PROJECT CYCLE MANAGEMENT FOR DIGITAL, ECOLOGICAL AND SOCIAL INNOVATIONS

Euro-planning techniques

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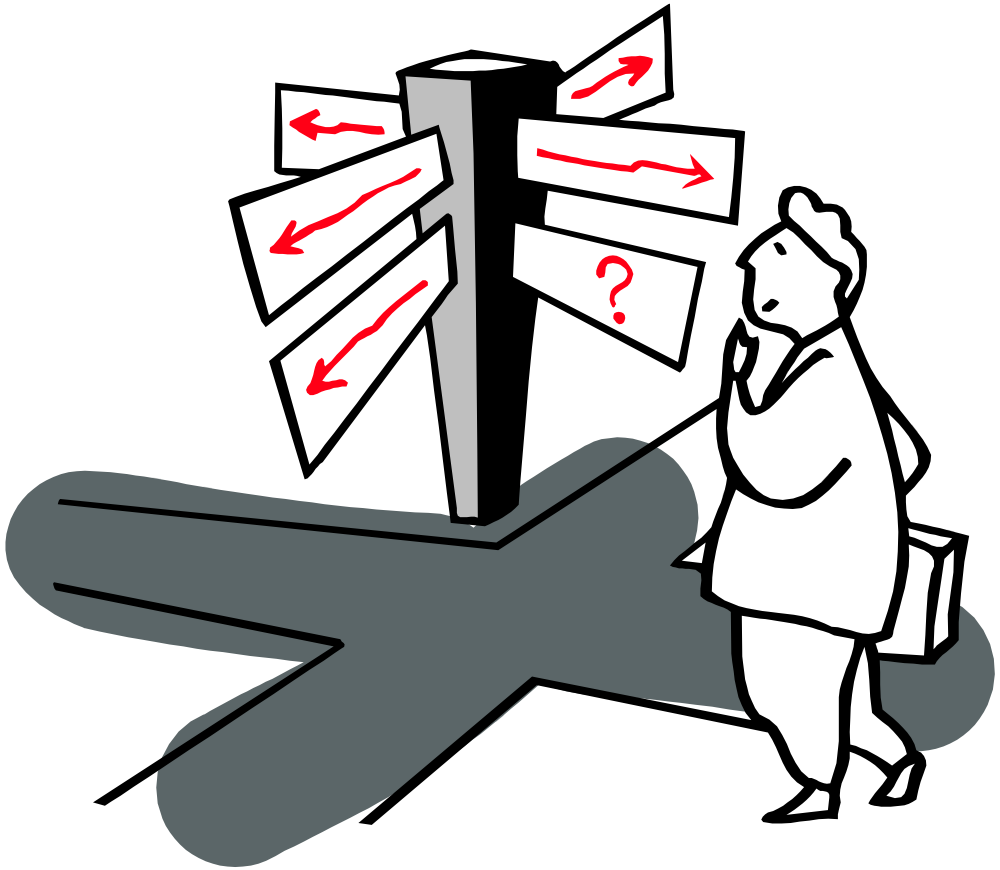
Recap of the second lesson

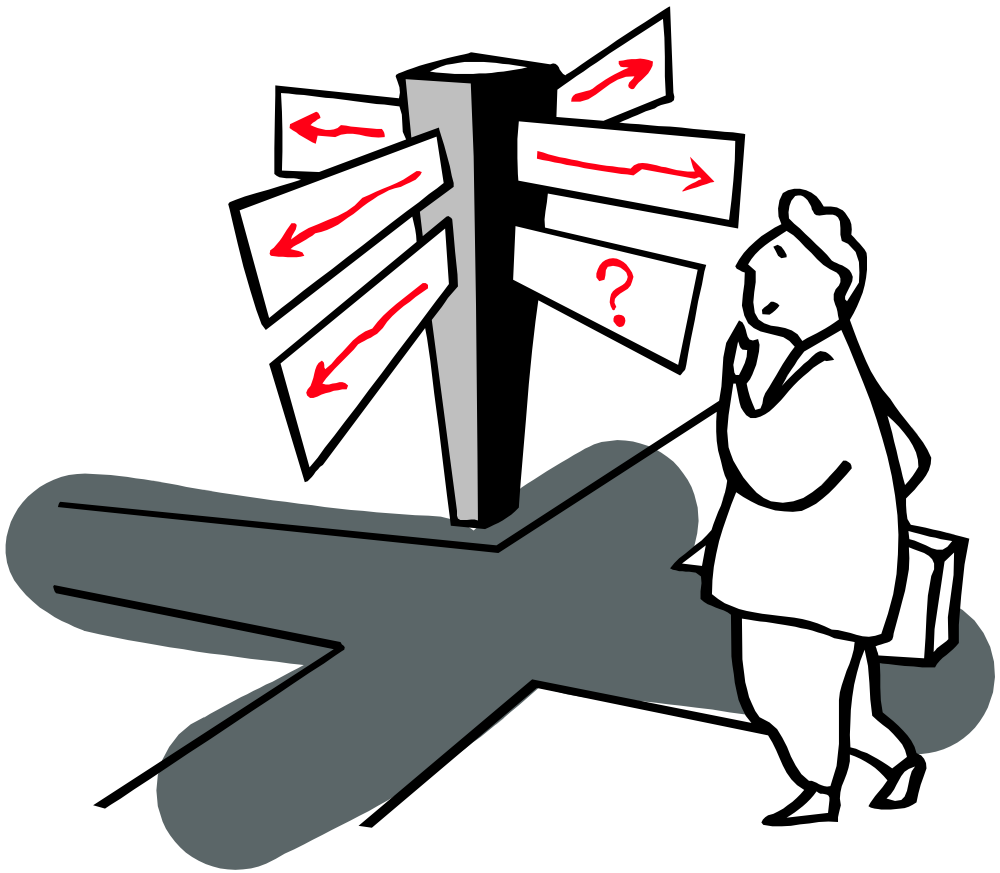
- Involvement of the key stakeholders
- Bottom up approach
- Definition of a project
- Integration of competences
- SWOT analysis



Project cycle

- The sequence of project preparation and implementation phases has been defined as the **Project Cycle**. The cycle begins with the identification of an idea to be developed into a work plan that can be implemented and evaluated.

