

# Organisational Evaluation Framework



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## Acronyms

BCA	Benefit cost analysis
CRRDC	Council of Rural Research and Development Corporations
M&E	Monitoring and evaluation
KEQ	Key evaluation question
R&D	Research and development
RD&E	Research, development and extension
RDE&M	Research, development, extension and marketing
ROI	Return on investment

# 1 Introduction

This document outlines an approach to meeting Horticulture Innovation Australia's evaluation requirements, both as outlined in the current Deed of Agreement between Horticulture Innovation Australia (Hort Innovation) and the Australian Government (represented by the Department of Agriculture and Water Resources) and as identified by Hort Innovation itself.

The Organisational Evaluation Framework (Framework) was initially developed in October 2015. Since the release of the Hort Innovation Strategic Plan 2019-2023 (Strategy), this Framework has been updated and revised; with the most recent revision occurring in March 2021.

This Framework will be used and owned by Hort Innovation. Within Hort Innovation the Data & Insights (D&I) Team will be responsible for overseeing evaluation, working across the organisation to implement the Framework and undertake and deliver evaluation at all levels. The Extension Team will support the D&I Team.

The Framework includes the following sections:

- **Scope** (Section 2) – describes the scope of the Framework, including audience, purpose, and key evaluation questions (KEQs), as well as principles underpinning the Framework.
- **Program logic** (Section 3) – describes the logic of the Strategy, i.e., how the desired outcomes of the Strategy are expected to be achieved.
- **Performance expectations** (Section 4) – indicators, measures, and other relevant standards for assessing the performance of Hort Innovation's work.
- **Monitoring and evaluation plan** (Section 5) – sets out a framework for data collection and analysis at the corporate and investment levels.
- **Reporting** (Section 6) – sets out evaluation reporting and communication arrangements.
- **Appendix 1** – Glossary of Terms.



## 2 Scope

### 2.1 Framework drivers

A key external driver for the Framework is the requirement for an Organisational Evaluation Framework under Hort Innovation’s Deed of Agreement (2020-30) with the Australian Government.

Key internal drivers include the desire to:

- Ensure Hort Innovation investments provide value to growers
- Be able to complement Hort Innovation’s existing focus on ex-ante ‘front-end’ evaluation (of expected performance) with monitoring and evaluation that tells a story of actual performance (progress towards and/or achievement of outcomes)
- Support an ‘outcomes focus’ for Hort Innovation and delivery partners, and enable a shared understanding of Hort Innovation contribution to grower objectives
- Provide clear, consistent guidance to delivery partners for evaluation of Hort Innovation funded investment.

In addition, the evaluation of investment in rural research and development by the Council of Rural Research and Development Corporations (CRRDC) relies on a consistent, transparent, and replicable approach to evaluation (CRRDC, 2014) by Australian Rural Research and Development Corporations (RDCs).

### 2.2 Framework audience

The Framework is designed to have a wide group of beneficiaries, including key stakeholders such as growers/levy payers, the Hort Innovation Board (and Committees), Hort Innovation staff, the Australian Government (represented by the Department of Agriculture and Water Resources), and co-investors.

The direct primary audience for the Framework document itself differs to the beneficiaries. The beneficiaries are defined as those that are impacted as a result of the Framework; whereas the primary audience is those who will interact directly with the contents of this Framework.

The Framework guides Hort Innovation management and Australian Government stakeholders and is supplemented by supporting documentation that will support the implementation of key principles with a key audience of those individuals across teams responsible for management and delivery of investments, including the Science & Technology, Trade, Data & Insights, Extension and Marketing Teams as well as our delivery partners.

Under Hort Innovation’s Deed of Agreement 2020-30 with the Australian Government, the Evaluation Framework directly supports Principle 5: Monitoring and Evaluation (M&E). This principle notes that M&E should demonstrate positive outcomes and delivery of research, development and development (RD&E) [and marketing] benefits to levy payers and the Australian community in general, and continuous improvement in governance and administrative efficiency. This is to be achieved through creating suitable mechanisms and processes in place that enable regular impartial reviews of performance, and identify improvement opportunities, demonstrating that investments are striving to achieve meaningful RD&E outcomes and priorities, and communicating the results of the impact and benefits of RD&E activities and investments to stakeholders and the Australian Government.

### 2.3 Roles and responsibilities for evaluation

Evaluation will be used and ultimately targeted towards the information needs of growers and levy payers, Hort Innovation (Board), Hort Innovation staff, the Australian Government, and investors/co-investors. Hort Innovation evaluation will be produced and supplied by delivery partners; project and investment managers; and Hort Innovation organisational areas, as necessary.

The measurement and evaluation specialist will play a central role in coordinating, leading, and supporting the supply of evaluation products that meet the needs of decision makers.

### 2.4 Framework purpose

Given the primary audience’s requirements, the purpose of the Framework is to:

- Enable accountability: to growers and levy payers, producer contribution payers, investors, and the Australian Government
- Demonstrate performance: efficiency, effectiveness, and impact of key investments in delivering benefits to levy payers and growers
- Continually improve on the efficiency and effectiveness of investment (analysis)

- Manage multiple reporting demands: to publish and disseminate relevant research research and development (R&D) and marketing outcomes (advocacy).

The purposes for evaluation have subsequently informed a set of overarching key evaluation questions (KEQs) which guide the Framework’s specific data collection requirements (Section 2.7).

