CHAPTER 4

WAYS FORWARD

This chapter shows there are ways forward. The proposition is that there are new ways to think of development in terms of the four components: people, resources, process and information. The theme of the chapter is to think of people as being both the beneficiary and the driver of development, to think of resources as being abundant but needing mobilization, to think of process as a way to achieve economic value adding and information as a way to improve development performance, to measure performance and provide a new level of accountability in development.

Is Success Possible ... Absolutely

The human spirit is powerful ... but it needs to have opportunity and there needs to be motivation and incentive. To have success, the problems that constrained success in the past must be avoided. New approaches and ways of doing things have to be adopted. Development must be approached as a process that has linkages with many complex interrelated elements.

This way of looking at development sets the stage for practical solutions to the global development crisis. This way forward is a coherent whole, and can be the foundation for successful economic and social progress in the SOUTH. The way forward explicitly addresses some issues about the enabling environment for success that people in the NORTH now take for granted.

Nothing in the way forward requires difficult reform. Everything in this way forward can be done, and in a modest way is already being done.

But there has to be a deep appreciation of the problems, and an understanding and respect for people of different backgrounds and experience and capabilities.

The goal or purpose of development

What is the goal or purpose of development? It is about socio-economic progress, and improving people's quality of life and standard of living. A big part of this depends on the culture, perceptions and priorities of the community ... a value construct that has a big element of subjectivity.

It is rare for the primary goal of development to be to get the maximum economic activity for the benefit of a few ... though it is common for this to be the investment goal for a profit maximizing enterprise. The difference between the goals of society and the goals of a PME, or many PMEs is something that has to be reconciled.

For society, the purpose of development includes giving a lot more people an opportunity to live a life that has a lot more dignity and be a lot more secure and further away from death. There are a lot of fancy ways to describe the goals of development, but a simple one is that poor people should have a better chance at life, liberty and the pursuit of happiness.

At the individual person level, and at the family level, development is easy to understand. I wrote the following more than 20 years ago in South Sudan. The area had its own civil war and was also hosting refugees from neighboring countries. A situation that has been all too common in the past decades all over the world.

Priority List
◆ Families do not want to be killed because there is war and insecurity all around them.
◆ Families do not want to die because there is no food and water for the family members.
◆ Families do not want to suffer and possibly die because there is not enough clothing and inadequate shelter from the elements
◆ And when the issue of today's survival is taken care of, the next priority is the survival of the family and procreation into the next generation. The survival of the children. The feeding and the nutrition and health of the children.
◆ And then the education of the children
◆ A taking care of the elderly and sick in the family
◆ And jobs for the family members
◆ And social responsibility for the community
◆ And a role in the spiritual life of the community

If all the possibilities are taken into consideration, it is apparent that success is possible. The only thing missing is an organizing framework so that it can be done. The solution that looks most promising is one that has the following characteristics:

People centric ... community centric ... development.

The focus of development is about people who are both beneficiaries and the instruments of development, either individually or through some form of organization. There is a need to envision development from the perspective of the people who are failing and hopeless under the prevailing development paradigm and optimize development from that perspective.

From a perspective of development that is people centric, people have got to be taken into consideration in every aspect of the analysis, planning and doing of development.

But people centric is difficult to organize and optimize ... rather this is better achieved by a focus at the community level. At the community level there can be impact from individual enterprise, as well as impact from team work and collaborative initiatives of all sorts. Community is society ... and people can be individual and collective ... with the totality better the sum of the parts!

Resources – use what is available.

The resources are people, natural resources, infrastructure, material and equipment, financial resources and knowledge. For resources to get committed to development purposes there must be value adding and there must be a "return" to the owners of the resource.

And while there are massive pools of resources in the world, in fact resources are very much underutilized on a global basis, the SOUTH is short of critical resources.

Planning for development can improve outcomes by making optimum use of the resources that are available. The simplistic idea that more money will produce more development is wrong ... totally wrong. A better idea is that an optimized deployment of resources will produce more development ... and a part of this is for the available resources, especially human resources and natural resources to be used in much better ways.

Process ... activities ... value adding ... value destruction

Value adding makes progress possible. Value destruction negates progress. Some activities are value adding ... some produce value destruction. The process of development is a mix of all of these ... and successful development is when everything is arranged so that there is a maximum of value adding.