- Potential project ideas are identified within the context of a strategy agreed upon by the parties involved.

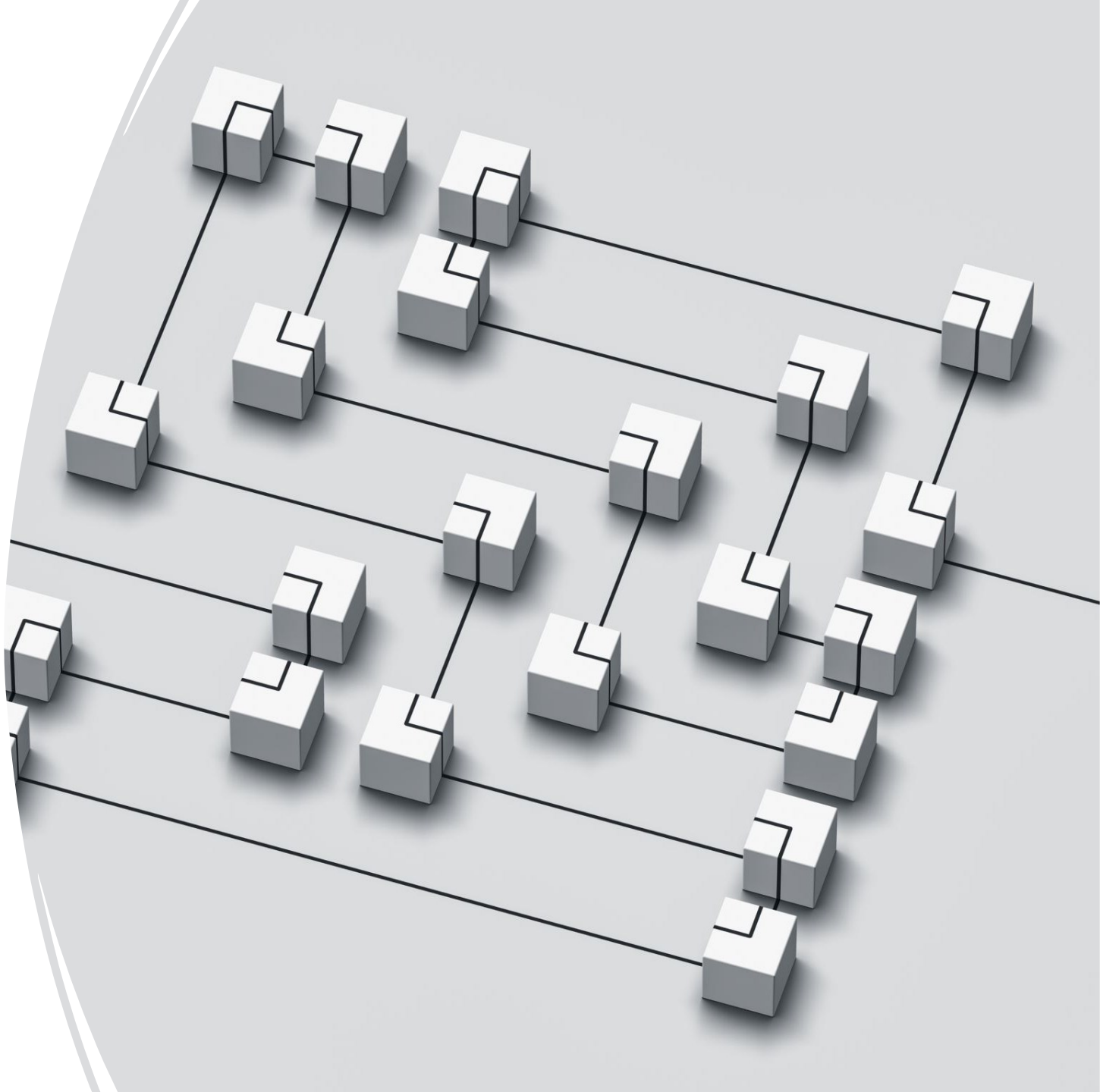


Project cycle

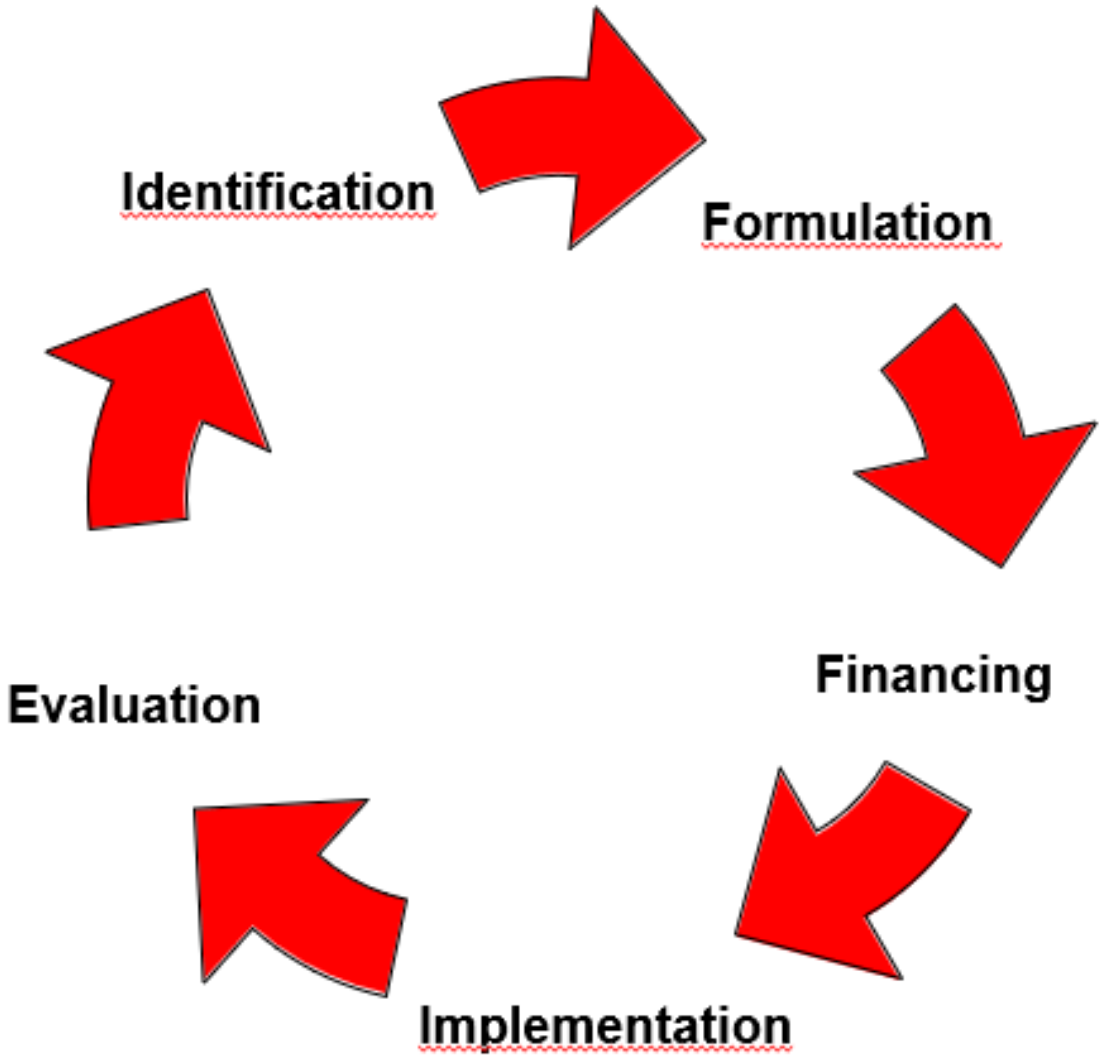
- The Project Cycle provides a structure that ensures that all stakeholders involved in the process are consulted and all relevant information is made available, so that informed decisions can be made at key stages in a project's life.

Project cycle phases

The preparation and implementation of projects from a PCM perspective is defined in phases, giving rise to the Project Cycle, which has five main standard phases:



Project cycle



Project cycle

- The cycle defines key decisions, information needs, and specific responsibilities for each phase.
- The phases of the cycle are progressive: each phase must be completed before the next can be successfully implemented.
- The Project Cycle draws from the Evaluation phase to build upon past experience and develop future programs and projects.

Project cycle

Identification

The **specific actions** to be undertaken are identified and evaluated;

Consultations are held with the beneficiary group for each action, the **problems** they face are analyzed, and **possible solutions** are identified;

The **relevance** of each project idea is determined with respect to both the beneficiary groups and the established funding instrument;

The **project ideas** are selected for further exploration in the formulation phase.