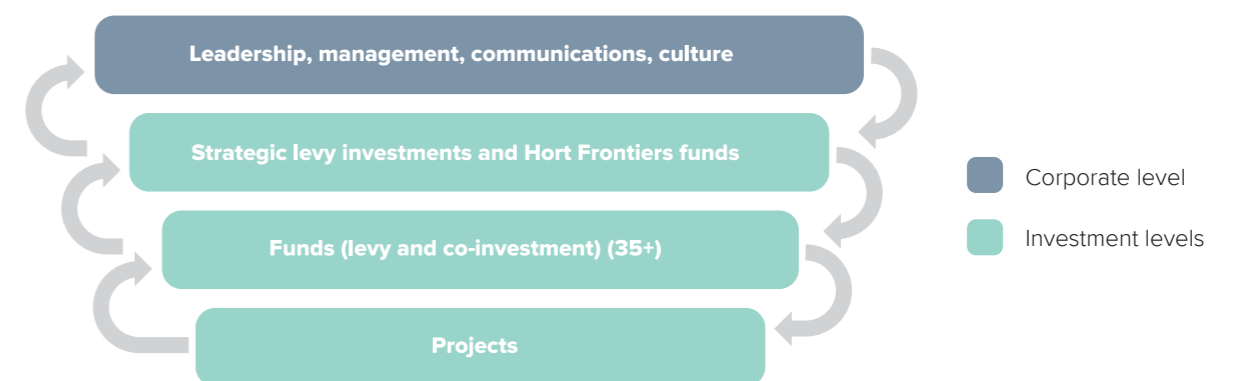
### 2.5 Application of the evaluation framework

The Framework operates at all levels of the organisation (Figure 1) including:

- Corporate level – leadership, management and other functions and capabilities such as communications
- Investment levels – Industry strategic levy fund Hort Frontiers fund, and project levels (the latter can be industry-specific, cross-industry as well as internal projects and functions delivered by Hort Innovation).

As depicted in Figure 1, monitoring and evaluation will provide a means of feedback for learning and improvement purposes between the corporate and investment levels. Each of these levels will be underpinned by a focus on the value of Hort Innovation’s management and investment to growers.

Figure 1. Corporate and investment levels for monitoring and evaluation



## 2.6 Timeframe

Rather than having a set timeframe, the Framework provides an approach to evaluation for the foreseeable future and will be updated as required. It is expected to remain relatively unchanged for the duration of the current Deed of Agreement between Hort Innovation and the Australian Government.

## 2.7 Framework principles

The following principles underpin the Framework. While broad, they describe what monitoring and evaluation undertaken by Hort Innovation under the Framework should look like. In principle, evaluation undertaken by Hort Innovation should:

- Be embedded in the culture of the organisation
- Maintain a focus on growers, their advisors and value chains, and industry
- Inform and guide investment selection by considering and prioritising options
- Meet the requirements and expectations of the Australian Government
- Demonstrate the impact, achievements and benefits of investment, specifically to growers
- Demonstrate the logic and rationale for investments so they are dependable and defensible
- Be scalable and applicable to multiple levels of the organisation
- Be cost-effective and commensurate to the level of investment
- Be as practical, implementable and simple as possible
- Be used for continuous improvement.

## 2.8 Key evaluation questions

Key evaluation questions are overarching questions that guide evaluative inquiry into the effectiveness, appropriateness, relevance, impact and legacy of Hort Innovation’s investments and organisational effectiveness. KEQs provide the organising construct

for the Framework and therefore guide subsequent data collection, analysis, and reporting by Hort Innovation. The following areas of evaluative inquiry form the basis for the KEQs:

1. The **effectiveness** of Hort Innovation in achieving its intended investment outcomes and benefits to growers; effectiveness refers to the extent to which intended outcomes have been achieved and the role of Hort Innovation in this
2. The **effectiveness** of Hort Innovation’s corporate functions and processes in supporting the achievement of the Strategy
3. The **impact** of investment on farm-gate profitability, grower productivity, sustainability, and the global competitiveness of Australian horticulture; impact refers to the ultimate return and value of the investment made by Hort Innovation.
4. The **relevance** of Hort Innovation investment to the needs and priorities of growers and levy payers, the Australian Government and other investors; relevance refers to the extent to which grower and levy payer needs have been met by the investment.
5. The **appropriateness** of Hort Innovation’s research, development, extension and marketing processes to growers and the Australian horticulture industry; appropriateness mainly relates to the processes undertaken by Hort Innovation to deliver investments
6. The **value for money** in delivering benefits to growers and levy payers; value for money may comprise a range of economic measures and approaches including benefit-cost ratio and cost-effectiveness.

Not all questions are relevant at all levels. Further details on the definitions of the terms used above is provided in Appendix 1. **Table 1** shows how the questions could apply at the different levels – corporate and investment (funding pool and fund/project levels). The questions should be further refined and tailored at each level as appropriate to the needs of the evaluand (object of inquiry).

Table 1. Key evaluation questions by corporate and investment levels

Level/domain	Key evaluation question/s
<b>Corporate</b>	
Effectiveness	1 How well are Hort Innovation’s corporate (operational) functions and processes supporting the achievement of the Hort Innovation Strategic Plan in delivering benefits to growers?
<b>Investment – Strategic levy and Hort Frontiers fund</b>	
Effectiveness	2 What changes in the adoption of research, development, extension, and marketing have occurred as a result of Hort Innovation investments?
Impact	3 What changes in grower productivity, farm-gate profitability, sustainability, and global competitiveness have occurred across the horticultural sector attributable to adoption of Hort Innovation investment?
Relevance	4 How reflective is the investment portfolio of the needs and priorities of growers and industry, the Australian Government, and other investors?
<b>Investment – Fund/Project</b>	
Effectiveness	5 To what extent have the industry funds achieved their objectives in delivering benefits to growers? 6 To what extent have the industry funds achieved their objectives in delivering benefits to growers? How well have Hort Innovation projects delivered intended outcomes and benefits to growers?
Impact	7 What changes in grower productivity, farm-gate profitability and global competitiveness have occurred within the industry attributable to adoption of Hort Innovation investment?
Relevance	8 How relevant are Hort Innovation projects to the needs of intended beneficiaries including targeted growers, advisors and industry stakeholders?
Process appropriateness	9 How well have intended beneficiaries including targeted growers, advisors and industry stakeholders been engaged in the research process? 10 To what extent were engagement processes appropriate to the target audience/s of RD&E and marketing including targeted growers, advisors and industry stakeholders?
Value for money	11 What is the benefit cost ratio of Hort Innovation projects?

