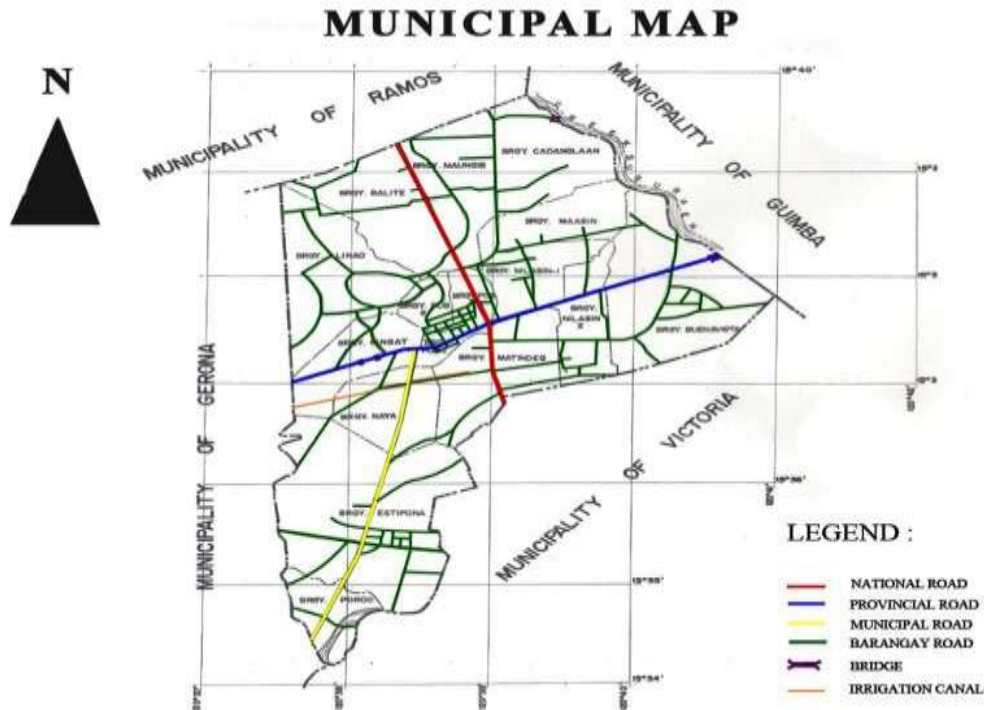
Source: Assessor’s Office

In terms of education, Municipality of Pura is consist of public and private schools. The public high schools in the municipality are the following: Buenavista National High School, Maungib National High School, and Estipona National High School. Among the elementary schools in located in Pura are Doña Felisa Y Sawit Elementary School (Balite), Buenavista Elementary School Cadanglaan Primary School Estipona Elementary School, Linao Primary School Maasin Primary School, Matindeg Elementary School, Maungib Elementary School, Naya Primary School, Nilasin 1st Primary School, Don Quirino Sulit Elementary School (Nilasin 2nd), Pura Central Elementary School (Pob. 1), Pura Community Elementary School (Urban Area), Poroc Primary School, and Singat Primary School. Its only private high school is Pura Academy School. The following Table 2 shows the elementary schools, public high schools, and private secondary school which comprises the education sector in Pura.

Table 2 – Education Sectors in Pura

Elementary Schools	Public High Schools	Private Secondary School
Buenavista Elementary School	Buenavista High School	Pura Academy
Don Quirino Sulit Elementary School	Estipona High School	
Don Teodorico Pascual Elementary School	Pura Central High School	
Doña Felisa Y. Sawit Elementary School		
Estipona Elementary School		
Linao Elementary School		
Maasin Elementary School		
Matindeg Elementary School		
Maungib Elementary School		
Naya Primary School		
Nilasin 1st Primary School		
Poroc Primary School		
Pura Central Elementary School		
Pura Community School		
Singat Primary School		

Meanwhile, the following figure 4 shows the municipal map of Pura, Tarlac.



3.1.2. Unit of the Study

3.1.2.1. Respondents

The respondents of the pilot test of this capstone project were LGU officials, local functionaries, and community beneficiaris/residents in Barangay Singat, Pura, Tarlac. The barangay has a population of 1,695 based on the 2015 Census. This represents about 7.15% of the total population of Pura.

The said barangay is the location of two classroom buildings at Singat Elementary school which was funded under the 2014 PCF. These classrooms were constructed from June to September 2014 covering a

distance of 500 linear meters. Beneficiaries of the project are the pupils, teachers, school administrators, and parents or guardians of Singat Primary School.

A stakeholder's map or respondents profile who are direct beneficiaries of the project was prepared prior to the conduct of the pilot test for prioritization of respondents in the KII and FGD as part of the MSC activity. Said beneficiaries were identified by the PCFMT and were duly coordinated by the DILG Municipal Local Government Operations Officer and barangay officials. An informed consent form was also provided to the beneficiaries prior to the interview.

For the performance assessment activity, LGU PCF team members such as the Municipal Mayor, Municipal Administrator, Municipal Engineer, Municipal Accountant, Municipal Planning and Development Officer served as the respondents for the said activity.

3.1.2.2. Data Collection Process/Procedures

Prior to the visit to the locale for the actual conduct of the study, a letter was sent to the DILG Regional Office informing them of the activity to be undertaken. The DILG regional office then gave notice to the locality about the activity. The pilot test was conducted on June 10-11, 2019.

For this Capstone project, the researcher and the PCF team collected two types of data as part of the study – the LGU Performance Audit/Assessment using Result-Based M&E and the Most Significant Change (MSC) Technique.

3.1.2.2.1. LGU Performance Audit/Assessment using Result-Based M&E

The following activities were done in assessing LGU performance in the PCF project implementation:

- Courtesy call to the Municipal Mayor;
- Conduct of round table and focus group discussion with the LGU PCF team using interview questionnaires;
- Conduct of documents review to assess gaps of the actual project implementation vis-à-vis PCF guidelines;
- Field visit to the project site using the physical infrastructure observation and assessment tool;
- Results review and evaluation;
- Conduct of feedback mechanism to the Municipal Mayor either during the exit conference

3.1.2.2.2. For the Most Significant Change (MSC) Technique

- Conduct of KII by the PCF team with the Teachers, Principal and the Punong Barangay
- Conduct of FGD with the parents whose children are currently enrolled in the said school
- During those conduct of above-mentioned pilot test, the PCFMT introduced the objectives of the activity to the beneficiaries and explained what MSC is. This process raised their interest and commitment to participate in the pilot test.
- Significant change stories were collected from parents, parents, and teachers who were most directly involved in the project during the KII and FGD. The stories were gathered by asking a simple questions on the most significant change that they had experienced as participants of the PCF project. PCT MT who handled the KIIs and FGD documented these stories thru audio recording and taking down notes. These were transcribed, analyzed and filtered by the concerned PCF Team members.
- Two priority stories were then chosen during the stakeholders meeting which were consequently entered into the databank of PCF stories. These stories will be selected or nominated again as one of the most significant account of change.