Project cycle

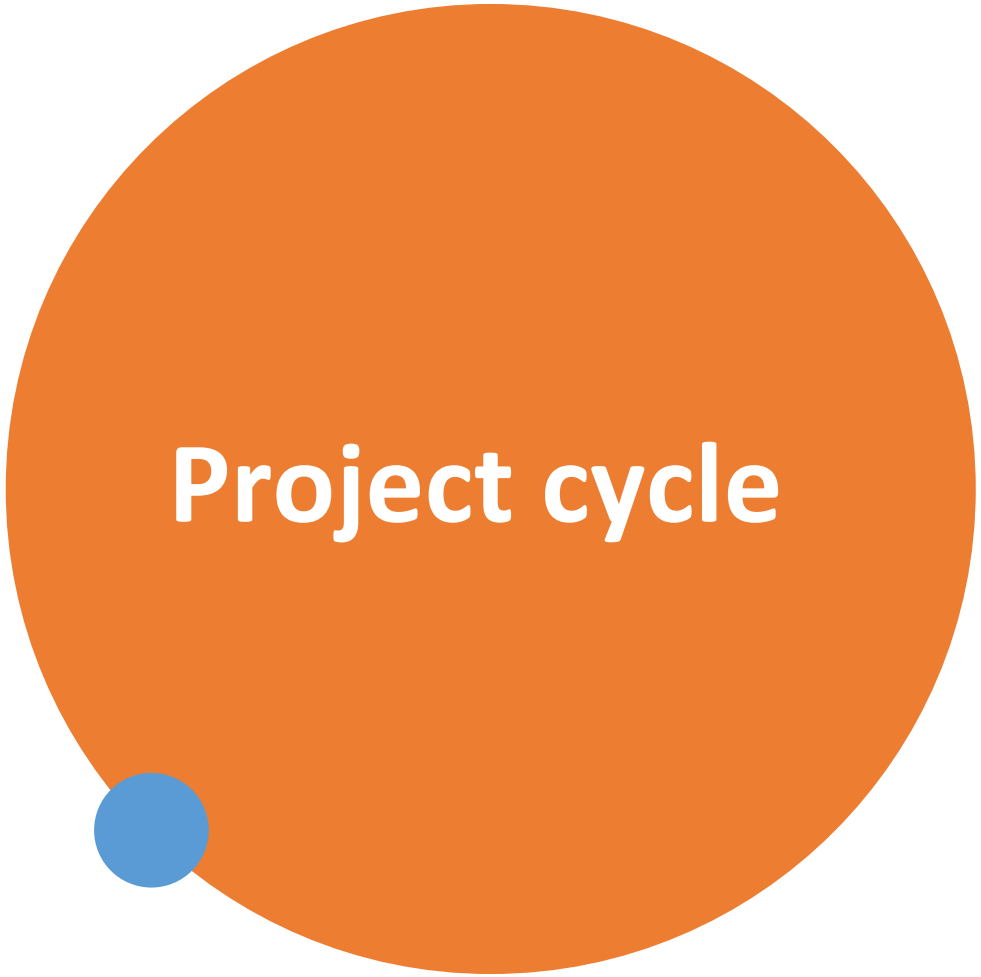
Formulation

- Relevant project ideas are developed into **operational projects**;
- The beneficiary groups and other stakeholders participate in the detailed specification of the project idea;
- **The project idea is assessed for its feasibility** (i.e., whether success is likely) and **sustainability** (i.e., whether it is likely to generate long-lasting benefits for the beneficiary group);
- It is decided to formulate a **formal funding proposal** and begin the search for funding.

Project cycle

Funding

- The proposals are reviewed by the competent authorities, who decide whether or not to fund the project.