### 3 Program logic

Program logic is a thinking tool used by Hort Innovation to:

- Consider how outcomes can be achieved through investment (the causal chain or impact pathway)
- Guide and inform investment selection
- Monitor, evaluate and report on progress and achievements at all levels of Hort Innovation investment.

Hort Innovation operates on three corporate strategic pillars (Hort Innovation Strategy 2019-2023; pages 21):

1. **Drive knowledge and innovation into horticulture industries.** Communications and extension to be delivered that impacts on business decisions and practices on farm.
2. **Deliver the highest value R&D, marketing, and trade investments across industries, now and into the future.** Investments to be delivered that address all-of-horticulture opportunities and challenges.
3. **Enable activities that drive all strategic imperatives.** Talent, culture, processes, and systems delivered that increase value for growers.

The Hort Innovation program logic model corresponds with each corporate strategy (**Figure 2**). The end-of-strategy outcomes and intermediate outcomes primarily align to Strategic Levy and Hort Frontiers fund investments. The achievement of outcomes with benefits for growers and Australian horticulture industries is enabled by Hort Innovation’s corporate services, Extension strategy, communications, culture and leadership. This is represented by the supporting, foundational activities in the logic diagram.

Program logic has also been developed for investments through the Strategic Investment Plans (SIPs). The end-of-SIP outcomes directly contribute to supporting the second pillar of the Hort Innovation program logic: **Deliver the highest value R&D, marketing and trade investments across industries, now and into the future.**

#### 3.1 Program logic hierarchy

The Hort Innovation ‘deliver on investments’ program logic is based on a hierarchy model with the following levels:

Level	Definition	Application to Hort Innovation
Vision and mission (Long term outcomes/impact)	Long-term goals towards which the organisation is ultimately expected to contribute. These goals are the result of broader change processes which Hort Innovation will contribute towards, but not be held accountable for achieving alone.	Articulated as the Hort Innovation goal to support sustainable growth in horticulture, with the overarching aim of increasing the sector’s value to \$20 billion by 2030. (Hort Innovation Strategy 2019-2023; p.19).
End-of-strategy outcomes	These outcomes are the desired final result of Hort Innovation investment, though they may be achieved some years after the delivery of the associated activities. They refer to a change or effect on the economy, environment, or society.	Increased prosperity and sustainability of Australia’s horticulture industries.
Intermediate outcomes	Medium term outcomes that occur as a result of program outputs, which contribute to the achievement of end-of-strategy outcomes. Medium-term outcomes will include SIP end-of-program outcomes.	Improvements stimulated through R&D, extension, and marketing. Examples include practice changes, adoption, changes in grower knowledge, attitudes, skills, and aspirations (KASA) and consumer awareness.
Outputs	Outputs are a direct result of the investment and corporate services activities – and lead to the intermediate outcomes.	Delivery of R&D products, marketing campaigns and engagement; as well as changes in investor satisfaction with corporate services. Outputs are tangible deliverables (products or services).
Activities	Activities are actions taken or work performed to bring about a change in a situation or behaviour that is expected to contribute to outcomes. Activities also include corporate services and Hort Innovation operations.	Data collection (e.g., field trial, survey delivery), analysis and reporting. Grower engagement. Marketing campaign delivery (e.g., activation of point-of sale material)
Foundational activities	Activities that occur before and throughout any activities associated with changing or influencing the strategy.	Corporate and business processes to support R&D, marketing and industry development, captured through strategic investment planning. Corporate services are included at this level as enablers for bringing about Hort Innovation outcomes.

### 3.2 Hort Innovation program logic

Hort Innovation investment is guided by the overarching vision: **“Hort Innovation exists to drive a prosperous and healthy Australia, by providing the best knowledge and solutions to create a world-class horticulture sector”** and mission: **“To provide the knowledge and solutions needed to create a world-class horticulture industry, and to drive a prosperous and healthy Australia”** (Hort Innovation Strategy 2019-2023; page 8-9). The Hort Innovation vision and mission are presented in the program logic model (Figure 2) as the organisational objectives. Ultimately focused on benefiting growers and levy payers, the vision and mission will guide all Hort Innovation investment and activity.

In the Hort Innovation program logic model, outcomes and activities are based on the three Strategy investment priorities (page 20).

The Hort Innovation program logic model also aligns with the Australian Government's Rural R&D priorities and Science & Research Priorities (Table 2). These priorities are directly underpinned by the delivery of the Hort Innovation vision and mission as driven through individual investments.

Table 2: Hort Innovation investment alignment with Australian Government priorities

Rural Research and Development Priorities	Science & Research Priorities
Advanced technology	Food
Biosecurity	
Soil, water and managing natural resources	
Adoption of R&D	

