

SEMINAR ON EVALUATION METHOD
OF
UNDP & USAID

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**SEMINAR ON EVALUATION METHOD
OF
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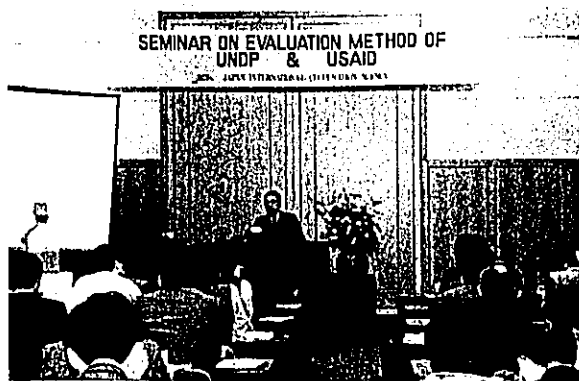
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Mr. Jehan Raheem, UNDP



Dr. Timothy Mahoney, USAID



Opening address by Mr. Hasegawa
Director, Institute for International Cooperation, JICA

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Opening Address

Ladies and gentlemen :

It gives me a great pleasure to say a few words of welcome on behalf of JICA, Japan international Cooperation Agency, at the opening of "Seminar on Evaluation Method of UNDP and USAID".

First of all, I would like to express my sincere welcome and deepest appreciation to all the participants in the seminar, particularly my sincere thanks to Mr.Raheem, director of evaluation office of UNDP, and Dr.Mahoney, program officer of USAID Jakarta office who have kindly accepted our invitation and traveled a great distance, sacrificing their valuable time, to tell us about evaluation.

Ladies and gentlemen, with the continued economic development of Japan, the international community considers it to be Japan's duty to expand its aid to developing countries.

On the other hand, along with the fact that requests for cooperation made to Japan by developing countries are growing year after year, more flexibility is required in accordance with the level of development of those countries and their specific regional conditions.

In this context, evaluation activities are very important to conduct the effective cooperation.

In view of expansion of Japan's assistance, various efforts have been made to strengthen our evaluation activities and to improve the system itself. For example, we started to include external evaluation specialists from outside into our evaluation team. We intensified evaluation activities by knowledgeable people. Apart from a direct evaluation of project itself, we conducted the impact evaluation covering relevant areas of the project. Moreover, we have taken up a joint evaluation with recipient country.

But our evaluation method needs to be improved further.

Now, ladies and gentlemen, I am sure the guest speakers will make very informative presentations on evaluation for us. With this seminar, we may be able to move in the direction for the most effective way of tackling with the problems of evaluation.

Finally, I do hope this seminar turns out to be constructive and fruitful to all the participants.

Thank you.

Masao HASEGAWA
Director, Institute for International Cooperation, JICA

Lectures

1. "Issues in Evaluation of Multilateral Technical Assistance"

by Jehan Raheem, UNDP

2. "A.I.D. Evaluation Policies, Procedures, and Experience"

by Timothy Mahoney, USAID

1. Issues in Evaluation of Multilateral Technical Assistance

by Jehan Raheem, UNDP

BACKGROUND

Mr. JEHAN RAHEEM

A. CURRENT POSITION

Director, Central Evaluation Office
(United Nations Development Programme ; UNDP)

B. EDUCATION

M. B. A. Bernard N. Baruch College,
City University of New York

Fullbright Scholar Research in Organizational
Behavior in Large Scale
Organizations
(University of Pittsburgh)

B. A. Economics University of Ceylon (1953)

C. RELATED WORK EXPERIENCE

1981-83 Chief, Division of Regional Programmes for Asia
and Pacific. Largest Single Programme in UNDP

1975-81 Field Experience -- including Officer-in-Charge of
UNDP
Field Offices in Bangladesh and Nepal

1972-75 Regional Bureau for Latin America

1966-72 United Nations-Office of the Secretary-
General Division of Audit

I. INTRODUCTION

1. I am very pleased to be able to address you all on a topic that is becoming increasingly important namely the evaluation of technical assistance in a multilateral context. Whilst some of the issues I will mention are specific to the unique character of a highly decentralized multilateral development organization, many of the issues I will deal with also affect bilateral development aid in the field of technical co-operation.

2. I will in my presentation briefly outline the work of UNDP and its decentralized character which delineate the evaluation challenge. I will then outline the formal aspects of UNDP's evaluation system and identify key aspects of structure. I will finally deal with issues in the evaluation of technical assistance, and draw conclusions for all our future work in this area. Whilst much of my presentation is formal and responds to questions raised by our colleagues in JICA, I would be more than pleased to exchange views on substantive issues when they arise.

II. THE UNITED NATIONS DEVELOPMENT PROGRAMME

3. UNDP is the world's largest grant development assistance organization, maintaining a network of offices in 112 countries, and drawing on the expertise of some 35 specialized and technical UN agencies to work in virtually every sector of development. In 1987, UNDP is serving 152 developing countries and territories through some 4,700 projects, with a cost to UNDP on completion of over 3 billion dollars.

4. The UNDP Programme helps mobilize resources for multilateral development assistance. It plays a lead role in co-ordinating UN system development activities with one another (and often with bilateral assistance) through network 112 local offices. UNDP collaborates with governments and UN agencies in drawing up programmes and projects of technical co-operation. It also helps developing countries prepare projects for capital investment.

5. Governments play a significant role in our activities. They
- (a) Furnish financial resources through voluntary contributions (industrialized and developing countries).
 - (b) Establish policy guidelines and country and intercountry resource allocations through rotating service on 48-nation Governing Council and at the UN General Assembly (industrialized and developing countries).
 - (c) Set priorities for UNDP assistance in their own countries and regions and provide on the average 55% (often more) of local project costs.
6. The UN Agencies are also an important aspect of the overall programme. They
- (a) Serve as "knowledge and experience banks" and standard-setters in their specialized development fields.
 - (b) Assist UNDP and governments in planning programming and evaluating projects.
 - (c) Co-operate with Governments in implementing 80 percent of all UNDP-supported projects — including hiring experts, procuring equipment and arranging specialized contract services and fellowships for advanced training abroad. This percentage is

changing due to greater Government management of their own projects.

7. The emphasis in all UNDP's activities is on the permanent enhancement of self-reliant development in each developing country. UNDP's programmes operate at a country, regional, interregional and global levels. UNDP projects are therefore designed to:

- (a) assist in planning and co-ordinating development efforts.
- (b) identify and quantify productive resources;
- (c) provide technical training at all levels and in all requisite skills;
- (d) supply equipment and technology in conjunction with training.

8. To advance these ends, UNDP annually deploys some 8,000 experts from all over the world, provides about US\$ 130 million of equipment, and awards some 12,000 fellowships to developing country personnel to enable them to undergo advanced training abroad. In addition, most UNDP projects incorporate on-the-spot training for local personnel. Developing country governments themselves provide 50 percent or more of total project costs in terms of local personnel, facilities, equipment and supplies.

9. UNDP also plays the chief co-ordinating role for operational development activities undertaken by the whole United Nations system. At the country level, the head of each UNDP office is usually designated as Resident Co-ordinator of the United Nations System's Operational Activities for Development and is also local representative for many UN organizations and agencies. Globally, UNDP has been assigned numerous co-ordination roles, from administering special-purpose programmes like the UN Development Fund for Women, to chairing the inter-agency steering committee on the Decade for Drinking Water Supply and Sanitation.

10. The Development Programme is entirely voluntarily financed by governments of the world, which contributed more than a billion dollars for 1988. Japan is an important contributor both to UNDP's core programme and to other special development activities supervised by UNDP.

11. The evaluation challenge therefore is to devise and operate for UNDP an evaluation system which:

- (a) Reflects the needs of a highly decentralized organization, functioning in a tripartite context, with approximately 5,000 active projects in all sectors;
- (b) Serves the need for corporate accountability to Governments and tax payers;
- (c) Serves recipient governments in strengthening their evaluation capability;
- (d) Provides valuable information on development processes and aid effectiveness experiences and impact;
- (e) Contributes to the growing debate on the changing nature of Technical Assistance; and
- (f) Is cost-effective, efficient and relevant.

III. UNDP'S EVALUATION SYSTEM

12. UNDP's evaluation system has existed since 1968. It has undergone many changes and each change has benefitted from the experience of the prior-years. It is a system under constant review by Governments, evaluation experts and the public.

13. In response to a growing international concern with effectiveness of development aid, the Administrator in 1983 presented to the Governing Council, a series of suggestions for the improvement of the UNDP evaluation system. These suggestions were based on an analysis of the concepts used in evaluation and of current problems in conducting evaluation exercises. Measures were identified to improve evaluation taking account of the tripartite nature of the Programme. These included clearer instructions, a more vigorous feedback system, strengthening existing project and thematic evaluations, introducing ex-post evaluations and terminal assessments, and more systematic analysis and use of the results to improve current and future operations and to inform the Governing Council about the effectiveness and impact of the Programme. The procedural changes which have been subsequently implemented are the basis to discuss the wider issues which arise from this process.

14. A series of procedural changes were necessary to implement this policy. Their main purposes were to improve the effectiveness and impact of the projects funded by UNDP and the Special Funds under the Administration of UNDP. It was prepared with four objectives in mind.

Comprehensiveness

Firstly, to ensure that the relevant policies and procedures covered all the funds and operational activities for which the administrator is responsible;

Systemal

Secondly, to bring together in a complete sequence the policy/procedural instructions relating to internal, in depth, ex-post, thematic and programme evaluations so that they can be seen as parts of a system;

Results-orientation

Thirdly, to focus the policies and procedures even more on the results (output) of projects and programmes; and

Harmonised Framework

Fourthly, to provide a common framework for the evaluation of the development activities of the United Nations system as a whole, whatever their source of funding.

15. The policies therefore give guidance to anyone within the system who wishes to undertake the evaluation of a project or to monitor one. It states **who is responsible for which actions and by when** they have to be accomplished and provide an overall view of how the elements in the evaluation system of UNDP are designed to operate. It specifies **what the various monitoring and evaluation duties** consist of, and supplies some standard tools to assist staff in carrying out these duties, such as outlines for internal evaluation and in depth evaluation. It is **important to recognise that the individual actions** described below **are all part of a larger system**, and therefore that if they are left undone the performance of the whole evaluation system will be lessened.

16. UNDP's monitoring and evaluation system depends on:

- (1) **Monitoring** of field level activities
- (2) **Internal evaluation** by national and international staff
- (3) **In-depth evaluation** by independent evaluators
- (4) **Ex-post evaluation** by independent evaluators
- (5) **Country and intercountry programme evaluation** by independent evaluators and,
- (6) **Thematic evaluation** by independent evaluators

17. **Monitoring:** At the project level, effective monitoring by project management (international and national) involves the routine examination of the timeliness and quality of the inputs supplied to the project, the activities undertaken by it and the outputs produced by it. It also involves identification of likely impact. Monitoring of project implementation is also carried out by the appropriate supervisory department of the Government, UN agency concerned and the Resident Representative. It is a multiple task which in the light of policy oriented technical assistance is becoming more important.

