Measuring performance to maximize impact: lessons learned at the Syngenta Foundation for Sustainable Agriculture

Silvana Paniagua Tufinio, NewForesight*; Andrea Balmer, SFSA*

Abstract

Measuring performance and impact is a high priority for impact-driven organizations; it enables them to advance their agendas. Doing so in a timely and consistent manner helps organizations to steer their strategies and achieve their goals. We present the case of the Syngenta Foundation for Sustainable Agriculture (SFSA). This international non-profit has recently begun implementing Performance Measurement (PM) across its operations. Like many other impact-driven organizations, SFSA has encountered complexities and challenges. We summarize the lessons so far and reflect on success factors. This paper offers insights for like-minded organizations that are starting or planning to introduce PM. It also calls for collaboration to harmonize approaches and better understand impact.

Introduction

Impact-driven organizations face the constant challenge of connecting field-level impact with their operations and internal processes. Meeting this challenge enables them to advance their agenda and achieve their goals, while providing evidence to investors, partners, and others. To successfully assess their performance in relation to any impact, organizations implement Performance Measurement (PM) systems.

PM systems are a set of criteria, metrics and practices. They support an organization's decision-making by shaping the collection, analysis and reporting of information on its performance. There is a strong relationship between *performance* and *impact*. Impact links to the outcome of this performance over time, and the cumulative effect on the beneficiaries. *Performance* focuses on *what the organization does*, while *impact* focuses on the results or the (long-term) *effects of the actions taken* by the organization.

Building a robust PM system enables the organization to steer towards the desired impact. The process starts with a comprehensive Theory of Change, which formulates hypotheses. It is essential to connect the organization's vision and mission to its activities and resources. Consequences can then be assessed in the short and long term. However, complexity increases as the structure, scope and activities of the organization diversify and/or expand.

Organizations can face – or create – several hurdles in measuring and managing their *performance* and *impact* well. Sometimes, for example, monitoring methodologies are not consistently applied. There is often a lack of common metrics; this makes it hard to measure uniformly across organizational units and complicates the comparison of results. A further issue is that monitoring approaches are rarely cost-effective and often hard to replicate.

Impact-driven organizations thus find themselves facing the following questions:

- *What should we measure to track performance efficiently and effectively?*
- *How do we ensure e successful adoption of a PM system and smart reporting practices?*
- *How can we use performance data to enhance long-term impact?*

Building a Performance Measurement System for SFSA

In 2021, Syngenta Foundation for Sustainable Agriculture ("the Foundation", SFSA) is celebrating 20 years under its present name. The Foundation's roots go back some 40 years. Its recently formulated vision is a bright future for smallholder farming. This means that although farmers each cultivate only a small area, they are profitable, productive and resilient to climate change and other environmental threats. SFSA helps smallholders raise the quality and quantity of their harvests and connects them to markets to improve their incomes and livelihoods. Working with a wide range of partners, SFSA takes a science-driven approach to developing sustainable solutions specific to local conditions in Africa and Asia. As well as strengthening agriculture and food security, these efforts more broadly support rural communities and development.

Over the past decade, SFSA has grown and diversified its activities significantly. Funding, numbers of partners, projects and employees have all markedly increased. So have the Foundation's geographical scope and the spread of crops and topics on which it works. In parallel, the world in which SFSA operates has also changed significantly. New tools, ideas and funds are now available for smallholder agriculture. Global recognition of the importance of agriculture for sustainability and the climate has increased.

These changes have prompted SFSA to focus more strongly on understanding *how far it is achieving its vision and mission across its diverse portfolio* (see Box 1)*.* In doing so, SFSA aims to make better decisions both in relation to strategy (scaling programs up and expanding partnerships) and to resource endowments. 2019 marked a milestone. It

> *Box 1: SFSA vision and mission*
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> Vision: *A bright future for smallholder farming*
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> Mission*: To strengthen smallholder farming and food systems, SFSA catalyzes market development and delivery of innovations, while building capacity across the public and private sectors.*

was the first year in which SFSA collected and reported information using its new PM system, which began consistently recording the results of activities and continues to do so.

Designing a Performance Measurement system

Building the PM system has been a valuable journey. Delving into how impact is achieved has given SFSA an opportunity to reflect on its own strategy, catalyzing an internal change management process and reshaping the organization and its culture.