1: <https://www.agriculture.gov.au/ag-farm-food/innovation/priorities>

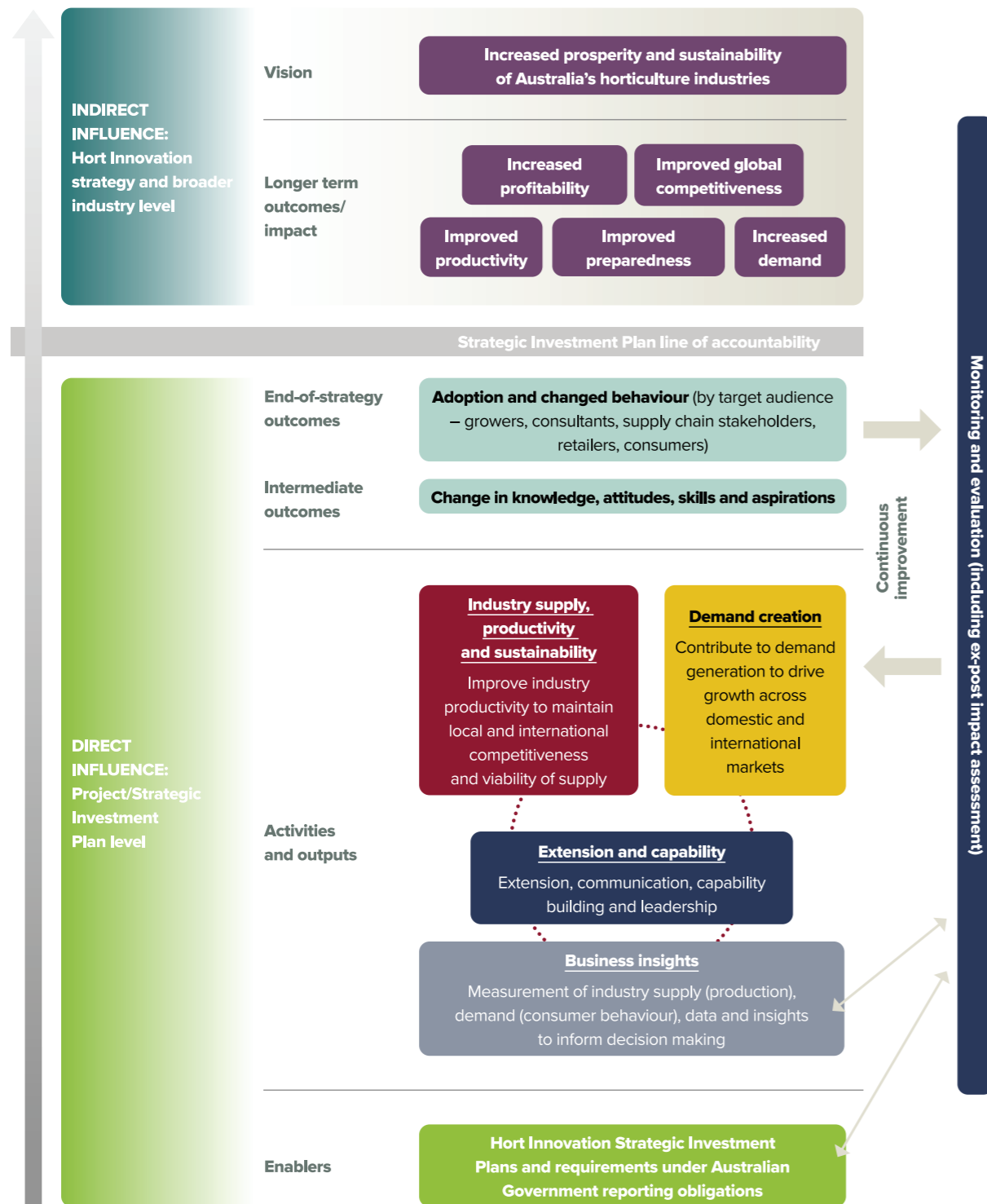
2: [https://www.industry.gov.au/sites/default/files/2018-10/science\\_and\\_research\\_priorities\\_2015.pdf?acsf\\_files\\_redirect](https://www.industry.gov.au/sites/default/files/2018-10/science_and_research_priorities_2015.pdf?acsf_files_redirect)

Figure 2. Hort Innovation ‘deliver on investments’ program logic model

<b>Vision</b>	<b>Increased sustainability and prosperity of Australia’s horticulture industries</b>		
<b>Mission</b>	Drive knowledge and innovation into horticulture industries	Deliver the highest value R&D, marketing, and trade investments across industries, now and into the future	Enable activities that drive all strategic imperatives
<b>Investment priorities (end-of-strategy outcomes)</b>	Communication and extension delivered that impact on business decisions and practices on farm	Investments delivered that address all-of-horticulture opportunities and challenges	Talent, culture, processes and systems delivered that increase value for growers
<b>Intermediate outputs</b>	Hort Innovation extension framework and team fully established by December 2019 Review for the optimisation of investments in communication and extension completed by December 2020 Digital knowledge platforms reviewed, and recommendations implemented Intellectual Property (IP) management solutions implemented by June 2020 investment in crop production, pest and disease management, and sustainability	Independent ex-post impact assessment of a random sample of strategic levy investments undertaken annually All investments aligned to a SIP outcome/outcomes and strategy/strategies to support fund investment analysis and M&E capacity by Hort Innovation Sustainability framework with benchmarks completed by June 2022. Review completed and strategic approach to consumer insights and market research commenced by December 2020 Cross-industry opportunities (multi-industry strategic R&D levy, marketing levy and Hort Frontiers) identified and implementation of efficiencies commenced by December 2020	R&D and marketing (where applicable) Annual Investment Plans (AIPs) for all industries implemented by December 2020 New Strategic Investment Plans (SIPs) for all industries developed prior to completion of current SIPs New Hort Frontiers SIPs (2019-2024) developed by December 2019 Trade SIP developed by March 2020 New business systems integrated by December 2020 Hort Innovation annual report published annually to ensure transparency in RD&E and marketing investments and industry financial positions
<b>Intermediate outcomes</b>	Levy payer engagement efforts enhanced, with overall level of communication and engagement satisfaction by levy payers increased from 65 per cent to 85 per cent by December 2022 Overall satisfaction with Hort Innovation information products and services by levy payers increased from 69 per cent to 90 per cent by December 2022	Overall levy payer perceived direct benefit from R&D and marketing investments increased from 60 per cent to 80 per cent by December 2022	Overall levy payer satisfaction in Hort Innovation’s performance increased from 53 per cent to 75 per cent December 2022 Levy payer knowledge of Hort Innovation increased from 74 per cent to 95 per cent by December 2022 Hort Innovation’s employee satisfaction score maintained at 2017 levels
<b>Foundational activities</b>	Communications Consultation process and advisory mechanism	Accounting, procurement, finance and human resources Governance	Management and transformation Strategic planning and monitoring



Figure 3: Strategic Investment Plan logic



## 4 Performance expectations

While program logic identifies how change is expected to occur as a result of Hort Innovation's activities and investment, it does not stipulate how much change will be necessary and sufficient in order to deliver expected benefits to growers and levy payers.