- The funding body and the beneficiary agree on the implementation modalities and **formalize them in a legal document that ratifies the project's financing and implementation methods**.



Implementation

The project is executed: all tangible and intangible resources required for its implementation are deployed as outlined in the financing plan.

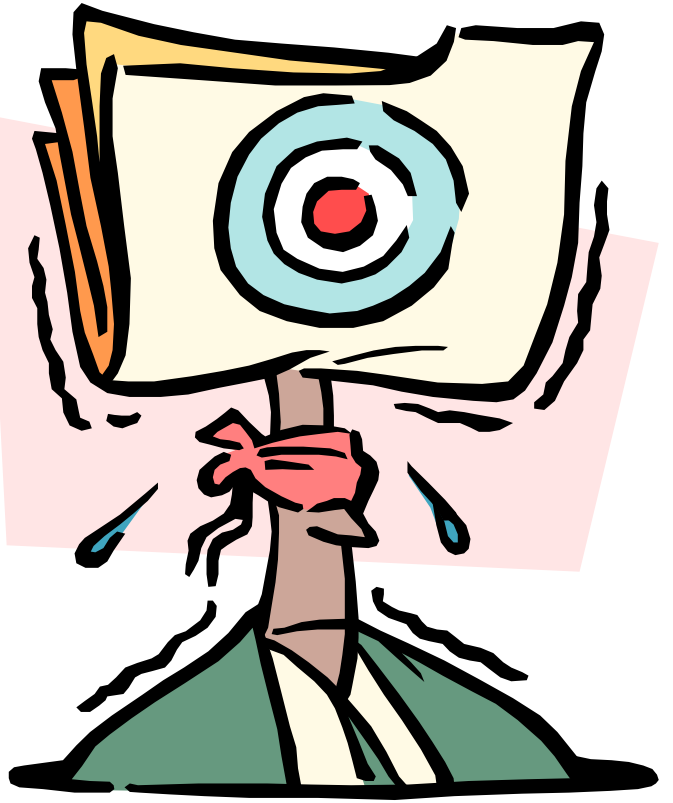
Tender procedures are conducted, and contracts for technical assistance, supplies, and construction are awarded.

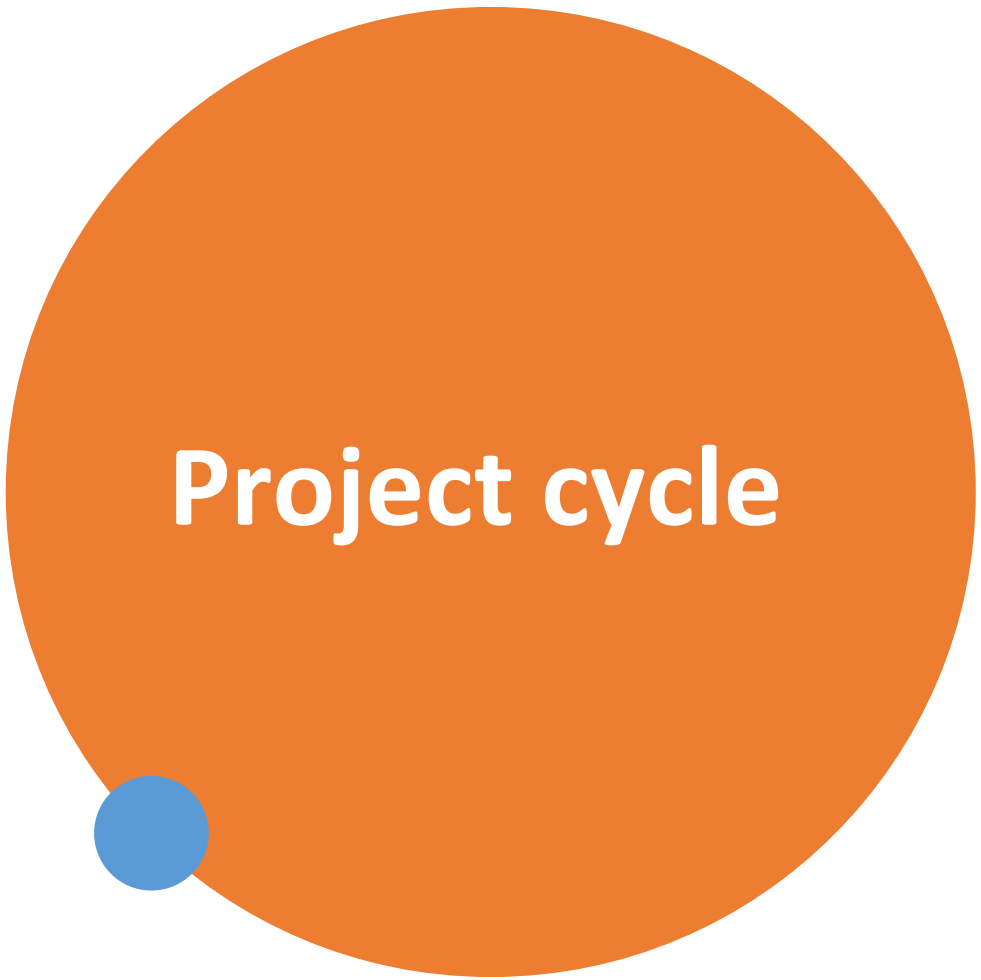
Actual progress is verified against planned progress to determine whether the project is successfully achieving its objectives.