To define its PM system, SFSA followed these steps:

a) **Analyze and learn from examples and best practices**, as this is a growing field within professional practice. Although there are various assessments available of current practices, there are no mainstream frameworks or models that are widely accepted or endorsed. Nor is there a harmonized approach. SFSA and its advisors at NewForesight looked at organizations that are promoting a more standardized set of metrics (e.g. Sustainable Food Lab, the Global Impact Investing Network) and learned from the

intricacies of their processes (e.g. that one cannot always align a common narrative with a wide diversity of audiences).

b) **Review and refine the Theory of Change** since this is key to identifying relevant data points and the logic behind them.

c) **Develop a Performance Management framework** with Foundation-level Key Performance Indicators (KPIs) and specific KPIs per area. This framework follows the structure of the Theory of Change and the strategic pillars of the organization, providing the methods and data to implement it.

d) **Pilot the methodologies and adapt the system in iterative cycles**. The implementation team proposed three data-collecting cycles, thus increasing the number of business units that were able to begin reporting. In each cycle we learned about the feasibility of data collection and possible gaps in the system, the capacity needs of local teams implementing it, and how to make the system more attractive and easier for them to use.

e) **Continuous improvement and adaptation through feedback**. After the initial system has been designed and tested, it continues to evolve. Supported by a central coordinator, the Foundation collects feedback regularly to ensure the system is up to date and is continuously improving.

SFSA presents some organizational complexities that influenced this process. They include:
- The Foundation implements interventions in three different areas: agri-services, agricultural insurance solutions and seeds. Furthermore, it takes products and services through an innovation pipeline (from R&D to scale-up) with numerous partners (who have diverse reporting needs) and different implementation models (directly or through grantees). The metrics involved are correspondingly heterogenous.
- Large volumes of data are collected with existing tools and databases. The databases vary in nature. Some are commercially oriented; others focus on innovative projects or a supportive Policy environment.
- SFSA is a multinational organization, with direct operations in a dozen countries and further activities elsewhere. Although there are common procedures and organizational cultures, the day-to-day activities, such as reporting, need to adapt to contextual differences and team dynamics in every region. The organization is highly decentralized, enabling national teams to develop the best solutions for local realities.

Dealing with common challenges

In 2019, SFSA and NewForesight built the PM system. They dedicated special attention to addressing challenges that commonly emerge in this type of process.

1. Finding the right indicators

The Foundation and NewForesight built on trends and experience at leading comparable organizations (see Box 2).

One of the most complex challenges was to define and prioritize KPIs that simultaneously i) reflected progress towards SFSA goals, were ii) feasible to chart and iii) useful and relevant enough to justify biannual data collection. Close communication was required with teams across the organization to understand what they were already measuring, the tools used, strategic objectives and ways of working.

Box 2. Examples of trends analyzed during the PM System design

Trends in performance measurement[1]

NewForesight and SFSA identified some tensions in the trends in PM systems across different organizations. The wide spectrum of varying approaches includes the following:

a) Reporting on 'easy indicators' *vs* reporting on systemic change
b) Perfect attribution *vs* sound causal logic to prove impact
c) Annual costly impact evaluations *vs* real-time capture of progress data
d) Project-based reporting on impact *vs* tracking long-term progress
e) Collecting and storing data *vs* using data and insights as a value proposition
f) Having common indicators *vs* aggregating collaborative impact
g) Technology-driven' lean' data *vs* deep-dive insights

The term "versus" (vs) does not necessarily mean mutual exclusion. The aim must be to the find the right balance. Trend a) above is an example. The SFSA PM system combines 'easy indicators' focused on outputs (e.g. number of countries where SFSA is active) with systemic change indicators reflecting more complex information (e.g. related to Policy issues).

2. Preparing for success

In addition to careful design, testing was another crucial step. The final phase of the design was structured in cycles that enabled testing and upscaling of the data collection and reporting processes for adaptation and improvement.

After design and testing, we implemented the PM system fully in the second half of 2019. The Foundation took the lead in collecting the data for the whole year. As far as possible, it also assembled retrospective data already available. SFSA published its first external PM Review in 2020, driven by its commitment to transparency and continuous improvement. The system continues to evolve; this will be reflected in the content and style of future Reviews.

3. Establishing clear links to long-term impact

Monitoring and assessment of long-term impact are widely seen as a difficult task. However, donors and investors are increasingly interested in understanding how their contributions influence that impact. SFSA seeks to identify evidence of impact through cost-effective and scalable methods, but it is aware that this is a complex endeavor!