- Once a story is selected as a featured as most significant story, the concerned beneficiary will be notified.
- The entire process of MSC technique is repeated for each subsequent collection and selection of stories for all site visits conducted in all PCF projects.

3.1.3. Data Capture Instruments

This Capstone Project utilized the following data capture instruments: (1) M&E Instruments for LGU Performance Assessment (2) On-site Project Assessment Tool and (3) Beneficiary Interview Guide for MSC. These instruments or tool guides were designed for the sole purpose of the M&E of LGU-implemented PCF projects nationwide. These tools were designed, prepared and completed in collaboration with the PCFMT composed of selected personnel from the DILG Central Office and nearby Regional Offices.

3.1.4. Incentives or Compensation

There were no incentives or compensation afforded to the respondents of the study. Respondents to the activity have voluntarily extend their services to the activity. Only snacks and word of gratitude were provided as means of thanking the respondents for their voluntary participation in the study.

3.1.5. Objectives

The main goal of the study was to institutionalize an inclusive M&E instruments for the PCF. These instruments are used to assess the LGU's performance in their implementation of PCF projects and to gather the Voice of the People - their reflections, lessons and insights to the services delivered out of these PCF projects. These M & E instruments would be institutionalized for a holistic and inclusive PCF program management.

This capstone project aims to provide opportunity for the community to be involved in local governance by telling their stories. The results will be used as a feedback mechanism for the DILG and LGUs to plan effectively and implement future PCF projects based on the needs and expectations of the community.

This project will also nudge the PCF program managers to effectively and efficiently manage the program in fulfillment to the DILG's organizational outcome of capacitating the LGUs towards an accountable, transparent, participative, and effective local governance.

Moving forward, PCF projects that yield the most significant change to the lives of its constituents will be prioritized. Likewise, priority PCF Projects will be designed towards improved delivery of services and will be implemented in close consultation with the citizens. Future PCF projects will also be contributory to the national government priorities and agenda.

3.1.6. Risk-Benefit Assessment

There were minor possible risks and threats involved throughout the implementation of this capstone project. One is the time constraints considering that the researcher is a full-time employee who handles a huge national government project such as the PCF while pursuing this capstone project as part of the requirements for the graduate studies. There were also some setbacks encountered such as the on-time production of M & E instruments, budgetary constraints, and commitment of PCF MT personnel from other offices. While these things initially hindered the implementation of the project, these were nonetheless provided with solutions.

Successful implementation of this project should ensure the institutionalization of an inclusive monitoring and evaluation instrument to improve project management. These instruments will be used in assessing LGU performance and including the voice of the people or the beneficiaries.

3.1.7. Tools of Analysis

For LGU performance audit, the researcher and the PCF team checked the respondent's answers after the conduct of the pilot test. These answers were then collated and cross-checked it with the existing records vis-à-vis the PCF website and other documents. A comparative analysis was then done to assess the gaps between the project files and the actual ground scenario.

For the MSC technique, the stories told by the respondents were recorded and documented. The chosen two priority stories were included in the database to be used as handy referenced in developing future IEC materials of good stories or in the case of adverse stories, as reflection for improvement of future PCF undertakings.

3.1.8. Framework of Analysis

The scholar-researcher together with the PCF MT team members used the Checklist and Narratives results in the framework of analyzing and interpreting the data collected.

The data collected were then interpreted using comparative analysis of the conceptual design relative to other studies. The conceptual framework was used as guide in establishing what the instruments had done in the development of the cooperatives. It was also used to ascertain if the outputs of the project will be consistent with the context of the program.

3.2. Implementation Plan

Activities were conducted using an implementation plan which served as guide for the researcher and the PCF team to effectively execute and implement the capstone project. The said plan typically outlines the objectives of the capstone project, activities to be undertaken, expected result or success indicators, timeframe to do the activity, risk and its treatment and resources, person or group responsible for the activity, and budget.

3.2.1. Objective 1 - Conduct of briefing or orientation on the Capstone project.

In achieving this objective, the researcher conducted a briefing or orientation of the Capstone Project to the PCF team members being the primary stakeholders. The briefing was done during the 1st and 2nd stakeholders meeting on March 5, 2019 and March 27, 2019 respectively. During those two briefings, the PCF MT members were oriented about the capstone project, the M& E processes, instruments, and implementation plan. Part of the orientation briefings was the analysis on existing gaps and problems of the M&E process and instruments of the PCF.

The researcher also conducted another orientation of the Capstone Project to all DILG Division Chiefs nationwide during the interfacing dialogue with Regional Offices. This process enabled the regional offices to be informed of the M & E instruments that will be used during validation activities of the Central Office Team to the LGUs under their areas of responsibility.

Expected results and success indicator for these activities are the following: 1) gaps and problems on the existing PCF process and instruments shall be assessed by the PCFMT and 2) DILG Division Chiefs nationwide shall be oriented by the proponent on the Capstone project and its implementation plan.

Pictorials on the briefing, post activity reports and power point presentations also form part of the indicators of success. Non-availability of personnel from other offices and cancellation of the interfacing activity are the considered risk factors. These risks were averted by preparing the letters prior to the conduct of briefing to include representatives of each offices under the PCFMT offices.

The person or group responsible for the orientation and briefing activities are the researcher and the members of the PCFMT with a corresponding budget of Php24, 000.00.

3.2.2. Objective 2 – To Enhance and or design instruments for an inclusive M&E.

To accomplish this objective, the researcher and the PCFMT reviewed the existing RbME instruments/tools and crafted a new MSC tool (questionnaires, assessment tool, checklist, on-site assessment tool, etc.). These tools were designed to address the gaps and problems gathered by the PCFMT during the conduct of orientation and briefing.

To this end, a M&E tool was developed and enhanced to capture LGU performance audit thru a Result Based M&E (RbME). A new tool was also crafted to gather the voice of the people thru the MSC technique. Among the steps undertaken to accomplish these objective are conceptualization, formatting and data analysis, establishment of the validity and reliability, pilot-testing of the instrument, and finalization of the instruments for use in future PCF site validations nationwide.

The number of enhanced and new instruments developed and the approval of the instruments for pilot testing are the indicators of accomplishment for this objective. The researcher, the PCFMT, including the PCF focal persons of DILG Regions 3, CALABARZON, MIMAROPA and NCR were the group responsible for the design and enhancement of these instruments. These instruments were processed between April – June. The instruments for pilot testing were approved by the PCFMT during the 4th stakeholders meeting on June 4, 2019.