Project cycle

Implementation

The project, if necessary, is reoriented and corrected, and some objectives may be modified according to significant changes that have occurred since the project was formulated.



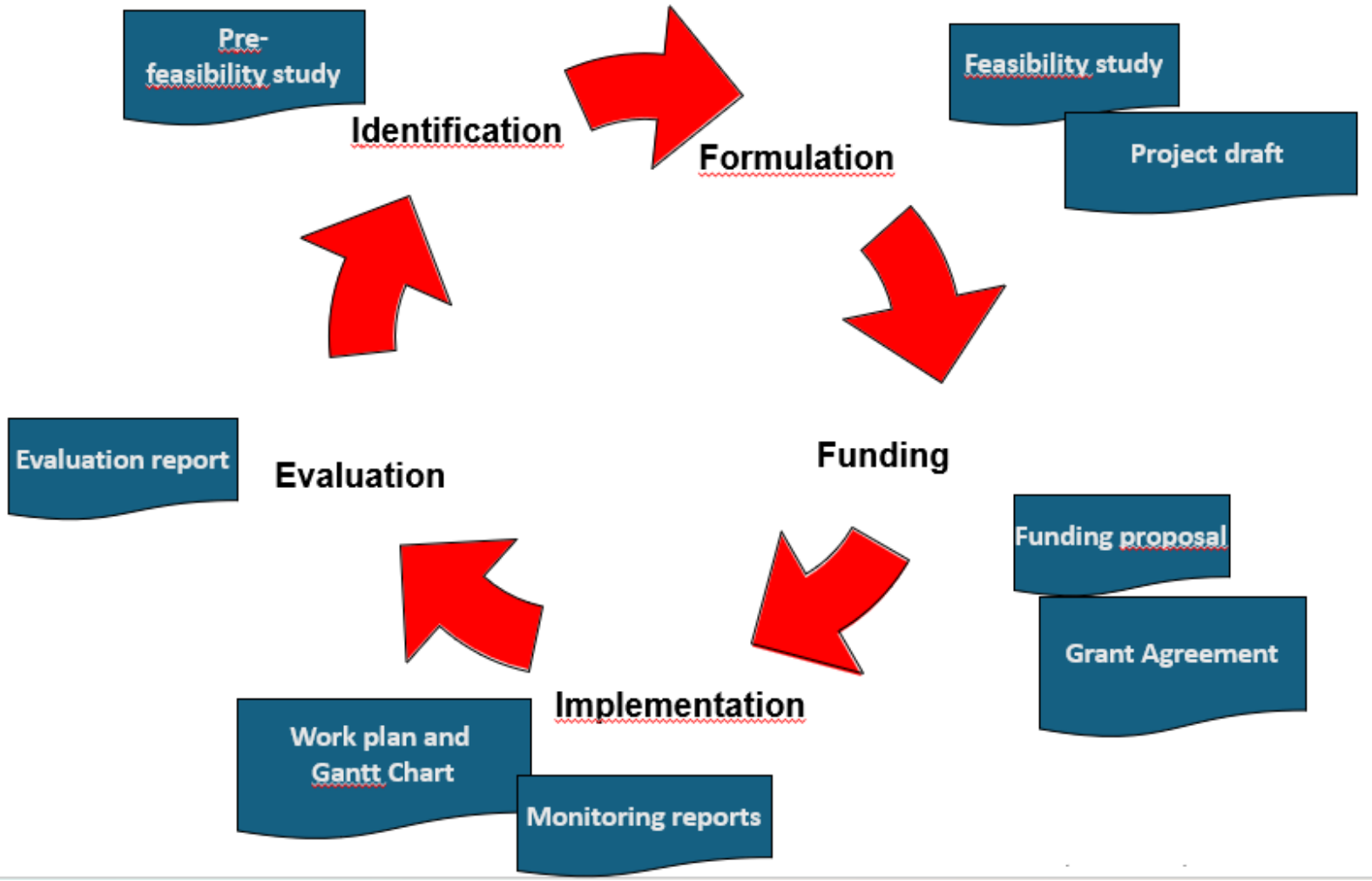


Evaluation

The funding body and the beneficiary evaluate the project to determine **which objectives have been achieved** and to identify **lessons learned** from this experience, which can be used to improve the design of future projects.

Evaluation generally follows implementation, but an interim evaluation may be conducted during the implementation phase.

Main project documents



Project cycle management

It helps to correct the tendency to produce poorly executed and ineffective projects due to:

- Projects not relevant to the actual needs of beneficiary groups;
- Failure to anticipate and assess risks;
- Ignorance of the factors that negatively impact the sustainability of long-term benefits;
- Past mistakes are not taken into account when drafting new projects.

PCM logic

Past negative experiences:

- Confused strategic framework;
- Poor context analysis;
- Activity-oriented planning;
- Unverifiable results;
- Unrealistic spending forecasts;
- Short-term vision;

PCM Solutions:

- Clear approach;
- In-depth context analysis;
- Objective-oriented planning and implementation;
- Verifiable results;
- Emphasis on quality;

PCM logic

Past negative experiences:

- Inconsistent project documents;
- Lack of shared vision among participating stakeholders.

