



MEASUREMENT & EVALUATION FRAMEWORK

Prepared by:
Measurement & Evaluation (M&E) team
Australian Wool Innovation Limited
Level 3, 24 York Street
Sydney NSW 2000
Reviewed: March 2025

TABLE OF CONTENTS

1. Document Purpose	3
2. Overview	4
3. Return on Farm Assets Managed (RoFAM)	6
4. Programs	7
5. Project Performance	.8
6. Evaluation Framework	10
7. Reporting	12
8. Appendix: References	14

1. DOCUMENT PURPOSE

The Measurement & Evaluation (M&E) framework outlines Australian Wool Innovation’s (AWI) approach to ensure that AWI business activities contribute to the company’s purpose and consequently deliver value to Australian woolgrowers. This document provides a system of reviewing program targets that are set in the strategic and annual operating plan.

This document provides a methodology and ethos that ensures AWI operations – from the Strategic Plan to programs – align with levy payers’ expectations, Australian government regulation, and best practices of program evaluation and reporting. This document outlines:

- 1. Provides a robust methodology for defining, measuring, and evaluating outcomes across AWI’s key areas.
- 2. Supports continuous improvement by embedding an M&E-oriented culture that enables evidence-based decision-making and timely adaptation of programs.
- 3. Demonstrates accountability through transparent reporting of progress and outcomes, meeting the requirements of the Australian government and the needs of levy payers.
- 4. Reflects recognized best practices in program evaluation and reporting, ensuring AWI remains responsive to woolgrower priorities and industry developments.
- 5. Incorporates modern data management platforms (e.g., Domo) to monitor program performance, providing real-time insights and fostering greater organizational efficiency.

2. OVERVIEW

KEY POINTS

The M&E Framework:

- serves to improve the profitability of the Australian wool industry through strategic investments in research, development and marketing
- recognises two key drivers of industry profitability, these being productivity, and demand
- helps to determine investment priorities based on government policy, industry consultation and the guidance of its board and staff
- evaluates random selected programs/ projects (grouped or individual) annually through impact assessment
- participates in the biennial Cross-RDC Impact Assessment covering economic, environmental and social impacts

AWI's overarching purpose is to improve the profitability, and support the sustainability, of the Australian wool industry. At its core, AWI is a project management business, and through its purpose, it aims to achieve these improvements through its programs – i.e. its investments. The role of the Measurement and Evaluation (M&E) Framework is to optimise and report on the performance of those programs and investments.

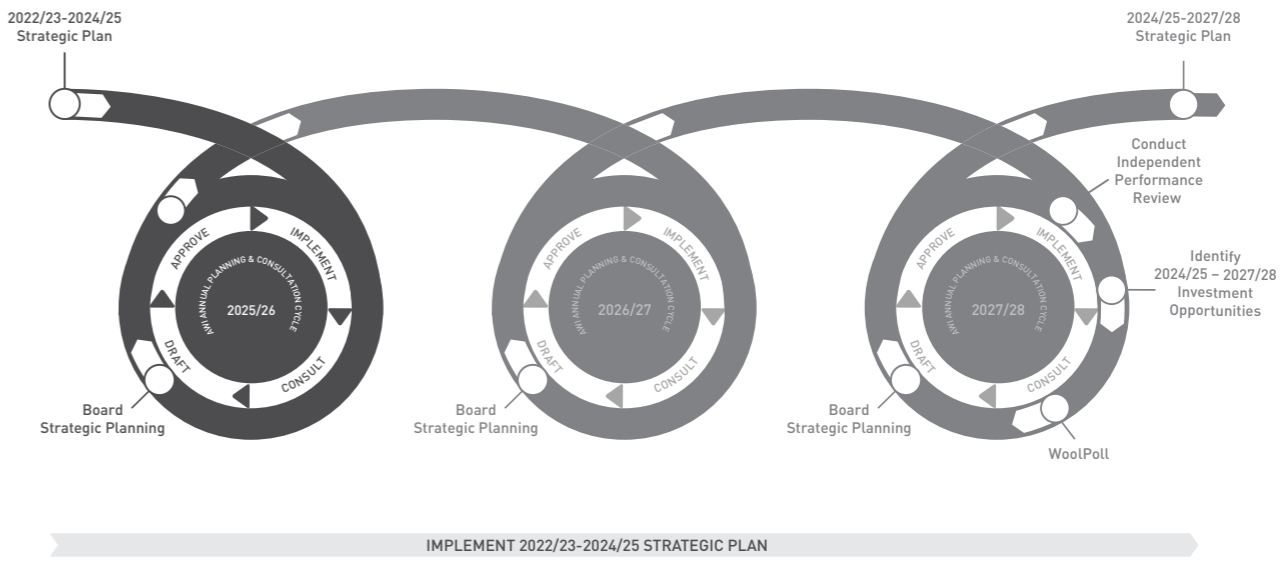
Two stakeholder groups invest directly in AWI and who are entitled to be kept appropriately informed of its investment performance include:

- woolgrowers, who contribute levies in proportion to their value of production¹; and
- the Commonwealth of Australia, which contributes funds courtesy of the Australian taxpayer and on behalf of the community in general².

AWI thus performs its services not only for the wool industry but 'for the public good', as referenced in its current Strategic Plan. Agriculture plays a pivotal role in building the sustainability of Australia; and the Commonwealth Government invests in the activities of AWI under the expectation that it will indeed foster that wealth, for woolgrowers and for the wider community.

The *direction and prioritisation* of AWI's investments rely principally on its triennial Strategic Planning process, which sets performance targets, reviews opportunities, identifies risks, determines priorities, and funds broad programs for the next three years.

Figure 1 – AWI's triennial business cycle 2025/26-2027/28



AWI's triennial Strategic Planning process guides a series of Annual Operating Plans, each with specific targets.

Strategic planning is informed by extensive industry consultation, engaging woolgrowers and key supply chain participants. The AWI Woolgrower Industry Consultative Panel ensures formal stakeholder input into this process. The consultation and engagement process is detailed in AWI's Strategic Plan.

AWI management reports biannually on its progress against the plan to the board at the strategic and program level.

AWI delivers programs through individual projects, which form its core activity. The M&E Framework evaluates these projects individually or in groups at the primary level.

¹ Wool Services Privatisation Act, as amended (<https://www.legislation.gov.au/C2004A00738/latest/text>)
² AWI Statutory Funding Agreement (<https://www.wool.com/about-awi/who-we-are/statutory-obligations>)

3. RETURN ON FARM ASSETS MANAGED (ROFAM)

AWI's purpose is to increase the profitability and support the sustainability of the Australian wool industry through strategically targeted investments in research, development³ and marketing that deliver measurable improvements in:

- **Productivity**
- **Demand**

The commercial attractiveness of wool-growing depends on its profitability in relation to other options available to each rural enterprise.

In evaluating the relative attractiveness of wool-growing over other agricultural pursuits (or other sectors), the most appropriate comparison *measure of profitability* is Return on Assets, or more specifically Return on Farm Assets Managed (RoFAM). **The RoFAM methodology is a long-term measure for the wool industry.**

'Return' is taken to mean 'Farmgate return'. It includes all income from wool-growing activities (e.g. wool, and lambs), minus associated costs of production (especially shearing and crutching, general husbandry, relevant inputs and contractor services, and marketing).

Relevant farm assets include allocated land, livestock, and infrastructure.

The challenge for AWI is to undertake investments that will best improve the profitability of wool-growing, by introducing innovations that would not happen without its intervention.⁴ That improvement in profitability can occur by any combination of increased farm-gate returns, productivity improvements and conservation of productive assets.

Increase in return can result from:

- higher income, which in turn depends on

- the unit price paid for raw wool of a given quality
- increase in average quality (e.g. finer fibre, less vegetable matter)
- increase in quantity produced.
- lower cost of production, which in turn depends on
 - efficiency gains
 - unit costs of various inputs.

Productivity – efficiency of production of goods or services expressed by some measure.

Productivity growth is measured by Total Factor Productivity (TFP) growth that reflects improvements in the efficiency with which inputs (e.g. land, labour, capital) are converted into outputs (e.g. wool, livestock, or other farm products).