To repeal the risk of non-availability or commitment of personnel from other offices and its non-approval by the head of office, this proponent convinced the team from BLGD to lead in the enhancement and design of the M&E tools. Copies of these tools were then furnished other offices for their comments. A P24,000 budget was allocated for the two stakeholders meeting cited in objective 1 but no budget allocation was set aside for this objective.

3.2.3. Objective 3 – To Pilot-test instruments developed

In accomplishing this objective, the activities conducted were the preparation of letters to DILG PCFMT members, DILG Regional office No. 3 and the LGU of Pura for the conduct of the pilot-testing. The PCF PMO downloaded P49, 000.00 fund to the DILG Regional Office thru a Notice of Transfer of Allocation (NTA) for the pilot testing of instruments to the Municipality of Pura, Tarlac on June 10-11, 2019. Also, the amount of P50, 000.00 was allotted for the travel and other incidental expenses of the PCFMT participants.

Among the risk identified were the unavailability of funds for downloading to the region and the unavailability of responders and LGU officials during the conduct of pilot testing. The risk on the unavailability of fund was indeed realized when the DBM issued National Budget Circular No. 577 dated May 2, 2019 regarding guidelines on the release of funds for FY 2019. Said Circular halted the release of the Notice of Cash Allocation (NCA) to the regional office for the pilot test. Nonetheless, the activity pushed thru when the proponent negotiated with the regional office to cash advance for the fund pending release of the NCA.

3.3.4. Objective 4 – Tools assessment from the results of the pilot-test conducted

Activities conducted after the pilot testing activity were the assessment or analysis of gathered data and the refining and finalizing of the instruments.

Risk from this activities was the unavailability of responsible person or the members of the PCFMT to assist in refining the instruments. Other members of PCF Management Team then fine-tuned the instruments. Copies were then furnished to absent members to fast track the finalization of the instruments. The refined and finalized instruments were presented during the 5th stakeholders meeting conducted on June 25, 2019. A budgetary allocated of twelve thousand pesos (P12,000.00) budget was earmarked for

this activity.

3.3.5. Objective 5 - Institutionalization of Instruments

To achieve this objective, activities include the Preparation of a Certificate to approve the use of the inclusive instruments to be used for LGU Performance Assessment utilizing the RbME and gathering of impact stories from the citizens thru the MSC technique.

The BLGD Management approved and signed the Certification which institutionalized the use of the M&E instruments for nationwide implementation. The results were announced during the conduct of the annual evaluation activity of the Central Office Team.

Final results of the capstone project and institutionalization of the M&E tools were presented to the PCFMT during the 6th stakeholders meeting on August 9, 2019.

CHAPTER 4

RESULTS AND ANALYSIS

This chapter discusses the results and analysis derived from the project implementation, as well as the challenges encountered. It describes how the project objectives were achieved thru the deliverables, what actual outputs were generated and describes details of the M&E instruments as designed and what results were achieved after the pilot-testing of the project.

This Capstone project produced four (4) major deliverables during the implementation period such as: **1) Approved Monitoring and Evaluation Instruments 2) Pilot-testing of the M&E Instruments/Tools, 3) Tools Assessment from the Results of the Pilot-test and 4) Approval of the M&E Instruments by the BLGD Management.** Objectives were crafted throughout the project implementation process in order to effectively achieve the deliverables.

4.1. Results

In meeting the deliverables of the study, several activities were conducted. The general objective of the capstone is to **develop an inclusive M&E instruments for the PCF program.** This general objective is sub-divided into five (5) specific objectives as derived from the implementation plan namely: 1) Conduct of briefing or orientation on the Capstone Project; 2) Development of new tools and enhancement of existing instruments; 3) Pilot-testing of the instruments; 4) Tools assessment from the results of the pilot-test conducted and 5) Institutionalization of the instruments.

Institutionalized M&E instruments are user-friendly and applicable for use by the PCFMT in the conduct of its Monitoring and Evaluation (M&E) of LGU implemented PCF projects nationwide.

4.1.1. Briefing and Orientation on the Capstone Project

The Capstone Project briefs were done to prepare the team on what to expect from the Capstone project. The proponent discussed the need to have an inclusive M&E instruments for an effective and efficient management of the PCF program.

Assessment of gaps and problems on the existing M&E system were evaluated and thoroughly discussed by the PCFMT. Based the assessment results, the following activities were undertaken to have an inclusive and holistic M&E for PCF:

- Enhancement of the existing LGU Inquiry Instrument and Physical Assessment Instrument under results-based LGU performance audit/assessment to be more gender-sensitive and user-friendly
- Development of a new assessment instrument for projects under motor vehicle acquisition and projects under Information and Communications Technology (ICT).

- Inclusion of a new M&E process which is getting the Voice of the People thru the Most Significant Change (MSC) Technique
 - Development of evaluators guide and other forms for the Most Significant Change (MSC) Technique
- DILG Division Chiefs nationwide were also presented with the Capstone Project during the “Interfacing Dialogue with Regional Offices” activity conducted last May 27, 2019. This is for the Regional heads to appreciate the capstone project which will be used in the conduct of on-site M&E thru validation activity by the central office personnel and regional focal persons.

4.1.2. Development of new tools and enhancement of existing instruments for an inclusive M&E

This objective was realized thru constant consultation and collaboration with the PCFMT. Analysis of the instruments and gaps on the M&E were taken into consideration. The instruments were conceptualized, designed, developed, and discussed by the PCFMT during the conduct of PCF stakeholders meetings attended by the PCFMT and Focal Persons of nearby DILG regional offices like Central Luzon (R03), National Capital Region (NCR), CALABARZON (R04-A) and MIMAROPA (R4-B). Conceptualization, format & data analysis, establishing validity & reliability were done by the PCFMT for the finalization of the instruments.

The following instruments were enhanced and developed under the two processes. These instruments will be utilized when conducting monitoring and evaluation of PCF projects of LGU recipients nationwide:

4.1.2.1. Process 1- Results based LGU Performance Assessment

Existing instruments were enhanced and new instruments were designed and developed. These instruments were used by the DILG field validators during the pilot testing of results-based LGU performance assessment in PCF project implementation. The enhanced tools were designed for use by the LGU PCF Team when gathering data regarding project implementation and when conducting on-site evaluation of LGU implemented projects.

The **Observation and Assessment Tool** was also enhanced and used for conducting on-site assessment of Horizontal, Vertical and Water projects implemented by the LGUs.