It is process that assesses needs and opportunities, mobilizes resources, allocates them to value adding development activities, uses them effectively and provides an accounting and feedback of performance. The elements all fit together as a coherent whole, and build on the success in economic and social progress that countries in the NORTH now take for granted. The failure of development is much more about process than about people. Most people will do the right thing when they have the chance, and incidentally know that if they do the wrong thing they will get caught. But in the prevailing paradigm for development, the process just does not work.

Information

Information needs to be useful, independent, reliable and universal. The data to understand needs and opportunities, to optimize allocation of resources, use of resources and performance of development. A system to make these data understandable and useful. An Internet based secure distributed relational database makes it possible to manage the allocation and use of resources, track fund flows and use of funds and give excellent accounting and accountability and performance reporting to investors. And while there are lots and lots of data about development, there is very little information organized for performance analysis that is useful for the management of development resources.

Huge challenge ... many possibilities

There is a huge challenge. But all the possibilities for success are at hand. The way forward to development success must be something different from what we have seen before. It cannot be more of the same. What has been done up to now has failed ... and more of the same will fail some more.

Who is going to measure success?

Who is going to measure success? The measures should above all else assess development success from the perspective of the people of the SOUTH which may be somewhat different from the macro-impact that the NORTH most usually uses.

The metrics used everywhere for measuring progress are not well suited to a people or community perspective ... more they suit macro-economic planners and the capital markets, and the very large organization that no longer thinks it needs to be in touch with either its customers or its staff.

The "economic value destroying" characteristic of development that has been a common feature for decades has to end and be replaced by "economic value creation". This means changes at the World Bank, at the UN and in most of the bilateral and international non-governmental organizations (NGOs). This means changes in the way foreign direct investment decisions and made and the typical business proposition that gets agreed between the investing company and the host country.

And to the extent that these established organizations cannot or will not make the changes needed, then it is time for other organizations to get created to step in and do the work that needs to be done.

These four elements that make up the way forward are just parts of a coherent whole. Knowing about needs is of no value unless there is support that can be directed to the needs, and delivering resources without an accounting and accountability is never going to result in anything sustainable. So there needs to be resource mobilization, there needs to be opportunities to use the resources in a value adding priority manner, there needs to be a full set of relevant information and the process needs to result in real development progress.

There will be no success if success is predicated on difficult reform. Nothing in this way forward requires much change. Everything is possible. There is nothing in this that cannot be done at a "technical" level. There are constraints, and some of these are significant and reflect legitimate issues. But many reflect man-made obstructions and more commonly organizational obstructions that have

been introduced for reasons nothing to do with the goal of successful development.

I wrote the following two sections almost twenty years ago. It is sad that almost nothing that was seen as a problem then has been changed. Twenty years ago I had already had more than a decade of corporate management experience and about the same length of time doing development consultancy. The problems were already obvious to me. The solutions equally so.

But what I did not realize then was that all the official development assistance (ODA) institutions were totally ineffective. I was working with good people who were proud of their organizations.

I did not realize that the solutions could not be delivered using the organizations that were taking on the responsibility. I did not realize then that the biggest problems in development were organizational rather than people and resources. Even today, this organizational issue is not being addressed. It is still not seen as a critical issue.

My sincere hope is that readers of this book will start to appreciate the ineffectiveness of the big NORTH based development institutions in implementing development initiatives.

Economic value destruction

The common feature of development for decades has been its "economic value destroying" characteristic. After massive disbursement there is rather little of economic value to the seen on the ground. And something of the same applies for foreign direct investment (FDI). This has to change.

The way forward must look beyond what has been done and is still being done to something different. So as not to waste your time, and so that you have a good reason for reading the book, or not reading the book, let me try to summarize the conclusions at the beginning. The solution to the problem of failed development that has emerged has four elements:

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These four elements are part of a coherent whole. Knowing about needs is of no value unless there is support that can be directed to the needs, and delivering resources without an accounting and accountability is never going to result in anything sustainable. So there needs to be resource mobilization, there needs to be opportunities to use the resources in a value adding priority manner,there needs to be a full set of relevant information and the process needs to result in real development progress.

