



TRANSFORMING
THE SUPPLY CHAIN

Driving supply chain transformation through monitoring and evaluation

White Paper

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Pamela Steele Associates (PSA) is a strategic consulting, research and training company dedicated to improving supply chain management within the health and humanitarian sectors in developing countries. It has experience in designing and implementing M&E plans for SCCD.

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1. Introduction

Low and Middle-income countries (LMICs) are striving to improve their national health supply chains. Mostly they are driven by the realisation that Supply Chain Capacity Development (SCCD) plays an essential role in the pursuit of Universal Healthcare Coverage (UHC) and, more specifically, in the achievement of Sustainable Development Goal 3, which is to ensure healthy lives and promote wellbeing for all at all ages.

We view this as a very positive development. As understanding about SCCD deepens, interventions become more effective and health outcomes improve for people on the ground. Yet, there is still a lot of room for improvement. It is too often forgotten that SCCD requires a systemic and holistic approach, meaning an honest assessment of the strengths and weaknesses of the entire health supply chain and a prioritisation of actions to improve it. For this approach to be effective, one must first decide on a definition of success which articulates long-term goals and short-term measurable milestones. Next, it requires a clear determination of how to track, measure and assess progress towards those milestones. In other words, SCCD requires not only strategic vision but also high-quality Monitoring and Evaluation (M&E).

Against this background, it was no surprise when the International Association of Public Health Logisticians (IAPHL) recently selected M&E as a topic for online moderated discussion. In October and November of 2016, it invited its members—more than 4,000 supply chain experts in a variety of country contexts—to discuss three topics that were deemed central to supply chain M&E, namely, (1) People and process solutions; (2) The use of metrics and harmonized definitions; and (3) Ensuring relevant and useful supply chain evaluations.

Although this process generated a fascinating exchange of insights, experience, and approaches, the publication of such material was limited to a one-page brief on the IAPHL website. To deepen the learning experience for supply chain practitioners, Pamela Steele Associates (PSA) sought to synthesise and expand upon the lessons learned during the moderated discussions. This process has involved reading all the comments and replies on the discussion forum, a desk review of both academic and practice-based literature on M&E, and reflection on our own experience in designing and executing M&E within SCCD projects. In drawing these sources together, we hope to offer practitioners a deeper dive into the M&E challenge, and clearer guidance on how to approach it.

In terms of structure, the paper starts with a brief definition of M&E and an explanation of why it is important, not just for the accountability and transparency increasingly demanded by donors, but also for the long-term performance of supply chains. Secondly, we identify three key factors for high quality M&E, namely, planning, people, and appropriate use of technology. We suggest that M&E must start from the strategic objectives of the supply chain; that it must enrol and accommodate the people working within that supply chain; and then, and only then, it should draw on useful technologies to enhance this process.

2. Combining compliance with strategy

Before engaging with the ‘how’ of M&E, it is essential to identify the ‘what’ and the ‘why.’ In brief, M&E consists of two distinct yet closely related processes. On the one hand, monitoring is the routine collection of data on key indicators to determine on-going progress towards the objectives of SCCD (USAID | DELIVER PROJECT, Task Order 1., 2011). On the other hand, an evaluation is a more rigorous point-in-time assessment of whether an intervention or program has been successful in achieving those objectives (Steele & Brown, 2012). In other words, monitoring is the on-going collection of data to track progress towards your goals and to inform adjustments where required; whereas an evaluation is a larger assessment of your overall success within a prescribed period.

Coming to the ‘why’, the push for M&E is largely driven by the need to deliver accountability, transparency and evidence of impact to donors. There is now unprecedented access to donor finance, but also record-breaking competition for funds, and constant pressure to follow global policies and priorities. In this environment, LMICs are often required to carry out M&E as a condition for receiving international aid (WHO, 2009).

While there are good reasons for this arrangement, we are concerned that too many governments are preoccupied with the compliance rationale of M&E, when they ought to focus on the strategic rationale as well. Indeed, M&E does not occur merely so that parties can ‘tick a box’; rather, it takes place so that SCCD stakeholders can ensure that development is ‘driven by substantiated fact and logical reasoning, rather than anecdotal evidence, opinions or personal agendas’ (Steele & Brown, 2012). This has important implications for the planning and design of M&E, which we address as our first key factor for effective M&E.

3. Three key factors for effective M&E

Planning

High-quality M&E can only occur once the underlying objectives of SCCD have been set. In any SCCD project, stakeholders must begin by taking a diagnostic approach to the supply chain. This means identifying core problems and adopting specific responses which promise to alleviate them. In some contexts, the objective may be to integrate parallel supply chains, while in others it may be to strip out unnecessary cost by more accurately forecasting demand and, thus, reducing wastage. In any case, though, it is the underlying strategic objectives that inform the set of actions undertaken, and it is M&E that ensures a faithful relationship between the two over time.

If M&E is to fulfil this purpose, it must be carefully planned. To begin with, stakeholders must reflect on what information needs to be collected. Normally, this includes data on whether an intervention is working, as this helps guide decision makers on whether to adjust, abandon or scale it up. To help with this stage of the planning exercise, stakeholders may look to global best practice frameworks suggesting the most appropriate core indicators for different parts of the supply chain (for example WHO, 2011, or the Supply Chain Operations Reference Model). These guidelines are certainly helpful; however, we suggest they can only serve as a complement to the nuanced understanding of stakeholders on the ground, who generally know their particular supply chain best.