18. **Internal Evaluation** is carried out by those directly or closely involved with a project. It employs the results of monitoring. It is a significant element in the tasks of project management. The results are recorded in an Internal Evaluation report and are reviewed by Government, the UN agency and UNDP. Such an evaluation is required once a year for all projects with a UNDP contribution of over half a million dollars and provides a **first level of analysis** of the effectiveness and efficiency of the project in producing the required outputs, and in achieving its immediate objectives, as well as of its design, relevance and likely impact.

19. **Tripartite Reviews:** Both monitoring and internal evaluation are inputs to decision making by the Government, UNDP and the Executing Agency in discharging their joint management responsibility vis-à-vis the project. The most important forum for this decision making is the **tripartite review**. It is held annually for all projects with a value of US\$ 400,000. The meeting is chaired by a senior Government representative and is attended by all parties to the project including bilateral partners where appropriate. It also uses in its deliberations the results of any independent evaluations of the project which have taken place as well as any relevant ad hoc progress reports. It is one of the points at which the **feedback of the evaluation system** is acted upon. It decides whether or not an in-depth evaluation is required. The report of the tripartite review meeting is prepared by the Resident Representative according to a standard format and is made available to the Government, the Agency and UNDP headquarters. This very useful mechanism for review and decision-making concludes at the end of the project with a terminal tripartite review. This review considers among other material, the **draft project completion report** prepared by the project management.

20. **In-depth evaluation** applied to ongoing projects is the analysis of their continuing relevance, efficiency, effectiveness and likely impact. It is a **tripartite exercise** and is carried out by persons not directly involved in the **identification, formulation, appraisal, approval or implementation** of the project. The projects are selected by any one of the three partners on a variety of criteria depending on the purpose of the evaluation. The decisions as to who should represent each party are taken by the Government Coordinating Agency and by the headquarters of UNDP and the UN agency concerned. Such an evaluation should where possible use resources from within the country or region concerned. It is different from internal evaluation not only because of those who conduct it, but also because of its tripartite character and the greater depth, intensity and comprehensiveness of the questions considered.

21. Each project with a UNDP contribution greater than \$1,000,000 and each project which is particularly complex, innovative or has other special features is required to undergo **at least one such evaluation in its lifetime**. The precise timing is determined by the parties involved. Such evaluations can give feedback to those responsible for implementing the project in how to improve current operations—or supply lessons which assist in the design of a new phase of

collaboration in the same or a closely related area—or when undertaken as a terminal evaluation can attempt to determine what the project has achieved and how efficiently it has achieved it. At all events such evaluations are not normally scheduled until at least some of the project's outputs are due to have been produced. Very often in-depth evaluations take place when a new phase of the project is to start, or when a decision as to its extension is required. UNDP conducts about 250 in-depth evaluations world wide per year. These are analyzed for quality by the Central Evaluation Office of UNDP and the results stored in a computerized database.

22. **Ex-post evaluations** are a new and selectively applied element in the evaluation system. They are undertaken well after the completion of a project so that its real impact and relevance can be observed.

23. For evaluation of issues not covered by project evaluation, the system depends on **thematic evaluation**. The purpose of UNDP's programme of such evaluations is to examine the impact of technical co-operation in specific sectors or sub-sectors. Such evaluations are "substantive" studies. Alternatively, a "process" thematic may concern itself with the efficiency of operational procedures and modalities of implementation of technical co-operation. Thematic evaluations are carried out jointly with Governments and the UN Agencies whose technical competence covers the topic. The results generated are conveyed to participating Governments, the Governing Council of UNDP and the Governing bodies of the UN executing agencies. As for feedback following the thematic evaluation a Programme Advisory Note is prepared for staff in the field and at headquarters as well as to concerned departments in recipient Governments. The purpose of the Notes is to give guidance in the identification, preparation and implementation of new programmes and projects. We have undertaken many collaborative thematic evaluations with governments and I shall be pleased to discuss them with you.

24. Finally, the system may undertake **country and intercountry programme evaluations**. However, experience with a few evaluation exercises of this type suggests that the approach requires further elaboration due to the complexity of such studies and their sensitivity. Country and intercountry programme evaluations are carried out by UNDP in collaboration with the respective Government and with the assistance of the UN agencies as necessary.

Recent Evolution of Evaluation Practices in UNDP

25. In brief, the UNDP evaluation system as a whole seeks to serve three purposes:

- (a) ensure the accountability of the Administrator to the Governing Council;
- (b) support decision-making on current operations; and
- (c) generate lessons for use in improving future activities

26. The four criteria used for **selecting** ongoing projects for in-depth evaluation come into play either where the projects cost over \$1 million; and/or where other projects are evaluated because: (a) there are operational difficulties being experienced by projects; or (b) there is an anticipated cost or time over-run; or (c) the projects are innovative or complex.

27. Our analysis indicates that the criteria are useful and provide both potential and actual coverage of the entire Programme. What apparently continues to need emphasis, and indeed

re-emphasis is that ongoing project evaluation in a decentralized system must be planned and managed by those who will use the results of the exercise.

28. The selection criteria, however, encourage a project-by-project approach to evaluation planning. Seen from a programme or strategic basis, the outcomes of such evaluations are disparate, and the results of individual evaluations are not easy to aggregate. An examination of a cross section of evaluations pertaining to any one country does not identify a group of major policy problems which programmes can then address.

29. Evaluation planning, guided by a desire to explore or understand issues, can assist in identifying both positive and negative development experiences and in isolating the factors for the success of effective technical co-operation efforts. In this way, the lessons learned from experience go beyond the mere avoidance of error.

30. To a certain extent, *ex-post* and thematic evaluations provide lessons from experience. Yet, since thematic evaluations are normally organized on a global and more sporadic basis, they are often unable to provide the situation-specific, direct feedback, which are particularly required by Governments and programme/project managers at the country level. Hence, issue-oriented evaluation of ongoing projects would be an important complement to the current decision-making orientation of evaluations.

31. Programme managers are being encouraged to use evaluations to respond to evolving policy or information needs in their countries on issues relevant to the programme: examples are the use of evaluations in clusters of projects dealing with **policy-dialogue, institution-building, human resources development, environmental policy**, etc. This approach, while retaining formal criteria, would enable them to be operationally justified in terms of programme needs. The analysis conducted so far indicates that emphasis should be put not on the criteria for evaluations, but on the purposes of evaluations; their conduct, rigour of performance and the uses to which the information produced is to be put.

32. In summary therefore, we have installed a comprehensive system, which is differentiated by management function. The system works excellently for traditional technical assistance projects. It is being constantly refined to respond to the new issues facing us in the rapidly growing field of technical co-operation. We shall discuss this later, this morning. Evaluations need to provide answers and not only ask questions. They need to deal with complex cross-cutting issues and suggest approaches to dealing with them.

Follow-up Feed-back

33. UNDP recognizes that existing feed-back mechanisms need further detailing and procedural specifications to achieve the fullest possible utilization of results. Feed-back mechanisms are intended to operate at three broad levels:

- (a) On-going and follow-up projects,
- (b) the linkage of project evaluations to programmes; and
- (c) at a sector or functional level, requiring storage and utilization of thematic-level lessons derived from either aggregating project evaluations or from thematic or *ex-post* evaluations.

34. At the level of on-going projects evaluation findings are fed directly into the follow-up project to which they relate. The larger problem to be tackled is how best to identify, synthesize and feed findings of a more general relevance into planning and managing of other future and on-going projects.

35. The following steps, therefore, are being developed to enhance the entire feedback process.

- a) each monitoring and evaluation instrument has specific feedback instructions;
- b) project appraisers in UNDP, both at headquarters and in the field offices, and tripartite review meetings, will all have ready access to monitoring and evaluation findings;
- c) existing programme advisory notes and technical advisory notes will be reviewed and made more easily accessible; and
- d) plans will be developed for the synthesis of lessons learned from project evaluation. In this fashion, feedback will be enhanced both directly to ongoing or successor projects and indirectly to new projects and programmes.

Strengthening Government Evaluation Capacity

36. UNDP has a central responsibility to help strengthen the evaluation capacities of Governments. This is done in two ways: One by involving Governments in the evaluation of UNDP projects and programmes and second, by providing technical assistance to them to develop central and sectoral capacities in this regard.

37. To facilitate greater Government involvement in evaluation work and in recognition of the role of national project management UNDP field offices have provided training and orientation to Government officials in over 50 countries. We plan to develop a handbook containing the core requirements and guidelines for courses of this type. Another area that continues to require attention is the need for greater involvement of national expertise in the evaluation of UNDP-assisted projects. We are also collaborating with the World Bank in identifying areas where further development work is needed.

38. In situations when national monitoring and evaluation institutions have yet to evolve, UNDP has assisted in identifying project needs through the mechanism of a national level workshop involving decision-makers who will manage the monitoring and evaluation process. The advance identification of potential operational constraints by those involved in implementing such systems will enable project designers to anticipate such eventualities and enhance the sustainability of the effects of such projects. UNDP currently finances 35 projects in the strengthening of government central evaluation capability in the context of plan implementation development and aid co-ordination.

IV. ISSUES IN THE EVALUATION OF TECHNICAL ASSISTANCE

39. We now turn to the more comprehensive area of evaluation of technical assistance in general. In a few words, the main message of this aspect of my talk is that much more needs to be done to elevate technical assistance evaluation from mechanistic studies to comprehensive and responsive understanding of the aid process and the development process. Where do

these processes converge? How do they operate at sustainable levels? How can the process be made cost effective and of utility to recipient Governments? What useful lessons have we really learnt over 3 decades of international technical assistance? etc.

40. With a few important exceptions, technical co-operation evaluation has tended to focus predominantly on the project level. Throughout much of the two previous decades, the focus was initially on the mobilization of inputs and especially on the long term expatriate advisers. Later the focus shifted to an examination of outcomes. Were objectives achieved and were outputs produced? What has been the impact of these? Will this impact be sustained. Based on this assessment, judgements were supposed to be made and lessons learned about the "worth" of that which was evaluated. This was to be "feedback" to the design and implementation of on-going and new projects and programmes.

41. Much of past technical assistance was involved in projects of limited scope and focus. They concerned themselves mainly with setting up individual institutions and the transfer of technology. The problems were perceived to be simple. Therefore, the solutions were simple. Technical co-operation is now being required to contribute to co-ordination, development and economic management, to increase the productivity of resource flows, to safeguard the physical environment and to change the cultural, socio-economic and institutional environments. It often has to deal with multiple institutions and the inter-actions between them.

42. However, over the last thirty years, there has been an evolution from what might be called assistance to co-operation. In this context, technical assistance was described in terms of inputs to a process, one which was well-defined and generally agreed upon. Such assistance was pedagogic in nature and valued its neutrality in the process of change. The "expert" and "training" programmes were principal instruments in this model which assigned a counterpart role to the person actually managing the development process. Indeed in the past, the most important statistics given about the composition of technical co-operation were often taken to be the number of experts, fellowships, etc provided, rather than the problems being addressed and the results achieved.

43. For newly independent countries there was a set of institutions and services that were inherited from the previous rulers:—posts, railways, schools, health services that had to be kept running. These systems were taken as given and, therefore, the problems arising from them were well-known. Therefore, any shortcomings that emerged were initially in human resources and subsequently in equipment and supplies. These could be met with external expertise and a little budgetary support. Evaluations naturally looked at the quality of the experts and the circumstances in which they were supposed to work and, equally naturally, the project related flaws in the recipient environment became the principal concerns to be addressed. A review of any donor's portfolio in Asia, Latin America and to some extent Africa will confirm this.