Nothing being recommended requires difficult reform. All of this is possible. There is nothing in this that cannot be done at a "technical" level. There are constraints, and some of these are significant. Some of these are understandable and reflect legitimate issues. But many reflect man-made obstructions that have been introduced for reasons nothing to do with the goal of successful development.

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People

> *The focus of development is about people who are both beneficiaries and the*
> *instruments of development, either individually or through some form of organization.*
> *There is a need to envision development from the perspective of the people who are*
> *failing and hopeless under the prevailing development paradigm and optimize*
> *development from that perspective.*

Development should not be about monetary measures, but about all the other quality of life measure that are important to people as they live from day to day. How are the members of my family doing? That is the number one question for the majority of the world's people. Most have no idea about any of the alphabet soup of economic indicators, but they do know how the family is doing. And sadly, for

most of the world's people the members of the family are not doing well.

Everything about development has to be brought back to people. Development is ONLY about people. And looked at from the perspective of people, the present paradigm for development does not work. The challenge is to determine what will work.

> *Someone said the "all politics is local". I want to go a lot further and say that "all life is local"*

When development gets a new focus, and starts to do what makes success at a local level, there will be success. And what will make success at a local level is development activity around the priorities of the people and the community.

And this is quite easy.

Every single community knows what it has as priority.

And it is impossible to come up with a formula that has universal applicability.

The only thing that is going to be common, is that local people should be central to the processes that determine what are priority.

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The way forward starts with the basic position that socioeconomic progress in Africa is a failure. This is not a question of an 80% grade versus a 90% grade. It is bad failure with all that that means.

> *This is because the importance of the process of implementing change has not been well understood or adequately addressed.*

Development is about people.

In fact everything is about people, but other things get in the way.

People, as part of their nature tend to get "organized" in some form or another. The family is the most primary of nature's organization of people. It works and has been the center of human society for all of history.

And people organize a lot of other ways. There are organizations to transact business, there are organizations related to religion and there are organizations related to community. Organizations can be very formal, or work in an ad-hoc fashion. The organization can be highly structured or just some sort of network or be essentially a virtual entity. But organization is a part of the way people function.

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For development to be successful it has to be for the people. And it is likely to be supported if development is also by the people.

Affinity Organizations

There are a number of organizations that have done some amazing work in pulling people together to support good causes. The energy in these organizations is impressive. They are evidence that people want to do good and want to feel good. These organizations do a very good job of creating "feel good" value in society. Some are faith based. Many are not. Many have a theme that centers around the social and economic problems of the disenfranchised or disadvantaged either at home or overseas. These organizations already show what can be done with "people" power when it is motivated to do something worth while.

The following organizations, networks and movements are examples
>   Bread for the World
>   Jubilee 2000

Campaign for Nuclear Disarmament
Vietnam era Peace Movement
WTO Seattle demonstrations
G8 Genoa globalization demonstrations
Civil Rights Movement
Anti-Apartheid South Africa movement
Global justice movement
Greenpeace
Sierra Club

Failed Development

Africa, and the developing world is facing economic disaster. Even though health and education have been improved, the standard of living is far worse for most people in developing countries today than it was 50 years ago

For fifty years, most development resources have been "expended" in the public sector, with questionable results

Even today, the paradigm for development is not working and there is continuing value destruction in most developing countries.

Look at the market price history of all of the products originating in developing countries and see what these countries have to deal with.

Time for Change

African professionals are ready for change. What is needed is the opportunity to change.

Experts at the World Bank and other institutions know there is a need for change, but do not know how it can be done.

Economic Productivity and Value Creation

Developing countries need massive improvement in their economic productivity and their capacity for value creation

Africa has to start making for itself what it needs. This goes beyond just providing the labor. It includes doing value adding work on the materials used in production and construction

- Africa needs to build employment by bending metal and pouring concrete
- Africa needs strong small business that creates jobs and rewards investors
- Africa needs business that provides goods and services needed in the local economy.
- Scrap metal recycling, foundries, bending and shearing metal, creating metal goods, creating building materials
- Machine shops and fabrication for infrastructure building, manufacturing industry and transportation
- Processing plastics, creating plastic goods
- Everything needed to improve agriculture and the African rural economy

ODA Organizations

Most, if not all the main organizations engaged in international development were established more than fifty years ago. It was a different time in terms of distribution of world power, and it was a different time in terms of management, of information and technical and economic possibilities.