The Deed of Agreement 2020-30 between the Australian Government and Hort Innovation (page 16) stipulates that Hort Innovation must at all times act in accordance with and uphold the agreement, including the performance principles. The performance principles are:

- To engage stakeholders to identify RD&E priorities and activities that provide benefits to the Industry
- To ensure RD&E priorities and activities (and marketing activities) are strategic, collaborative and targeted to improve profitability, productivity, competitiveness and preparedness for future opportunities and challenges through a balanced portfolio

- To undertake strategic and sustained cross-industry and cross sectoral collaboration that addresses shared challenges and draws on experience from other sectors
- For governance arrangements and practices to fulfil legislative requirements and align with contemporary Australian best practice for open, transparent and proper use and management of funds
- To demonstrate positive outcomes and delivery of RD&E and marketing benefits to levy payers and the Australian community in general, and show continuous improvement in governance and administrative efficiency.

Performance measures and criteria are set out for Hort Innovation evaluation in **Table 3**.



## 5 Monitoring and evaluation methods

Qualitative and quantitative data collection and analysis methods will be used to gather the necessary information to address the data requirements of the Framework. **Table 4** maps data collection methods to the KEQs and performance expectations. The KEQs are broken down into sub-questions to guide the choice of data collection method. **Table 5** provides a more detailed description of proposed methods.

### 5.1 Evaluation timing

While ongoing monitoring is useful for the management of corporate activities, fund and project management, at different points in time the monitoring data will be used to make evaluative judgements against the KEQs.

Reviews of levy and Hort Frontiers fund investments will be undertaken as part of the ongoing delivery of the model. Ongoing evaluations will account for the benefits and value delivered to growers by Hort Innovation. Project evaluations will be conducted to coincide with investment cycles and may comprise a mid-term evaluation and final evaluation for projects. A more detailed analysis and evaluation of the outcomes, relevance, impact, appropriateness, and efficiency of investments will feed into Hort Innovation’s Review of Performance.

Evaluation at a program level to encompass the activity of several projects may also be performed.

Evidence and findings from the project and/or program evaluations will be used to produce a performance analysis of each industry-specific SIP. The performance analysis will specifically consider project/program evaluation material and additional evidence collected through project milestone reporting and documents to consider achievement of the key performance indicator (KPI) areas of each SIP. The results from the performance analysis will be used to engage levy payers on the progress of investment against achievements within the SIPs. The SIP performance analysis will be reviewed and updated on an annualised basis.

Impact assessments will be conducted annually to satisfy the CRRDC impact assessment guidelines. Two groups of assessment will be provided:

1. An annual ‘across horticulture’ assessment to demonstrate portfolio wide performance of R&D in a given year
2. Industry-specific assessments performed on a rolling basis that reviews R&D investments over a five-year period.

Table 3. Indicative data collection methods by key evaluation question

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method*
<b>Corporate (operational)</b>			
<b>1. How well are Hort Innovation’s corporate functions and processes supporting the achievement of the Strategy in delivering benefits to growers?</b>	<b>Hort Innovation extension framework and team fully established by December 2019</b>	Has a capacity-building component been addressed in the project?	<ul style="list-style-type: none"> <li>• Achievement of framework KPIs (engagement analysis)</li> <li>• Stakeholder survey to assess sentiment towards Hort Innovation’s leadership and culture</li> </ul>
	<b>Review for the optimisation of investments in communication and extension completed by December 2020</b>	How has Hort Innovation optimised investment in communication and extension to impact business decisions and practices on farm?	<ul style="list-style-type: none"> <li>• Engagement analysis</li> <li>• CRM analytics</li> </ul>
	<b>Digital knowledge platforms reviewed, and recommendations implemented by June 2020</b>		<ul style="list-style-type: none"> <li>• Engagement analysis</li> </ul>
	<b>Levy payer engagement efforts enhanced, with overall level of communication and engagement satisfaction by levy payers increased from 65 per cent to 85 per cent by December 2022</b>	How have levy payers been engaged through extension initiatives?	<ul style="list-style-type: none"> <li>• Grower/stakeholder survey</li> <li>• CRM analytics</li> <li>• Audience survey</li> </ul>
	<b>Overall satisfaction with Hort Innovation information products and services by levy payers increased from 69 per cent to 90 per cent by December 2022</b>	How are information products satisfying the needs of levy payers?	<ul style="list-style-type: none"> <li>• Grower/stakeholder survey</li> </ul>
	<b>Intellectual Property (IP) management solutions implemented by June 2020</b>	How is IP managed across investments?	<ul style="list-style-type: none"> <li>• Engagement analysis</li> </ul>
<b>Investment – strategic levy and Hort Frontiers fund</b>			
<b>2. What changes in the grower and advisor adoption of research, development and extension have occurred as a result of Hort Innovation investments?</b>	<b># / % practice changes (uptake and adoption) farms/producers (by industry)</b>	What practice changes have been adopted by growers as a result of Hort Innovation investment?	<ul style="list-style-type: none"> <li>• Grower survey</li> </ul>
	<b>Influence of research uptake on intended beneficiaries (by industry)</b>		
<b>3. What changes in grower productivity, farm-gate profitability and global competitiveness have occurred across the horticultural industry?</b>	<b>Contribution to realising a \$20 billion horticulture sector by 2030</b>	How has investment impacted production efficiency, and consumer demand to drive value for the sector?	<ul style="list-style-type: none"> <li>• SIP performance analysis</li> <li>• Cost-benefit analysis</li> <li>• Impact assessment</li> </ul>

3: The methods outlined in Table 3 are a broader suite than those outlined in Table 2, which only provides a high-level description. In reality, more methods than those outlined in Table 2 are likely to be used.