44. The move to technical co-operation has occurred as the countries left behind the assumptions that had held immediately after independence and began to reflect on their goals, to compare them with their resources and to redefine what they wanted from their institutions and services. At that stage, there was a much greater need to determine their technological, institutional and human resource requirements in the context of their evolving goals, the changes in the world economy and their position within it. At such time, the recipient came to

have a more significant say in how the problem was to be defined even if the external expertise was used to suggest the technical solution. The concept of co-operation entails problem-solving methods rather than the mere transfer of techniques.

45. In such circumstances the questions relevant to the evaluation of technical co-operation naturally are reformulated more in terms of timely outcomes rather than in terms of the quality of inputs. With the increasing recognition of the implications of economic interdependence, both donors and recipients now pay much more explicit attention to technical co-operation. The issues have become more ones of mutual definition of problems and how to solve them in constantly changing economic, political and social environments, rather than how to supply known skills to a well-defined task. The importance of objectivity has been lowered in certain areas and the process calls for greater engagement and longer commitments by both parties.

46. In simple words what is being evaluated is changing and therefore, how it is to be evaluated must change. This raises issues of taxonomy of technical assistance and it raises issues of methodology of measurement.

47. Dividing technical co-operation into the following five broad areas, may be useful in developing a somewhat more systematic approach to evaluation:

- (i) transfer and internalization of techniques and technologies;
- (ii) creation or development of institutions and institutional arrangements;
- (iii) policy improvement;
- (iv) human resource development, and
- (v) direct support.

48. These elements can be put together in any combination and be applied to any sector. The precise categories and how the various elements of technical co-operation are apportioned are not in themselves very important and other taxonomies may serve as well. However, it is important to note that most technical co-operation contains a mixture of "blend" of some or all of the five elements and, therefore, the question of how they are combined, their proportions and the sequence may be as important to an evaluator as the individual components.

49. For a given class of project, say for example a vocational training institute, the evaluator can ask how does it compare with the norms for building such an institute whether the proportions of direct support, technology transfer and institution building are broadly within the range to be expected. For a structural adjustment policy reform programme, policy targets and institutional needs having been established and the timeframe identified, then a profile of actual changes in economic decision and developments in organizational ability should be recorded and monitored and compared with previous experience elsewhere.

50. Such an approach presumes that the evaluators can draw upon a substantive institutional memory which has collected, catalogued and can analyse and disseminate relevant experience. Furthermore, it does no more than permit **comparative assessment**, and does not provide definitive judgements and rates of return to investment of scarce resources. However, the dynamic process nature of such technical co-operation may be better served by such assessment.

51. **To summarise**, the evolution and diversification of technical co-operation has created problems of scale and complexity for evaluations. The complexity calls for a common view, and a taxonomy is needed for facilitate this. One such taxonomy has been offered. The next issues to be addressed are those of methodology.
52. It might be more accurate to say that there is a methodology, but that it is not able to measure the entire range of outcomes of a diversified activity. It does, however, observe and provide a rational basis for judgements. The very valid lessons about the need to assess the political, cultural and institutional environment, to involve, where possible, beneficiaries and recipients, and recognize the importance of recipient commitment, all are the product of the existing methodology.
53. If technical co-operation is evolving into a more complex and diverse instrument then the probability of developing a single comprehensive methodology for all technical co-operation seems rather small and, therefore, not worth the attention of aid managers.
54. The focus of past evaluation efforts may in part explain the absence of a ready methodology for measuring over-all effectiveness. Although technical co-operation has been extensively evaluated by aid agencies over the years, much of the approach has been principally concerned with inputs; the quality of expertise; the expert-counterpart relationship; the shortage of counterparts; the use and misuse of equipment, the quality of training. Much less has been written about the results of technical co-operation in industry or the rural sector or of the outcomes of twinning relationships between research institutes in first and third world countries.
55. At all events, the methodology must now cover not only the traditional technical issues, but also, the more recent concerns generated by policy reform for comprehensive institutional strengthening, and for the co-ordinated and management of domestic and externally provided resource.
56. **The purposes of evaluation** : Consideration has to be given to what is required of a system for evaluating technical co-operation. In the past, technical co-operation evaluation was indeed mainly concerned with the accountability for the use of inputs. There were similarities in the approaches taken by auditors and evaluators and considerable stress on ensuring rigorous objectivity and independence of evaluation reports whose main audience were the governing bodies or governments of the aid agencies concerned.
57. In recent years, evaluation has tended to add to its coverage of accountability issues a concern with the leaning of lessons with a view to improving ongoing and planned activities. This has in turn directed more attention to involvement of the parties concerned in the process of learning and applying the lessons learned. It has been observed that it is difficult to apply evaluation results effectively and that this difficulty tends to be greater if the focus of the evaluation is investigative and inspectorial rather than operational and problem-solving. **For some technical co-operation agencies, this had led to changes in the way evaluations are planned and managed.**
58. We have suggested that the lessons generated to date from the evaluation of technical co-operation do tend to be input related. One issue for consideration therefore is how to

improve individual evaluations, be they at the thematic, programme or project level. In the past there may have been a tendency to expect too much of some evaluations and too little of others. A more systematic approach employing an appropriate focus for each level of evaluation but making common use of the results may be necessary. Also considering the same issue in a wider context may provide different and helpful conclusions.

59. One example of the need for a wider perspective can perhaps be illuminated by the question of counterpart support. One of the more firmly established truisms of aid evaluation, based on solid empirical observation, is that a shortage of counterparts has been a consistent obstacle to institution building and the promotion of self reliance in almost all countries. This problem, if examined at the macro-economic level, may be viewed in a slightly different way. Almost all aid programmes provide scarce foreign exchange resources to countries that perceive that they have a great need for them. However, many of aid programmes are designed to promote self-reliance through the creation of sustainable institutions, and as such require national personnel. It is possible to advance the hypothesis that there is competition between donors for projects and, therefore, for the national personnel as counterparts. Such personnel are usually in short supply. If this turns out to be the case, the counterpart problem is one, in whose creation and resolution, donors have a role as well as recipients. An economy wide evaluation of the manpower implications of institution building would enable this type of hypothesis to be affirmed or denied.

60. **Modalities :** There have been significant initiatives in the implementing of technical co-operation. For example, many donors now stress the greater involvement of the private sector. IBRD has indicated considerable interest in the use of volunteers and institutional twinning arrangements. Others are pursuing greater involvement of non-governmental organisations, national and international, in the implementation of technical co-operation. The various Technical Co-operation delivery systems and modalities may merit a comparative examination.

61. **Linkages between monitoring and evaluation :** The evolution of some technical co-operation towards more central, sensitive and "intimate" issues of economic and social policy and management, of which policy reform/structural adjustment programmes are but one example, makes the need for rapid quality control of what is carried out much more important. If such technical co-operation is significantly wrong, then the costs of error are likely to be much greater. Therefore, managers need quick signals, and evaluations can have a role in providing these as well as the more measured and considered assessments their wider constituency requires.

62. In operational terms this implies a much closer link between monitoring and evaluation, as well as a different approach to evaluation. Appropriate and timely monitoring data on the sensitive aspects of technical co-operation are necessary for management, but also become an essential input to evaluators in such cases. In such instances, the lines between evaluation and qualitative monitoring become blurred and that raises issues for the organisation and management of both donor and recipient evaluation services.

63. **Managing uncertainty :** Development programmes and projects are intended to produce change, and with change comes uncertainty. The evaluation system should contribute to the management of that uncertainty. Its focus, therefore, expands and covers not only making

judgements on fixed completed time-bound events, but also reducing the uncertainties under which the managers are obliged to operate. Thus, it should alert managers to unforeseen opportunities to improve performance, that changes in the economic or political environment have created, as well as helping them deal with any emerging problems. Evaluation in some instances, becomes forward-looking as well as backward-looking.

64. There needs to be some accepted system or mechanism for modifying objectives in a way which is effective and appropriate in responding to the requirements of a modified environment. This mechanism should not, at the same time, permit any unwarranted reductions in what is expected of a project and a lessening of the accountability of programme designers, appraisers and managers for maximal performance. Whatever the mechanism arrived at, it is one on which the views of evaluators should be sought.

Conceptualising a Process

65. One particularity of technical co-operation, from the evaluation point of view, is that it is a process. Creation and development of institutions, policy improvement and technology transfer are continuous processes. This kind of activity does not normally have discrete time frames with clearly defined beginnings and ends. If an institution is being created, it is not practical or cost-effective to see at what instance it becomes self-sufficient and, therefore, the need for assistance is at an end. If policy improvement or technology transfer are concerned there is rarely a clear date when the effect of policy or the installation of a technology can be discerned and assessed. Therefore, a monitoring and evaluation system that focused strictly and exclusively on such issues would not be very useful.

66. Furthermore, any technical co-operation is an input into some socio-economic system which was evolving on its own prior to the entry of the technical co-operation, and will continue to do so with or without the aid. The purpose of the technical co-operation was supposed to change the nature and performance of one or more or all components of the system. As such it is the evolution of the system, into which the technical co-operation has been introduced, that should be the focus of the concern with sustainability. Has the system been led into a path that is more beneficial to the recipient, and will it stay in that path over a reasonable period of time?

Strengthening Existing Concerns

67. There are some larger unanswered questions of usage. How can evaluation results be put to the service of senior decision managers and politicians to whom technical co-operation appears opaque, difficult to comprehend and, therefore, of uncertain value. Indeed, if technical co-operation related to policy reform/ structural adjustment and/or co-ordination requires such immediate and continuous quality control, can any evaluation system be reasonably expected to provide it? Alternatively should the managers be encouraged to improve the qualitative aspects of their monitoring system and can monitoring meet the needs of the constituencies normally served by evaluators. If they do so, what implications does that have for the depth and intensity of the evaluation approach to such activities.

Need for Meta-Evaluations

68. Finally, evaluation itself should be subject to evaluation. Any determination of its worth is dependent, therefore, on some measure of usage, and the benefits generated by it. Aid evaluators have been perceived to be somewhat reticent about self-assessment. A more precise notion of what we perceive effective usage to be would reduce the rationale for this reticence. Asking cross-cutting questions is one thing, providing cross-cutting answers is another.

Conclusions

69. I have described the comprehensive system that serves to evaluate, monitor, assess and review UNDP's project and programmes. The system develops wider perspectives as it moves from project to programme and thematic studies. It shifts focus from operational to substantive and conceptual issues as it seeks broader answers.

70. The key issues in administering the system are ensuring accountability to Governments and the public whilst responding to development consensus. An equally important issue is the ensuring of the topicality of evaluation consensus. If evaluations are to judge the effectiveness of technical co-operation then they must consider how to evaluate effectiveness of co-ordination, effectiveness of policy reform, effectiveness of development processes as they occur, effectiveness of higher technology, etc. They must also choose different evaluation techniques for different levels of expected outcomes. Finally, they must deal with improving a variety of current consensus. The need to strengthen recipient Government compatibilities must not be overlooked as we proceed in our search to improve evaluation practices.

71. At the end of it all what we do need is a better and more confident feedback system. It must be a feedback system that provides answers in a timely fashion.