Productivity improvement refers to an increase in annual yield from a fixed asset.

Factors: research, adoption, supply chain

Demand – describes how much consumers in a particular segment are willing to spend on a product.

Demand for wool, and the resultant price, are largely externally derived. AWI redresses this imbalance through its global marketing role on behalf of Australian woolgrowers. Any innovation which leads to productivity improvement, efficiency gains, and conservation of productive assets, anywhere in the supply chain; and/or leads to market demand and price support through competition, will improve woolgrower profitability and support sustainability.

Factors: market access, price, accessibility

³ including Extension

⁴ Under its Statutory Funding Agreement AWI is required to restrict its R&D investments to areas that are 'pre-competitive' or subject to market failure. In the case of Marketing AWI is not thus constrained and performs a global role on behalf of the Australian wool industry.

4. PROGRAMS

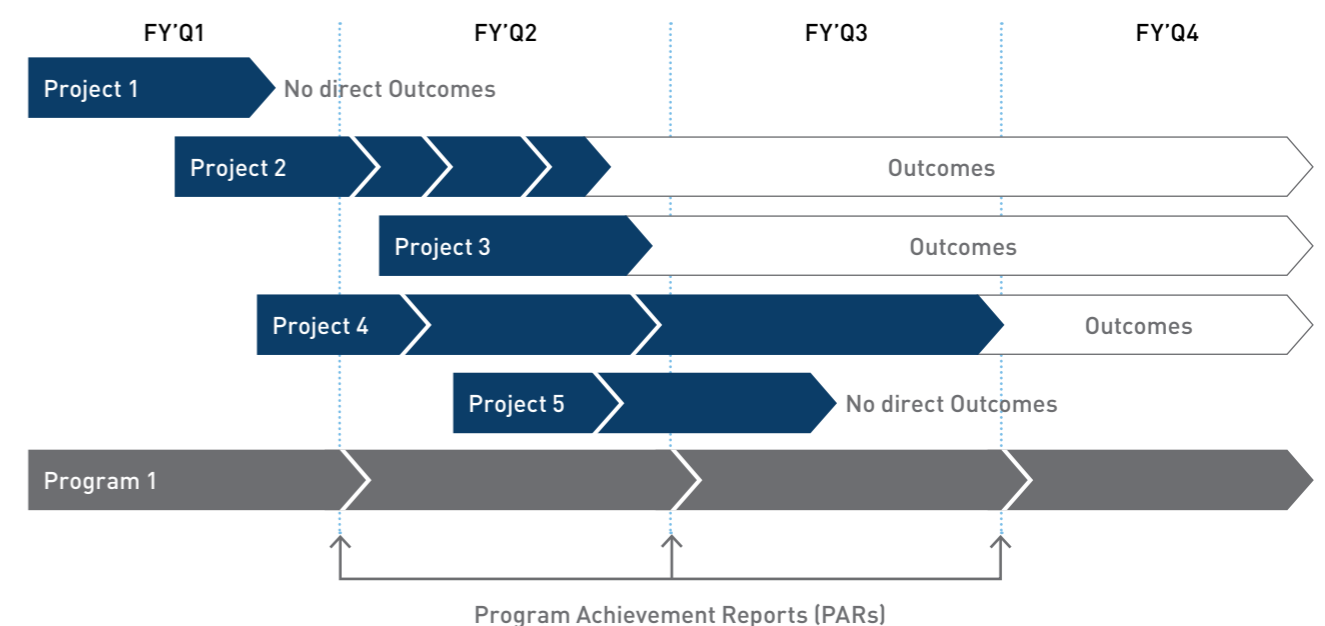
KEY POINTS

- Programs are the principal mechanism through which AWI pursues its purpose.
- Program objectives and targets are directed at industry profitability through one or more of its two key drivers
- Research programs should be **logic-mapped** for its place (logic sequence) in a program and its contribution to achieving AWI's purpose
- Program Achievement (progress against plan) is **reported bi-annually**
- Program Risks (being the major risks of each project therein) are reviewed and updated biannually.