PCM Solutions:

- Prioritize sustainability;
- Standardized formats;
- Shared understanding of objectives and the process for achieving them.

PCM principles

- Adherence to the project cycle phases – structured decisions based on accurate information;
- Customer-oriented process – all stakeholders participate in decisions;
- Use of the Logical Framework to ensure a continuous analytical approach in both project preparation and management;
- Sustainability in design – to ensure sustainable benefits;

PCM principles

- An integrated approach to connect each project's objectives to the Commission's, national, regional, and sectoral objectives.

This approach ensures that work plans and budgets are prepared based on the project's Logical Framework and that the "basic format" is used to ensure clear and consistent coverage of key issues throughout the project's lifespan.

The Logical Framework approach

The analysis phase:

- **Issues analysis** (actors, key problems, environmental constraints and opportunities, cause-and-effect relationships);
- **Objectives analysis** (identifying the "means to achieve the goal");

The planning phase:

- **The Logical Framework** (define the project structure, verify the internal logic, formulate measurable objectives, establish resources and expenses);

The Logical Framework approach

The analysis phase:

- **Strategy analysis** (identify possible strategies to achieve goals; determine key objectives)

The planning phase:

- **Activity schedules** (sequence and interdependence of activities; estimate activity duration, set end points, and assign responsibilities);
- **Expenditure sheets** (resource sheets and budget based on activities)

The analysis phase

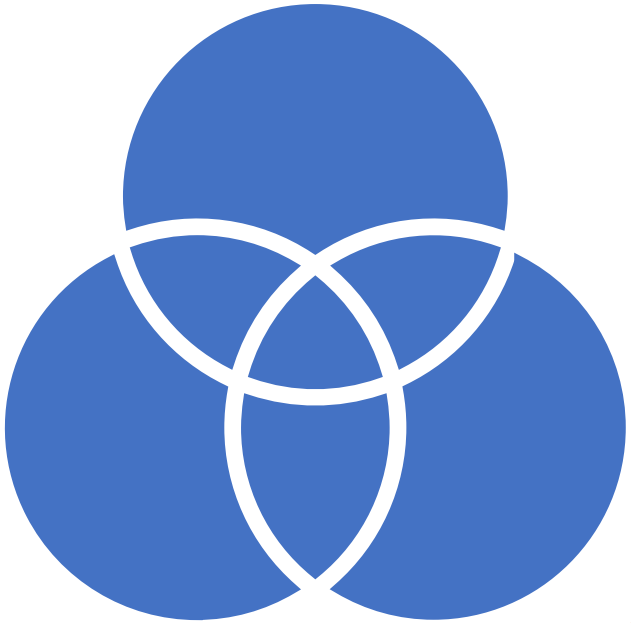
The analysis phase consists of three phases:

- **Problem** analysis;
- **Objectives** analysis;
- **Strategy** analysis.

The analysis phase

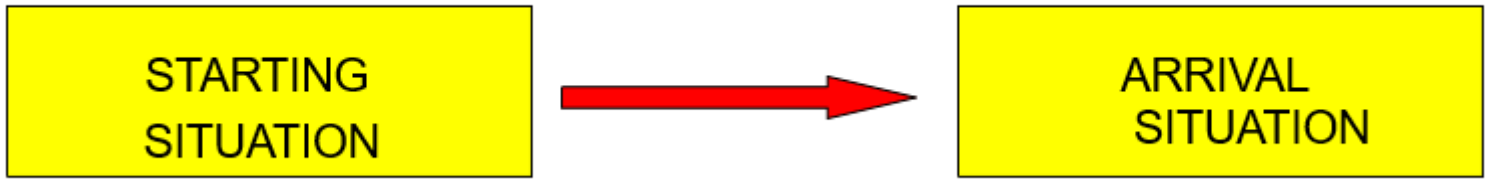
Problem analysis involves identifying the negative aspects of an existing situation and the cause-and-effect relationships between the various issues. The process is carried out in three phases:

- **Identification of the stakeholders** involved in the proposed project;
- **Identification of the main problems** of the beneficiary groups;
- **Development of a "Problem Tree"** that establishes the cause-and-effect relationships between the identified problems.



The analysis phase

- Stakeholder analysis
- Analysis of problems
- Analysis of project objectives
- Analysis of alternatives



Analysis of problems

Identification of stakeholders

- Identify all stakeholders (all those with relevant and pertinent interests) and involve them directly in analyzing the current situation and defining the ideal target situation.

How?

- Through interviews, focus groups, discussion techniques, and surveys.
- Through previous reports, statistics, studies, and analyses.
- The analysis must be conducted and documented!

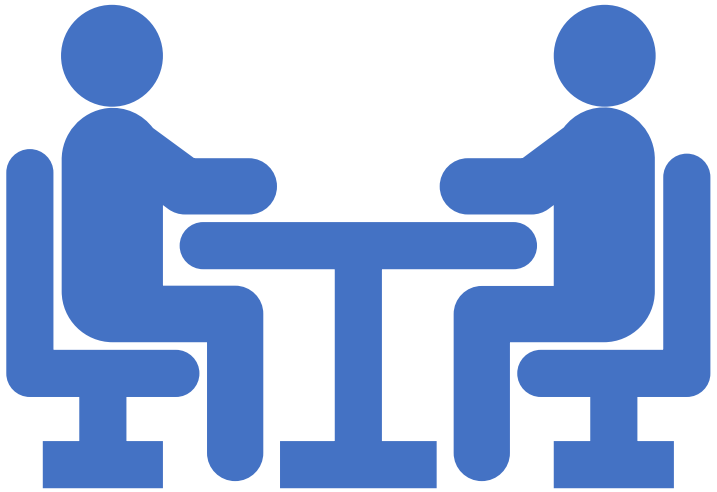
Identification of stakeholders

Name	Group	Interests	Obstacles	Resources
1.				
2.				
3.				
4.				