72. There is much work ahead. I welcome your support and collaboration in this process.
Thank you.

Wednesday
20th January 1988

Questions & Answers

Public Address by Mr. Jehan Raheem :

"Issues in Evaluation of Multilateral Technical Assistance (UNDP)"

CHAIRMAN: Now, we would like to resume. We would like to begin Question and Answer Session.

Concerning the presentation given by Mr. Raheem on evaluation method of UNDP, we would like to receive questions.

Please raise your hand.

Please use microphone.

QUESTIONER: My name is Mr. Takase, from the International Development Center of Japan. My question is related to the technical cooperation or technical assistance for project preparation for financing. Because, one of the big issues in Japan as well as in the world is now the following: Even when money is available, projects to be financed reasonably well is still very much lacking. So, to prepare a viable project for financing is very important. And I am sure that UNDP is doing many many such project preparation activities. But in your memo, your Para. 47. I have found no item for the project preparation for financing. This is my No. 1 question. I think its answer should be yes.

Then, my second question would be of your paper, Para. 3. The last three lines read: "In 1987, UNDP is serving 152 developing countries and territories through some 4,700 projects, with a cost to UNDP on completion of over 3 billion dollars." This is a very big amount. And among those projects, how much percentage in terms of number of the project and in terms of cost, out of 3 billion dollars, were devoted to the project preparations for financing?

This is my second question.

And then, thirdly: The evaluation method for the technical assistance of project preparations seems to me very simple: if this project is financed, then it can be considered successful. If it is not financed, it may be a failure, but it is still considered as useful, because the technical assistance indicated the negative feasibility of the project. Otherwise, that project may have to be financed, which may lead to a failure.

So, if that is the case, how many percentage of those project preparation project, were successful? If 100 out of 4,700 projects were of project preparations, then and were financed, then, more than 80 percent were successful. This is a very simple logic, but not a good evaluation; this is a kind of simple indication of how the money for technical assistance was used.

So, these three sequential questions I would like to ask you. Thank you.

RAHEEM: Thank you very much for letting me start the day with a series of simple questions for which there will be difficult answers.

The answer to your first question. If you look at Paragraph 4, we clearly identify that UNDP helps developing countries prepare projects for capital investment. This is a fundamental mandate of UNDP's. But when you come to technical assistance classification, it could either be a direct support project: for example, the Government of Tonga asking for a team to come and help develop a project for Asian Bank financing. Or, it can be like in West Africa Ex-Ante evaluation, which is appraisal techniques necessary for project development, where we help the government over a long period to develop that kind of capacity. That would then be in Categories 1 and 2 of Paragraph 47.

What percentage of the 4,700 projects? Difficult to answer. But I think about a little under 20 percent. Most of the projects that are associated with the World Bank and the regional banks are intended towards this purpose. With the regional banks;—that's, the Asian Development Bank, the African Development Bank, and the Inter-American Development Bank;—almost directly, they are investment related.

With the World Bank, because of the multiple nature of the World Bank's complex activities in our investment linkages to them are different. That also links through consultative

group mechanisms. So, it goes into different formats.

So, I am afraid I cannot give you a precise answer. But I can supply you the information back from New York, if it interests you.

When it comes to evaluating the effectiveness of it, what we are trying to say is that our concern is not only with the full realization of the direct investment, which is an important responsibility of the Investment Development Office, which is also in the Bureau with Mr. Hirono*. But more importantly, has it also left behind the capacity in the Government.

I think Mr. Hirono will agree, that as a whole, over our 25 years, investors have preferred to redo their own feasibility studies. So, there is often follow-up feasibility studies directly done by the investor. I would not consider this a failure. I would consider this a further safeguarding by the people who are directly going to invest the resources.

And in the 1960's, and early 1970's, a lot of pre-feasibility studies were, in fact, followed up at considerable length by the investors themselves.

We have not done a direct analysis of investment-oriented projects. This might be a lacuna which is worth addressing, and we will, I think, have to deal with it.

HIRONO: Mr. Raheem provided the answer. And I would like to add two points.

As was pointed out in our Bureau, there is an Investment Development Office—IDO. In our cycle, now, we have 5 million dollars attached to the Office, to conduct pre-feasibility studies. In a year, approximately 200 to 300 pre-feasibility studies are conducted.

And project formulation is the area we must provide a certain kind of assistance as well.

Another thing, that is not directly related to financing; there is what we call "Project Development Facility". And under this PDF, we have 1 million dollars.

PDF is another instrument under my Bureau, with certain amount of fund. If this leads to certain kind of project, in case of UNDP, most of them are IPF, they will be reimbursed from the fund allocated to each nation eventually. So, reimbursement is a method that we use.

PDF has come to play a major role recently. The governments have various projects of bilateral cooperation. But there seems to be gaps between such projects in their nations. And they would like to use their capabilities in order to bring those projects together. In such cases, we receive various kinds of requests for PDF.

The Governing Council decides how much fund will be provided. So, we will work within the framework.

CHAIRMAN: Thank you. Any other questions? If you have questions, please raise your hand.

QUESTIONER: Yoshinaga is my name. I am from the Agricultural Land Development Agency.

My question goes to that relationship between the eager evaluation and policy involvement in the recipient countries. In this regard, does your evaluation enter or, I would say, interfere the policy in the recipient countries to accomplish a project with success? How about your opinions in this regard?

RAHEEM: I think your question touches the heart of the technical cooperation process.

You used the word "interfere"; I don't think you meant it in that context. Our evaluations look very closely on the degree of involvement of the national parties in the project.

Let me tell you how we work. If you have this sheet, you have a section which is called "Section 3", which is basically project performance evaluation reporting.

And under the responsibility column, you will see that it has to be prepared by the national project management. And we are encouraging the national project managers to prepare the project evaluation report, at this level, to reflect their involvement. And to reflect with the project at that stage is answering their requirements.

For too long, these reports were prepared by the foreign element. And we are now trying

to say that there is a responsibility for the foreign element, because we have an accountability to the governing council. We also say that there is a responsibility to the national development process. And for the purpose of strengthening this instrument, we have so far translated it into five official languages. We are encouraging that this particular instrument be as close to local management as necessary.

So, at both levels; at the process of approval and evaluation and at the process of project implementation, the involvement of national authorities is a key issue which we do look into.
CHAIRMAN: Does that suffice?

Are there other questions from the floor? Please feel free to raise your questions in Japanese.

QUESTIONER: In generally speaking a multi lateral agency like yours can function more widely than a bilateral agency such as JICA?

RAHEEM: I think at a formal level, there is very little difference between the organizations in terms of purpose. We are all in development; we are all working in the same countries. We all hope to deal with poverty, with improvement in the living conditions, policy reform. So, I think in goal orientation, there is a great convergence.

I think it is in the purposes, and in the methodologies at which we use, that there are differences. Our accountability in the United Nations system is to the world at large. That is much more diffused and much more complicated.

In a national accountability system, it's a very direct hierarchy of responsibility to the people and parliament. And very often, in a sense, more clear.

We have a universal mandate, and sometimes an overuniversal demand on our services. Thirty-five agencies, in all aspects from patents to knowledge, to technology, to science; we are called upon to provide mini-universal phenomenon.

It's very difficult for me to generalize what is different and what is not different in each of the systems. I think it is in the accountability process, to those whom we serve, for the way we get our resources; second, national policy goals; what is important to Japan, or for the U. S. or to Holland; multilateral goals are set for us by governments: We don't set it directly. Agenda setting is different.

So, it's more a difference in approach, rather than a difference in the final outcomes.

I think Mr. Hirono would be able to—being an expert on both sides of the equation—respond to it.

HIRONO: Mr. Raheem was very polite in giving several examples and so on. But I would say there are differences.

Technical assistance projects do exist based upon, let's say, Japanese policies, or U.S. policies. And even going further back, behind that, there are Japanese mentality, or U.S. thinking, and so on.

And, now that I am with UNDP, I was very much surprised to find that when I visit developing countries, technical assistance projects by UNDP are seen as theirs. In other words, their own, for them and not for any other countries. In other words, UNDP projects do not have the titles, "Japanese" or "American". It's the United Nations project.

Japanese, American or the Netherlands, these are the major donor countries of UNDP. In some areas where these country projects cannot go in, UNDP projects can penetrate. For instance,—we are in the position of giving project assistance to Viet-Nam. Among the UNDP projects, Viet-Nam comes at No. 4 in terms of recipients.

Another point is that, just because we say that, it does not mean that we do not listen to the important members of the governing councils, such as U. S., Japan, and Sweden.

Although UNDP as an organization does not have to follow technically COCOM con-

straints, because it's an international organization, we must listen to the members of the Governing Council. In that sense, we are not one hundred percent neutral organization, frankly speaking. And this is the reality stemming from the international politics situation we have today.

CHAIRMAN: Thank you very much. Are there other questions?

QUESTIONER: My name is Fukuda, Technical Advisor to ADECA – Agricultural Development Consultant Agency.

My question is: Could you kindly explain to us the differences in procedure of your technical evaluation?

RAHEEM: Thank you for the question. The question basically is: Can I explain the difference in procedure between UNDP and JICA's approaches?

The distinction is operational, and not formal. Yesterday, when we sat with our colleagues in JICA, clearly the same questions occurred on both sides. But the way we approach it is that project evaluation and monitoring is an important part of project design and project development. Evaluation is not a separate tool. It is not a tool that is accountable only. We have to continually process the data. Because our approach to it is that it is a vital part of an ongoing analytic information providing system.

In addition, the procedures have evolved to involve the national authorities as much in the process.

When you look at 250 out of 400 evaluations done by UNDP, it is very difficult to get a precise sense of achievements. It is because, I think, people are nervous of being extremely precise in the field of technical assistance. Because precision means very exact target setting. And since the targets evolve over time, people have learned not to be over-precise in target setting. This has problems and advantages. And it's a very judgemental thing to arrive at the different decisions.

Procedurally, we have a system which requires annual and timely performance. And we have reminder systems to our projects from the agencies. So, when a project does not perform its monitoring, they are reminded systematically by the UN Agencies, by our field officers. That is why on the sheet, the concept of timing is extremely important.

And secondly, our evaluation system is a part of what is called a "country programme management plan". Every office of UNDP, every six months, prepares a country programme management plan, which details the programme actions. It intends to perform over the next twelve months. Six months, firm, and six months, anticipated. So, it is firm for the first six months, and more planning for the next six months. And it is revised every six months.

In that country programme management plan, there is an evaluation and monitoring plan. And the evaluation and monitoring plan fits in with our evaluation system. So, sitting in New York, we can review the country programme management plan and identify where we need to provide help to different offices. I would know, for example, in Viet-Nam, they are planning to have three evaluations on human resource development projects. I can approach the Viet-Nam desk and offer them advice. They might take it; they might not take it. They don't have to take the advice, but they tend to take whatever they need. And we can collaborate on many areas.

So, I find that our evaluation system is very much a part of a larger framework. Otherwise, it becomes a unique process and it won't serve the larger needs of management.

So, I think it's systems concept that is the main difference.

I hope that answered your question.

CHAIRMAN: Are there other questions?

QUESTIONER: I come from Export-Import Bank of Japan. My name is Itoh. When looking

at UNDP and IMF/World Bank group, I would like to know the relationship between these two.