Achieving success in development in the 21st century is best done using modern organizational

concepts rather than ones that should have been retired decades ago.

People and material resources and technical knowhow need to be combined in the best possible way to deliver economic value adding development benefit. And in most developing countries many small community projects, many small enterprise investments, many small micro-finance loans will do far more good than massive projects organized and implemented by government and the public sector.

Modern technology makes it possible to organize as a network and not as a hierarchical structure. Modern technology makes it possible for existing entities to become engaged by creating a financing product that serves the needs, and is accounted for within the database information framework. A possible analogy is the Visa Mastercard system.

> *Perhaps the Visa / MasterCard network is a good example of network organization. It has four elements. There is collaboration between financial institutions to provide funding for the venture and some critical system and security infrastructure. There is a point of sale service that has value to the merchant. There is credit and convenience for the card user who, more or less willingly, pays for the service. And there are the information elements that pull all the various service elements together and keep the accounting straight.*

Another organization that did something that changed the way business was done was ADP.

> *ADP started a payroll service in the 1960s when computers were becoming more powerful, but difficult and expensive to run, and the rules and regulations of payroll processing were becoming more complex. For a few pennies a check, a small or big company could "outsource" its payroll processing and have its staff focus on the company's revenue producing business. The Universal Accounting and Accountability Database is a similar service concept. In this case investors can easily invest in economic value adding development initiatives in Africa with low risk.*

Another organization that changed the way business information was managed was Bloomberg

> *Bloomberg changed the way the financial services industry got its financial information. It started off with state of the art financial information collection, storage and communication, and has stayed in that mode to the present time. The Universal Accounting and Accountability Database could serve the investment community in a similar way for development related financial information.*

Success is not about physical organizations, but about a facilitating network that allows information to be used to plan, finance and implement development in the best possible way. It is essentially a very resilient and reliable market infrastructure for development opportunities and their financing.

Not a Single Silver Bullet
Hundreds of Issues

Success in relief and development and the achievement of socio-economic progress is possible ... but only when the constraints on success are addressed. In my experience, there are hundreds of issues that constrain success, all of which need to be addressed.

> ## Analysis of Relief
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> I have done many ... hundreds ... of evaluations of relief and development projects over a period of many years. Most had a single sector focus, and most did rather little in terms of creating durable value.
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> A big part of the failure was the hope that improvement in one sector would be of value ... when success was constrained

by all sorts of issues that also needed to be addressed.

Even multi-sector initiatives failed because almost all the institutions engaged in relief and development work have limited mandates ... and at some point they are constrained from doing everything that is needed.

One of the nasty examples is how corruption has been protected by ideas like "sovereignty" and it being construed as "political" and not "economic".

The relief and development process is not simple ... in fact it is complex and chaotic. But so is light. A strategy for success must recognize complexity and chaos and organize so that can be progress.

Making sense of chaos

The challenge is to address a lot of issues ... all of the issues that are applicable to any single situation. My approach to handling chaos is to have sensible simplification, multiple solutions, many alternatives rather than a single solution, not just one way but many ways to progress ... and if something goes wrong, there are many things still going right.

Separately, I write about people and communities, and suggest that it is more practical to look for solutions at the bottom of the pyramid rather than simply at the top of the pyramid ... one set of issues in one community, and maybe another set of issues in another community. Or perhaps some issues apply to a set of communities, and another set of issues apply to another set of communities. The need is to appreciate a lot of issues, and to act to address them in an appropriate manner.

And in this regard, addressing one issue, and creating another is not a good outcome.

Managing a complex set of issues ... managing chaos ... is a challenge. What we do know is that simple, heavy handed solutions are not going to work.

Some of the issues

The following is by no means a complete set of all the issues ... but it is a start. A companion book "Hundreds of Issues that Impact Relief and Development" that was published in August 2006 contains more than 300 different issues ... and is by no means complete.

Immediately following some of the bigger issues are described ... and then in alphabetical order a lot more of the issues. Hopefully, this will make the point that managing in the face of so many issues is a challenge and not at all suited to the sort of management that is practiced in huge hierarchical organizations like the military and government, even the most democratic.

Violence ... or Peace?

How peace can be achieved

Peace can be achieved by removing the causes of conflict ... but what are the causes of conflict.