The **motor vehicle report evaluation checklist** is a new instrument designed for assessing LGU implemented project pertaining to the purchase of motor vehicle while the **Checklist for Information and Communications Technology (ICT)** is a data assessment tool for LGU implemented ICT projects.

4.1.2.1.1. LGU Inquiry Form

The existing LGU Inquiry Form was enhanced to make it more responsive to the needs of the evaluators in assessing LGU performance. One remarkable enhancement of the tools was the elimination of gender bias questions making the enhanced tool more gender fair. These tools shall be used when getting data from LGU functionaries comprising the LGU PCF team (i.e. Municipal Mayor, Municipal Engineer, Municipal Accountant, Municipal Planning and Development Coordinator, Budget Officers, etc.). Data collection using this tool is through FGD or KII.

The enhanced instrument containing the basic project information (i.e. title, description, location, etc.) is shown in **Annex A**. Said tool also contains indicators on financial information of the LGUs’ status of fund utilization. It includes data on the total project cost (PCF and LGU counterpart), amount of PCF fund disbursed, use of the unexpended balance, and date of audit of the local auditor from the Commission on Audit (COA).

The project management section was added to the questionnaire to include data on the person responsible for monitoring the Project Implementation. The tool shows data on any variance or delay in the project implementation and the date of project completion. It also includes information on LGU compliance to

DILG guidelines, project functionality, and testimonials from key project stakeholders, and the evaluator's general observation.

4.1.2.1.2. Observation and Assessment Tool for Horizontal, Vertical and Water Projects

This is an existing instrument which was enhanced by the PCFMT to assess the physical condition of the LGU infrastructure project. The PCFMT added additional observable conditions that can be validated on-site for a more thorough assessment of the project. The placement of collected data per rows and columns were also enhanced to make the tool more user-friendly and easy to fill-up.

The said instrument is shown in **Annex B**. This is used to assess horizontal projects (i.e. core local access road, farm to market road, flood control, drainage canal, bridges, seawall, etc.); water projects (water supply, sewerage and sanitation, irrigation etc.) and vertical projects (evacuation center, medical center/hospital, school building, multi-purpose bldg. etc.).

Using this tool, PCFMT can readily assess on the type of material being used in the LGU implemented PCF project whether concrete or gravel. It also contains indicator whether the project is a rehabilitation or new construction. It also contains provisions for observing and assessing whether the horizontal projects have cracks, road shoulders, asphalt sealer and discrepancies in length.

For water projects, the same tool is used to assess the PCF project in terms of level of service, placement, and type of material, kinds of storage, pipeline issues, and the construction of water tank.

Lastly, the tool is also used to observe and assess vertical projects in terms of its concrete quality, rebars, painting works, ceiling/roofing works, metal works, floor finishes, etc.

4.1.2.1.3. Motor Vehicle Report Evaluation Check List

The Motor Vehicle Report Evaluation Checklist shown in **Annex C** is a new tool designed by the PCFMT to be used during on-site assessment of projects pertaining to the purchase of motor vehicles.

The said tool gathers pertinent information about the project such as vehicle classification whether it is a car, multi-purpose vehicle, fire truck, ambulance, dump truck, motorized banca, among others. The tool also gathers data on the vehicle's intended use whether it is for exercise of executive functions; for transport of personnel, equipment, supplies, products and materials; for transport of sick and/or injured persons; for disaster response and rescue/relief operations; for transport of cash or valuable items; for patrol operations; and for special functions; etc.

The said tool also checks the motor vehicles' specifications like the engine type (diesel or gasoline), displacement, and number of cylinders. It is also used to check whether the vehicle has sticker per PCF guidelines. It also contains data whether the vehicle was acquired as brand new or second hand including its seating capacity. The tool also checks on the presence of documentary requirements as proof of LGU ownership such as official receipt, certificate of registration (OR/CR).

4.1.2.1.4. Checklist for ICT Project

Another new instrument developed in this capstone project was the checklist for ICT projects which is shown in **Annex D**. The instrument gathers data on ICT projects implemented by the LGU like acquisition of computer units, installation of closed circuit television (CCTV), and website or systems design project. The tool is used to check and assess the hardware and software specifications, basic specifications like its operating system, and number of units. Likewise, it is used to gather information on the kind of website utilized, data on server or database, its functionalities, and website responsiveness.

4.1.2.2. Process 2 - Getting the Voice of the People thru the Most Significant Change (MSC) Story

Getting the voice of the people thru the MSC is a new M&E process designed to complement the result-

based LGU performance assessment. This approach involves collecting personal accounts of change from the project beneficiaries, analyzing these stories, and deciding which of these accounts are the most significant and why.

4.1.2.2.1. Evaluators Guide to the Most Significant Change (MSC) Technique

While there is no need for a structured questionnaire in the MSC technique, the PCFMT had considered an instrument shown in **Annex E** to serve as guide for evaluators in the implementation of the MSC technique (Davies & Dart, The 'Most Significant Change' Technique: A Guide to its Use, 2005) . The left column of the said tool indicates the process or the ten (10) steps that need to be undertaken as part of the full implementation of the MSC. The right column indicates the corresponding procedures or technicalities that should be done by the field evaluator in each step.

This form was used as an operational guide by the PCFMT field validators for easy use and understanding of the MSC technique.

4.1.2.2.2. Informed Consent Form

An informed Consent Form shown in **Annex F** was also designed by the PCFMT for the MSC technique in compliance with Republic Act No. 10173 or Data Privacy Act of 2012. The form which is written in English and Filipino should be provided and must be explained by the field evaluator to the project beneficiary before participating in the conduct of MSC activity. The beneficiary then signs the form to signify his/her consent in sharing his/her story about the LGU implemented PCF project. The said form must also be signed by the DILG evaluator at the end of the KII or FGD as confirmation of the completed process using the MSC technique.

4.1.2.2.3. Stakeholders Profile

To facilitate information analysis of the data gathered in the conduct of study, an analysis of stakeholders' profile was undertaken to assess the degree of their interests, and power/influence. Five individuals were identified as the stakeholders to be interviewed during the data gathering phase for the MSC story. These individuals were chosen based on their potential to provide the most significant change story of the LGU implemented PCF project from their point of view.

In the case of the pilot test for this capstone project, the identified stakeholders were parents, teachers, principal, pupils and the punong barangay.

4.1.3. Pilot-testing of Instruments

The pilot testing of instruments was conducted on June 10-11, 2019 during the on-site visit in Pura, Tarlac. A total of eleven PCFMT members were present during the pilot testing of instruments. Four members were from the BLGD including the project proponent, five from the PACS headed by Director Marlo Guanzon, one from the OPDS and one from the DILG MIMAROPA Regional Office Personnel from the Regional Office No. 3 and Tarlac Provincial Office assisted the PCFMT during the pilot test.