Programs are the primary mechanism through which AWI's investment is managed to improve profitability and support the sustainability of wool-growing.

This M&E Framework aspires to set targets at program level as part of the triennial strategic planning process and to report progress against those targets at program level bi-annually to the AWI Board and then to growers and the general public in a summarised form through the Annual Reports. Risk management is also reported bi-annually.

Figure 5 – Program Logic



5. PROJECT PERFORMANCE

Projects are implemented to meet the current goals set out in the Strategic and Operating Plans.

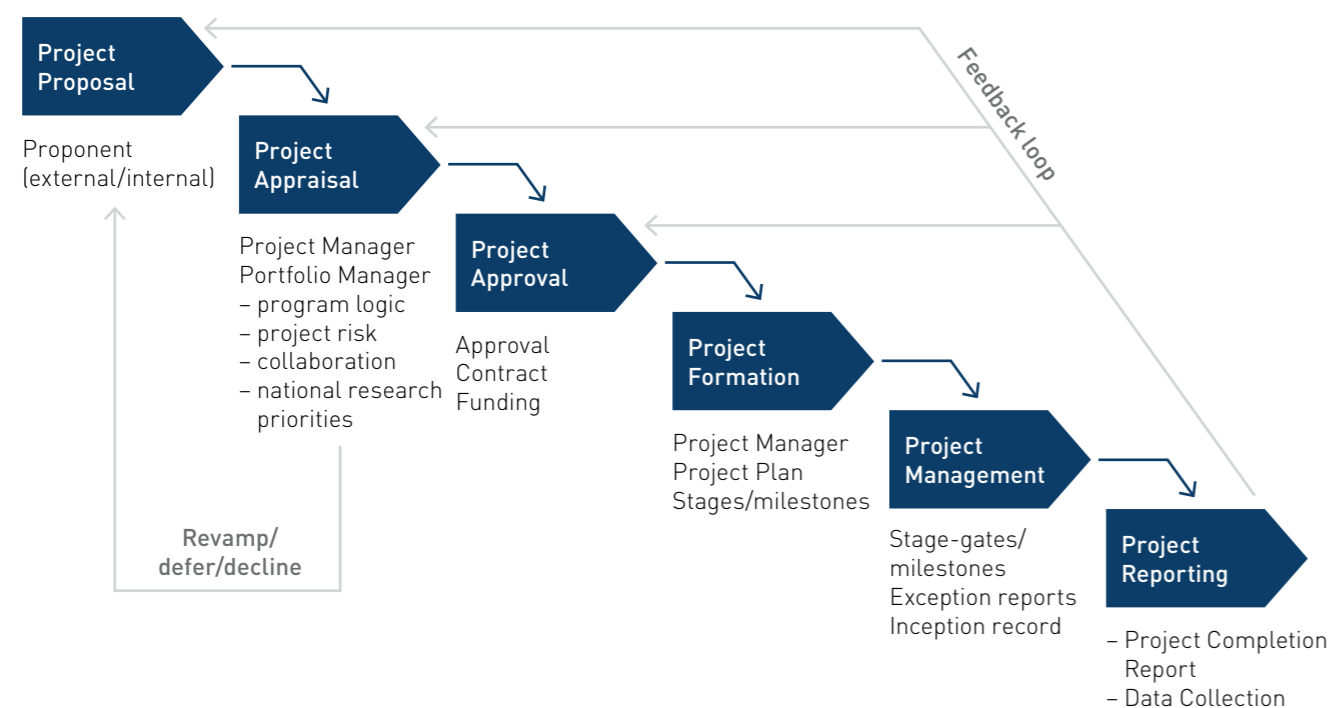
Projects combine to create outcomes at the program level. As such, each project would ideally generate outcomes with quantifiable impacts with a robust, reliable data source. Completed projects will deliver a mixture of outcomes, outputs or activities.

While AWI prefers projects that have quantifiable metrics that are achieved immediately after the completion date. Some projects take longer to produce noticeable outcomes, meaning the evaluation methods will drastically differ between

projects. It is essential to set relevant targets for these types of projects to get an accurate evaluation after the completion date. By using various research methods mentioned under 'Methods of Evaluation' and data from past projects, AWI can measure the expected outcome.