Peace takes time. The process of making peace takes a lot of dialog ... it takes months rather then days or even weeks. At the end of the process a peace that reflected the values of the community can be established and a balance of power and influence that reflects the wishes of the communities that make up the country. The area authorities, the community leaders as well as the people in government, need time to build a framework for peace that is workable.

Keeping the peace

Long term peace is only achieved when the outcome of negotiations is a fair outcome, and especially important that they look fair in the urban streets and in rural markets.

A peace oriented program enhances the peace by making development resources available on an equitable basis to all the communities and not just selected priority communities.

There is a need to understand and respect community traditions, and understand how the people of the area live together. Development and peace are facilitated by respect for these matters.

The problem of inequity

Inequitable distribution of wealth and the opportunity to get wealth contributes to tension. This is often aggravated by the incompatibility of centralized government with clan-centric governance. The centralized model of government is practiced in a variety of forms in Washington, London, Paris, Moscow as well as Baghdad.

It takes time to work out something that is fair, and it gets complicated. The Washington model includes the concept of town meetings and the idea of "States' rights" and the idea that almost all the laws are State law, and not Federal Law. It took twelve years to go from US independence to the US constitution and generations longer to add several key amendments.

The British still have not written their constitution, though they have a framework of law that goes back centuries and indeed integrates the basic fundamentals from Roman Law. The tradition of clan law goes back a long way too. There is little written about traditional clan law, but in spite of this, the rules are clear and well known to everyone in the community. Clans want their rights respected, and in turn, respects the rights of other clans. This is very similar to John Stuart Mill's concept of liberty. When the rules are not respected, there is a penalty, and at the limit, there is war.

Implementation – Activities

Small is Beautiful

I like to think that I understand macro-economics. Macro-economic performance, as I see it, is a result of lots of small decisions throughout an economic system.

Small activities that use small amounts of resource and do wonderful things for the community, for the society, for the family, even for the individual are worth doing. When small activities are encouraged, and everyone that has the ability does what they can, the economy soars and the socio-economic situation improves. Lots of small activities add up ... and really means something in the aggregate.

Big things promise a lot ... but in the implementation most of the promise is replaced by a less optimistic reality. What might have started out as a huge value adding solution often ends up as value destruction and another problem to be fixed.

Lots of small initiatives

Lots of small initiatives that are within the capacity of the beneficiary communities to absorb can deliver rapid progress. Initiatives that the community considers to be priority and implemented by local people with mainly local resources can have a big value adding impact. Many small projects can be implemented by the private sector, community groups, NGOs etc. as soon as activities have been identified and there is an implementation arrangement agreed. If funding is available communities can plan their own development with their own priorities and draw upon the program resources according to what they see their needs to be. The expectation is that there will be a very large number of small initiatives that are the right size for each individual community.

There is no one best way

Where there are hundreds of things to do, and all sorts of people and organizations engaged in doing things, there is chaos. I have some modest understanding of chaos theory, and have some appreciation of the problems of organizing for good results in complex and chaotic conditions. The situation in Iraq has a lot of the characteristics that make chaos theory the most suitable management regime.

Getting the best results out of chaos is not something academic planners do very well ... in fact the record shows that they do it very badly. The "gosplan" type economy of the Soviet Union is one example, and I will argue that the "project" planning of the World Bank is another example.

Small activities can easily be done with very little formal organization and management. Other things needs to be done at a larger scale and with more planning and oversight. Some things are best organized on an even bigger scale at the national level.

Everything should be done in the manner that is best for the particular effort. It is not only scale that varies. The mix of resources also changes from one situation to another. In order to get the best possible results, available resources should be used in the most efficient way.

Getting Good Results When There is Chaos

My experience with managing in the corporate world was a continuum of learning ... because the only constant was change, and every change created some level of chaos. The chaos was not a pretty sight ... but the outcome in most cases was a better way of doing things.