Table 3 below shows the stakeholder's profile of the participants and their level of interests or stakeholders prioritization based upon their level of interest and level of power on the PCF project. They were the respondents during the pilot testing of the instruments.

During the pilot testing of instruments, the PCFMT assessed the LGU performance of their implementation of the PCF project. This was done through the conduct of Focus Group Discussion (FGD) with the members of the LGU PCF Team. The team is composed of the Municipal Engineer, Municipal Accountant, Municipal Planning and Development Office and the Municipal Budget Officer. While doing the FGD, the PCFMT filled out the data gathered into the approved LGU Inquiry Form tool. The validating

team also reviewed the documents to validate reports at the ground level vis-à-vis reports submitted to the PCF website. Part of the document review was validation of LGU compliance to the PCF guidelines.

Table 3: Stakeholders Profile

Stakeholder	Key Interest	Level of Interest	Level of Power
Parents	-Child’s Future - Budget -Time	H	H
Teachers	- Job - Role - Status	H	H
Principal	-Job -Role -Status	H	H
Punong Barangay	-Role -Status	L	H
Pupil	-Learn -Go to next grade	L	L

The following Table 4 shows the itinerary during the Pilot Testing of M&E instruments in Pura, Tarlac:

Table 4: Itinerary during Pilot Testing of M&E Instruments in Pura, Tarlac

DATE/TIME	ACTIVITY	OPR	REMARKS
June 10, 2019 (Day 1)			
11:00am-12:00nn	Courtesy Call to the Municipal Mayor of Pura	DILG-CO/RO/PO representative	*Picture/video taking were done as part of photo and video documentation in gathering testimonial from the Municipal Mayor (c/o PACS)
12:00nn-1:00pm	LUNCH		
1:00pm-4:00pm	FGD with the LGU PCF Team composed of Accountant, Budget Officer, Planning Officer and the Municipal Engineer	DILG-CO Representatives	Interview using the LGU Inquiry Form Instrument Review of pertinent documents
	Field Visit to the Project	DILG-CO/RO/PO and LGU Representatives	- On-site Assessment of project using the Project Observations and Assessment Instrument (for horizontal, water and vertical projects) since the identified

			project was “Construction of 2 Classroom Buildings” - *Picture/video taking (Action Photos)
June 11, 2019 (Day 2)			
8:00am – 10:30am	Focused Group Discussion and Key Informant Interview with Beneficiaries to get Most Significant Change Story	DILG-CO/RO/PO, LGU Representatives, Beneficiaries (Parents, Teachers, Etc)	- Conduct of interview using the Guide to the Most Significant Change (MSC) technique implementation instrument - Distribution of Informed Consent Form to the project beneficiaries before the conduct of Interview - Taking down notes and audio recording as part of data gathering - Picture/video taking
10:30am-11:30am	Exit Conference/ Wrap-up	DILG-CO/RO/PO Team, LGU Representatives	Post Activity Report on the Pilot-testing activity will be prepared as a form of Feedback mechanism to the Local Chief Executive

4.1.3.1. LGU Inquiry Form

Results gathered during the pilot-testing activity were recorded in the accomplished LGU inquiry form as shown in **Annex G**. Results showed that the LGU project entitled “Construction of two (2) Classroom Building at Singat Elementary School” falls under the category on Sustainable Development Goal (SDG). This project was funded through the LGU’s Good Financial Housekeeping award given on CY 2013. The project covers a total of 84 sq.m. of floor area including two (2) restrooms. It also includes the repair of perimeter fence and provision of desks for 40 pupils.

Based on the project’s **financial information** gathered thru Ms. Maricor Qutung - Municipal Budget Officer, the PCF subsidy amounting to One Million Pesos was received by the LGU on July 19, 2014. The total contract price of the project was 876,999.75. The total cost of the project was P979, 404.96. It has an unexpended balance amounting to P20, 595.04 which was returned to the Bureau of Treasury. Copy of the Official Receipt (OR) as requested by the validators from the Budget Officer affirmed that the unexpended balance was truly returned by the LGU. The date of final report of disbursement received by the local COA was on January 31, 2015.

Meanwhile, the data gathered pertaining to the **project management/implementation** was provided by the Municipal Engineer Marvin V. Banaga. The proposed start date of construction was on June 5, 2015 and the proposed end date of construction was on September 14, 2015. The actual date that the project started was on June 5, 2019. It was completed on September 19, 2015, with a construction variance of 11 working days. The variance was due to the completion of additional works using the unexpended balance. To address further delays in the project completion, the Municipal Engineer intensified monitoring and coordination efforts with the project contractor.

Data on the project billboard installed during the construction showed that the project was implemented By Contract thru B.G. Giron Construction and Supply. A PCF project marker was also installed after the project completion. Based on the the inscription in the marker, the project turn-over/acceptance was done on September 22, 2015.

A copy of the LGU Team Composition thru Executive Order No. 002 was acquired during the interview. Based on this document, there was no Civil Society Organization (CSO) involved during project implementation. Likewise, there were no difficulties/challenges encountered during project implementation.

For **Project Benefit/Impact**, the LGU functionaries said that the project is functional. Among the direct and indirect beneficiaries of the project are 1500 residents of Brgy Singat and nearby barangays. Thirty two temporary jobs among local residents were generated during the project implementation which are mostly carpenters, masons, laborers, welders, etc.

It was revealed that prior to the project implementation, one pressing problem in the barangay was insufficient number of classrooms. This compelled the parents to send their school-aged children to nearest elementary school, usually in the adjacent barangays. This move entailed additional transportation cost to the pupils which eventually resulted to increasing school drop-out rate.

When the project was completed, more pupils can now be accommodated to study in the school. This resulted to better academic of the pupils and lower rate of absenteeism.

For the sustainability of the project, the municipal LGU allotted a budget under “maintenance of government facilities”. The LGU also asked for the help from the barangay LGU and school officials for the building maintenance thru the Special Education Fund (SEF).

Based on the **testimonials** given by the LGU functionaries, it was found out that since the Municipality of Pura falls under the 4th Class category, the Municipal LGU is very dependent on the grants given by the DILG. The PCF program have greatly helped the municipal LGU in realizing the projects listed in their Annual Investment Plans (AIP). The participants even suggested that the PCF subsidy should be increased. Lastly, per observation by the PCFMT, the municipal LGU of Pura had an admirable performance in the over-all implementation of its PCF projects. Their records on PCF projects were complete and intact while the fund provided to them was maximized and properly utilized.