RAHEEM: Thank you. Like all questions that go beyond the evaluation, I am sure there is going to be two answers. But the answers, I am sure, will converge.

Our relationships to the World Bank, more than to IMF, are at two broad levels.

One is: The World Bank is an executing agent for UNDP's projects. It performs particular functions for UNDP funded projects, using our money. These projects can either be free-standing projects of technical assistance, or projects in support of World Bank activities such as engineering, design and feasibility studies.

There is another, and a more elaborate and very complex and a rapidly developing relationship with the Bank at all levels of coordination and policy formulation. It is a relationship of coordinating development activities for the multilateral systems in each of the developing countries. The World Bank has considerable responsibility and a considerable role. We have a role ourselves in the universality of our process. So, we link at the country level.

For example, in Sri Lanka, where I was last week, the UNDP chairs the local consultative group. In other countries, for example, in Bangladesh, the World Bank chairs it. So, we share them. In Africa, where there are coordinating mechanisms that are outside the consultative groups, UNDP chairs the process with Governments in the round-table.

So, there is a whole series of relationships, which are outside the executing agency relationships, in all the economic and policy reform that the Bank is involved in. And there are inter-linking projects between the Bank and UNDP for testing the value of this purpose.

UNDP and the World Bank collaborate in the evaluation of UNDP-funded projects. On that score, there is no doubt, because it's our money, and it's our process.

But wherever we have had thematic evaluations and I am speaking here purely from the evaluation perspective—the Bank has been a very excellent supporter, and provided us with considerable information. We have a very close relationship with the Bank, not only within the DAC/OECD group, but outside it. We have a very direct line to people in the Bank. We share consultants from UNDP with the Bank; they share consultants with us. We share methodologies with the World Bank. We exchange information. The World Bank recently did a study on technical assistance in Indonesia; the consultants from the Bank spent two weeks in New York working with our people.

So, there is a considerable collaboration at an operational level.

HIRONO: I would like to add three points.

The first point is on the policy-level UNDP–W.B. relationship. At policy level, Senior Vice President, Mr. Kressy of World Bank is the Chairman of a team within the World Bank; Andre Joseff, the Pacific Region Chief, is the head of the UNDP team. And on necessary basis, the two teams meet and discuss development finance and technical assistance procedures at the World Bank and UNDP.

Also, there are a number of sub-committees within these two team organizations. For example, my group and the policy group in the World Bank will meet at subcommittee level.

And as Mr. Raheem said, the World Bank is providing various technical assistance projects using UNDP money. UNDP before did not have this capability. Annually, 89 to 90 million U. S. dollars go from UNDP to the World Bank for them to provide technical assistance programmes.

Once we approved the project, we just provided the money to the Bank and had them do everything on their own. That was the conventional situation. But recently—and this is my personal view, as well—we have decided since last year that this is not a good practice. We decided to set up a joint steering committee with the chairmanship being given to UNDP. And

UNDP will be monitoring the ongoing projects executed by the World Bank. So, UNDP is now in a supervisory, so to speak, position of the projects provided by the World Bank, funded by UNDP.

Another point is just supplementing what Mr. Raheem said. UNDP is the only multinational organization that can participate in the Consultative Group, other than the World Bank. So, UNDP will be representing every agency of the United Nations in those round table and consultative groups. In that sense, also, we have very close relationship.

Another point related to the fourth point is that we are leasing our people to the World Bank. The World Bank is carrying out various projects, and when they feel that their expertise is not sufficient, then, UNDP will lease its experts to the World Bank. And we dispatch our personnel, desk officers and above and higher director level. And at the same time, we have people come from the World Bank to UNDP. Most of them are trainees. We train them for projects.

So, we see strengthening of relationship at every level. One thing we need to be careful, however, is, depending upon countries, some countries do not prefer too close a relationship developing between UNDP and the World Bank. Because, structural adjustment projects provided by the World Bank; some countries see it as too imposing, and some developing countries do not like imposition. So, if we come too close to the World Bank in a particular project, these countries may—not reject—but may feel uneasy. So, although we are receiving help from the World Bank, we become the organization providing projects in those cases.

So, as you can see, we have very deep and close relationship with the World Bank. And today, we have Mr. Mahoney from USAID, and we have very close and good relationship with USAID, as well. The USAID collaborating with UNDP, as well as USAID collaborating with the World Bank. And I hope we can develop as close a relationship with JICA.

CHAIRMAN: Are there further questions?

QUESTIONER: Yes. My name is Toda. I am a Development Planning Specialist of the Institute called the Institute for International Cooperation, which is part of Japan International Cooperation Agency.

I have two questions. One is related to the effectiveness of, or, you can say, the feedback of the evaluation work, which you emphasized again and again.

And the second question is related to the policy analysis and its relationship to evaluation work; particularly, I am asking the UNDP practice on this point.

And now, I will go back to the first question. I have to explain my question a little bit in more detail. You know, this evaluation system was introduced in UNDP and many other part of U. N. system, including WHO and so forth, as well as bilateral agencies, about twenty years ago. And after twenty years of experience, this evaluation work is still very active, or even getting more active. So, this simple fact indicates that the importance of evaluation activity has been very well recognized by many people. But on the other hand, after twenty years of experience, there remains the same question, the same issue; that is, how to utilize or how to increase the effectiveness of the evaluation work.

And I recall the time when this evaluation work was introduced in the U. S. Federal Government and some U. N. organizations. That was twenty years ago. The evaluation system didn't come in isolation, but in conjunction with the introduction of the new management method or system called "management by objectives", that is, managing by setting and measuring objectives.

And now, after twenty years, most organizations still find the effective implementation of the system difficult. There is a fundamental issue here, in my opinion: Is it really possible to institutionalize, in real sense, the management by objectives in the public sector? And this is

a fundamental issue of the public administration, I think. This is one question or issue I want to bring up.

And the second question is in relation to the policy analysis versus evaluation work. And there is a need—an information need—for top management in making policy decisions. And Professor Hirono mentioned some policy issues of the UNDP and of the World Bank.

Then, the activity to create this information is normally called “policy analysis”: the identification and analysis of policy or of your policy options.

Now, the evaluation work, or evaluation activities, can be a very useful tool for generating policy issues or analyzing certain policy options. But on the other hand, policy analysis can be done with or without evaluation work. In other words, evaluation work is only one of many means available for policy analysis.

Then, my second question is: What is the practice of UNDP in the policy analysis? Who carries out policy analysis? And what is the work relationship between the evaluation people and the people who analyze the policy? That’s my question. Thank you.

RAHEEM: Mr. Toda has succeeded in asking not evaluation questions, but the questions of universal importance.

I will answer the second question first, because I think it will partly illuminate an approach to the first.

Policy analysis, yes, can be carried out without evaluation. But I would like to again stress from my standpoint. I think we tend to use evaluation with the simple “e”, not a capital “E”. It is an evaluative attitude to work and not evaluation as a department or as a unit. It’s a posture. It is a way of dealing with phenomena. It is a way of dealing with data.

The basic answer to your question is that there is an aspect of the policy bureau under Mr. Hirono, which basically deals with policy. It does policy research. We distinguish between policy research as being future-oriented to some extent, and policy evaluation as being experientially-oriented. Again, the boundary lines are limited, or diffused. But we would like to help the Director by doing research on what meant before. Look at historical data, and some predictive, and the policy research group looks at more future-oriented concepts.

Your first question is very large, as you yourself, I am sure, will recognize. The whole concept of “management by objectives” in the public sector, and also in the field of the importance of recognizing that the lessons of evaluation over twenty years may not have fully worked.

But I have one answer for most of my training courses, which I shall share with you, but I shall also expand on it, is that every cigarette packet that we pick up contains a large amount of warnings against smoking. That has not prevented many members of our friends from smoking. So, I think cautionary statements, even which critically affect people’s health, can be dealt within different levels.

Secondly, I think that evaluators have not tended to provide answers for operational needs. They have tended to be more cautious; rather than providing the kind of risk analysis that managers need. Managers have a very real commitment to disbursement of funds. And no point in telling them they can’t disburse funds. Because then, they will lose their jobs. And evaluators have tended to say: “Don’t spend,” when the entire target of development assistance has been fund disbursement.

When we look at our own profession, we have tended to be much more cautious, much less linked to a private sector dimension—to a risk-taking dimension, although development is a risk-taking phenomenon. It is very interesting that we have been very very, in a sense, over-careful. So, active managers have tended to treat our findings at the large level with some cynicism.

I think I would argue the other way, for operational findings. Out of the 250 evaluations, I can safely say that over 80 percent of our evaluation findings find their way into project corrections, because they are timely; they are operational; they do things. They tell the Government of Burma; "if you don't do this, this is what will happen. You decide." And the chances are that they take the decision, because this is very clear; it's operational.

But when you talk of lofty generic lessons, then, the applicability on a universal scale is in doubt. And you can well question it in Fiji, or you can question it in Peru. And so, whether the universal general evaluation, the large lessons, the big compendium approach might have to give way to a much more regional, much more technospecific evaluative processes.

As to your real question, as to the problems between public sector and objectives, it's a love to have a discussion with you, and I think we will have an opportunity to talk about it. But this is something that will affect us very much as UNDP now enters the field of private sector initiatives, and privatization, and providing an enabling environment. These are some questions that we will have to ask much later in our own evaluation work, for which we don't have tools at the moment. We have to learn a lot from our friends in the AID in this regard.

Thank you.

CHAIRMAN: Thank you. I am sure there are other questions, but since we have exhausted the time given to us for the morning, I would like to close the part of the presentation by, and the subsequent questions and answers period for, Mr. Raheem.

*** HIRONO**

Assistant Administrator and Director, Bureau for Program Policy and Evaluation of UNDP

2. A.I.D. Evaluation Policies, Procedures, and Experience

by Timothy Mahoney, USAID

BACKGROUND

Dr. TIMOTHY MAHONEY

A. CURRENT POSITION Evaluation Officer, USAID/Jakarta

B. EDUCATION

Ph. D. Cultural Anthropology, University of Wisconsin (1978)

M. A. Asian Studies, University of Wisconsin (1974)

B. A. History, Creighton University (1968)

C. RELATED WORK EXPERIENCE

Evaluation Officer Agency for International Development, Bureau of Policy and Program Coordination, Office of Evaluation (1982-83)

Social Science Analyst Agency for International Development, Bureau for Latin America and the Caribbean, Office of Program Policy and Evaluation (1978-82)

Research Associate East-West Center, Technology and Development Institute (1976-78)

1. A.I.D. POLICY CONCERNING THE MONITORING AND EVALUATION OF DEVELOPMENT ASSISTANCE

SECTION SUMMARY: A.I.D. considers adequate information about the use and results of development assistance to be an integral and indispensable element of sound management by the Agency and its counterpart borrowers and grantees. Adequate information is required for (1) monitoring the progress and performance of development activities during their implementation, (2) evaluating the benefits and effects of these activities, and (3) documenting the experience gained and lessons learned from these activities for use in the design of future development projects and programs.

1.1 Information for Decision-Making

The primary purpose of monitoring and evaluation is to assist the managers of development activities make well-informed decisions. Therefore, A.I.D. requires that the level of effort and resources directed to monitoring and evaluation be commensurate with management's need for information.

