



# Mission Order: Portfolio Reviews

<b>Mission Order Number:</b> MO200-203-03	<b>Series:</b> 200
<b>Effective Date:</b> <i>Date of Signature</i>	<b>Supersedes:</b> New Issuance

## I. PURPOSE

The purpose of this Mission Order is to provide procedural guidance and establish roles and responsibilities for Mission Portfolio Reviews.

## II. AUTHORITY/POLICY

- [ADS 203.3.12](#) regarding portfolio reviews.
- [ADS 203.3.13](#) regarding Program Cycle learning.

## III. DEFINITIONS

- Adaptive Management ([ADS 201.3.12](#))
- Critical Assumptions ([ADS 200.6](#))
- Development Hypothesis (Theory of Change) ([ADS 200.6](#))
- Game Changers: Emergent and/or dynamic broad conditions that are beyond the Mission's control, are evolving in ways that are difficult to anticipate with much certainty, and could impede or facilitate strategy implementation. Monitoring of these conditions should be done based on associated tripwires that may trigger programmatic and project contingencies or even changes in strategic direction. The status of "game changers," if any, will be covered in the strategic level Portfolio Review.
- Issues Tracker: An Excel table outlining management actions and decisions taken during the portfolio reviews. The table should include issues such as the decision/action taken, date of Portfolio Review, deadline, responsible office(s) and status. These issues should be revisited periodically for the sake of accountability; not only at the subsequent Portfolio Review, but as part of agenda for other meetings where the Mission sees this as feasible (e.g., normally-scheduled one-on-one meetings between office and Front Office, Quarterly Financial Reviews (see [Budget MO](#)), Project Reviews (see [Monitoring MO](#)), etc.)
- Portfolio Alignment ([ADS 201.3.4.3](#))
- Program Cycle Learning ([ADS 203.3.13](#))
- Strategic Management: This phrase is related to, but conceptually broader than, more familiar terms such as "Results-Based Management," "Result-Oriented Management," or "Managing for

Results.” Strategic Management subsumes change and knowledge management and encompasses strategic planning, but goes beyond it, as well. Associated principles include:

- Focus on results
- Learn from the past
- Look ahead and anticipate
- Be proactive, not reactive
- Collaborate and leverage other efforts
- Value knowledge and its effective management
- Actively manage change, both planned and unanticipated

A strategic manager embraces learning and will periodically ask him/herself, “What needs to change? What has changed? What do I know? What do I need to know? Whom do I need to influence? What opportunities can I exploit?”

## IV. ROLES AND RESPONSIBILITIES

All USAID/Jordan offices are responsible for attending portfolio reviews and understanding the principles and procedures contained here. The Program Office (PRO) shall lead the Mission Portfolio Review process on behalf of the Mission Director. The PRO is also responsible for updating this Mission Order as a result of further guidance from USAID/Washington or from learning gained from application of the MO. Development Objective (DO) Teams are responsible for ensuring that activity/ implementing mechanisms (IMs) and project-level reviews are held during the year (see [Monitoring MO](#)) and for allocating sufficient time to adequately analyze results and prepare for the Portfolio Review.

## V. PROCEDURES

### A. Overview and Policy

The [Program Cycle graphic](#) includes an inner circle labeled “Learning and Adapting.” The explicit emphasis on learning is a key feature of current USAID programming policy that distinguishes it from past policies. Focusing on learning will transform the way portfolio reviews are conducted. More reflection, more questions, and more evidence will be needed. All participants will need to be open to the notion that “we got it wrong” or “that assumption did not hold true” or “it is not working like we thought it would” and work together, re-examining evidence to propose course corrections and make decisions. Making program changes based on evidence, especially for alternative scenarios, will not be an admission of failure, but a mark of distinction for the heads-up manager. Learning itself will need to be valued in the review: the review should not only ask, “how are we doing?” but also “what did we learn?” and “what should we change?”

[ADS 203.3.12](#) requires that Missions conduct at least one Portfolio Review per year focused on the higher levels of the Country Development Cooperation Strategy (CDCS) Results Framework but recommends that Missions programming \$20 million or more per year conduct two reviews. It is USAID/Jordan policy that **two (2)** Portfolio Reviews will be conducted per year with somewhat different purposes and procedures behind each. One must be a Strategic Portfolio Review focused on the higher levels of the results framework per ADS requirements, while the content of the second review may vary depending on the needs of the Mission, but should provide greater emphasis on activity-level performance.

