Organisational Evaluation Framework

September 2024

Hort Innovation

Disclaimer

© Horticulture Innovation Australia Limited 2024.

Other than as permitted under the Copyright ACT 1968 (Cth), the Organisational Evaluation Framework (in part or as a whole) cannot be reproduced, published, communicated or adapted without the prior written consent of Hort Innovation.

While care has been taken in the preparation of the Organisational Evaluation Framework, Hort Innovation makes no representations and (to the extent permitted by law) expressly excludes all warranties regarding the accuracy, completeness or currency of the information contained in the Organisational Evaluation Framework.

The Organisational Evaluation Framework does not consider, and may not be suited to, your individual circumstances. You should make independent enquiries before making any decisions concerning your interests or those of another party, or otherwise relying on the information contained in the Organisational Evaluation Framework. Any reliance will be entirely at your own risk and Hort Innovation will not be responsible or liable for any loss, damage, cost, or expense allegedly arising from any use or non-use of the Organisational Evaluation Framework.

Any request or enquiry to use the Organisational Evaluation Framework should be addressed to:
Horticulture Innovation Australia Limited
Level 7, 141 Walker Street
North Sydney NSW 2060 Australia
Email: communications@horticulture.com.au
Phone: 02 8295 2300

Organisational Evaluation Framework

Contents

1. **Introduction** 5
2. **Scope and purpose** 6
   - 2.1. Why an Evaluation Framework is needed 6
   - 2.2. Framework audience and evaluation roles and responsibilities 8
   - 2.3. Framework purpose 8
   - 2.4. Application of the evaluation framework 9
   - 2.5. Key evaluation questions 10
3. **Program logic** 12
   - 3.1. Program logic hierarchy 13
   - 3.2. Alignment to Australian Government priorities 14
   - 3.3. Strategic Investment Plans program logic 18
4. **Performance expectations** 20
5. **Implementation** 21
   - 5.1. Evaluation timing 21
   - 5.2. Reporting 22
6. **References** 23

Appendix 1. Glossary of terms 24
Appendix 2. Indicative data collection methods by KEQ 26
Appendix 3. Proposed data collection and analysis methods 31
Appendix 4. Statutory Funding Agreement Performance Measurement Framework 2024-26 33

List of figures

Figure 1. Overview of levy funds investment process 7

Figure 2. Corporate and investment levels for monitoring and evaluation 9

Figure 3. Hort Innovation Investment Program Logic Model 16

Figure 4. Strategic Investment Plan Logic 19

List of tables

Table 1. KEQs by corporate and investment levels 11

Table 2. Program logic hierarchy model 13

Table 3. Hort Innovation investment alignment with Australian Government Rural R&D priorities 14

Table 4. Hort Innovation investment alignment with Australian Government Science and Research priorities 15

Table 5. Indicative reporting arrangements 22

Acronyms

BCA	Benefit-cost analysis
CRRDC	Council of Rural Research and Development Corporations
Hort Innovation	Horticulture Innovation Australia
M&E	Monitoring and evaluation
ROI	Return on investment
R&D	Research and development
KEQ	Key evaluation questions
RD&E	Research, development and extension
RDE&M	Research, Development, Extension and Marketing
RDC	Rural Research & Development Corporations

Organisational Evaluation Framework

1 Introduction

This document outlines an approach to meeting Hort Innovation evaluation requirements, both as outlined in the current ***Deed of Agreement (2020-2030)*** between Hort Innovation Australia and the Australian Government (represented by the Department of Agriculture, Fisheries and Forestry) and as identified by Hort Innovation itself

This Organisational Evaluation Framework ('the Framework') was initially developed in October 2015 and revised in March 2021. This update aligns with the ***Hort Innovation Strategic Plan 2024-2026,*** released in July 2023. Future updates to the Framework will occur as required.

Whilst co-ordinated by Hort Innovation's Industry Insights team, this Framework is designed to be of use to a broad range of industry stakeholders, partners and advisors. This reflects our commitment both to rigorous evaluation of our impact, and to transparency with our industry.

Hort Innovation hopes you find the Framework of value and welcomes the continuing conversations about how we can work together with the horticulture sector to deliver value for Australian growers.