4.1.3.2. On-site Project Assessment

The on-site assessment of the 2-classroom building in Pura, Tarlac was done to evaluate the technical capability or sustainability of the classroom building. This was done using the Observation and Assessment Tool for Horizontal, Vertical and Water projects. During the event, PCFMT evaluators observed, took photos, and keenly inspected the school building. They dutifully took down notes on the physical condition of the project.

Annex H shows the duly accomplished observation and assessment form as noted by the validators led by Engr. Rio Z. Manalaotao of BLGD.

Based on the results of the on-site observation and assessment, it was revealed that the project is indeed functional- meaning it is being utilized by the stakeholders. Documentary records like certificates of completion and acceptance are likewise readily available for perusal

Meanwhile, the structural assessment revealed that that the new school building has cracks and has variations because of the additional works which prolonged the project completion. The report also cited that the paint works around the building including the handrails are fading out while the ceiling/roofing

works is partially done with some visible cracks. The validators also observed that a door knob that was missing.

It was also observed that a permanent marker was installed in the building. It is friendly to people with special needs but it does not have a gender-sensitive facilities such as breastfeeding area, gender neutral restrooms, etc.)

Finally, the validators remarked that the floor finishes are in good condition and that the cracks on the walls are mainly due to the intense heat inside the rooms. Validators then recommended that the room ventilations be improved to reduce the heat and make the classrooms more conducive to teaching and learning. **Annex I** shows the visuals based on the technical observation and assessment.

4.1.3.3. FGD and KII for the Most Significant Change Technique

Pilot-testing of the MSC technique was done with the parents, teachers, school principal and the punong barangay as the main source of data or story on the most significant change that happened upon completion of the classroom project. The project proponent together with the PCFMT conducted Focus group discussion (FGD) with the parents while Key Informant Interview (KII) was conducted with the two (2) teachers, the principal and the punong barangay.

Audio recordings of the key stakeholders during the KIIs and FGD were transcribed upon return to office as shown in **Annex J**. Based on these, the PCFMT selected two (2) stories told by the stakeholders that can be featured as part of Knowledge Management for PCF Good Stories through the assistance of PACS. One compelling story was that of Mrs. Presentacion Gabuya – a parent with three (3) children presently studying at Singat Primary School. She narrated how her life has significantly changed upon the completion of the classroom building in Singat. She recalled that that she used to spend a lot of time for “*hatid sundo*” of her three children to a faraway school when one of them could no longer be accommodated due to limited classroom. She even spent a lot for daily fare with four of them travelling every school day, putting the family’s very limited budget even tighter.

Upon completion of the new classrooms, she transferred all her children to the Singat Primary School. Since, the school is just a stone’s throw away from her house, she no longer need to commute in her daily “*hatid sundo*”. She saves a lot of time and money making her and her children’s life a lot better.

Another noteworthy story worthy gathered during the pilot test was that of the OIC Principal. He narrated that that the pupil enrollment significantly increased upon the project completion. The higher number of enrollees pave the way for the school to become a complete Primary School. Now the school is on its way towards achieving their vision of becoming an Elementary School.

4.1.4. Tools assessment from the results of the pilot-test conducted

Based on the results of the pilot-testing held in Pura, Tarlac, the team created and developed a “User’s Guide” on the enhanced and newly-developed M&E instruments to make it more user-friendly. This guide allows PCFMT members who are mostly of non-civil engineers to effectively and efficiently carry out the task of Monitoring and Evaluation of PCF projects.

Shown in **Annex A1** is the guide in accomplishing the LGU Inquiry Form Questionnaire. Meanwhile, **Annex B1** shows the guide for accomplishing the Monitoring & Evaluation Tool for Infrastructure Projects. **Annex C1** serves as a guide for filling out the Motor Vehicle Evaluation Checklist while **Annex D1** is a guide for accomplishing the Monitoring and Evaluation Tool for ICT Projects.

These guides were developed by the PCFMT members for the DILG evaluators especially Non-Engineers to easily fill out the commonly used M&E forms during site validations. These guides are designed for individual project validators to understand the concept of civil works when doing assessment of projects.

Said guides also allows project validators to easily grasp what is the Most Significant Change (MSC) process being a new tool for monitoring and evaluation. These instruments were also improved and minor revisions like grammar, title of some rows, and placement of individual sections were also rectified.

4.1.5. Institutionalization of the M&E Instruments

A Certification and Approval (**Annex K**) on the use of the enhanced and newly-developed M&E instruments was signed by the proponents' heads of office namely: Director Annaliza F. Bonagua, Asst. Director Jun Maralli and the proponents Institutional Partner, Mr. Zaldy I. Masangkay. These approved instruments shall be used during the annual conduct of the Monitoring and Evaluation (M&E) of PCF projects thru validation activity to target LGUs nationwide by the DILG PCFMT.

The PCFMT is also considering to add the instruments under the enrolled processes of the PCF program for ISO 2015 for sustainability. Likewise, the project proponent is sure that thru the institutionalization of the enhanced and newly-developed M&E instruments, there will be a more holistic and inclusive conduct of monitoring and evaluation activities of PCF projects and the PCF program itself.

4.2. Analysis

4.2.1 Conceptual Framework and its Realization

Based on the Conceptual Design in Chapter 2, Section 2.3, monitoring and evaluation of PCF projects entails two (2) processes - one is the assessment of the LGU performance on its project implementation, project effectiveness and the financial and physical reports. The other is getting the voice of the people on their perceived project quality, delivery of service and project expectation thru the Most Significant Change (MSC) technique.

For these processes to be realized, there is a need to conduct assessment of LGU performance on its PCF project implementation using the enhanced existing tools and newly-developed instruments. Among the methods used in gathering the required data are document review, FGD and KII.

Gathering of stories on people's reflections, lessons and insights on PCF projects implemented by the LGU requires a new process which is the MSC technique. The MSC approach shall be done thru a FGD or KII.

These two M&E processes shall form a holistic and inclusive PCF program management. These M&E processes will help in achieving the Department's organizational outcome objective which is an accountable, transparent, participative and effective local governance. The instruments shall be used by the PCFMT during its annual M&E activity to all regional offices nationwide.