The Portfolio Review focused on the higher levels of the results framework, the Strategic Portfolio Review, should focus on DO performance and examine a sample of indicators at the DO, Intermediate

Result (IR) and sub-IR levels contained in the Mission-level Performance Management Plan (PMP) as well as relevant evaluation findings and action plans based on those findings. Typically conducted in late October/early November, the results of this review will be utilized in the preparation of the annual Performance Plan and Report. [ADS 203.3.12](#) lists questions of issues that should be considered in the higher level review; these are repeated here for reference:

- Status of critical assumptions and the Development Hypothesis defined in the Results Framework, along with the related implications for performance
- Country and regional trends and how the context is evolving
- Evidence that projects are leading to the achievement of the DO
- Status of cross-cutting themes and/or synergies between DOs
- Status of related partner efforts that contribute to the achievement of IRs and DOs
- What has been learned during project implementation from monitoring data, evaluations, partners, or other sources of evidence

The second Portfolio Review will vary, or may be cancelled, depending on the particular needs of the mission. The following are possible ways that Mission may focus the second review:

- Project/operational focus, including Activity Monitoring and Evaluation Plans, project team effectiveness and staffing, etc. (see [ADS 203.3.12](#) for lists of issues to examine in such a lower-level review)
- Joint portfolio review with host country government counterparts
- Joint portfolio review with implementing partners (IPs)  
Note: With multiple IPs attending, the nature of such a review will need to be focused on coordination, overall outcomes, learning, etc., rather than IP performance issues.
- Portfolio review done in the field with integrated site visits
- Focus on cross-cutting implementation issues
- In-depth focus on a few key projects within the overall program context  
Note: Depending on the funding involved, Washington pillar bureau colleagues might attend a portfolio review as is indicated in Agency strategies and policies.
- A “lite” review of only IP significant management issues brought to the attention of the Mission Management

The PRO, in liaison with the Front Office and Senior Management Team, will determine the focus and the timing of this second portfolio review, which would typically be six months after the first Portfolio Review.

One effective use of the second Portfolio Review is to review the status of environmental compliance for each activity/IM, per the requirement in [ADS 204.3.3](#).

Per the [Budget MO](#), financial data and performance, (pipelines, burn-rates, additional funding needs, budget reallocations) will be reviewed on a quarterly basis through Quarterly Financial Reviews (QFR). For QFRs that coincide with the Mission’s Portfolio Reviews, the Mission may choose to schedule the QFR as part of the portfolio review, conduct the QFR and Portfolio Review on the same day at different times, or hold the two reviews separately, depending on the particular needs of the Mission at that time.

## **B. Process and Procedures:**

Portfolio Reviews follow a process consisting of three general steps. These steps will apply to the Strategic Portfolio Review but may be modified depending on the nature of the second Portfolio Review:

- **Pre-Portfolio Review Stage:** Planning and preparation undertaken by both the PRO and DO Teams leading to data cleaning and analysis, a review agenda and associated materials
- **Portfolio Review:** The review itself, including procedures, roles and responsibilities of all participants
- **Portfolio Review Follow-Up:** The steps taken after the review to ensure the exercise is a useful strategic management tool

### **Step 1: The Pre-Portfolio Review Stage (3-4 weeks)**

- **Distribute documentation and guidance:** Approximately one month before the review, the PRO will provide the DO Teams with the official minutes of the previous Portfolio Review, along with the management action tracker maintained by the PRO. Each DO Team will use the minutes and actions recorded in the tracker to begin preparing for the next review. The PRO will also distribute overall guidance, including preparatory steps outlined here, plus any special guidance resulting from consultations with the Front Office, any indicator templates, PowerPoint templates, etc.
- **Data collection and cleaning:** The PRO's Performance Monitoring point of contact (see [Monitoring MO](#)) will work with DO teams and other M&E specialists to run reports from the Mission's performance monitoring information system (see [Monitoring MO](#)). DO Team Leaders, project managers and Agreement Officer's Representative/Contracting Officer's Representative/Activity Manager (responsible for different levels of performance monitoring) will review the data quality and gaps. The PRO will provide any needed common formats to facilitate data analysis and comparison.
- **Data analysis:** It is critical that prior to the review, the DO Team and others understand what the data mean and possible directions for adaptive management: does performance monitoring data show everything to be working as expected? Does it signal poor IP performance or something deeper? Does it reveal an unexpected positive trend that the team should take advantage of? It is important that these meetings be held at higher levels—project or DO, rather than activity/IM level—to understand the underlying patterns of change within the existing context. It may be helpful to involve external analysts (from another DO team, PRO, Embassy) to help find patterns and objectively assess what the data mean.
- **Pre-Portfolio Review Meetings:** To make the best use of senior managers' time, it is important that DO Teams conduct pre-meetings prior to the PR. The nature of these meetings will vary depending on the particular review and the issues needing attention. Pre-meetings may cover:
  - More intensive data analysis by project teams to understand patterns (geographic, by IR, sub-IR, or by IP)
  - Meeting with host country counterparts and/or IPs to discuss issues
  - Meeting of all IPs involved in a project or even DO to discuss partners' views on progress, challenges, lessons learned, analytic gaps, collaboration/coordination needs, and potential course corrections.