2 Scope and purpose

2.1. Why an Evaluation Framework is needed

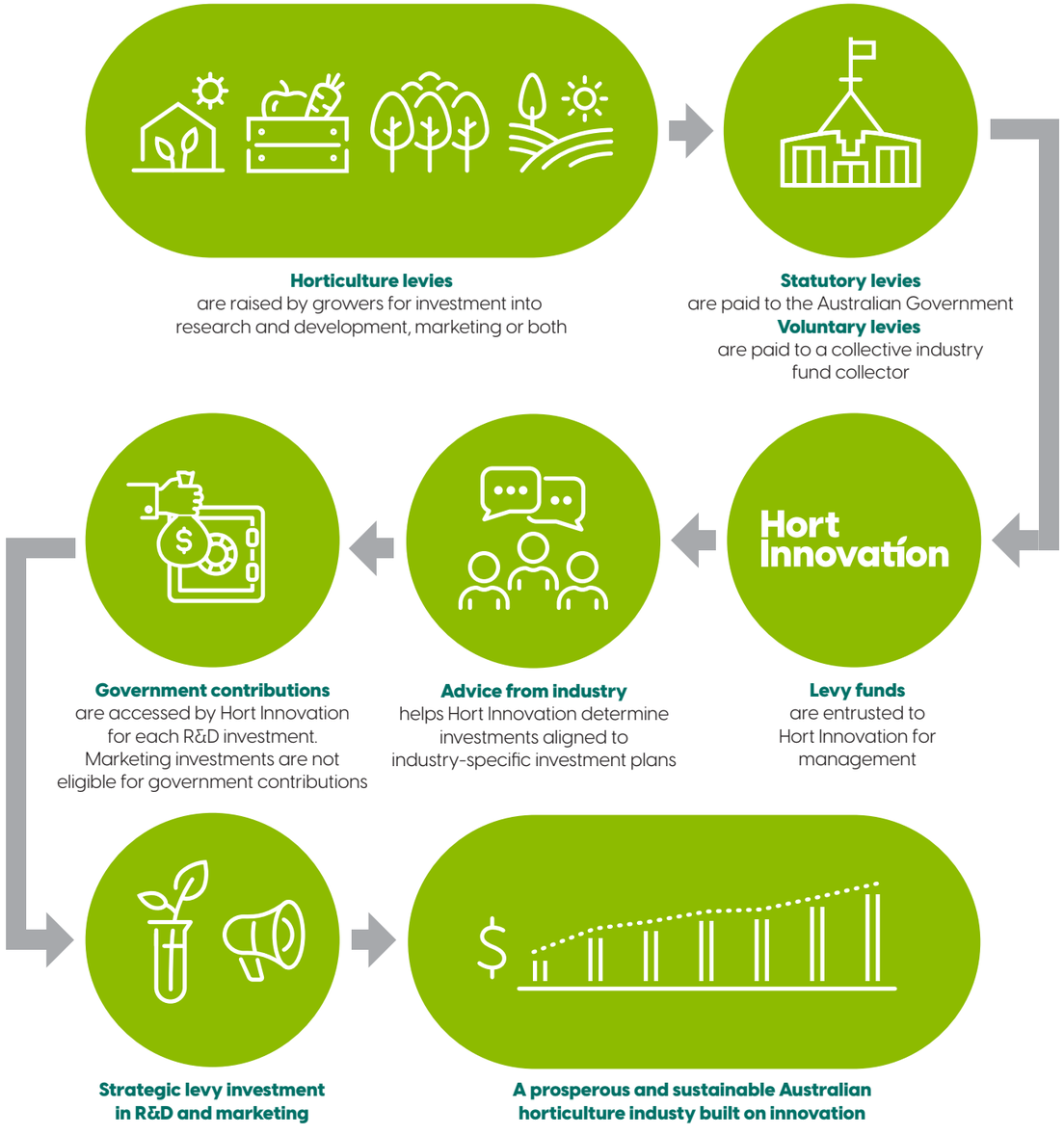
This Framework is one requirement under *Hort Innovation's Deed of Agreement (2020-2030)* with the Australian Government (specifically **Principle 5:** Monitoring and Evaluation (M&E). Meeting the Government's expectations under this Agreement is central to Hort Innovation's mandate.

Beyond compliance with the Deed of Agreement, the Framework helps Hort Innovation to ensure and demonstrate that investments (please see **Figure 1** for Hort Innovation for an overview of the levy funds investment process) provide impact and value to growers and government by:

- Augmenting our traditional focus on ex-post 'impact' evaluation (post research phase but before benefits have been fully realised) with monitoring and evaluation that tells a story of actual performance (progress towards and/or achievement of outcomes)
- Focusing on outcomes with delivery partners, enabling a shared understanding of Hort Innovation's contribution to grower objectives
- Providing clear and consistent guidance to delivery partners for evaluation of Hort Innovation funded investment
- Undertaking and measuring continuous improvement efforts in governance and administrative efficiency.

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, 2018).

Figure 1. Overview of levy funds investment process



2.2. Framework audience and evaluation roles and responsibilities

The audience for the Framework includes two main groups:

1. **Beneficiaries:** These are individuals or entities impacted by the Framework, such as the Australian Government (represented by the Department of Agriculture, Fisheries and Forestry (DAFF)), and the Hort Innovation Board and its Committees.
2. **Primary Audience:** Those who interact directly with the Framework's contents, including Hort Innovation team members, growers/levy payers, delivery partners and co-investors.

Evaluation is undertaken by investment delivery partners and by Hort Innovation, according to the scope and requirements of investments. The Hort Innovation Impact Evaluation Manager will play a central role in coordinating, leading and supporting the supply of evaluation outputs that meet the needs of decision makers.

2.3. Framework purpose

This Framework is used to:

- **Monitor progress** against goals outlined in the *Hort Innovation Strategy 2024-2026*, Performance Principles outlined in the *Deed of Agreement (2020-2030)* between Hort Innovation and the Australian Government, and key performance indicators (KPIs) contained within the Guidelines for Statutory Funding Agreements (**Appendix 4** – Hort Innovation Statutory Funding Agreement Performance Measurement Framework 2024-26)
- **Enable accountability** to growers and levy payers, investors, the Australian Government, and the Australian public
- **Demonstrate performance** efficiency, effectiveness and impact of key investments in delivering benefits to levy payers and growers
- **Continually improve** the efficiency and effectiveness of investment (analysis)
- **Manage reporting demands** to publish and disseminate relevant RD&E and marketing outcomes.

The purposes for evaluation have subsequently informed a set of overarching key evaluation questions (KEQs) that guide the Framework's specific data collection requirements (**see Section 2.5**).