Although rational data selection is the most important aspect of M&E planning, there are many other significant points to consider. Stakeholders must determine how much information is required for the purpose of assessment and decision-making, as this informs both the frequency of monitoring and the overall duration of the M&E process. Here, the challenge is to gather enough information to be confident in one's conclusions and decisions, while also keeping within budgetary and time constraints. They must also determine who is responsible for collecting the data, and where and how it can be accessed. And, of course, they must ensure that data outputs are understandable for the user, preferably organised in graphs, tables and diagrams, and drawing on reports and dashboards to highlight key findings.

Next, planning involves reflection on how to make the M&E system as compatible as possible with other efforts taking place elsewhere. Although M&E is primarily designed to assist with SCCD in a specific context, it also enables comparisons between contexts and helps to establish benchmarking tools for the future. To that end, M&E systems should be standardised in line with national frameworks and metrics, and data dictionaries should be created to make outputs understandable to everyone who uses them. In addition, to the extent it is possible, stakeholders should harmonize their M&E plan with emerging global standards to facilitate external monitoring (WHO, 2009).

Returning to the earlier point that M&E is a primarily strategic exercise, stakeholders should adopt a much longer-term view in planning than they often do. Certainly, the immediate purpose of M&E is to determine whether interventions are working and to guide decision-making going forward. However, because the process occurs within a prescribed period, it is easy to assume that this is the end of the story when, in reality, the very instruments and processes that make up the M&E system remain highly useful to Supply Chain Management. Rational decision-

making continues to rely on the collection and analysis of data well after the M&E period has ended, meaning the M&E design should ideally entail lasting processes.

The final ingredient for effective M&E planning is People. Ultimately, the entire SCCD process depends on the knowledge, ability and commitment of the people involved, and it is vital that the M&E design process is guided by this. To the extent possible, supply chain strategy should be made through a collaborative process that engages stakeholders from all levels and geographic locations; ranging from government representatives to pharmacists, from logisticians to health information officers. Collaboration is important, because it reduces the risk that key government or partner agencies might withdraw their support, and it ensures that critical perspectives and knowledge are not overlooked (UNICEF, 2016).

Similarly, M&E plans are more likely to be both strategic and feasible when they reflect the collective wisdom of all those working within the supply chain, not just senior staffers. Workers on the ground can offer helpful insights about which indicators to use to assess the performance of a given supply chain function, as well as what information can feasibly be collected. In addition, when personnel from different levels of the supply chain are involved in M&E design, they are more likely to feel a sense of ownership over the process as it occurs and, therefore, to perform the task to a higher standard. Taken together, these points demonstrate that people-oriented and inclusive M&E planning is more effective than top-down approaches.

People

Such is the importance of people that it represents an independent key factor for effective M&E, as opposed to factoring only into the planning phase. On a fundamental level, any SCCD project 'is about shifting the thinking and the mind sets of employees and subsequently about changing their behaviour' (Steele & Brown, 2012). This is certainly true of M&E, as data collection and evidence-based decision-making is only effective in a culture that is receptive to it. People working within the supply chain must understand what M&E is and why it is carried out. Staff should be reassured that the M&E process is designed, not to catch their failings, but rather to spur improvement in the supply chain overall, including reduced stock outs and better patient outcomes. They must be rewarded for accurate data collection and for using data to detect problems, rather than penalised for the existence of the problem. Finally, staff must receive adequate information about how collected data is being used, so that the information flow is not merely one-way. When such an enabling environment exists, employees are more likely to feel inspired by the process and to contribute to it with their best efforts.

To foster a culture that is supportive of M&E, strong leadership is required. At the executive, managerial and operational levels, leaders should appreciate the value of data to decision making and its link to public health outcomes. They should explain these matters to their staff, foster mutual commitment to high quality data practices, and invite feedback so that there are effective information cycles between the designers, managers and implementers of M&E. Finally, leaders must stand behind the M&E process, justifying the time, energy and cost expended where required, and adopting a solutions-oriented approach to any negative findings that emerge.

Technology

In today's high-tech environment, it will be surprising to some that we have focused on matters like strategic planning, inclusive collaboration and data-friendly culture, instead of engaging primarily with game-changing technologies. However, this reflects a conscious decision and a deep belief that processes and people are more important to SCCD than technology. Certainly, M&E relies on the large-scale collection and analysis of data that is both relevant and reliable; yet, all of this can occur without elaborate and expensive technologies. What is required is a committed organisation with clearly understood goals and defined processes in place. When that exists, digitalisation of data systems merely enhances what is already there.

Too often, the stakeholders of SCCD projects are misled by the notion that new technology alone can satisfy all their M&E needs and deliver on all their SCCD goals. In reality, if the supply chain lacks the fundamentals of high quality people and process to begin with, technology will actually make things worse. For example, if a supply chain is hampered by weak data collection systems, investing in technology to upgrade the management process will merely amplify the dubiousness of the data, resulting in poor decision-making in the short-term and, potentially, in an aversion to appropriate technologies in the long-term. Thus, the use of technology must build on reliable processes and remain anchored in a strong organisational culture that motivates staff to accurately collect relevant data.

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