Monitoring and evaluation must meet the information requirements of managers at different organizational levels within the Agency and, correspondingly, the information requirements of their counterparts. Although the types of information needed by managers at different levels are often similar or complementary, each organizational level also has its own specific information requirements. Therefore, it is A.I.D.'s policy to support a variety of monitoring and evaluation activities to obtain the range of information needed by Agency and counterpart managers.

1.2 Monitoring vs. Evaluation

To meet its internal management information needs, A.I.D. makes a general distinction between monitoring and evaluation in terms of the type and timing of information that managers at different levels require to carry out their responsibilities most effectively. Monitoring by A.I.D. officers is a continuous management activity that requires information about (1) the use of assistance resources according to plans and regulations and (2) the interim results and effects of resources in light of initial or revised objectives ("ongoing evaluation"). Particularly at the project level, managers use this information to adjust or redesign activities to keep them on track toward their objectives, to raise issues for resolution by more senior managers, or to call for a more comprehensive evaluation.

A.I.D. defines evaluation as a management activity that is undertaken selectively to inform managers about key issues before major decisions are made regarding existing A.I.D.-funded activities or future program development, that is, the issues of relevance, effectiveness, efficiency, impact, and sustainability. Depending on the scope of the decision, evaluation takes place at the level of specific projects or broader programs. Because the information needed for monitoring is also essential for evaluation, A.I.D. regards these two management activities as being closely related.

1.3 The Role of the Manager

A.I.D. managers are required to define and communicate their needs for evaluative information through a systematic planning process so that priority needs for information can be addressed before foreseeable decision or action points are reached. Therefore, A.I.D. requires the development of Annual Evaluation Plans by Missions, Offices, and Bureaus.

Regional and Central Bureau evaluation plans, which incorporate the plans of their respective Missions and Offices, are submitted to and reviewed by the Bureau for Program and Policy Coordination.

1.4 Host-Country Collaboration

Evaluation should be a cooperative activity that addresses the information requirements of the host country or recipient organization as well as A.I.D. Hence, evaluation is a joint responsibility of A.I.D. and its counterparts. The participation of counterpart personnel in evaluation is encouraged to the fullest extent that capabilities and interests allow. Moreover, both monitoring and evaluation constitute an appropriate management technology for aid recipient countries. It is an Agency objective, therefore, to establish or strengthen the capabilities of host country personnel for monitoring and evaluation so that they play a central role in assessing their A.I.D.-assisted development projects and programs.

1.5 Types of Evaluation

1.5.1 Project Evaluations

At the project level, monitoring and ongoing evaluation should provide information about the use of project resources and should track progress toward the development objectives of the project, as defined by the output, purpose, and goal statements of the project. On the basis of such information, managers should be better able to determine what changes are needed to improve project performance. Interim and final project evaluations should produce additional information about progress toward sector-level objectives, broader programming issues, and lessons learned.

1.5.2 Program Evaluations

At the program level, A.I.D. managers are instructed to develop comparable monitoring and evaluation systems to generate and use information drawing on data from specific projects, multiproject evaluations, special studies, and other relevant sources to periodically assess progress toward achievement of the overall development objectives of A.I.D.'s assistance. These assessments should provide useful information for program planning and sector strategy development. Such program-level assessments should assist Mission Directors and their staff to meet their responsibilities for accountability in managing development assistance.

1.5.3 Comparative Studies

The Agency will also conduct comparative studies to evaluate the impact of a category of projects or programs or to examine broad, cross-cutting issues important to senior management for formulating Agency policy, procedures, and special development programs.

1.6 Evaluation Implementation

To implement the Agency's monitoring and evaluation policy, A.I.D./Washington Bureaus and Offices and USAID field Missions are required to provide sufficient funds and staff to ensure that the types and amounts of information needed are available. Because of the range of management's information requirements and the diversity of development problems confronting aid recipient countries, uniform requirements concerning the content, frequency, and timing of monitoring and evaluation activities are inappropriate for the Agency. Rather, each Mission is required to establish a monitoring and evaluation system that complies with Agency

and Bureau procedures and standards. Missions are required to issue a Mission Order or similar written procedures describing the organization and operation of this system, the responsibilities of Project Officers and the Mission Evaluation Officer, and procedures for reporting and following up on actions that are to be taken on the basis of evaluation recommendations.

A.I.D./Washington regional and central Bureaus are required to establish a complementary system to coordinate and support the monitoring and evaluation activities of their Missions and Offices. This system should incorporate the Bureau's information requirements into Mission or Office evaluation activities to the extent possible, support special evaluation studies, and provide guidance and assistance to Missions and Offices.

To ensure that adequate monitoring and evaluation is part of all A.I.D. -funded development activities, it is Agency policy that final planning documents for projects and programs must include an information plan specifying the data collection, monitoring, and evaluation activities to be conducted during implementation as well as the level of resources and other arrangements necessary to implement the information plan.

To ensure that adequate use is made of previous Agency experience and lessons learned, A.I.D. requires that relevant evaluation reports and special studies be reviewed as part of the design of new activities and that the documentation for new activities (e.g., Project Papers, Program Assistance Approval Documents [PAADs]) cite the reports used and indicate how the new activities have applied past experience in their design. In short, monitoring and evaluation, and the collection and analysis of empirical data, are to be an integral component of projects and programs and a key element in the management system for all A.I.D.-funded development activities.

2. ROLES AND RESPONSIBILITIES IN A.I.D.'s EVALUATION SYSTEM

SECTION SUMMARY: Responsibilities for monitoring and evaluation are divided between A.I.D./Washington Bureaus and their respective Missions or Offices. This division of responsibilities corresponds to the decentralized management system of the Agency. Missions and Offices are primarily responsible for the planning and implementation of monitoring and evaluation activities. A.I.D./Washington Bureaus are responsible for coordinating evaluation work among their Missions or Offices; conducting evaluations to meet Bureau information needs; providing guidance, standards, and assistance; and integrating Bureau information needs into Mission or Office evaluation work. This section describes the responsibilities of A.I.D. officers for monitoring and evaluation activities.

2.1 USAID Missions: Requirements

1. USAID Missions are to establish and maintain a monitoring and evaluation system that complies with Agency standards and requirements for using information in the planning and implementation of development programs and projects.
2. The Mission Director has responsibility for organizing and supervising the operation of the Mission's monitoring and evaluation system and for ensuring that sufficient funds and staff time are made available so that this system provides adequate information on a timely basis to guide project and program management decisions.
3. A Mission Order describing the organization and assignment of responsibilities for the Mission's monitoring and evaluation system is required.
4. The Mission must incorporate both project-and program-level information needs in

an Annual Evaluation Plan. The Annual Evaluation Plan covers a 2-year period (i.e., a 2-year rolling plan, updated annually). Funding for project information plants, including estimated evaluations, should be included in project budgets, and funding for special studies should be specified in the Annual Budget Submission.

5. The Mission's monitoring and evaluation system must include Mission review of evaluation findings and follow-up on actions to be taken in response to evaluation recommendations.

6. The Mission's monitoring and evaluation system should ensure that new projects incorporate (1) Information Plans specifying the collection of empirical data related to project objectives and (2) the application of relevant experience in their design.

7. To the extent possible, the Mission will encourage the participation of host country counterparts in evaluations of A.I.D.-funded activities.

2.1.1 Mission Director

The Mission Director has ultimate responsibility for sound monitoring and evaluation of projects, assessment of the Mission's program, and compliance with Agency monitoring and evaluation requirements. This role is part of the Mission Director's accountability for proper management of U.S. development assistance. In this regard, Mission Directors are instrumental in setting the standards and practices within Missions for using monitoring and evaluation as a management tool. They should participate as fully as their schedules permit in the planning and review of evaluations, particularly as these activities relate to the issues and questions to be addressed and the follow-up actions to be taken. Typically, the Mission Director delegates responsibility for managing the Mission's monitoring and evaluation system to the Mission Evaluation Officer.

2.1.2 Mission Evaluation Officer

The Mission Evaluation Officer works with other Mission staff in carrying out the following responsibilities:

- Developing the Mission's evaluation system (if necessary), formalizing the system in a Mission Order, and implementing the procedures of that system
- Promoting the use of previous A.I.D. experience, available in PPC/CDIE and other A.I.D./Washington Offices, for the planning, review, and approval of new projects and programs
- Preparing the Mission's Annual Evaluation Plan, incorporating project and program information needs into the plan, integrating the Evaluation Plan into the Mission Action Plan or Annual Budget Submission, and ensuring that sufficient funding is included in the Annual Budget Submission for upcoming evaluations and special studies if their costs exceed the funds budgeted in the projects involved
- Tracking the scheduling and implementation of evaluations, based on the Annual Evaluation Plan
- Assisting Project Officers to design or revise the Information Plans of projects
- Assisting A.I.D. officers with the writing of the scopes of work for project evaluations and with other aspects of the evaluations process as needed (e.g., team member selection, Team Planning Meetings)
- Scheduling Mission reviews of evaluation findings and recommendations
- Ensuring that the A.I.D. Evaluation Summary is completed and submitted to the appropriate A.I.D./Washington Offices for all evaluations
- Following up on all actions to be taken in response to evaluation recommendations to

- ensure that they are implemented
- Maintaining and circulating within the Mission evaluation findings and lessons learned
- Serving as the liaison between the Mission and A.I.D./Washington Evaluation Offices and between the Mission and host country evaluation offices and encouraging their participation in A.I.D. evaluations.

2.1.3 Project Officer

The evaluation responsibilities of the Project Officer include managing the evaluation procedures rather than actually participating in evaluation (the exceptions being ongoing evaluation utilizing the project's information system and internal, process evaluations). It should be recognized that many Project Officers lack some of the technical skills needed for designing a project information system or for planning interim and final evaluations. The Mission Evaluation Officer should be able to provide assistance or suggest the type of expertise needed, such as an information or evaluation specialist. The monitoring and evaluation responsibilities of the Project Officer may require outside assistance, and A.I.D. encourages the use of such specialists when needed. The important point is that the Project Officer ensures that project information systems and evaluations are designed and implemented to provide information useful for management purposes.

2.2 Regional and Central Bureaus: Requirements

Regional and central Bureaus are responsible for managing the monitoring and evaluation of centrally funded projects and programs supported by the Bureau. Regional Bureaus have additional responsibility for coordinating Bureau information needs with the monitoring and evaluation plans of their Missions, and for backstopping the Missions' monitoring and evaluation activities. These tasks are the responsibility of the Bureau Evaluation Officer, whose administrative and support functions are analogous to those of the Mission Evaluation Officer.

In general, the Bureau Evaluation Officer maintains the overall schedule and plan for the Bureau's evaluation activities. Much like the Mission Evaluation Officer who coordinates program- and project-level information requirements within the Mission, the Bureau Evaluation Officer coordinates Bureau information needs with Mission and Office Evaluation Plans. In some cases, this requires including specific categories of information in upcoming evaluations planned by several different Missions or Offices. When Bureau requirements cannot be met through Mission or Office evaluation activities, the Bureau Evaluation Officer is responsible for recommending and, in some cases, managing special studies or assessments. These matters are resolved during the annual evaluation planning process.