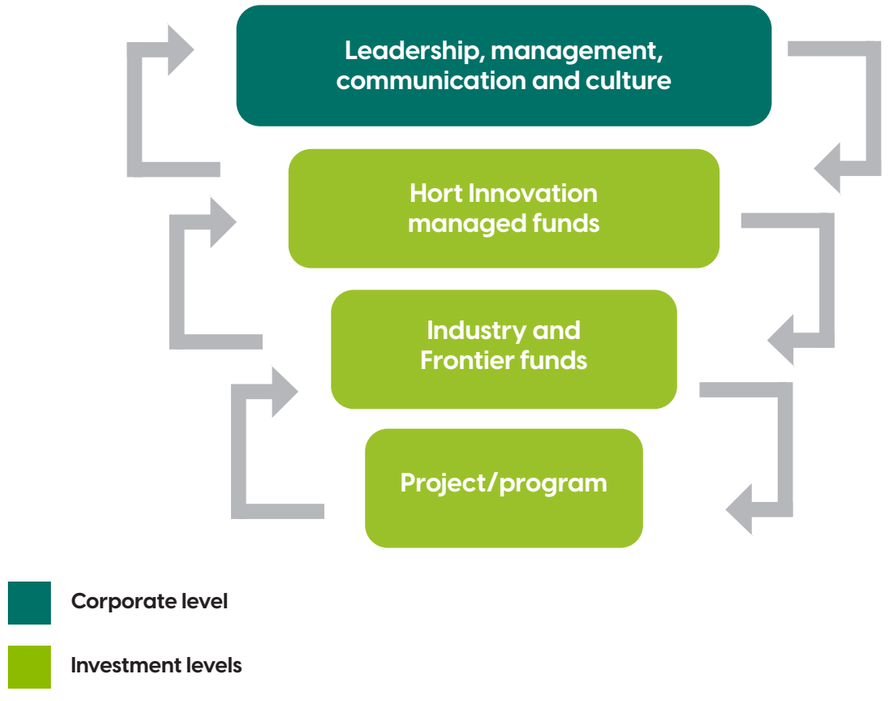
2.4. Application of the evaluation framework

The Framework guides measurement and reporting across our operations including:

- Organisational performance – Hort Innovation leadership, management and other functions and capabilities such as communications.
- Investment and program outcomes by:
    1. Industry (single crop and crop clusters)
    2. Portfolio (i.e. Investment themes, e.g. biosecurity)
    3. Fund/Strategic Investment Plan (including co-investment)
    4. Specific invested projects and programs.

As depicted in **Figure 2** below, monitoring and evaluation provides feedback for learning and improvement across organisational and investment levels, underpinned by a focus on value for growers.

Figure 2. Corporate and investment levels for monitoring and evaluation



2.5. Key evaluation questions

Key evaluation questions (KEQs) are overarching questions that guide evaluative inquiry into the effectiveness, appropriateness, relevance, impact and legacy of Hort Innovation's investments and organisational effectiveness.

KEQs guide data collection, analysis and reporting by Hort Innovation. KEQs address:

1. Investment **effectiveness** – the extent to which intended outcomes have been achieved, and Hort Innovation's role in this
2. Organisational **effectiveness** of Hort Innovation's corporate functions and processes
3. Industry **impact** of investments 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. **Alignment** between investments and the needs and priorities of growers and levy payers, the Australian Government and other investors
5. The **appropriateness** of Hort Innovation's research, development, extension and marketing processes to growers and the Australian horticulture industry; appropriateness refers to the methods Hort Innovation utilises to deliver investments
6. **Value for money** for growers and levy payers, targeting benefit-cost ratio, cost-effectiveness, commercialisation of outputs from research and investment efficiency.

Different programs and investments emphasise different KEQs. Further details on the definitions of the terms used above are provided in **Appendix 1. Table 1** shows how the KEQs apply at different levels – corporate and investment (funding pool and investment levels). The questions (please see in **Table 1**) should be further refined and tailored at each level, as appropriate to the needs of the evaluator (object of inquiry).

Table 1. KEQs by corporate and investment levels

Level/Domain	Key evaluation question/s
Corporate	
Effectiveness	**1.** How well are Hort Innovation's corporate (operational) functions and processes supporting the achievement of the *Hort Innovation Strategy 2023-2026* in delivering benefits to growers?
Investment – Strategic Levy and co-investment	
Effectiveness	**2.** What changes in the adoption of research, development, extension and marketing have occurred because of Hort Innovation investments?
Appropriateness	**3.** To what extent are Hort Innovation's research, development, extension and marketing processes meeting the needs of growers and the Australian horticulture industry?
Impact	**4.** What changes in grower productivity, farm-gate profitability, education and learning, public health awareness, sustainability, climate adaption, biosecurity and global competitiveness have occurred across the horticultural sector are attributable to adoption of Hort Innovation investment outcomes?
Alignment	**5.** How reflective is the investment portfolio of the needs and priorities of growers and industry, the Australian Government and other investors?
Investment – Fund/Project/Program	
Effectiveness	**6.** To what extent have the industry funds achieved their objectives in delivering benefits to growers? **7.** How well have Hort Innovation investments delivered intended outcomes and benefits to growers?
Impact/Mitigation	**8.** What changes in grower productivity, farm-gate profitability, education and learning, public health awareness, sustainability, climate adaption, biosecurity and global competitiveness have occurred across the horticulture sector are attributable to adoption of Hort Innovation investment outcomes?
Alignment	**9.** How relevant is Hort Innovation investment to the needs of intended beneficiaries, including targeted growers, advisors and industry stakeholders?
Engagement	**10.** How well engaged were intended beneficiaries, including targeted growers, advisors and industry stakeholders, in the design and conduct of the research? **11.** Were targeted growers, advisors and industry stakeholders effectively harnessed to help realise the benefits and impacts available?
Value for money	**12.** What is the benefit cost ratio of Hort Innovation investments?

3 Program logic

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

- Consider the causal chain or impact pathway by which outcomes can be achieved through investment
- Guide and inform investment prioritisation
- Monitor, evaluate and report on progress and achievements.

Hort Innovation focuses on five strategic imperatives:

1. Enhance and safeguard supply
2. Accelerate local and global demand
3. Maximise and diversify investments
4. Make the culture thrive
5. Work simply and effectively.

The Hort Innovation program logic model (**Figure 3**) is guided by the overarching Hort Innovation vision: *'A prosperous and sustainable Australian Horticulture industry built on innovation'* and corresponds to each strategic imperative. The Hort Innovation vision and strategic imperatives are presented in the program logic model as the organisational objectives. The vision is focused on growers and levy payers, and guides all Hort Innovation investments and activities.

The outcomes and intermediate results align to the *Hort Innovation Strategy 2024-26* and influence both strategic levy and co-investment. The achievement of these outcomes is enabled by Hort Innovation's foundational activities in the logic diagram, which are in turn key pillars in the *Hort Innovation Strategy 2024-2026*.