4.3 Challenges

Implementation of this capstone project was not easy since MSC technique is new for the PCFMT. The proponent faced a number of challenges along the way but were eventually resolved thru sheer willpower, determination, enthusiasm and prayer. Among these challenges encountered are the following:

4.3.1 Unavailability of fund and personnel for pilot-testing of the instruments

During the implementation phase, the proponents was faced with the challenge on the unavailability of funds for downloading to the region. There were also challenged encountered on the unavailability of some PCFMT members in other offices, responders and LGU officials during the conduct of pilot testing. On the challenge of unavailability of fund, this took place when the DBM issued National Budget Circular No. 577 dated May 2, 2019 regarding guidelines on the release of funds for FY 2019. Said Circular halted the release of the Notice of Cash Allocation (NCA) to the regional office for the conduct of pilot testing

activity. Nonetheless, the pilot-testing activity pushed thru when the proponent negotiated with the regional office to make a cash advance for the needed fund pending release of the NCA. The positive response from the regional office made the pilot-test successful.

Considering that the PCFMT members are from the various offices in the Central Office and nearby regions, these members have their own individual targets and priorities to perform and accomplish. Calling for stakeholder's meetings were always challenging and attendance are often not complete because of individual workload prioritization. To address this, the proponent closely supervised the conduct of PCFMT meeting. During the event, he discussed the schedule of pilot-testing of the members of the Capstone project.

CHAPTER 5

Conclusions and Recommendations

This chapter discusses the summary of this capstone project, its strategic implications to development management, as well as the project sustainability.

5.1. Summary

This capstone project was implemented in consideration of the problem statement that the Monitoring and Evaluation (M&E) Instruments are Not Inclusive. This problem statement needs to be addressed by the proponent and the PCFMT considering that the current M&E mechanism of the PCF PMO is very DILG-oriented and DILG-centric. The existing M&E focuses on managing development interventions for results and compliance per requirements of the oversight agencies.

Strengthening the government's connection to its people may seem to be such an apparent concern for fairness that it hardly needs to be spelled out. However, National Government Agencies (NGAs), DILG included, have been criticized for being distant from the individuals, not listening enough and not seeking involvement. In most instances, capturing the voice of the people though their thoughts, lessons and insights was ignored. Considering the often neglected citizens who are central to good governance, there is a dire need to come up with an inclusive monitoring & evaluation instruments that shall capture not only the DILG's perspective but must include the people's perception.

Through this capstone project, the proponent is able to improve the existing M&E method of assessing LGU performance on its project implementation, project effectiveness and the financial and physical reports. In addition, the proponent developed a new method of getting the voice of the people on their perceived project quality, delivery of service and project expectation thru the Most Significant Change (MSC) technique.

With the institutionalization of these enhanced results-based tools and new instruments, the proponent expects that future assessments on the LGU performance of their respective PCF project implementations will be more holistic and inclusive. Also, gathering of story on people's reflections, lessons and insights on PCF projects implemented by the LGU shall result into a more pro-active participatory governance and documentation of the most significant stories of change.

These two M&E instruments shall form a holistic and inclusive PCF program management that will be used as a feedback mechanism for the DILG to improve its program management. This will also be used by the LGUs to improve their performance on good governance through effective delivery of basic services to the citizens.

This holistic and inclusive M&E mechanism will significantly contribute in achieving the Department's

organizational outcome objective which is an accountable, transparent, participative and effective local governance.

5.2. Strategic Implications to Development Management

Assessment to Improve LGU Performance – The capstone project is an evaluation for assessing LGU Performance. **It shall be a tool** in promoting transparent and effective local governance thru an efficient monitoring and evaluation approach. It monitors the extent of compatibility and alignment of the program / project goals with the national goals and the immediate recipients or the citizens.

Evaluation to Achieve Efficiency – This capstone project evaluates the degree of efficiency of the PCF to which it is economically transformed into outputs or projects. It also evaluates the cost-effectiveness of project operations (By Administration or by Contract) and project timelines.

Inter-Office Collaboration Endeavors – Through the capstone project, the project team recognized that agencies need to collaborate in order to efficiently execute projects. The proponent realized that Inter-Office cooperation is more strategic than per office patronage. Appropriate collaboration means ownership of achievements and sharing duties while sponsorship or financing encourages reliance or dependency. Furthermore, despite the varied fields of knowledge, the PCFMT members were supportive to the activities of the capstone project. They all share comparable objectives, resources, and management.

Measuring Citizen Satisfaction - This capstone project serves as a way of measuring citizen satisfaction on the delivery of services provided by the LGUs. By providing feedback to the LGUs on the findings gathered from the various assessment tools, the LGUs can better understand the requirements and priorities of their people. With the DILG's supervision, the LGUs can better prioritize areas for enhancement by taking into account the services that their people find most significant in their lives and in the community.

Measuring Impact through Stories – This Capstone promotes evaluation of the projects' impact or outcome thru the people's stories. Personal narratives or stories gave insights on their personal experience and on how the PCF projects have significantly contributed to their lives. This Capstone describes the process of gathering narratives that generally begins with a group interview (e.g. through FGDs or "story circles") or thru individual or one-on-one interviews. It also describes the various ways of recording the information, including standardized questionnaires and open-ended notes. It also includes options in choosing most significant stories such as voting.

Participatory M&E – This capstone project reinforces active participation of the citizen and main stakeholders in interventions. Participatory M&E enables them to take the lead in monitoring and analyzing progress towards collectively accepted outcomes and in deciding on necessary corrective action. This strategy added to demand-driven planning and decision-making. At the same time, it also improves accountability in cases where there are loopholes in the communication and feedback mechanisms.

5.3 Project Sustainability

In sustaining the gains of the project for implementation, the proponent prepared a Certificate of Approval to be approved and signed by the BLGD management. This document was signed by the BLGD Director, Assistant Director and the proponent's Institutional Partner. Moving forward, full-scale implementation of the approved M&E instruments will be done during the conduct of the annual M&E of PCF projects. These annual validation activities will be carried out by the Central Office PCF Team of the PCFMT members to regional offices.

The proponent also planned to add these instruments in the enrolled ISO 2015 processes of the PCF prog-

ram. Activities listed in the capstone project shall be prioritized for funding under the PCF program. In addition, capacity building activities at the Regional Offices shall also be funded under the PCF program. Interviewing PCF project non-beneficiaries shall also be implemented during monitoring and on-site validation to get their point of view. The information shall be used as a feedback to the concerned LCEs on the needs of other constituents for proper planning and management on the provision of basic services. All data gathered using the various assessment tools mentioned in this capstone project shall be archived for future use. These technical data can be translated into easily digestible information through the development and production of printed and digital IEC materials. Stories gathered from the field visits shall be featured in the PCF website once these are curated, edited and approved for website posting. The people's personal accounts of change during the kuwentuhan, FGDs, and interview sessions shall also be filed in the system. These documented stories can be translated into videos, news stories, or feature articles later on. Through storytelling, good stories gathered from the ground can be used as basis for replication in other parts of the country while negative stories can be used as areas for reflections and improvement. These stories shall form part of a PCF Knowledge Management which will be used for continuous learning and improvement as part of strategic interventions of the PCF PMO and the DILG as a whole.