Continued

Table 3 continued

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method*	
4. Of those changes (identified in question 3), which can be attributed to Hort Innovation?	<b>Attribution of industry changes in productivity, farm-gate profitability and global competitiveness to Hort Innovation activities and investments</b>	What industry-specific changes in productivity and farm-gate profitability can be attributed to levy investment?	<ul style="list-style-type: none"> <li>Stakeholder survey</li> <li>Grower survey</li> <li>SIP performance analysis</li> <li>Cost-benefit analysis</li> <li>Sensitivity analysis</li> </ul>	
		What 'whole-of-industry' changes in productivity and farm-gate profitability can be attributed to Hort Frontiers fund investment?		
		What changes to market access (enhanced linkages and partnerships, supply chains, etc.) can be attributed to levy and Hort Frontiers fund investments?		
		What changes in global competitiveness (i.e., market profile and share) can be attributed to levy and Hort Frontiers fund investments?		
5. How reflective is the investment portfolio of the needs and priorities of growers and levy payers, the Australian Government, and other investors?	<b>Consideration of long-term, short-term, high, and low risk strategic and adaptive research needs, and regional variations</b>	How successful has Hort Innovation been in balancing the investment portfolio between applied R&D and longer term and strategic R&D?	<ul style="list-style-type: none"> <li>Portfolio analysis</li> <li>Funding review</li> </ul>	
		How well did levy investment meet the short-term needs of levy payers?		<ul style="list-style-type: none"> <li>Grower survey</li> </ul>
		How well did Hort Frontiers fund investment meet the long-term strategic needs of the horticulture industry?		<ul style="list-style-type: none"> <li>Stakeholder/grower survey</li> <li>Audience survey</li> </ul>
6. To what extent are the outcomes achieved by Hort Frontiers funds likely to endure beyond the timeframe of investment?	<b>Anticipated benefits beyond timeframe of investment*</b>	Questions will be industry fund-specific but may include: <ul style="list-style-type: none"> <li>Research outputs and uptake</li> <li>Development and extension: outputs (engagement and products); grower/ adviser changes in capacity/practices (uptake and adoption)</li> <li>Barriers to adoption</li> <li>Marketing: reach; influence (awareness and recall) and influence (purchase/sales)</li> </ul>	<ul style="list-style-type: none"> <li>SIP performance analysis</li> <li>Consumer behaviour data</li> <li>Audience survey</li> </ul>	

Continued

Table 3 continued

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method*
<b>Investment – fund/project</b>			
7. To what extent have the industry funds achieved their objectives in delivering benefits to growers?	<b>Industry-specific fund outcomes</b>	Questions will be industry fund specific but may include: <ul style="list-style-type: none"> <li>Research outputs and uptake</li> <li>Development and extension: outputs (engagement and products); grower/ adviser changes in capacity/practices (uptake and adoption)</li> <li>Barriers to adoption</li> <li>Marketing: reach; influence (awareness and recall) and influence (purchase/sales)</li> </ul>	<ul style="list-style-type: none"> <li>SIP performance analysis</li> <li>Consumer behaviour data</li> <li>Audience survey</li> </ul>
8. How well have Hort Innovation projects delivered intended outcomes and benefits to growers?	<b>Project-specific outcomes</b>	Questions will be project-specific but will likely cover: <p>Research: outputs; output quality; reach; uptake by target audience; influence of uptake on intended beneficiaries</p> <p>Development and extension: engagements; products; changes in capacity; changes in practices</p> <p>Barriers to adoption</p> <p>Marketing: reach; influence (awareness and recall) and influence (purchase/ sales)</p>	<ul style="list-style-type: none"> <li>SIP performance analysis</li> <li>Impact assessment</li> </ul>
9. How relevant are Hort Innovation projects to the needs of intended beneficiaries including targeted growers, advisors, and industry stakeholders?	<b>Alignment to needs</b>	How well are industry priorities, identified by the advisory mechanism, reflected in project designs? To what extent have commercialisation/ adoption pathways been mapped?	<ul style="list-style-type: none"> <li>SIP performance analysis</li> <li>Grower survey</li> </ul>
10. How well have intended beneficiaries including targeted growers, advisors and industry stakeholders been engaged in the research process?	<b>Level of communication and engagement satisfaction by levy payers increased from 65 per cent to 85 per cent by December 2022</b>		<ul style="list-style-type: none"> <li>Stakeholder survey</li> </ul>
11. To what extent were engagement processes appropriate to the target audience(s) of RD&E including targeted growers, advisors and industry stakeholders?	<b>Feedback/complaints – quantity and resolution times minimised</b>	To what extent have engagement processes enabled meaningful input from RD&E target audiences?	<ul style="list-style-type: none"> <li>Engagement Analysis</li> <li>Audience survey</li> <li>Stakeholder Survey</li> </ul>
12. What is the benefit cost ratio of Hort Innovation projects?	<b>Benefits and costs</b>		<ul style="list-style-type: none"> <li>Cost-effectiveness analysis</li> <li>Cost-benefit analysis</li> <li>Sensitivity analysis</li> <li>Impact assessment</li> </ul>

\* The choice of method must be commensurate with: the scale of investment, the time available for data collection and evaluation capability.