A program logic for investments made through Strategic Investment Plans (SIPs) has also been developed. Further information on this is in **section 3.3**.

3.1. Program logic hierarchy

The Hort Innovation investment program logic (**Figure 2**) is based on a hierarchy model with the following levels (**Table 2**) which details the progression from foundational activities to vision:

Table 2. Program logic hierarchy model

Level	Definition	Application to Hort Innovation
Vision	Long-term goals towards which the organisation aims to contribute.	Hort Innovation's vision is to support a prosperous and sustainable horticulture industry through innovation with the goal to advance the $16.3 billion horticulture industry by investing in research, development, marketing, and trade to ensure a prosperous and sustainable future for growers.
End-of-strategy outcomes	The final desired results of Hort Innovation's investment's impacting industry, the economy, environment and society.	• Enhance and safeguard supply • Accelerate local and global demand • Maximise and diversify investments • Make the culture thrive • Work simply and effectively.
Intermediate outcomes	Intermediate outcomes that occur because of project/program outputs that help achieve the end-of-strategy outcomes. Medium-term outcomes will include Strategic Investment Plan (SIP) end-of-program outcomes.	These include improvements provided 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 project/ program and corporate services activities that lead to the intermediate outcomes.	These are tangible deliverables which include delivery of R&D products, marketing campaigns and engagement, as well as changes in investor satisfaction with corporate services.
Activities	Activities are actions taken to bring about a change that is expected to contribute to outcomes. Activities also include corporate services and Hort Innovation operations.	Examples include 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	Foundational activities are ongoing activities that support and influence the strategy.	Examples include, communications and marketing, consultation process and advisory mechanism, accounting, procurement, finance and human resources, governance, management and transformation, and strategic planning and monitoring.

3.2. Alignment to Australian Government priorities

The Hort Innovation program logic model aligns with the Australian Government's Rural R&D priorities and its Science and Research Priorities (**Table 2 and Table 3**). These priorities are addressed in the Hort Innovation vision and mission, and delivered through our investments.

Table 3. Hort Innovation investment alignment with Australian Government Rural R&D priorities

Rural Research and Development Priorities[1]
Australia is a trusted exporter of premium food and agriculture products by 2030
Australia will champion climate resilience to increase the productivity, profitability and sustainability of the agriculture sector by 2030
Australia is a world leader in preventing and rapidly responding to significant pests and diseases through future proofing out biosecurity system by 2030
Australia is a mature adopter, developer and exporter of digital agriculture by 2030

[1] *Rural Research and Development Corporations - DAFF (agriculture.gov.au)*

Table 4. Hort Innovation investment alignment with Australian Government Science and Research priorities

Science and Research Priorities[2]
Transitioning to a net zero future
Supporting healthy and thriving communities
Elevating Aboriginal and Torres Strait Islander knowledge systems
Protecting and resorting Australia's environment
Building a secure and resilient nation

[2] *Australia's National Science and Research Priorities | Department of Industry Science and Resources*

Figure 3. Hort Innovation Investment Program Logic Model

VISION → **A prosperous and sustainable Australian horticulture industry built on innovation**

Strategic Imperatives (End-of-Strategy Outcomes)	Enhance and safeguard supply	Accelerate local and global demand	Maximise and diversify investments	Make the culture thrive	Work simply and effectively
Intermediate outputs	**Priority 1.1** – lead world-class innovation to ensure Australian horticulture is globally competitive. **Priority 1.2** – Partner with industry on their sustainability priorities and research needs to support social and environmental stewardship. **Priority 1.3** – Excel in breakthrough research to strengthen industry's readiness for existing and emerging opportunities and threats. **Priority 1.4** – Collaborate with industry to bolster resilience and future-proof supply chain disruptions.	**Priority 2.1** – Access and expand high-value markets to deliver profitability and sustainability for industry. **Priority 2.2** – Drive consumption through high-impact, evidence-based domestic and export marketing campaigns. **Priority 2.3** – Deliver valuable data and insights that transform decision making. **Priority 2.4** – Advance solutions to reduce and utilise waste to deliver new revenue streams for growers.	**Priority 3.1** – Partner with industry to deliver Annual Investment Plans ensuring industry levy-funded projects deliver impact at scale. **Priority 3.2** – Build strategic partnerships to deliver bigger, bolder investments in innovation for Australian horticulture. **Priority 3.3** – Create a flexible investment framework attracting new partners and alternative funding resources.	**Priority 4.1** – Collaborative and customer focused. **Priority 4.2** – High performance and inclusive culture. **Priority 4.3** – Empower our people. **Priority 4.4** – Invest in industry capability.	**Priority 5.1** – Quality compliance and governance. **Priority 5.2** – Transparent relationships. **Priority 5.3** – Minimise complexity.
Intermediate outcomes	• Live our values – Focus on our customers and innovation. • Foster collaborative relationships – stakeholder engagement >60 per cent. • Execute for industry – Strategic Investment Plans delivered on time and on budget.	• Help grow value – Preference for Australian horticulture in key markets.	• Deliver real impact for growers – Benefit cost ratio target. • Be ambitious – 100 per cent annual investment target and attract new partners.	• Strong teamwork and shared purpose – employee engagement> 70 per cent.	• Satisfaction with Service – Partner and member ratings >60 per cent.
Foundational activities →	**Communications and marketing**	**Consultation process and advisory mechanism**	**Accounting, prochurement, finance and human resources**	**Governance**	**Management and transformation**	**Strategic planning and monitoring**