> *I was a participant in a Organization and Management Conference in the early 1990s run by OSI. One of the sessions was about managing in chaos. I forget exactly how the game was played, but I think we all had numbers, and a number of balls circulating in the group. If a ball was sent to a person number 10, the ball then had to be sent to number 11 ... but where was number 11?*
> *When the game started it was absolute chaos, and balls were all over the place. In a few minutes people figured out where to stand so that they were next to the person with a number different by 1 from ones own.*
> *And then the rules were changed ... for example 10 had to send to 20, 11 to 21 and so on ... another period of chaos, but fairly quickly everyone figured out where best to stand. There is a powerful capacity for human beings to problem solve. In complex chaotic conditions many small decisions can get a workable answer far more quickly than the academic planners , no matter how big their computers.*

While everything operational was encouraged to change ... and get improved, there was one constant. The way in which the measurement was done remained the same. We did not want phony improvement simply by changing the measures ... we wanted real improvement that would translate into tangible profit performance.

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Human resources and natural resources are two key resources that should be used as effectively as possible for success in development. Frequently, they are more abundant than money and machinery, and should therefore be used in preference to money and machinery. Money and machinery should be used to the minimum and to compliment locally available resources to achieve maximum value adding.

What this suggests is that we should organize to empower a lot of people and organizations to make decisions, and then encourage people and organizations that seem to be getting it right and getting good

results. There should be metrics to identify good performance.

Make best use

In almost any organization there are some people that know how to improve performance, either because, for example, they have long experience or they have good analytical abilities or they can bring in some relevant knowledge not presently being exploited.

Good management will figure out how to use this improvement potential in a practical way ... either by some form of ad-hoc effort or by some systemic change in the organization. But it will get done. Procedure, rules and regulations will not get in the way of doing something that is worthwhile.

Getting the Most for the Least

Spending more does not mean you get more. People selling consulting services have figured this out ... as have the manufacturers and vendors of luxury goods.

> *I was responsible for running a factory at one point in my career. There was a serious capacity constraint in the foundry, and something significant had to be done quickly and at modest cost.*
> *The first step was to use some high end corporate consultants to advise on the problem ... they charged a big fee and recommended a $5 million capital expenditure project. The second step was a rather less prestigious consulting firm ... who had rather more modest fees and recommended a rather more modest capital expenditure program. My third step was to figure out myself what would be best to do, consulting with the experienced staff in our organization, some of whom were not at all academically trained.*
> *The local factory workers and supervisors knew what would work, and what would increase production enormously, at a very modest cost. Instead of investing millions and waiting for perhaps 2 years, we invested around $150,000 in some incremental equipment, and also two weekends of maintenance overtime installing and making changes ... and got the same results that the first consultants were projecting at an investment that would have exceeded $5 million.*

Measurement

Make measurement ... do the accounting

Nobody in a good corporate organization does very much without there being some sort of measurement, and for everything to do with money, there is the accounting. Measurement and accounting is the norm, and is everywhere in a good corporate organization.

But in the public sector, in the relief and development sector, and in almost everything to do with Iraq there seems to be very simplistic measurement and the minimum of accounting ... and almost nothing visible to the public.

Performance metrics ... cost and value

The community is the place where results should be most visible, and within a community there are some organizations that benefit because, for example, something is built, and other organizations that benefit because they are doing the building. The catalyst for both of these benefits is money that is being deployed to facilitate the development process.

A typical example of this might be a hospital that is being upgraded in some way, and a local contractor that is being paid to do the work. In this example, the performance metrics have three primary elements: (1) the cost; (2) the activities paid for; and, (3) the results.

The cost is the total funds disbursed and resources consumed ... a relatively easy accounting exercise. The activities paid for is a bit more complex, but still fairly normal analytical or cost accounting. The results need something that goes a little bit beyond more metrics about the activities, but more into the value to the beneficiaries, whether it is a group of people, a community, or the society at large. Good results have value ... and good development performance is when the value of the results is considerably in excess of the cost. It should be possible to put a money value on results ... not always easy, but something that ought to be possible.

There is another useful metric which is to relate the actual cost of the activities with a norm for the cost of these activities. This has always been a standard practice in any position where I have had a management responsibility, and it helps to encourage good operational performance as well as being a strong technique for the control of inappropriate disbursements.

In an environment where value basis analysis is being done, the process of development can be of great value to many, and be financially sustainable for all the organizations without requiring subsidizing fund flows from outside.

Benchmarks
The complexity of the linkages in multi-sector community development makes measurement, analysis and managing of linkages difficult, if not meaningless or impossible. However, it is comparatively easy to measure some of the results, commonly referred to as benchmarking. For example, a community can decide that it wants to build classrooms for an addition 1,000 students, and it can quite easily report progress against this benchmark. In many situations benchmarks are not enough to constitute a useful complete framework of management information.