The Foundation's PM system focuses on the *outputs* of the operations and the *outcomes* of the activities of its different units and the work with partner organizations. This is a step towards understanding impact, but not yet a measure.

Performance and *impact* have different scopes. Organizations sometimes use outcome metrics as a proxy for impact. For example, the SFSA PM system includes indicators such as the number of partners in each country, how many farmers they reach, and the number of partners adopting new technologies and products promoted by SFSA. Although each number on its own does not reflect impact, it helps understand of the magnitude of the operations and, therefore, their potential for impact. Today's PM system at the Foundation is a step in the right direction – but not the end of the road.

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[1] NewForesight analysis in 2019. These trends remain valid, but there is an increasing recognition of the need for and benefits of performance and impact assessment, as well as the integration of digital tools and technologies to collect and verify data. Together these result in demand for recognizable and exchangeable data with common standards, protocols and equivalence mechanisms.

As the system evolves, SFSA will work to link the evidence of *impact* to the performance data, establishing connective hypotheses and progressively allowing the leadership team to understand and forecast the impact of strategic decisions. This is, however, a long-term task that will be adapted as the organization develops.

Performance Measurement in practice

Today the Foundation has a PM system which runs systematically and is evolving in conjunction with the organization's structure and strategy. SFSA manages the process internally with well-defined reporting cycles, roles and responsibilities. It provides specific guidance on the data collection process and supporting digital tools. Figure 1 presents an overview.

Data-gathering and submission follow the KPI methodologies and use digital tools to move towards full automation of data-processing across SFSA operations and countries.

Data verification to check for precision, consistency and reliability.

Warehousing, analysis and biannual reporting to present the data with insights, support decision-makers and inform both internal and external audiences of the achievements, progress and lessons learned.

Learning and improvement sessions to discuss critical questions and share feedback with the leadership team. Learning and improvement plans are

Figure 1. SFSA Performance Management system

shared with staff. SFSA also aims for good communication with key partners to collaborate, share and discuss lessons for further improvement.

Key lessons from Performance Measurement design and implementation

As the PM system has evolved, NewForesight and SFSA have noted several lessons. We believe that these are transferable to various processes of change management in impact-driven organizations.[2]

1. **Finding the right indicators**
   - **Count what counts.** Focus on relevant data and feasible metrics and keep a flexible approach to evidence-driven tools and practices.
   - **Be content with contribution, rather than looking for perfect attribution**. A thorough understanding of system impact is necessary to design, implement and assess good interventions. However, continuous impact measurement can be cumbersome. A pragmatic approach is best.

2. **Setting up for success**
   - **Data need to be an explicit part of the value proposition to ensure broad buy-in**. Data collection requires time and resources. In return, it (ideally) provides intelligence that improves decision-making at every level. However, this is not always clear to everyone. Every team involved needs to be aware of the value of

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[2] Information collected during focus group discussions in 2020.

data in order to gather and use them well. Mechanisms that can help build the "business case" for data include uses that benefit day-to-day operations. Continuous communication across organizational units is essential.

- **Adoption needs to be driven internally**. The chances of success will drop if any system is developed in isolation or only externally. Co-creation with internal stakeholders (and partners where applicable) is key. This not only enables strategic alignment but also reflects the realities of diverse teams. Collecting data can present challenges – and not just under special circumstances such as a pandemic. Inclusive and iterative process management can significantly increase the chance of success. Continuing training and regular exchanges for every stakeholder are crucial to the efficient and reliable running of the process.
- **Complex processes need to have a clear long-term owner or central point to coordinate and champion them**. We believe it a mistake to farm out PM to temporary teams or taskforces. Instead, it should be a well-embedded and recurring cross-team activity. This requires effort, resources and strong leadership support.
- **Partners' roles and expectations need to be clearly defined.** As "data facilitators", implementing partners and donors can be important contributors to. It is essential to have clear guidelines on their role and as to why and how their data are used. Standards and legal implications should be mutually clarified, including the safety and confidentiality of the data and how the system intends to manage and communicate them. Clarity around these points strengthens the relationship with partners, ensures proper implementation, and fosters system improvements.

3. **Establishing clear links to long-term impact**
   - **Long-term results matter, but they are not always easy to visualize or identify**. Teams need to be continuously aligned and reminded about the "bigger picture" on the horizon and what that means in the short-term.
   - **Ensure continuous feedback to evolve and adapt.** The only way for practices to become consistent over time is that they remain effective for the teams. That is only possible if systems and tools adapt as much as possible to their users' needs. Regular feedback cycles are critical.