3.3. Strategic Investment Plans program logic

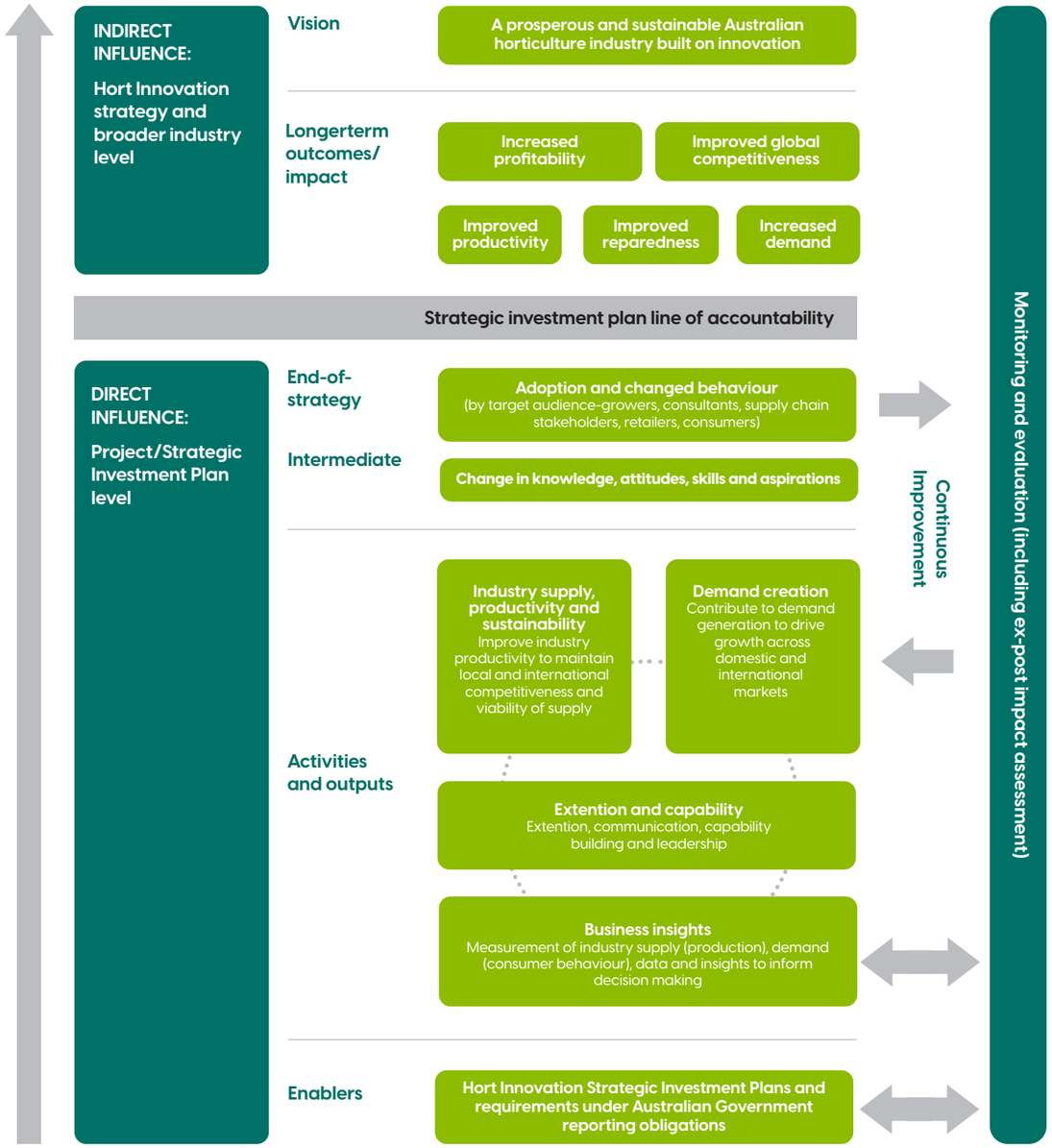
Each industry has an *Investment Strategy,* which serves as a roadmap for investments in key industry priority areas.

Individual investments are strategically aligned through the activity and output areas in the Strategic Investment Plan (SIP) program logic in order to support changes in adoption, behaviour and knowledge, attributes, skills and aspirations (end-of-strategy and intermediate outcomes) (**Figure 4**).

The investments made through each SIP and mapped to the respective program logic contribute to the broader Hort Innovation program logic, with its end goal of increasing the prosperity and sustainability of Australia's horticulture sector.

Organisational Evaluation Framework

Figure 4. Strategic Investment Plan Logic



4 Performance expectations

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

The *Deed of Agreement 2020-2030* between the Australian Government and Hort Innovation (**page 19**) 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 **Appendix 3.**

To facilitate enhanced performance reporting, Hort Innovation has adapted the Ambition Matrix published by Deloitte in ***2018*** as a fit-for-purpose approach to benchmark the Hort Innovation Investment Portfolio. Known as the FIT Matrix, it categorises innovations as falling into either Foundational, Incremental or Transformational. The FIT Matrix allows Hort Innovation to manage and understand the collective innovation efforts across the investment portfolio, inform future investment decision making and to ensure a balanced investment portfolio..

5 Implementation

Qualitative and quantitative data collection and analysis methods will be used to gather the necessary information to address the data requirements of the Framework. Evaluation results are reported to stakeholders at agreed timeframes for purposes outlined in **Section 2.2** (see 'Audience'). Indicative reporting arrangements are outlined below in **Table 4.** Reporting arrangements will be used to inform evaluation findings which will be used to demonstrate performance on Hort Innovation investments. **Appendix 2** 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 4 provides a more detailed description of the proposed methods.[3]

5.1. Evaluation timing

Both levy and co-investments undergo periodic reviews as part of the ongoing delivery of the model. Although co-investment does not have a formal program logic model or SIP, investments are evaluated against key co-investment themes.

Ongoing project evaluations focus on the benefits and value delivered to growers by Hort Innovation. These evaluations align with investment cycles and may include both mid-term and final assessments. The timing of these evaluations is determined on an investment-by-investment basis, considering factors such as investment duration, budget, nature and maturity. A more detailed analysis of the outcomes, relevance, impact, appropriateness and efficiency of investments contributes to Hort Innovation's broader Review of Performance. Additionally, program-level evaluations may be conducted to assess the collective impact of multiple investments.