Feedback

Without feedback ... there is no management
And when there are metrics, and there is information about costs, activities and results ... there also needs to be somewhere for the information to be used. There are two ways in which this information should flow: (1) within the organization to improve performance; and; (2) to the public so that they are informed.

The feedback within the organization should result in a culture of continuous improvement. While this is not easy, continuous improvement is the best way of getting the most out of available resources. Why do something the same old way, if it is possible to do better.

The feedback to the public is an essential to help maintain the ethics of leadership. When powerful people can do anything they want ... they will, not particularly because they are worse than anyone else, but simply because that seems to be human nature. Conversely, when people know that their actions will be seen and they will be subject to public scrutiny, behavior is always much better.

Without improved activities ... there is no point
The implementation process goes from planning to organizing to implementing to measurement to feedback ... and then starts all over again.

The process is very basic and builds on simple control theory. By learning, it is possible to improve what is being done, and get better results in the future than has been achieved in the past.

This has been a major weakness in the international relief and development sector in the past because almost all of the implementations were designed within a project structure and were "one-off" initiatives. This does not facilitate learning, and explains in large part why the relief and development sector has exhibited a very weak learning ability.

By establishing metrics that integrate the community itself into the measuring framework, there is a perpetual basis of measurement, and a reality to performance that can be tangible for ever. A community has a perpetual life, and measurement of the community's progress has meaning at any time.

Reasons for Optimism

There are a lot of reasons for being optimistic about Africa. Technology, human resources, natural resources

Technology

Technology today is capable of doing incredible things, but it needs to be applied so that it is used for sustainable socioeconomic progress. It is being applied in a technical environment. Much less is being applied in the economic environment.

Human resources

There is a big difference between the human resource development profile of Africa in the 1990s than in the 1960s and 1970s. Immediately post independence there were few formally educated Africans with experience. In the 1990s there is a much larger number of formally educated Africans with experience, and there are a lot of younger Africans with formal education. Too many people in Africa have had to go through terrible times during the past thirty years. Many Africans have learned some important lessons the hard way. People who are living through civil war conditions do not want it to be that way. Even in the most terrible situations, most peoples' first priority is their family and particularly their children.

Experience

There is a tremendous amount of experience about what works and what does not work in development. This experience can be mobilized to make the development process a lot more effective. There are many lessons to be learned. With good will these lessons can be learned and success can be achieved. In order for the lessons to be learned the people with the experience must have a platform. Successful reform of the official development assistance (ODA) model will include ways to learn from those with experience.

Natural Resources

The incredible wealth of Africa in terms of natural resources should translate into enormous wealth for the people of Africa. So far this has not been realized. A new business model for socioeconomic progress will make it possible to Africa's enormous wealth to be the foundation for Africa to have the highest standard of living and quality of life on any continent in the world.

Professional sector

The African professional sector has been largely ignored in the prevailing development paradigm. The African professional community can be the primary source of planning inputs into a new business model for socioeconomic progress. Africa must invest in works that are of value to Africa. A network of African professionals with an aim to build economic success in Africa can make an enormous contribution. Development planning and investment should be done with strategic partnerships with key firms in the private professional sector in Africa. The professional sector in Africa has the potential to make a big difference in the performance of business investment in Africa.

Enabling environment for foreign direct investment

Many countries in Africa are working on improving the enabling environment for trade, business investment and development. A lot of the focus is on making the environment be favorable for foreign

direct investment by large international operating companies. In addition the enabling environment for investment should encourage African investment in African business so that value adding profits result in a continuum of value growth in the economies of Africa.

Capacity for excellence in accounting and accountability

There is excellence in accounting and accountability in Africa, but it is rarely visible because of factors that have significant importance.

Good accounting in government is driven in large part by the political imperatives to keep the facts obscure. This is not only an African issue. It is very much in play in the United States, in Japan and in Europe, not to mention the Russia. The modern political imperative does not lead to excellence in accounting and accountability in Government.

Good accounting in the corporate environment in Africa is also undesirable because of the weight of taxation and regulation that exists. Most documentation is "free standing" and bears little relation to the accounting and accountability of the organization as a whole.

- Community Focus