The contribution of key actors

What is meant by the contribution of key stakeholders? The contribution is what the stakeholder can offer to the design process in terms of:

- human resources;
- physical/local facilities;
- equipment;
- information;
- political influence;
- computer networks;
- contacts;
- technical/specialist skills.



The interest of the key actors

- Interest allows us to understand what stakeholders gain from improving the situation, that is, what advantages they expect to receive.
- The question we can ask is: who will benefit, and how, from a proposed project intervention?
- And who might be penalized by the proposed project intervention? Reflecting on interests can also help us understand the motivations that lead some stakeholders to participate only formally or not at all in the project, highlighting the lack of a specific interest or "benefit."

The system of key actors

- **Stakeholders**: Individuals or institutions that can influence or be influenced directly or indirectly, favorably or unfavorably, by a project or program;
- **Beneficiaries**: Those who "suffer" the problems and who are addressed by the project and who benefit in some way from its implementation. In this context, we can distinguish **target groups**, who directly benefit from the project at the project scope level; **final beneficiaries**, who receive long-term benefits from the project's implementation at the company or sector level;

The system of key actors

- **Implementing entity**: the entity implementing the project and responsible for providing services to beneficiaries.

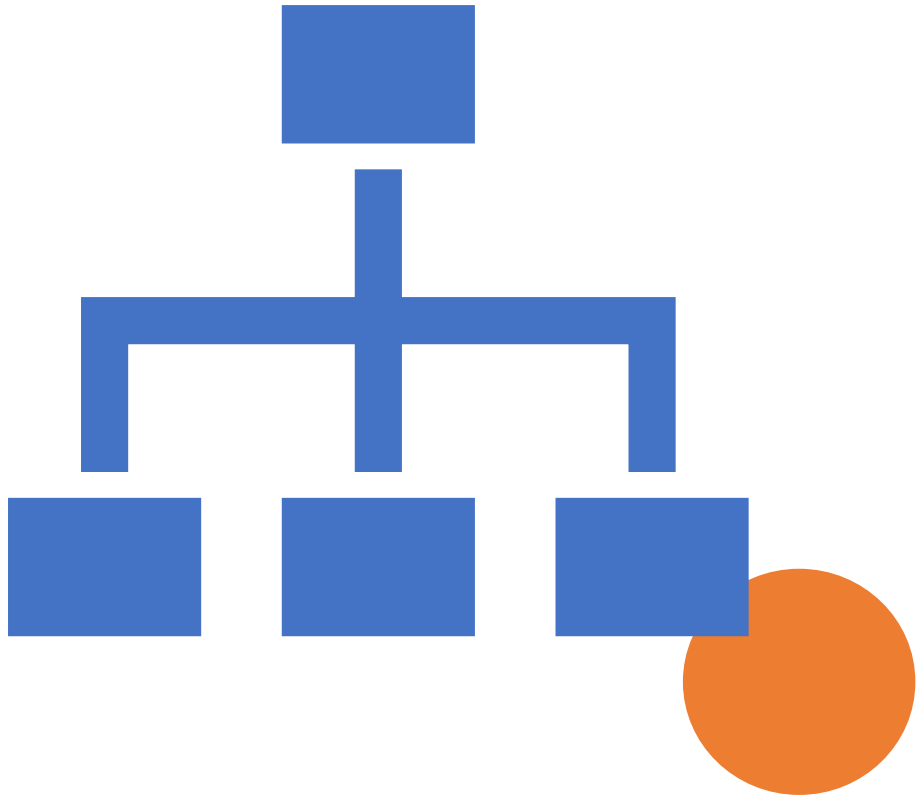
- In participating in a project, stakeholders have varying levels of responsibility and authority, which may, however, change over the course of the project life cycle.

- Identifying project stakeholders is a necessary step for any project manager to understand and outline the project's decision-making procedures and communication network.

The system of key actors

Potential Stakeholders

- Commissioning Body (sponsor/financier)
- Implementing Body
- Project Manager
- Project Management Team (project team directly involved in project management activities)
- End Users
- Regulatory Authorities
- Citizens