Findings from these evaluations are used to produce a performance analysis of each SIP. This analysis incorporates additional evidence gathered through investment milestone reporting to assess the achievement of KPI areas within each SIP. The results are used to engage levy payers and communicate the progress of investments relative to the SIP.

Impact assessments are conducted annually in accordance with the CRRDC impact assessment guidelines. This includes engaging an independent supplier to perform ex-post impact evaluations on behalf of Hort Innovation to demonstrate portfolio-wide performance of R&D each year. These assessments typically commence late in the calendar year, with the outcomes published on the Hort Innovation website following the end of that financial year.

[3] The methods outlined in Appendix 2 are a broader suite than those outlined in Table 4, which only provides a high-level description. More methods than those outlined in Table 4 are likely to be used.

5.2. Reporting

Reporting focuses on demonstrating to key stakeholder groups the performance of Hort Innovation's relevant activities through the identified reporting tools. Reporting approaches are informed by the respective data collection methods, KEQs and performance expectations (**Appendix 2 & 3**).

The SIP Performance Analysis is the key report that demonstrates to growers and to Hort Innovation stakeholders how investments support and achieve KPI impact indicators at the industry fund level through the SIP. Hort Innovation will use the report to demonstrate how investments are supporting the delivery of impact for industry.

The horticulture sector's diversity and dynamism make impact reporting critical to determine performance and investment efficiency, along with understanding what changes have occurred across the horticulture sector are attributable to adoption of Hort Innovation investments. Hort Innovation understands the importance for robust interaction between impact assessments and data and insights in developing frameworks that progressively and adaptively enhance impact performance. Hort Innovation will continue to further enhance impact reporting to demonstrate the value of its investments to the horticulture industry. Hort Innovation continues to work towards aligning the timing of evaluations across the organisation to aggregate cross-portfolio findings. This approach will enhance the understanding of overall investment performance through both ex-ante and ex-post evaluations, providing a holistic view of outcomes and impacts. This facilitates more informed evaluations and supports strategic investment decision making within a balanced portfolio.

Table 5. Indicative reporting arrangements

Stakeholder	Report	Timing
Australian Government	• Performance Statement • Independent Review of Performance	Annual Periodically (3-5 years)
Horticulture Innovation Australia (Board and sub-committees)	• Impact reporting • Investment logic • SIP performance analysis • Mid and end-term investment evaluations • Investment milestone reporting • Foundational, Incremental and Transformational Report	Annual End-of-investment cycle Mid-investment cycle Upon completion of milestone
Growers and levy payers	• Fund Annual Report • SIP performance analysis • Mid and end-term investment evaluations • Milestone reporting • Foundational, Incremental and Transformational Report	Annual End-of-investment cycle Mid-investment cycle Upon completion of milestone
Investors/co-investors	• Co-investment performance analysis	Upon completion of achievements against key investment themes
Council of Research and Development Corporations	• Impact assessment	Biennial (every two years)

6 References

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

Deed of Agreement 2020-2030 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 Strategic Plan 2024-2026.

Appendix 1: Glossay of terms

Term	Definition
Activity	Activities that create a change in a situation or behaviour, which are intended to contribute to achievement of desired 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 an investment. For Hort Innovation investments the beneficiaries will vary and may include growers or consumers and may interact with 'intermediaries' to support adoption and uptake. Beneficiaries are those that are ultimately 'impacted' by the intervention.
Benefit-cost 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.
Corporate	Corporate refers the organisation's capacity for planning, strategising and collaborating to underpin efficient operations to ensure proper use and management of funds..
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 investment meets it 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 an 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).
Funding type	The fund (e.g. levy fund, co-investment) to which investment is directed.
Immediate outcomes (or outputs)	Immediate changes that are a direct result of the activities – and lead to 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 because 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 RDE&M 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 RDE&M outputs into outcomes by either subsequently passing outputs onto beneficiaries or supporting processes of adoption and uptake.
Investment	Investment refers to Hort Innovations commitment to allocate funds towards research and development, marketing and trade to build a prosperous and sustainable future for growers.

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 (KPIs)	KPIs are measures of performance, which focus on aspects of investments 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 an investment 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 investment 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 (e.g. 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', '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 hypothesised 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.
Research and Development	The extent to which the activities delivered are suited to the priorities and needs of intended beneficiaries, investors, and other key stakeholders.
Research Development and Extension	Means R&D activities and facilitating the adoption of the outputs from R&D activities by persons or organisations engaged in or with the industry and other stakeholders by way of activities that educate and inform them about opportunities for change or that develop their capacity and/or capability to adopt changes (Deed of Agreement 2020-2030).
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.

Appendix 2: Indicative data collection methods by KEQ

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method**
Corporate (operational)			
1. How well are Hort Innovation's corporate (operational) functions and processes supporting the achievement of the Strategy in delivering benefits to growers?	**Ongoing oversight, planning and reporting of investment activities is done in accordance with legislative and Australian Government requirements**	How is compliance with legislative requirements monitored and reported? What processes are in place to ensure that investment activities meet Australian Government standards? What oversight mechanisms are in place for investment activities? How are risks associated with investment activities identified and managed? How are stakeholders involved in the oversight and planning of investment activities?	• Performance reporting • Portfolio analysis • Engagement analysis • Independent Review of Performance
	Demonstrated management of financial and non-financial risk	How does Hort Innovation identify and assess potential financial and non-financial risks? How is risk appetite defined and communicated? How does Hort Innovation ensure compliance with legislation?	• Performance reporting • Independent Review of Performance
	Relevant policies and procedures adopted and implemented (e.g., privacy)	How successful has Hort Innovation been in adopting and implementing relevant policies and procedures? How has Hort Innovation communicated these policies and procedures to stakeholders?	• Performance reporting • Independent Review of Performance
	Non-financial resources implemented effectively e.g., IT, IP)	How successful has Hort Innovation been to ensure optimal use of non-financial resources? How does Hort Innovation measure this success?	• Performance reporting • Independent Review of Performance
	Employee engagement >70 per cent	N/A	• Team engagement survey
	Focus on our customer and innovation	How successful has Hort Innovation been in improving customer and innovation outcomes?	• Engagement analysis • Annual Grower and Partner Survey (GaPS) • Campaign evaluation