Although specific responsibilities vary according to Bureau operations and information requirements, the Bureau Evaluation Officer performs the following tasks:

- Establishes Bureau evaluation policies and procedures consistent with Agency requirements and covering staff roles and responsibilities
- Identifies evaluation-related issues (e.g., use of experience) for A.I.D./Washington review and approval of key programming documents (e.g., CDSS, Central Program Strategy Statement [CPSS], Action Plans, Project Identification Documents, Project Papers, Program Assistance Approval Documents [PAADs])
- Provides guidance on monitoring and evaluation to the Mission or Bureau Offices
- Reviews Mission or Office Annual Evaluation Plans and recommends modifications or additions of evaluative studies if needed
- Prepares the Bureau's Annual Evaluation Plan. This plan describes how Bureau-level

management issues and concerns will be addressed through the evaluations planned by Missions and Offices and through other evaluation studies and assessments to be carried out directly by the Bureau as needed.

- Works with Bureau project and program offices and Missions to incorporate evaluation findings and information systems in the design of new development activities
- Synthesizes and disseminates evaluation findings to the Bureau and Missions
- Monitors Mission and Bureau evaluation performance, tracks scheduling and completion of evaluations, and ensures proper submission of the evaluation report and A.I.D. Evaluation Summary (in central Bureaus, the A.I.D. officer sponsoring the evaluation is responsible for completing the A.I.D. Evaluation Summary)
- Provides guidance and assistance on monitoring and evaluation issues and assists the Bureau and Missions to obtain specialists and evaluators
- Reviews selected evaluation scopes of work and reports on soundness and compliance with Bureau and Agency standards
- Sponsors workshops and training for A.I.D. staff and counterparts concerning the use of monitoring and evaluation by project and program managers.

2.2.1 Center for Development Information and Evaluation

Although the decentralized organization of A.I.D.'s evaluation system corresponds to the management structure and information needs of the Agency, several evaluation-related activities require a central evaluation office. Studies of sectoral or cross-cutting development issues, the summarization and dissemination of experience and lessons learned in these areas, and broadly applicable monitoring and evaluation guidance have utility for the entire Agency. To address these matters, A.I.D. established the Center for Development Information and Evaluation in the Bureau for Program and Policy Coordination (PPC/CDIE). CDIE works with other Bureau and Mission Evaluation Officers and supports evaluative studies designed to provide practical information to A.I.D. and other development managers. CDIE's specific responsibilities include the following:

- Synthesizing and disseminating A.I.D.'s development experience and lessons learned to the Agency, host countries, and the development community
- Making available documents, reports, evaluations, and other pertinent data on previous A.I.D. projects and programs
- Providing the statistical data needed by the Agency and for reports to Congress about A.I.D. program activities
- Conducting special studies requested by senior A.I.D. managers, especially the Administrator
- Conducting special evaluation studies on the effectiveness and impact of A.I.D. programs and projects to provide useful information for the planning of similar development activities
- Ensuring that guidance is issued to Missions and Bureaus for the preparation and submission of Annual Evaluation Plans, and recommending consideration of specific cross-cutting issues during evaluation
- Providing guidance, standards, and technical advice for the Agency's monitoring and evaluation system, drawing from current evaluation methods and techniques those that are most applicable and effective in meeting A.I.D.'s various information requirements
- Reviewing evaluation reports, other pertinent programming documents, and evaluation planning and reporting practices and making recommendations as necessary to

- promote A.I.D.'s use of evaluation as a management tool
- Collaborating with Bureau and Mission evaluation Officers to assist them to perform their responsibilities as effectively as possible

3. A.I.D. EVALUATION PROCEDURES

SECTION SUMMARY: A.I.D. evaluation procedures call for the development of an annual evaluation plan, the use of evaluation findings in the development of new projects and programs and the inclusion of an information plan in the design documents. A.I.D.'s evaluation procedures call for the use of a variety of evaluation forms including, ongoing evaluations, interim evaluations, project assistance completion reports and ex post evaluations.

3.1 The Annual Evaluation Plan

A major responsibility of the Evaluation Officer is to prepare the Mission's Annual Evaluation Plan. The purpose of the Annual Evaluation Plan is to ensure that the information needed by managers is available for project and program decision-making. A large part of the Annual Evaluation Plan concerns the scheduling of specific project evaluations. But it is equally important that the information needed for program and sector strategy planning be considered when developing the Annual Evaluation Plan. Working with other Mission staff, the Evaluation Officer should identify the types of data and analysis required and determine whether these should be obtained through project, multiproject, or other evaluation studies.

To the extent possible, project evaluations should be used to meet program-or sector-level information requirements. However, it is unlikely that Project Officers will include program or sectoral information needs in project-supported data collection activities without guidance on what these higher level requirements are. In this regard, the Evaluation Officer plays a key role in bridging the gap between program information needs and project-supported data collection and analysis. The Evaluation Officer is responsible for providing the necessary coordination. The Annual Evaluation Plan should clarify which program-or sector-level information needs will be met through project evaluations.

Certain program-and sector-level information needs cannot be addressed through individual project evaluations and will require the conduct of special studies of assessments. These studies should also be specified in the Annual Evaluation Plan.

In addition to providing a coherent plan the Mission, the Annual Evaluation Plan serves as a basis for discussions with A.I.D./Washington during the review of the Mission Action Plan. Similar to the need to coordinate program and project information needs within the Mission, information needs of senior A.I.D./Washington managers have to be incorporated into the Mission's evaluation work to the extent possible. The Annual Evaluation Plan provides an important mechanism for this.

The Annual Evaluation Plan consists of (1) a rolling 2-year schedule listing upcoming evaluations and (2) a brief description of the main issues and reasons for the evaluations planned (e.g., what upcoming decisions will be informed by the evaluation). A discussion of how evaluation results are being used is integrated into the Action Plan narrative.

3.2 Using Past Experience in Designing New Activities

A.I.D. requires the use of relevant past experience in the design of new activities, and evidence in the design document that the designers have considered and applied this experience.

Information on the effectiveness and experience of specific project and program approaches of A.I.D. and other donors is increasingly documented and available. A.I.D. officers and counterparts should build on this experience. Bureaus and Missions with delegated authority to approve new activities should ensure that design teams draw on relevant previous experience is taken into account in elements of the design, and cite specific sources used. Bureaus and Mission should include this requirement as a standard issue for discussion during reviews preceding approval of new projects. Missions can request available material on specific pertinent experience of A.I.D. and other donors from their Bureau and from the Bureau for Program and Policy Coordination, Center for Development Information and Evaluation (PPC/CDIE) for consideration by design teams and counterparts.

3.2.1 Incorporating an Information Component in Project Designs

A.I.D. requires that all projects include an information component (Information Plan) that will provide the data necessary for adequate monitoring and evaluation during implementation. This component should provide timely information to managers on progress and effects, to support improved project performance.

Past experience indicates that the best way to ensure that data for monitoring and evaluation are collected and analyzed is to integrate data-related activities into the overall design and, in particular, into the project's management plan. In other words, data collection and analysis should be treated as a project component. Therefore, A.I.D. requires that all activities (e.g. projects, nonproject loans and grants) include an Information Plan that describes how managers will obtain the types of data they require for monitoring and evaluation during implementation. The Information Plan should enable managers to obtain timely, rapid feedback data on interim effects as part of project monitoring (ongoing evaluation), rather than limiting the collection and analysis of such data to a one-shot evaluation exercise. The detail of the Information Plan depends on the nature of the particular development activity. More comprehensive plans are needed when the project is

- A core activity within the Mission's, portfolio
- An experimental effort (e.g., pilot projects)
- A long-term, multiphase effort requiring several interim evaluations
- Likely to have a significant impact on a large number of beneficiaries or has the potential for producing additional positive or negative effects difficult to predict during the initial design
- Likely to have important implications for other aspects of the U.S. development program (e.g., policy dialogue)

3.2.2 Project Paper

The Information Plan for Project Papers and similar program design documents (e.g., PAADs) should cover the following topics:

- **The users of the information.** List host country, borrower or grantee organization, USAID Mission, A.I.D./Washington, and other users.
- **Principal objectives and other issues that generate the information requirements for the project.** Describe the purpose, goal, and overall program objectives of the project as presented in the Project Paper or similar document.
- **Priority information needs.** List key decision points and corresponding management questions that must be addressed during implementation.
- **The management information system (MIS) .** Discuss (1) key variables or indicators that will be tracked periodically to address management's needs and (2) data sources

and/or data collection methods that will be used (e.g., administrative records, rapid low-cost surveys and case studies, special studies).

- **Host country participation.** State which implementing agencies will be involved and discuss their existing institutional capability for data collection and analysis, training and technical assistance needs, and other institutional arrangements or organizational changes involved with implementing the Information Plan.
- **Operation of the MIS.** Describe the flow of information from data sources to managers, taking into consideration data processing and analysis requirements, data presentation of formats for use by nonspecialists (i.e., managers), time constraints, and feedback from management about needed improvements to the system.
- **Budget.** (1) Include A.I.D. funding necessary to implement the Information Plan as a line item in the overall project budget. A detailed budget for the information component should cover short- and long-term technical advisers; in-country and third-country training costs; commodities (e.g., computers, supplies, furniture, vehicles); and anticipated needs for non-A.I.D. evaluators to be funded from the project. The budget should include some contingency funding for information requirements likely to arise during implementation. (2) Specify host country contribution, including staff, office space, and other operating expenses for monitoring and evaluation activities.
- **Estimated evaluation requirements.** (1) Estimated timing schedule for evaluations: Prepare a schedule to ensure that findings and recommendations are available to managers prior to major anticipated decision points. (2) Type: Specify whether interim evaluations will be internal, process evaluations conducted primarily by project staff or external evaluations conducted primarily by nonproject staff (e.g., short-term contractors). (3) Data requirements for the evaluations: State the types of data that will be needed and who has responsibility for providing the evaluations with the types of data they will need.

3.3 Forms of Evaluation

A.I.D.'s monitoring and evaluation system includes a number of different activities to generate necessary information. Some are built into the design of the project as part of the management information system, whereas others are conducted as needed. The following describes the monitoring and evaluation activities that A.I.D. supports.

3.3.1 Ongoing monitoring and evaluation.

A.I.D. requires that the information component included in all projects obtain the types of routine data needed by management to track implementation progress, performance, and interim effects. This includes financial accounting data, levels of inputs and outputs and a limited number of key indicators that measure the main objectives of the development activity. (In the case of projects, for example, these objectives are identified at the output, purpose, and goal levels of the Logical Framework.) Administrative or operational records, small-scale surveys, and rapid, low-cost studies are the most common sources of data for ongoing evaluation.

3.3.2 Interim evaluations

Interim evaluations are typically conducted for the following reasons:

- To resolve issues that were identified during the initial planning process but could not be resolved until implementation had proceeded to a specific stage

- To find solutions to major or persistent problems affecting implementation
- To review actual versus planned progress toward the outputs, purpose, and goal of projects
- To review progress to date as required by phased of performance disbursement designs for decisions about continued funding or design modifications
- To reassess the relevance of project objectives to the host country's and A.I.D.'s development program of strategy
- To facilitate or promote policy dialogue
- To improve the efficiency or reduce the costs of project activities
- To review assumptions made during project design and determine their continued validity
- To estimate the short-term effects and the probability for sustained impact of the project
- To document factors accounting for success or failure.