Latest achievements

Since the milestones of first implementation in 2019 and publication in 2020, the PM system has continued to support data-gathering and reporting. Figure 2 presents a snapshot of 2020, for publication in 2021.

In 2020, together with key stakeholders, SFSA also published two impact reports on specific topics. The first, run by 60 Decibels, highlighted the impact of SFSA work in Bangladesh on smallholders' income and livelihoods. The second report, by local implementer Kilimo Media International, summarized achievements in a three-year educational initiative with radio stations in Kenya.

The Foundation continues to develop a comprehensive reflection of its long-term impact. The wide spectrum of activities and locations, as well as continuous product innovations make it hard to comprehend the overall impact in detail. SFSA is therefore now developing a selection of impact studies each year, covering strategic priorities and global trends. Thanks to cost-efficient new data collection tools and methods, the number of such studies is likely to increase.
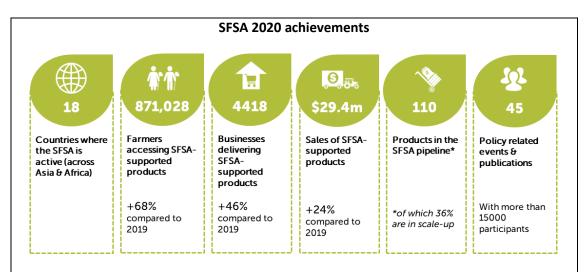
SFSA 2020 achievements

18	**871,028**	**4418**	**$29.4m**	**110**	**45**
Countries where the SFSA is active (across Asia & Africa)	Farmers accessing SFSA-supported products	Businesses delivering SFSA-supported products	Sales of SFSA-supported products	Products in the SFSA pipeline*	Policy related events & publications
	+68% compared to 2019	+46% compared to 2019	+24% compared to 2019	*of which 36% are in scale-up*	With more than 15000 participants

Figure 2. Topline SFSA numbers in 2020

The SFSA Theory of Change includes the creation of a competitive market of businesses engaging farmers, providing them with access to a choice of affordable solutions for their needs. These businesses include large insurance firms, medium-sized seed companies, small off-takers and distributors, as well as individual retailers. SFSA plays a key role in supporting the creation of rural enterprises and boosting existing ones. In 2020, SFSA supported numerous innovative products to be used by smallholders, with a total sales value of some $29.4 million.

SFSA also strives for an "enabling environment" that supports and creates incentives for smallholders and business growth. Our Policy team drove eight programs in 2020 and contributed to numerous events and a range of books and papers. See www.syngentafoundation.org/books-papers or www.syngentafoundation.org/home/policy.

Call to action: Dialogue, learning and collaboration

This paper aims to bring insights and first-hand experiences to organizations that are on a similar journey and recognize the complexity of such an endeavor. Based on these experiences, it is evident that there is a need for collaboration between organizations to learn, disseminate best practices and agree on efficient ways of implementing impact-related practices. Comparable metrics and harmonized approaches would help organizations to understand their performance in, and impact on, the broader market, enabling cooperation and competitiveness. SFSA and NewForesight are looking for like-minded organizations to establish a Learning Community which can harmonize approaches that facilitate understanding and assess and enhance impact.

SFSA is aware that this is the beginning of a long journey. As the Foundation delves into specific areas, large knowledge gaps related to systemic, long-term impact become apparent. Acknowledgement of these gaps is important if we are to address root issues and advance the sustainability agenda across sectors. Gaps include the lack of a common definition for a systemic approach in programs, diversity in methodologies to assess livelihood improvement or sustainable return on investment, and a lack of frequently used or harmonized metrics for sustainable impact that can be used and understood across different organizations.

By sharing this experience, SFSA and NewForesight underline the need to coordinate the learning agendas of NGOs, foundations, donors, research institutions, experts and implementers

working on similar projects to better understand and build a solid evidence base for systemic impact, in the agri-sector and beyond.

For more information

Contact us:

Silvana Paniagua Tufinio, Principal at NewForesight, Silvana.Paniagua@newforesight.com
Andrea Balmer, Program Manager at SFSA, Andrea.Balmer@syngenta.com

NewForesight Consultancy   Syngenta Foundation for Sustainable Agriculture
Arthur van Schendelstraat 754   Rosentalstrasse 67
3511 MK, Utrecht   4058 Basel
The Netherlands   Switzerland
www.newforesight.com/   www.syngentafoundation.org

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