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method**
Investment – strategic levy and co-investment			
2. What changes in the adoption of research, development and extension have occurred because of Hort Innovation investments?	**# / % farms/producer practice change (uptake and adoption) Influence of research uptake on intended beneficiaries (by industry)Influence of research uptake on intended beneficiaries (by industry)**	What practice changes have been adopted by growers because of Hort Innovation investment outcomes? What has been the uptake of research outcomes? What has been the uptake and adoption of tools, technologies and approaches delivered by D&E investments?	• Annual Grower and Partner Survey (GaPS) • Investment monitoring and evaluation • Campaign evaluation
3. To what extent are Hort Innovation's research, development, extension and marketing processes meeting the needs of growers and the Australian horticulture industry?	**Benefits and costs** **Contribution to realising a $20 billion horticulture sector by 2030** **Attribution of industry changes in productivity, farm-gate profitability and global competitiveness to Hort Innovation activities and investments** **Industry-specific fund outcomes**	How well do research development, extension and marketing processes align with the current and emerging needs of growers? How well are stakeholders engaged in the design and implementation of research, development, extension and marketing activities? What outcomes and impacts have been achieved through research, development, extension and marketing activities?	• Benefit-cost analysis • Impact assessment • SIP performance analysis • Annual Grower and Partner Survey (GaPS) • Investment monitoring and evaluation
4. What changes in grower productivity, farm-gate profitability, education and learning, public health awareness, climate adaption, biosecurity and global competitiveness have occurred across the horticultural sector are attributable to adoption of Hort Innovation investment outcomes?	**Contribution to realising a $20 billion horticulture sector by 2030**	How has investment impacted production efficiency, and consumer demand to drive value for the sector? How successful has Hort Innovation been in maximising and diversifying investments across its portfolio?	• SIP performance analysis • Benefit-cost analysis • Impact assessment • Investment monitoring and evaluation • Campaign evaluation

Continued

Appendix 2: Indicative data collection methods by KEQ continued

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method**
5. Of those changes (identified in Q.3), which can be attributed to Hort Innovation?	**Attribution of industry changes in productivity, farm-gate profitability and global competitiveness to Hort Innovation activities and investments**	What industry-specific changes in productivity and farm-gate profitability can be attributed to levy investment?	• Annual Grower and Partner Survey (GaPS) • SIP performance analysis • Benefit-cost analysis • Sensitivity analysis • Investment monitoring and evaluation • Campaign evaluation
		What changes to market access (enhanced linkages and partnerships, supply chains, etc.) can be attributed to levy and co-investments?	
		What changes to market access (enhanced linkages and partnerships, supply chains, etc.) can be attributed to levy and co-investments?	
		What changes in global competitiveness (i.e., market profile and share) can be attributed to levy and co-investments?	
		What increases private, commercial and Government co-investment can be attributed to co-investments?	
		What changes in productivity, farm-gate profitability and global competitiveness can be attributed to other Hort Innovation activities?	
6. How reflective is the investment portfolio of the needs and priorities of growers and industry, the Australian Government, and other investors?	**Consideration of long-term, short-term, high, and low risk strategic and adaptive research needs, and regional variations** **Strategy prioritisation and development processes include appropriate consultation plans, based on the best practice guide to stakeholder consultation** **Demonstrated industry stakeholder engagement in the identification of RD&E priorities and activities consistent with the consultation plan** **Demonstrated incorporation of industry stakeholder feedback on RD&E priorities and activities.**	How successful has Hort Innovation been in balancing the investment portfolio between applied R&D and longer term and strategic R&D?	• Portfolio analysis • Funding review
		How well did levy investment meet the short-term needs of levy payers? How well did Hort Innovation engage with stakeholders to identify RD&E priorities and activities and incorporate feedback?	• Annual Grower and Partner Survey (GaPS) • Campaign evaluation • Portfoliot analysis/FT Matrix
		How successful has co-investment been for horticulture?	• Annual Grower and Partner Survey (GaPS) • Campaign evaluation
		How well has co-investment meet the long-term strategic needs of the horticulture industry?	• Annual Grower and Partner Survey (GaPS) • Campaign evaluation

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method**
7. To what extent are the outcomes achieved by co-investment likely to endure beyond the timeframe of investment?	**Anticipated benefits beyond timeframe of investment***	N/A	• Method(s) will depend on how outcomes are invested in • Benefit-cost analysis • Impact assessment • Annual Grower and Partner Survey (GaPS) • Investment monitoring and evaluation • Campaign evaluation
8. How well have Hort Innovation projects delivered intended outcomes and benefits to growers?	**Industry-specific fund outcomes** **100 per cent annual investment target and attract new partners** **Strategic Investment Plans delivered on time and on budget** **RDC Investment aligns with strategic plans and have demonstrated outcomes to levy payers and taxpayers, including through growth in the industry, increased profitability of producers commercialisation, access to new markets**	Questions will be project-specific but will likely cover: • Research: outputs; output quality; reach; uptake by target audience; influence of uptake on intended beneficiaries • Development and extension: engagements; products; changes in capacity; changes in practices • Barriers to adoption • Marketing: reach; influence (awareness and recall) and influence (purchase/sales)	• SIP performance analysis • Consumer behaviour data • Campaign evaluation • Investment monitoring and evaluation
9. How well have Hort Innovation Investments delivered intended outcomes and benefits to growers?	**Investment-specific outcomes** **Preference for Australian horticulture in key markets** **Levy payers who participated in RDC supported extension and adoption programs gained new knowledge or new information to improve their long-term profitability, productivity competitiveness and preparedness and/or intent to make or have made changes to existing practices by adopting the outcomes of R&D.**	Questions will be Investment-specific but will likely cover: • Research: outputs; output quality; reach; uptake by target audience; influence of uptake on intended beneficiaries • Development and extension: engagements; products; changes in capacity; changes in practices • Barriers to adoption • Marketing: reach; influence (awareness and recall) and influence (purchase/sales)	• SIP performance analysis • Impact assessment • Investment monitoring and evaluation