The figure below depicts AWI's Project Cycle. A feedback loop provides information to develop and inform future project formulation, development and implementation.

Figure 6 – Project Life Cycle



Every project has inputs, activities, at least one output/deliverable, outcomes (either intermediate, or final), and intended benefits/impacts:

- every project should be **logic-mapped** for its contribution to program objectives and targets
- every project that has an outcome requires a **baseline** or starting point from that same data source against which the incremental effect of the project can be measured
- every project should make specific provision for any outcomes measurement that will be required after the project itself is completed
- every project requires an **inception record (project proposal) and a final (completion) report** with mirrored core content, to facilitate project management performance and any post evaluation
- a random sample of projects to be evaluated each year
- a random sample of AWI projects are included in the CRRDC's Cross-RDC Impact Assessment (on request) covering economic, environmental and social benefits to primary producers and to the wider community.

Outputs are the direct results associated with an investment. Some examples of output include training, workshop attendance, generated leads, tradeshow numbers, etc.

Outcomes occur because of program outputs, which contribute to the achievement of outcomes. These changes will include improvements through R&D, marketing campaign reach, i.e., adoption, changes in grower sentiment, changes in consumer perceptions, marketing reach, etc. if a project does not have a final, identified outcome of its own, it should be clustered and suitably sequenced with one or more map-associated projects that do have outcomes

Impact Assessment measures the effectiveness of outcomes and the significance of changes brought about by those outcomes.

6. EVALUATION FRAMEWORK

Projects or a group of projects under a program will be evaluated by independent external consultants or the M&E team to measure the return on investment.

Project evaluation is a valuable tool to strengthen the quality of the programs and improve outcomes. It is a systematic method for collecting, analysing, and using information to answer basic questions about the implementation of our programs. Evaluations are typically divided into two major categories: process evaluations and impact evaluation.

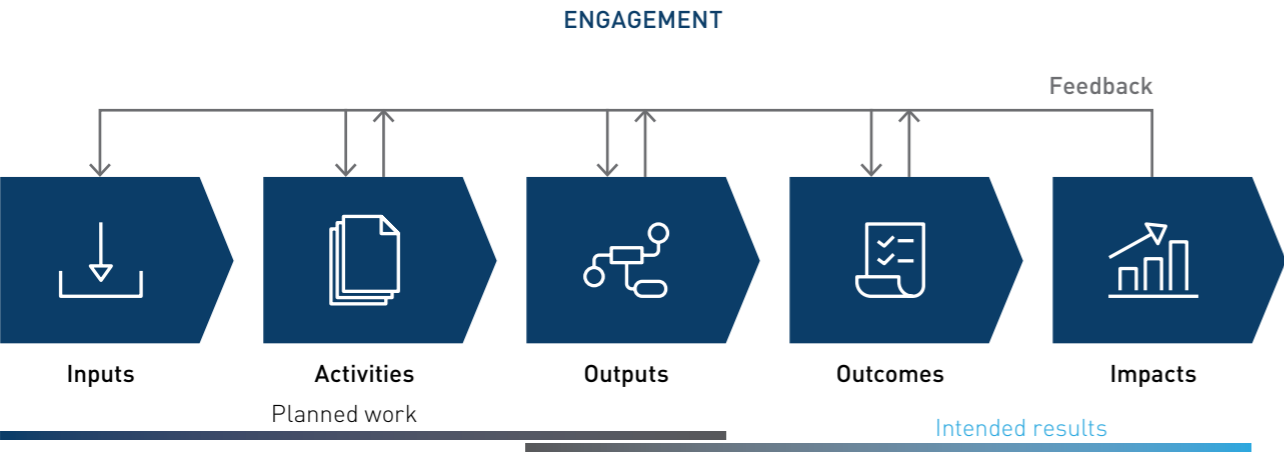
- Process evaluation measures the activities of the program, program quality and whom it is reaching. It also assesses whether the program was implemented as planned, the intended targets were achieved, and the major challenges and successful learnings associated with program implementation.
- Impact evaluation sometimes alternatively called “outcome evaluations,” gather and analyze data to show the ultimate, often broader range, and longer lasting, effects of a program. It determines whether, and to what extent, the expected changes

from the outcomes occur and whether these changes can be attributed to the program or program activities. Impact evaluations are designed to measure the effect of a program by comparing actual program results with counterfactual data.