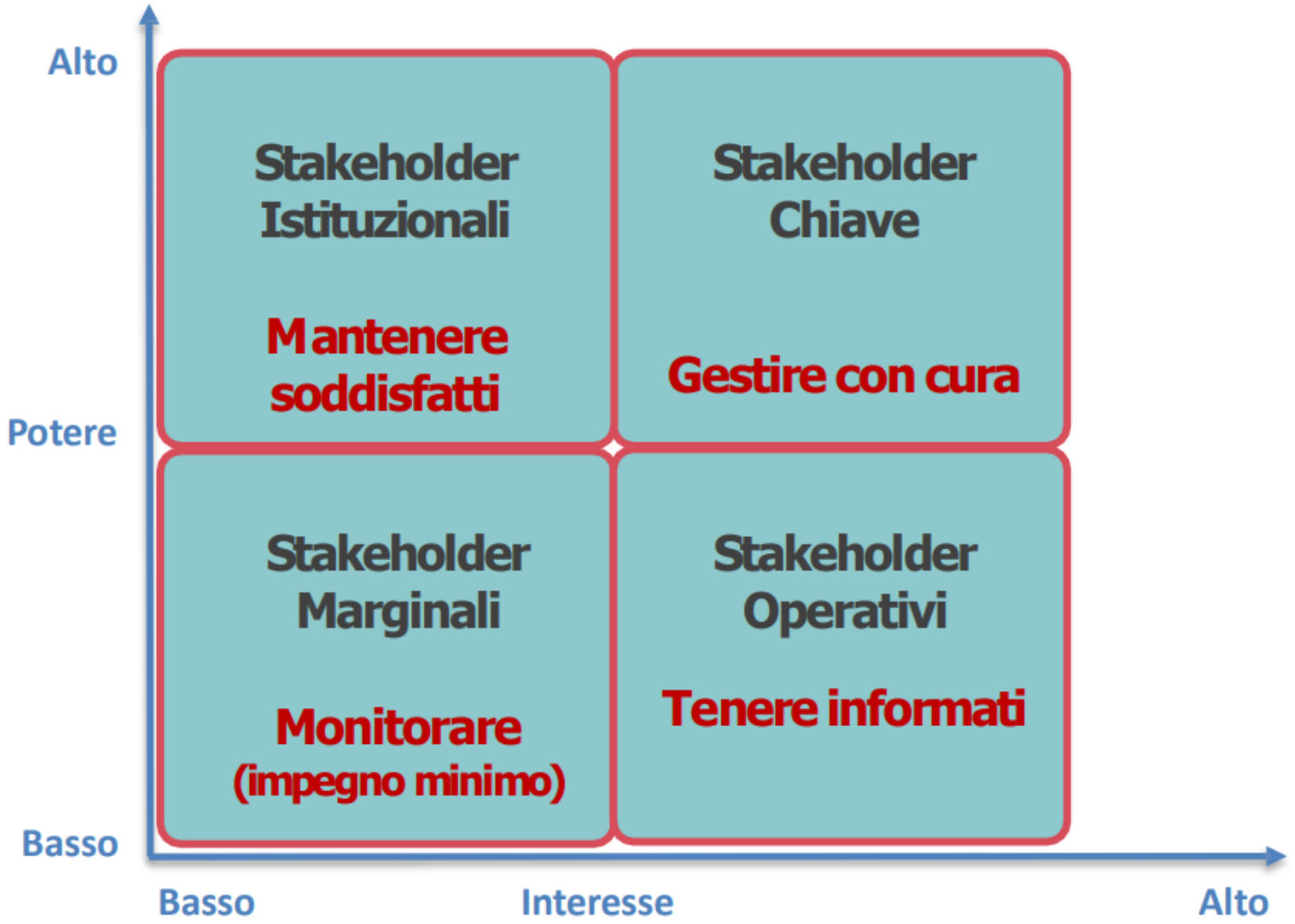
The system of key actors

Good practice is to gather information about each stakeholder's interests, expectations, involvement, importance, influence, and impact on the project's success, analyze these characteristics, and choose the appropriate management strategy. The tool for this is the **stakeholder management matrix**.

The system of key actors

POTERE			
	Alto	**STAKEHOLDER ISTITUZIONALE** *Es.: altri PM, fornitori esterni minori*	**STAKEHOLDER CHIAVE** *Es.: membri del team, committente, fornitori partner*
	Basso	**STAKEHOLDER MARGINALE** *Es.: logistica, acquisti, controllo di gestione*	**STAKEHOLDER OPERATIVO** *Es.: utenti finali, altri consulenti*
		Basso	**Alto**
		INTERESSE	

Project stakeholders - power-interest grid



The partnership

The partnership represents the group of public and/or private entities responsible for implementing projects eligible for European funding.

The partnership must be:

- **balanced** in terms of distribution, composition, and allocation of resources and activities
- **relevant** in terms of representativeness
- **with common and shared objectives** from the outset
- **cooperative**, meaning willing to work together, exchange information, and propose solutions.

The partnership, as a whole, is competent (in the sector of intervention)

→ COMPETENCE AND EXPERTISE

The partnership as a whole is expert in working together, collaborating, networking

→ EXPERIENCE

The partnership

Bringing together the right partners is essential to developing a successful application: their contribution is necessary to transform the idea into a harmonious set of activities and compelling results.

A good partner has:

- **Commitment, enthusiasm, and trust** in other partners (a willingness to actively participate in the work from the idea's development stages)
- **Sufficient financial capacity** (to advance payments for project activities and ensure co-financing)
- **Knowledge of the relevant issues** to contribute to the project's content
- **Needs shared** with other partners

The partnership

A partnership typically consists of:

- **Coordinator**: the organization responsible, from a legal and financial standpoint, for the implementation of the project. It signs the contract with the European Commission, coordinates the various project partners, represents the consortium vis-à-vis the contracting authority, from which it receives the grant, and pays the funding instalments to the respective partners. It is responsible for the supporting documentation (technical and administrative) to be submitted to the Commission to request payment of the grant (usually paid with an advance, progress reports, and a final balance).

The partnership

A partnership typically consists of:

Partners: Collaborate with the coordinator and other partners to carry out a greater or lesser extent of the project activities. All partners must be instrumental in achieving the overall project objective. The partnership's internal operating rules must be clearly formalized before the start of activities to ensure effective coordination and avoid management issues.

The number of partners varies depending on the program and the relevant call for proposals.

The partnership

The call identifies **eligible applicants**, indicating whether the application is open:

public bodies, businesses, universities, research centers, private entities, non-profit organizations, NGOs, etc.

The beneficiaries (the coordinator and partners) are **jointly responsible** for the technical implementation of the action. Each beneficiary is fully responsible for their own costs declared in the project.

The partnership

Associated partners: These are partners who are not required to contribute financially to the project nor receive a budget. They are organizations interested in participating in certain phases of the project.

Affiliated entities: For the implementation of certain activities, the beneficiary may also engage third-party entities that have a legal relationship with the beneficiary.

Subcontractors: These are entities that carry out project activities when the coordinator or partners are unable to perform them directly. This involves the purchase of goods or services that are selected according to the current procurement code, activating a specific contractual relationship for the project.

Thank you for your attention!

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