Continued

Appendix 2: Indicative data collection methods by KEQ continued

Level/key evaluation questions	Performance expectations	Sub-questions	Data collection method**
10. How relevant is Hort Innovation investment to the needs of intended beneficiaries including targeted growers, advisors, and industry stakeholders?	**Alignment to needs**	How well are industry priorities, identified by the advisory mechanism, reflected in investment designs? To what extent have commercialisation/adoption pathways been mapped?	• SIP performance analysis • Annual Grower and Partner Survey (GaPS) • Investment monitoring and evaluation
11. How engaged were intended beneficiaries, including targeted growers, advisors and industry stakeholders in the design and conduct of the research?	**Partner and member rating >60 per cent**	N/A	• Annual Grower and Partner Survey (GaPS) • Investment monitoring and evaluation • Campaign evaluation
12. Were targeted growers, advisors and industry stakeholders effectively harnessed to help realise the benefits and impact available?	**Feedback/complaints – quantity and resolution times minimised** **Stakeholder engagement >60 per cent** **Transparent communication to stakeholders (including government) on the impacts and benefits of the RD&E (and marketing) activities**	To what extent have engagement processes enabled meaningful input from RD&E target audiences? To what extent has Hort Innovation engaged in a clear and transparent manner with target audiences?	• Engagement analysis • Campaign evaluation • Annual Grower and Partner Survey (GaPS) • Investment monitoring and evaluation
13. What is the benefit-cost ratio of Hort Innovation investments?	**Benefits and costs** **Benefit-cost ratio >5:1** **Impact (benefit-cost) assessment of a broad cross-section of RD&E (and marketing) investments undertaken annually**	NA	• Cost effectiveness analysis • Benefit-cost analysis • Sensitvity analysis • Impact assessment

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

**Data collection will be undertaken by Hort Innovation and appropriate steps will be taken (through further consultation, verification of data and additional lines of enquiry explored) to ensure output and outcome data quality and integrity.

Appendix 3: Proposed data collection and analysis methods[4]

Method	Corporate	Funding type	Project/program	Description
Benefit-cost analysis			✓	Benefit-cost analysis (BCA) is an approach for defining and comparing an investment's benefits and costs. BCA involves the systematic identification of an investment's impacts and effects or options for undertaking the investment and the quantification of the resultant benefits and costs BCA can be completed before an investment has commenced (ex-ante) or after an investment has concluded (ex-post).
CRM analytics	✓			The CRM will be the main database and repository for information on stakeholder engagement, consultation, and contact. It will support engagement analysis and be administered by the CRM Manager.
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 levels. Analysis should consider quantitative (i.e., # meetings) as well as qualitative (i.e., quality) factors. Engagement analysis will occur across Hort Innovation.
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 and Partner Survey (GaPS)	✓	✓	✓	A broad scale industry-wide survey of growers and partners to be undertaken annually by the Stakeholder Engagement Advisor. 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, via online and telephone survey.
Consumer behaviour data		✓	✓	Data obtained from Nielsen HomeScan (or similar consumer behaviour data) on the consumption behaviour of a representative sample of 10,000 households. The Hort Innovation Consumer Insights Manager will use this data to track trends and changes in audience consumption and purchasing behaviour in line with marketing campaigns.

Continued

Appendix 3: Proposed data collection and analysis methods continued[4]

Method	Corporate	Funding type	Project/program	Description
Impact assessment	✓			Hort Innovation invests in an annual impact assessment series through an independent supplier in addition to cyclical industry-specific funding and investment method for impact.
Cross RDC Impact Assessment	✓			Program of activity led by the CRRDC to identify and quantify the impacts of Rural RD&E investment for respective RDCs to demonstrate RDC impact and drive accountability for stakeholders.
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 reginal variation considerations. Analysis against Hort Innovation Foundational, Incremental and Transformational (FIT alignment) investments will also be undertaken to benchmark the portfolio.
Campaign evaluation	✓			The Marketing Insights and Capability team will undertake campaign evaluation will be undertaken through creative and media evaluations. Creative evaluation will include quantitative online vs industry benchmarking. Media evaluation will include an analysis of reach, frequency, sentiment and cost per thousand by channel vs KPIs.
Investment monitoring and evaluation		✓	✓	Ongoing investment monitoring and evaluation is required for a majority of Hort Innovation investments. Data obtained from monitoring and evaluation plans is used to monitor progress towards the achievement of KPIs and assess the effectiveness, relevance, appropriateness, and efficiency of the investment. Investment monitoring and evaluation will occur across Hort Innovation.

4. This table outlines proposed data collection and analysis methods used by Hort Innovation to support evaluation. Hort Innovation will continue to standardise and streamline these methods across evaluations to aggregate data and compare outcomes across different investments to facilitate a comprehensive analysis of overall performance across the investment portfolio. To facilitate this, Hort Innovation will explore the use of data visualization tools, regularly review and update where necessary the evaluation reporting template, evaluation metrics and incorporate feedback mechanisms.

Organisational Evaluation Framework

Appendix 4: Statutory Funding Agreement Performance Measurement Framework 2024-26

Each year Hort Innovation is required to demonstrate performance against five key performance principles and 14 KPIs. Progress against the Statutory Funding Agreement Performance Measurement Framework 2024-26 is published ***here*** and shared with stakeholders annually.

Hort Innovation

Horticulture Innovation Australia Limited
ACN 602 100 149

Level 7, 141 Walker Street
North Sydney NSW 2060 Australia

02 8295 2300 | communications@horticulture.com.au

www.horticulture.com.au