Chapter 6

The Leadership and Management Journey

The implementation of this Capstone Project enabled the proponent to apply the necessary learning's and knowledge gained during the residential training at the PMDP-Middle Managers Class (MMC) journey into the actual role as PCF National Focal Person. The proponent had an actual experience on the nitty gritty of project conceptualization and project execution. By going through the various phases involving process enhancement in the capstone project, the proponent learned how to administer and handle government programs in a more effective and efficient manner.

The project proponent also had a wonderful experience that raised the bar of his leadership and project management even higher. A leader and visionary, he believed that strategic planning, implementation, and assessment increases the success rate of PCF projects. He also expects that there will be difficulties in realizing the anticipated outputs and results of these projects that he made some strategic moves to address these risks and complete the set milestones in this capstone project.

On a personal note, the entire journey of this capstone project, taught valuable lessons on resilience and patience. He became more resilient and more patient even amidst tough and challenging times such as activities that were not done on time, schedules that were not implemented as planned, and projected results that vary from the plan. As a public servant and a future public manager, the proponent realized the dire need to build a trusting relationship and good work environment with other people within the Office or outside our respective agencies. By doing so, he can easily tap these people who have the necessary expertise to help him realize the expected project outputs or outcomes at various stages of project implementation.

Likewise, he developed a very valuable ability of collaborating and corroborating with people from all walks of life. He also learned to take calculated risk of delegating the various tasks at hand to people who can confidently deliver the requirements within their expertise and capacity. In addition, he established competence and confidence to build a workforce and/or workplace where everybody has its own capacity and capability working together towards a common goal or vision, a team that get things done together.

Learning from the real firsthand experience, the scholar can now confidently say “you can commit something even beyond your control” but work with the right people.

During the implementation of the capstone project, the proponent demonstrated a number of leadership and management competencies, to wit:

Coaching: As a middle manager, the proponent became cognizant of the strengths, weaknesses and motivations of every PCFMT members who acted as Technical Working Group (TWG) of the capstone project. He effectively sets his message across to them, a move that sets a clear objective on the expected results of the capstone project. He also set clear expectations and created a positive and motivating working environment even when faced with extreme pressure and urgent matters. With these learnings, the proponent learned to provide assistance to the team whenever he see a person in need of his help. He also learned to set smart goals, provide regular feedbacks and hopefully promote growth among the PCF Team and PCFMT members.

Transformational Leadership – During the implementation of the capstone project, the proponent practiced the learnings gained during the Transformational Leadership Module by Dr. Kanapi where he focused on delivering clear targets, communications and goals. He had a strong commit in delivering the project output based on the mandate and organizational objectives of the DILG. He ensured that PCFMT members clearly understood what they are expected to do and produce at the end each activity. With these, he trusted that the PCFMT members collaborating in this capstone project are capable of handling delegated tasks without constant supervision through which they have responded very well.

Collaboration: as a middle manager and a leader, the project proponent recognized his strengths and weaknesses. He also appreciated that others have their own great ideas and suggestions to help him build and improve the capstone project. He used the collaborative style of management, knowing that two heads are better than one. He encouraged the collaborators to participate in all phases of the capstone project from – by asking them to share their thoughts, feelings, concerns, solutions and recommendations to help improve the output from the pilot test and implement the institutionalized M&E measures on a larger scale throughout all PCF projects all over the country.

Given the opportunity to further apply these leadership and management capabilities and capacities gained throughout the journey of this capstone project, the scholar shall ensure that these will be truly applied in the day-to-day operation and strategic M&E mechanisms being the PCF National Focal Person. Likewise, the proponent shall continue to seek wisdom and knowledge on leadership and management skills through attendance in trainings and further studies. But most of all, he shall seek the guidance of our GOD almighty for his divine intervention in all his endeavors and pursuits towards becoming a successful and faithful leader and public manager.

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GLOSSARY

1. **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.
2. **Barangay**. Refers to a smallest administrative division in the Philippines and is also used to mean district or ward. It comprises a territory within the municipality with its own government with at least 2,000 inhabitants. It is where disputes may be amicably settled.
3. **Best Practice**. It refers to innovative and creative practices or activities done by the LGUs which can be emulated by other LGUs
4. **Focus Group Discussion**. Refers to gathering of individuals into a group to talk or discuss about a particular subject or topic. The groups are asked or interviewed about their perceptions, insights, beliefs, opinions or ideas.
5. **Instruments/Tools**: Refers to the M&E device used to collect data, such as a paper questionnaire, assessment and observation tools or computer assisted interviewing system. Methodologies used to identify information sources and collect information i.e. informal and formal surveys, direct and participatory observation, community interviews, focus groups, expert opinion, case studies, and literature search during an evaluation.
6. **Key Informant Interview**. An in-depth interview to collect information with project beneficiaries who have high interest, firsthand knowledge or power about the project.
7. **Kuwentuhan**. The Filipino culture is a storytelling culture. Kuwentuhan is a way of preserving stories, histories, heritage, and the values the people hold. Stories that connect to our lineages—the journeys they have taken and how they have paved the way. It is how knowledge, wisdom, and values are passed down from one generation to the next
8. **LGU Functionaries** – refers to LGU officials or representatives of different LGU departments or offices
9. **Local Chief Executive (LCE)** – refers to elected Governors, Mayors and *Punong Barangays*

10. **Local Government Unit (LGU).** An administrative and political government unit subsidiary in the Philippines which includes the province, city, municipality and barangays which enjoy local autonomy enshrined thru the Local Government Code of 1991.
11. **LGU Performance** - Refers to the accomplishment of a local government unit based on a given task measured against preset known standards of effectiveness, efficiency, and creativity
12. **Most Significant Change** – refers to the most distinguished impact done by the PCF project to the beneficiaries as gathered thru their stories
13. **Project Beneficiaries.** Citizens from the project site who benefitted directly from the implemented projects
14. **On-Site Inspection.** Refers to project inspection done by Regional or PCFMT officers directly at the project site as part of monitoring of PCF projects as part of certifying that the works progress as intended is duly completed, both in terms of quality and compliance. Inspections will be carried out for a number of different purposes throughout the duration of a project. The inspection process is separate from the contractor's own supervision of the works.
15. **Project Validation.** An activity undertaken by the PCF Team to conduct physical and financial evaluation of selected LGU projects to assess project accomplishments vis-à-vis projects encoded in the PCF website.
16. **Validator.** Part of the DILG Program personnel who conducts on-site inspection and monitoring of PCF projects to validate correctness of project status of implementation vis-à-vis the PCF website