Pre-meetings may be Project Reviews or Activity Reviews (see [Monitoring MO](#) for more detail) in order to prepare the team for the Portfolio Review.
- **Preparation of Materials:** The expanded DO Team is responsible for preparing review materials as spelled out in the guidance distributed by the PRO initially. These materials should be submitted to the PRO approximately one week prior to the scheduled review.
- **Portfolio Review Agenda Prep:** The PRO will work to solicit issues from across the Mission to include the DO team, the Front Office, other DO teams and support offices. The issues solicited should be in line with the type of Portfolio Review to be held (Strategic or with another focus, see section V.A above for potential types – including specific issues for a Strategic Portfolio Review). Based on these inputs, the PRO will prepare an issues paper and agenda to guide discussion on the most urgent issues facing the DO. Potential decision points might be indicated

(e.g. change in management structure, resource allocation, activity/IM modifications, etc.). The issues paper and agenda will be finalized and distributed to the DO team with sufficient time (no less than three (3) business days) for them to digest the material and be ready to answer the issues at the Portfolio Review. PRO will schedule a pre-meeting with the DO Team (or coordinate a written response from the DO Team) to address lower-level issues in advance of the formal review (such lower-level issues will not be discussed at the formal review). An agenda point should include a review of action items from the previous Portfolio Review. Strategic level issues listed in [ADS 203.3.12](#) will inform the agenda preparation.

### **Step 2: The Portfolio Review**

- The Portfolio Review will typically consist of approximately a three-hour meeting on each DO (additional time may be planned for particularly complex activities). The Mission Director or his/her designee will chair all Portfolio Review meetings.
- The Portfolio Reviews follow the agenda and cover the major points within the issues paper. Topics arising within the Portfolio Reviews outside the agenda and/or issues paper may be tabled for discussion at a later date, ensuring Portfolio Reviews remain focused and on-topic.
- The PRO will take the minutes at each meeting with support from a designated DO team member if required. The minutes will note action items and decisions for use in the Issues Tracker. Decisions and action items should be clearly stated for the minutes.

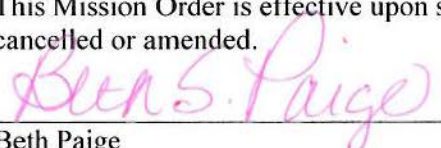
### **Step 3: Portfolio Review Follow-Up (1-12 months)**

For the Portfolio Review process to be an effective strategic management tool and means to foster learning within the Mission, the discussion must be well documented and the decisions and other results consistently followed-up and acted upon.

- PRO will finalize the Portfolio Review minutes, seeking clearance (per [Delegation of Authorities MO](#)) and clarifying any unclear points before finalizing. Portfolio review minutes will be stored in this location: [P:\Ammanpub\OPM\Portfolio Reviews\](#).
- PRO will update the Issues Tracker by updating the status of old items reviewed during the Portfolio Review and adding new items that came out of the just-completed review. The Issues Tracker will be stored in this location: [P:\Ammanpub\OPM\Portfolio Reviews\](#). Action items will be sent to DO Team Leads via the Issues Tracker after each PR and followed on periodically prior to subsequent portfolio review.
- The PRO and the DO team should jointly determine what, if any, information or learning has emerged from the Review that could support effective programming in other DOs, among IPs or among other counterparts, and develop a plan for sharing Review findings, discussion and decisions as appropriate.

## **VI. EFFECTIVE DATE AND CANCELLATION**

This Mission Order is effective upon signing by the Mission Director and will remain in force until cancelled or amended.

  
Beth Paige  
Mission Director  
USAID/Jordan

Date: 

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PRO: MYassien            Draft            Date    05/09/2014

CLEARANCES:

PRO: ABartlett	in Substance	Date 07/02/2014
A/WRE: CDege	E-mail	Date 07/13/2014
A/EDE: SWilcock	E-mail	Date 07/13/2014
A/EDY:LCohen	E-mail	Date 07/13/2014
Health: SBlanding	E-mail	Date 07/14/2014
DRG: JDunlop	Draft	Date 07/14/2014
MEO: AAIHmoud		Date _____
Gender POC: GKara'	E-mail	Date 08/03/2014
FMO: RShire	E-mail	Date 07/09/2014
A/RLA: MFittipaldi	E-mail	Date 07/13/2014
AAO: RRabie	E-mail	Date 07/17/2014
A/EXO: AMcGillicuddy	E-mail	Date 08/05/2014
DDIR: DBall	Draft	Date 07/15/2014