Table 4. Proposed data collection and analysis methods

Method	Corporate	Funding type	Fund/project	Description
Audience survey		✓	✓	A market survey of consumers to gather data on the reach, influence on awareness and recall and effect of a marketing campaign. The audience will usually be segmented and stratified based on the purpose and goals of the campaign.
Benefit cost analysis			✓	Benefit-cost analysis (BCA) is an approach for defining and comparing a project/program's benefits and costs. BCA involves: the systematic identification of a project's impacts and effects or options for undertaking the project; and the quantification of the resultant benefits and costs (DOT, 2010: iii). BCA can be completed before a project/program has commenced (ex-ante) or after a program/project has concluded (ex-post)
Cost-effectiveness analysis			✓	Cost-effectiveness is a measure of a project/program's outputs (primary scope) relative to the delivery of benefits. Cost effectiveness analysis compares mutually exclusive project alternatives based on monetary costs per unit of physical output (adapted from OECD, 2002, DOT, 2010:6).
CRM analytics	✓			The CRM will be the main database and repository for information on stakeholder engagement, consultation, and contact. It will support engagement analysis.
Engagement analysis	✓	✓	✓	Analysis of consultation and advisory engagement documentation and processes. Documentation will be maintained centrally by the engagement at the corporate level (i.e., via CRM) and at the investment and fund/project level/s. Analysis should consider quantitative (i.e., number of meetings) as well as qualitative (i.e., quality) factors.
Environmental scan		✓		Considers the major changes and outcomes that are occurring at industry-specific and horticultural sector wide scales. The scan will look specifically for industry outcomes that may be attributable to Hort Innovation investment. 'Outcomes' and 'impacts' may discerned from 'changes' by undertaking evaluation of identified changes; i.e. through a further episode study or benefit cost analysis.
Funding review	✓	✓		Periodic review of funding and revenue streams to be undertaken by the R&D and finance team/s. Undertaken at the investment level to support portfolio analysis and assess co-investment.
Grower survey	✓	✓	✓	A broad scale industry wide survey of growers to be undertaken on an intermittent basis (i.e., bi-annually). Preferably administered to a representative sample across industries (i.e., by stratifying industries into segments). Used to ascertain attitudes, awareness and trends in industry-wide practices and adoption. To be conducted by a service provider likely via phone.
Consumer behaviour data		✓	✓	Data obtained from Neilsen HomeScan (or similar consumer behaviour data) on the consumption behaviour of a representative sample of 10,000 households. Used to track trends and changes in audience consumption and purchasing behaviour in line with marketing campaigns.

Continued

Table 4 continued

Method	Corporate	Funding type	Fund/project	Description
Impact assessment				Program of activity led by the Council of Rural Research and Development Corporations to identify and quantify the impacts of Rural RD&E investment for respective RDCs to demonstrate RDC impact and drive accountability for stakeholders. Hort Innovation invests in an annual impact assessment series in addition to cyclical industry-specific delivery.
Performance analysis	✓		✓	An annual review undertaken by the Data & Insights Team which reports on aggregated performance of project investments in delivering against fund level KPIs outlined in each industry SIP.
Portfolio analysis		✓		Portfolio analysis will be undertaken to analyse the balance of resource allocation via the investment pools across a range of identified needs: long-term, short-term, high and low risk strategic and adaptive research needs and regional variation considerations.
Stakeholder survey	✓	✓		The stakeholder survey may be conducted to a purposive or selected sample of Hort Innovation stakeholders as identified through the advisory and consultation mechanism/s. Used to measure trends in stakeholder satisfaction, brand awareness and attitudes. May be administered annually in an online format.

## 6 Reporting

Evaluation results will be reported to stakeholders at agreed timeframes for purposes outlined in **Section 2** (see 'Audience'). Indicative reporting arrangements are outlined below in **Table 5**.

Reporting will be focused on demonstrating to key stakeholder groups the performance of Hort Innovation's relevant activities through the identified reporting tools. Reporting approaches will be informed by the respective data collection methods, KEQs and performance expectations (**Tables 3 & 4**).

The SIP performance analysis is the key report that will demonstrate to growers and Hort Innovation stakeholders how the project level investments are supporting and achieving KPI indicators of impact at the industry fund level through the SIP. This report will be provided annually and will report cumulatively through the life of the SIP. The report will be used by Hort Innovation to demonstrate how investments are supporting the delivery of impact for industry.

Table 5. Indicative reporting arrangements

Stakeholder	Report	Timing
Australian Government	<ul style="list-style-type: none"> <li>Performance of Hort Innovation in delivering on Deed of Agreement, specifically efficiency and effectiveness</li> </ul>	Six months prior to expiry of Deed of Agreement
Horticulture Innovation Australia Ltd (Board and sub-committees)	<ul style="list-style-type: none"> <li>Impact reporting</li> <li>Investment logic</li> <li>SIP performance analysis</li> </ul>	Annual End-of-investment cycle
Growers and levy payers	<ul style="list-style-type: none"> <li>Fund Annual Report</li> <li>SIP performance analysis</li> </ul>	Annual End-of-investment cycle
Investors/co-investors	<ul style="list-style-type: none"> <li>Hort Frontiers fund performance analysis</li> </ul>	Annual End-of-investment cycle
Council of Research and Development Corporations	<ul style="list-style-type: none"> <li>Impact assessment</li> </ul>	Biennial (every two years)

## 7 References

Council of Rural Research and Development Corporations (2018) Impact Assessment Program Management Procedures, Rural R&D Corporations, April 2018

Deed of Agreement 2020-30 between the Australian Government and Hort Innovation.

Department of Treasury and Finance (DTF) Victoria (2017) Investment Management Standard: A guide for Victorian government departments and agencies

Doty, Aaron (2008) An examination of the value of the Victorian Government's investment logic map as a tool for front-end evaluation of investment proposals, Evaluation Journal of Australasia, Vol. 8, No.1, pp. 26-39.

