

# OPM's approach to assessing Value for Money

## Description

by Julian King, Oxford Policy Management. January 2018. [Available as pdf](#)

[Tweet](#)

Excerpt from Foreword:

In 2016, Oxford Policy Management (OPM) teamed up with Julian King, an evaluation specialist, who worked with staff from across the company to develop the basis of a robust and distinct OPM approach to assessing VfM. The methodology was successfully piloted during the annual reviews of the Department for International Development's (DFID) Sub-National Governance programme in Pakistan and MUVA, a women's economic empowerment programme in Mozambique. The approach involves making transparent, evidence-based judgements about how well resources are being used, and whether the value derived is good enough to justify the investment.

To date, we have applied this approach on upwards of a dozen different development projects and programmes, spanning a range of clients, countries, sectors, and budgets. It has been well received by our clients (both funding agencies and partner governments) and project teams alike, who in particular appreciate the use of explicit evaluative reasoning. This involves developing definitions of what acceptable / good / excellent VfM looks like, in the context of each specific project. Critically, these definitions are co-developed and endorsed upfront, in advance of implementation and before the evidence is gathered, which provides an agreed, objective, and transparent basis for making judgements.

## Table of contents

Foreword	1
Acknowledgements	3
Executive summary	4
1 Background	7
1.1 What is VfM?	7
1.2 Why evaluate VfM?	7
1.3 Context	8
1.4 Overview of this guide	8
2 Conceptual framework for VfM assessment	9
2.1 Explicit evaluative reasoning	9
2.2 VfM criteria	10
2.3 DFID's VfM criteria: the Four Es	10
2.4 Limitations of the Four Es	12
2.5 Defining criteria and standards for the Four Es	13
2.6 Mixed methods evidence	15
2.7 Economic analysis	15
2.8 Complexity and emergent strategy	17

2.9 Perspective matters in VfM	19
2.10 Integration with M&E frameworks	19
2.11 Timing of VfM assessments	20
2.12 Level of effort required	20
3 Designing and implementing a VfM framework	21
3.1 Step 1: theory of change	21
3.2 Steps 2 and 3: VfM criteria and standards	22
3.3 Step 4: identifying evidence required	26
3.4 Step 5: gathering evidence	26
3.5 Steps 6â??7: analysis, synthesis, and judgements	27
3.6 Step 8: reporting	29
Bibliography	30
Contact us	

Review by Dr E. Jane Davidson, author of Evaluation Methodology Basics (Sage, 2005) and Director of Real Evaluation LLC, Seattle

Finally, an approach to Value for Money that breaks free of the â??hereâ??s the formulaâ?• approach and instead emphasises the importance of thoughtful and well-evidenced evaluative reasoning. Combining an equity lens with insights and perspectives from diverse stakeholders helps us understand the value of different constellations of outcomes relative to the efforts and investments required to achieve them. This step-by-step guide helps decision makers figure out how to answer the VfM question in an intelligent way when some of the most valuable outcomes may be the hardest to measure â?? as they so often are.

## Category

1. Books

### Date

01/02/2026

### Date Created

23/02/2018

### Author

admin