LOGIC AND FRAMEWORK OF EVALUATION

Program logic describes the steppingstones between an activity and a desired change. It helps us to be clear about where we want to get, set out how we think we will get there and actively manage for that along the way. Later it helps us monitor, evaluate and report on progress.⁵

All projects have inputs, and activities, and outputs (or ‘deliverables’). So, *any* completed project can be evaluated for its success in undertaking the designated *activities*, or producing the intended results:



⁵ DFAT, op cit [p1]

Gordon and Chadwick (2007) use the logical framework as the first of three key steps for an evaluation framework:

1. Mapping inputs to impacts – logic of inputs to impacts (analytical framework)
2. Operationalising the framework – measuring changes along the pathway
3. Estimating impacts – tools to estimate benefits/impacts, evidence to support impacts.

METHODS OF EVALUATION

The following data collection tools and analysis methods will be used to generate different types of data to meet the requirements of the framework and encompasses the:

1. Qualitative Research Method
2. Quantitative Research method
3. Mixed Research Method

Quantitative and qualitative research use different research methods to collect and analyze data, and they allow you to answer different kinds of questions. Tabulated below are the description of the methods that may be used in conducting evaluations.

METHOD	DESCRIPTION
Surveys	List of closed questions that are distributed to a sample (online, in person, or over the phone).
Benefit Cost Analysis	Process to compare the estimated benefits and costs in order to determine the value of the project.
Descriptive analysis	Summary of the data that reveals patterns and helps identify the underlying trends.
Predictive analysis	Statistical tool to make predictions and estimate the possible outcomes of the project.
Mixed Research	Research that uses a mixture of various methods to achieve the best results.
Case studies	Research that provides in-depth information about the subject of interest

7. REPORTING

Measurement & Evaluation provides two main benefits to AWI – the ability to better deliver on our purpose (to increase profitability and support the sustainability of the Australian wool industry) and to increase transparency in reporting benefits delivered to woolgrowers and industry members.

Reporting at different levels periodically represents the main medium for communicating value to stakeholders and for evaluation of AWI's impact and continual improvement and assessment of practices to continually deliver to Australian Woolgrowers.

As per the following table, reporting will be published and publicised consistently, frequently and clearly to stakeholders. By reporting at different levels regularly, AWI can demonstrate its value and provide information to stakeholders regarding AWI's investment efficacy.

Publicly available reports will be disseminated online at wool.com. AWI's suite of extension and reporting media including Beyond the Bale, electronic communication (social media, emails), workshops, industry shows, and extension networks will also provide fewer formal communications of AWI investments.