Horticulture Innovation Australia Limited (2015) 'Notes following KPI scrum', 11 March 2015

Horticulture Innovation Australia Limited (2019) Strategy 2019-2023



# Appendix 1: Glossary of terms

Term	Definition
Activity	Activities delivered to bring a change in a situation or behaviour that is expected to contribute to outcomes.
Appropriateness	A measure of whether an intervention is suitable in terms of achieving its desired effect and working in its given context. Suitability may apply, for example, to whether the intervention is of an appropriate type or style to meet the needs of major stakeholder groups.
Beneficiaries	Beneficiaries are the ultimate users or target audience for a RDM&E project, fund, or investment. For Hort Innovation projects the beneficiaries will vary and may include growers or consumers. May interact with 'intermediaries' to support adoption and uptake. Beneficiaries are those that are ultimately 'impacted' by the intervention.
Cost-benefit analysis	Benefit-cost analysis (BCA) is an approach and set of procedures for defining and comparing a project/program's benefits and costs. BCA involves: the systematic identification of a project's impacts and effects or options for undertaking the project; and the quantification of the resultant benefits and costs (DOT, 2010: iii).
Broader goals	Long term goals that the organisation is ultimately expected (by funders, including the Australian Government and levy paying growers) to contribute towards. These are articulated in the Hort Innovation 'Vision' and 'Mission'. These goals are the result of broader change processes which Hort Innovation will contribute towards, but not be held accountable for achieving alone.
Cost effectiveness	Cost-effectiveness is a measure of a project/program's outputs (primary scope) relative to the delivery of benefits. Cost effectiveness analysis compares mutually exclusive project alternatives based on monetary costs per unit of physical output (adapted from OECD, 2002, DOT, 2010:6).
Effectiveness	The extent to which an initiative/project meets its intended outputs and/or objectives.
Efficiency	The extent to which activities, outputs and/or the desired outcomes deliver value for money.
End-of-program outcomes	These outcomes are the desired final result of Hort Innovation activities, though they may be achieved some years after the delivery of investment and associated activities. They include the contributions Hort Innovation is expected to make towards increased productivity, profitability, and global competitiveness etc.
Episode study	An approach and method used in evaluation to investigate the influence of research on practice or policy changes. Starting from an identified industry change an episode study 'traces back' to establish what factors, events and interventions played a role in bringing about the change. May draw on a range of qualitative and quantitative evidence to establish an account of the influence of a fund, project, or investment.
Evaluation	Evaluation refers to the "systematic collection and analysis of data about processes, outputs and outcomes to allow us to make statements, judgments, claims and conclusions which have the potential to impact on current and future decision-making" (Patton, 1997).
Immediate outcomes (or outputs)	Immediate changes that are a direct result of the activities – and lead to the intermediate outcomes.
Impact	The final or net benefit of an intervention (usually longer term). Measures of change that result from the outputs being completed and outcomes being achieved.
Indicator	A quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development action.
Inputs	The financial, human, and material resources used for the intervention.
Intermediate outcomes	Medium term outcomes that occur as a result of the outputs and that are necessary preconditions for the achievement of end-of-program outcomes.
Intermediaries	Intermediaries are the 'next users' who will receive RDM&E outputs directly from Hort Innovation. May include advisers or a range of other stakeholders who will then act to support and deliver the translation of RDM&E outputs into outcomes by either subsequently passing outputs onto beneficiaries or supporting processes of adoption and uptake.

Investment logic	Investment logic is a core component of investment management which identifies and articulates: the problem, benefit, strategic response and solution to be addressed by investment (Victorian Department of Treasury and Finance, 2012).
Investment management	The process of committing resources to an organisation with the "expectation of receiving a benefit" (Victorian Department of Treasury and Finance, 2012)
Key performance indicators	Key performance indicators (KPIs) are measures of performance, which focus on aspects of project or service delivery that are most critical for success. KPIs should include measures that are critical for achieving outcomes.
Legacy	The extent to which the benefits of a project/initiative extend beyond its implementation.
Measure	A quantifiable amount or degree (i.e., proportion) that can be counted in standard units.
Milestone	An agreed time-point for delivery of an activity, output or outcome that marks a particular stage in a process or project cycle.
Monitoring	Monitoring refers to routine and systematic collection of data that may be used for management and/or evaluation purposes.
Outcomes	The results or changes that can be attributed to the activities (eg. changes in stakeholder's knowledge and skills). Outcomes can be at the short, medium, or long-term scale.
Outputs	Outputs are tangible goods (i.e., a research product) and services (i.e., a workshop) that can be directly attributed to Hort Innovation activities.
Performance expectations	Expectations that are set for assessing and judging performance. See also 'Targets', 'Performance Indicators', 'Key performance indicators (KPIs)', 'Measure', 'Output', 'Milestones', 'Performance Standards', 'Performance Criteria' and 'Rubric'.
Performance criteria	A principle, standard or metric that can be used to judge and assess performance.
Performance indicator	A quantitative or qualitative factor or variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of a development action.
Performance standard	An agreed level of quality or attainment (i.e., compliance with ISO standards).
Primary audience	The stakeholders who will receive the evaluation results directly, and who will use the information for decision-making, such as program continuation or improvement.
Program logic model	A visual depiction of the program theory and logic behind how activities lead to outcomes. It is usually represented as a diagram that shows a series of causal relationships between inputs, activities, outputs, outcomes, and impacts.
Program theory	An explicit theory of how the intervention causes the intended or observed outcomes. The theory includes hypothesized links between (a) the intervention requirements and activities, and (b) the expected outcomes. Often used interchangeably with "Theory-of-Change".
Qualitative	Observations or information expressed using words rather than numbers.
Quantitative	Information about quantities; that is, information that can be measured and written down with numbers.
Relevance	The extent to which the activities delivered are suited to the priorities and needs of intended beneficiaries, investors, and other key stakeholders.
Rubric	A mixed methods tool that can be used to rank and assess performance bringing together multiple forms of qualitative and quantitative evidence against a set of pre-determined and agreed performance measures, standards and/or criteria.
Scope	A written description of the breadth of work for an evaluation (a description of what is included).
Secondary audience	Secondary audiences are "others" who may be interested in the findings, however, will not directly receive a copy of the evaluation findings.
Target	Quantifiable measures that relate to a particular timeframe (i.e., 3 years). May be set for specific outcomes sought by investment.

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