REPORT	DESCRIPTION	TIMEFRAME	AUDIENCE
Annual Report	Annual Reports provide a summary of program achievement reports and financial performance for the past financial year. This provides updates on AWI performance against strategic targets.	Annually	Board Woolgrowers Stakeholders
Performance Report	Performance Reports provide a succinct and high-level summary of AWI's investments and is a companion to AWI's Annual Report 2020/21.	Annually	Board Woolgrowers Stakeholders
Program Achievement Report (PARs)	Each program's progress is reported biannually. The report shows progress against the annual targets.	Biannually	Board
Project Completion Report	Reports for each completed project are created to capture project performance, lessons learnt and financial performance. Internal staff members can review project performance, understand success, identify areas for improvement. These reports form the foundation of PAR reporting which summarise project reporting at the program level.	Periodically – At project completion	AWI Staff Internal Teams
Project/Program Evaluations	Each year, AWI programs or projects are randomly selected for internal or external evaluation. External evaluations provide credibility and transparency to AWI operations. AWI contributes to the Council of Rural RDCs impact assessments on a regular basis. AWI plans to conduct 2-3 evaluations in a financial year.	Annually	Board Woolgrowers Stakeholders
Consumer sentiment/ Brand health tracking survey	Market research of identified key markets to understand consumer sentiment, purchasing behaviour and opinions of wool and apparel more generally.	Biennial	Board Woolgrowers Stakeholders
Woolgrower Sentiment Survey	The Woolgrower survey provides a range of feedback from woolgrowers on their interaction and engagement with AWI and their experiences with, and assessment of, the outcomes achieved by AWI.	Biennial	Board Woolgrowers Stakeholders
Internal Surveys	Internal surveys conducted to get feedback from local and international staff on the services provided by the support teams like finance, HR, M&E, Digital, IT and Legal	Annually	Board Internal Staff
Dashboard reporting	Dashboards provide real-time visual tracking of AWI program delivery, key performance indicators, and stakeholder engagement. They enable internal teams to monitor progress, support timely decision-making, and enhance transparency by linking day-to-day activity with strategic goals.	Ongoing	AWI staff Internal Teams Board
Woolgrower Industry Consultation Panel (WICP) and AWI Woolgrower Consultation Group (WCG)	The WICP and WCG meetings are held to report on consultation efforts and gather feedback from members to be considered in the company's decision-making.	WICP – Quarterly WCG – Annually	Board

8. APPENDIX: REFERENCES

AWI

Framework for Monitoring and Evaluation
(2022/23 Update)

<https://www.wool.com/globalassets/wool/about-awi/how-we-consult/measuring-performance/call-out-box/gd4446-measurement--evaluation-framework-2022-3.pdf>

2019/22 Strategic Plan Impact Assessment

<https://www.wool.com/globalassets/start/about-awi/how-we-consult/measuring-performance/awi-return-on-investment-april-2016.pdf>

Strategic Plan 2025 - 2028

On Farm Research & Development

<https://www.wool.com/on-farm-research>

AWI Statutory Funding Agreement

<https://www.wool.com/about-awi/who-we-are/statutory-obligations>

Council of Rural Research & Development Corporations (CRRDC)

Impact Assessment Guidelines 2018

http://www.ruralrdc.com.au/wp-content/uploads/2018/08/201804_RDC-IA-Guidelines-V.2.pdf

Impact Assessment Guidelines 2018
Companion Document

<http://www.ruralrdc.com.au/wp-content/uploads/2018/08/180420-Revised-CRRDC-Impact-Assessment-Guidelines-Companion-Document.pdf>

Impact Assessment Procedures 2018

http://www.ruralrdc.com.au/wp-content/uploads/2018/08/201804_RDC-IA-Procedures-V.2-1.pdf

Cross-RDC Impact Assessment Reports

<http://www.ruralrdc.com.au/wp-content/uploads/2018/08/161021-CRRDC-Cross-RDC-Impact-Assessment-2010-2015-FINAL-REPORT.pdf>

Other

Rural Research, Development & Extension Priorities

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

Agricultural Competitiveness White Paper, 2015

<http://agwhitepaper.agriculture.gov.au>

Rural Research & Development (R&D) for Profit – Guidelines

<http://www.agriculture.gov.au/SiteCollectionDocuments/agriculture-food/innovation/profit-program-guidelines.pdf>

Monitoring, Evaluation, Reporting and Improvement (MERI), National Landcare Program

<http://www.nrm.gov.au/my-project/monitoring-and-reporting-plan/meri>

Program Logic (Department of Foreign Affairs & Trade) (DFAT)

<https://dfat.gov.au/about-us/publications/Documents/explanatory-note-on-program-logic.pdf>

MLA Strategic Plan 2025

<https://www.mla.com.au/globalassets/mla-corporate/about-mla/documents/planning--reporting/Strategic-Plan-2025.pdf>

Wool Services Privatisation Act

<https://www.legislation.gov.au/Details/C2004A00738>

Gordon and Chadwick (2007)

<https://www.aciar.gov.au/publication/technical-publications/impact-assessment-capacity-building-and-training-assessment-framework-and-two-case>



WOOL.COM