There are two types of interim evaluation: internal, process evaluations that are performed primarily by project staff, and external evaluations that involved outside specialists to provide additional insight into the problems or issues being evaluated.

3.3.3 Project Assistance Completion Report and final evaluations

A Project Assistance Completion Report (PACR) is the required for all projects. The A.I.D. officer who closes out the project should summarize the final level of inputs and outputs provided through the activity, end-of-project status regarding achievement of objectives (using data from ongoing and interim evaluations), an estimate of the sustainability of development accomplishments, and lessons learned from this particular project as guidance for future similar development activities.

Some projects require a final evaluation that examines the same topics as those covered by a PACR, but in much greater depth by external evaluators and in relation to the issues and questions posed by the sponsor. Final evaluations are required when a follow-on activity is anticipated to a project nearing completion. In all other cases, unless the Bureau needs information on key issues or questions that require a final evaluation, the Mission or Office has the option of deciding whether to conduct final evaluations. For example, when a significant amount of information useful for planning future development activities could be obtained from a final evaluation, or when the evaluation process itself would promote or facilitate policy dialogue, then the evaluation is justified. The requirement for a PACR may be waived if a final evaluation is conducted.

3.3.4 Ex Post evaluations

Ex post evaluations are conducted after project completion and typically focus on the effects and impacts—both positive and negative—produced by the activity on the intended beneficiaries. Particular attention is given to the economic, social, and political factors that facilitated or impeded the development impact and the sustainability of the improvements resulting from the project.

The Impact Evaluation Series sponsored by PPC/CDIE examines a set of identical or similar projects (e.g., small-scale irrigation, potable water, rural roads) in a number of different countries. The series provides comparative information about sectoral or cross-cutting development issues that can improve future planning of similar projects.

4. PLANNING INFORMATION/EVALUATION

SECTION SUMMARY: This section discusses steps that should be taken during project design to ensure that projects generate the data that managers need. It sets forth a step-by-step approach, based in part on lessons learned from past experience, for designing a project information system.

4.1 A Step-by-Step Approach for Designing a Project Information System

What should the monitoring and evaluation system be designed to do? Ideally a monitoring and evaluation system should be created as part of the project's administrative structure. The major function of the system should include the following:

- Regular analyses of administrative data on select indicators of project progress and performance (this is sometimes called "performance monitoring")
- Planned or ad hoc studies on key management or impact questions
- Procedures for timely feedback of both types of information to managers.

4.1.1 Information Specialist

A first step that should be taken by Mission staff is to designate an individual to develop a data collection, monitoring, and evaluation system. This person can be a member of the design team or a Mission staff member who works with the design team. In some cases, it may be useful to employ special expertise. In most cases, this individual should have experience with alternative data collection methods: informal surveys, case studies, content analysis of administrative records, or related nontraditional methods.

The specialist's primary tasks are (1) to develop a system that is an integral component of the project—a component fully negotiated with the host government and adequately funded—and (2) to prepare the data collection, monitoring, and evaluation plan for the Project Paper.

4.1.2 Identifying Manager's Questions

An effective information system cannot serve everyone connected with the project. Therefore, the specialist must identify the priority users and their information needs. The key information users for most A.I.D.-assisted projects would probably be the following:

- Counterpart field staff who need to know regularly "how they are performing"
- Counterpart administrative and planning staff who need program data for planning purposes
- A.I.D. project and program officers and senior management in the Missions who need progress and performance data for implementation decisions.

The involvement of these groups in defining information needs is critical from design through implementation. In the absence of users' involvement, the task of defining information needs is often left to the "experts." "This is frequently the beginning of the end; the information specialist designs the system in a vacuum and it ends up being irrelevant from the standpoint... of the users" (A.I.D. 1979, Vol. I, 62). For example, for an information system established in a Southeast Asian country, managers asked the experts to tell them what information they needed. As a result, data on over 1,000 variables were collected, far more than could ever be analyzed or used.

4.1.3 Clarifying Project Goals, Purposes, Inputs, and Outputs

A main advantage of a monitoring and evaluation system is that it allows for a continual analysis over time of trends toward achievement of goals and purposes (as well as inputs and outputs). The point is not to see goal or purpose achievement at any one point in time but to observe trends to ensure that reasonable movement in the proper direction is taking place. To do this, it is important to know very specifically what should be changing. Observing movement, regardless of how it is measure, becomes an impossible task if goal and purpose statements are vague or confusing.

Thus, the specialist should confer with A.I.D. and counterpart staff to ensure that the goal(s) and purpose(s) are well-defined and to offer ideas for clarification if they are not. The following points should be kept in mind.

Goals and purposes should be stated as results, not as activities. For example, the prominent feature of many family planning projects is "dissemination of contraceptives." This, however, is the prime activity which should contribute to the result of "births averted" or "reduced fertility rates." For agricultural projects, "training agricultural extension agents" is the activity leading to the result of "increased agriculture production" or "increased farmer income."

A helpful procedure for stating goals and purposes as results is to write a statement describing the problem that the project will address. Then invert the problem statement into a new statement that presents a solution. For example:

- **Problem statement:** Population growth will outrun domestically produced cereal grain supply in a few years.
- **Inversion:** Increase domestic production of cereal grains to meet the needs of growing local population.

Goals and purposes should be stated as explicitly as possible. Goal and purpose statements should be explicit with respect to what is to change, magnitude of change, benchmarks or target dates for change, and target area or audience that will experience change. For example, a vaguely written goal/purpose statement such as the following:

Increase agriculture productivity can be transformed into the following more explicit statement:

Increase domestic production of rice from _____ metric tons in 1982 to _____ metric tons in 1986 in the northwestern province.

Although such specificity is an ideal and will not be possible for every project, the specialist should attempt to be as specific as possible concerning the four areas identified above.

4.1.4 Identifying Manager's Questions

To help managers identify their questions, the evaluation specialist should meet with as many of them as possible to discuss their information needs. This is perhaps one of the most difficult tasks of all. First it is usually impossible to meet with all the intended "users." Second, helping to identify the information managers' needs is often a very trying experience. Although most people have some model of assessment that they use to make decisions, it is often implicit and based on intuitive processes that are difficult to articulate.

There are some things, however, that the specialist can do to help managers articulate their information needs. The first is simply to talk with them about their role in the project. What specifically do they do daily or weekly that relates to the project? What are they responsible for? How do their decisions affect the project? What do they hope to see achieved by the project? What their concerns? What do they find most interesting in the project? What are the areas of the project about which they have uncertainties?

These questions serve two purposes. First, they help managers focus on their project roles, responsibilities, and functions. Second, by understanding managers' roles, the evaluation specialist is better equipped to help the managers articulate the decisions and actions to be taken throughout the life of the project and identify the information needed for those decisions.

In helping managers identify their priority questions, the specialist may find considerable overlap among questions. This will help pare down the number of questions to be investigated over life of the project.

Managers' questions concerning output, purpose, and goal achievement usually fall into two major categories. First, most managers will want to know **what is happening**. For example:

- **Inputs/outputs.** Are inputs and outputs falling into place or being achieved as planned?
- **Purpose.** To what extent is the project purpose being achieved? Are inputs/outputs contributing to purpose achievement? What are the short-term effects on beneficiaries? What has been the incidence of benefits? What have been the project trends with respect to institution building and service delivery?
- **Goals.** To what extent will the project goals be achieved? What has been the impact of the project?

Second, for each of these categories managers may also want to know **"why and how."** They may want to know why and how output, purpose, or goal achievement is or is not occurring as planned.

It may be useful to ask the following to guide the selection of managers' priority questions: (1) What are the major areas of **uncertainty** about inputs and outputs and the likelihood of purpose/goal achievement? (2) What are the major **decisions** which might have to be made during implementation for which information is needed for informed decision-making?

The design process of a data collection, monitoring, and evaluation system for an A.I.D. agricultural project in the Caribbean included a very useful approach for identifying managers' questions. Project managers from the three organizations which would be involved in the project—A.I.D., the implementing agency, and the local university—attended a 2-day workshop during the design phase. The purpose of the workshop, conducted by the design team monitoring and evaluation specialist, was to identify managers' priority questions. Apparently the managers identified useful and relevant questions for data collection. This approach may be more useful than simply having the specialist interview individual managers. A workshop provides a forum for debate and facilitates the building of a consensus on key management and impact questions. This is not possible in one-on-one interviews with numerous managers.

4.1.5 Identifying Key Indicators and Administrative Data to Answer Managers' Questions

Many host country implementing agencies collection an abundance of data through administrative records. Some of these records may contain valuable information on indicators of progress and performance. However, many are simply routine reports which often pay little attention to project implementation and negligible attention to evaluation of impact, tending ritually to record statistics of trivial planning value (e.g. statistics on finance management and attainment of physical targets).

Regular analysis of administrative data is particularly valuable when managers want information on trends or changes in a specific condition or phenomenon over the life of the project. Many, but not all, managers' questions about project implementation progress and

performance can be answered by observing a specific indicator over time. For understanding the progress of a development project, it is most helpful to receive information on the indicator regularly throughout project implementation. This is sometimes referred to as time-series data reflect changes in project conditions and assist managers in understanding progress and performance trends.

The specialist's first task is to identify a select number of critical indicators of progress and performance that address managers' priority questions. Then the specialist must examine existing administrative data to determine if they adequately provide the needed information on these indicators. If not, the specialist will have to work with counterparts to modify the approaches and formats for data collection.

Ideally, more focused, limited, and useful administrative data will be the result. Some administrative data can be analyzed and used on the spot by field staff and then forwarded to the monitoring and evaluation unit for further analysis. The results of the analysis will then be provided to the previously identified users.

To identify appropriate indicators, it is useful to examine each question managers have in terms of the "pieces of information" that could help provide the answers. The pieces of information are the indicators. For example, a manager might ask, To what extent has progress been made in providing more reliable water service? In selecting appropriate indicators, the specialist would try to identify what constitutes "reliable water service": for example, fewer breakdowns, quicker service when breakdowns occur, increase in the number of days that the water schemes are functioning, more frequent water-quality tests, and more dependable water quality. This grouping is easily turned into the following list of indicators:

- Total number of breakdown during a 6-month period
- Average number of days of each breakdown
- Average number of days that schemes function without a breakdown during a 6-month period
- Average number of water-quality tests conducted per scheme during a 6-month period
- Percentage of tests conducted that indicates acceptable water quality

In addition to identifying indicators and determining the usefulness of existing administrative data and data formats, the specialist will have to work out the following:

- Procedures for and frequency of data collection (which agency staff should fill out the forms, how frequently they should send them to the monitoring and evaluation unit)
- Locus of responsibility and procedures for feedback of analytical results to managers and the planning unit (e.g., a monthly report, a biannual presentation of analysis results by monitoring and evaluation staff, an annual conference or workshop).

4.2 Selecting Other Appropriate Methods to Answer Managers' Questions

Mission and counterpart staff may decide that certain priority questions require more intensive investigation over the life of the project. They will then have to select appropriate methods for answering these questions.

To better understand how methods and approaches can be combined to answer managers' questions, one must first review the various methods and approaches and the circumstances under which they might be selected.

4.2.1 Methods of Data Collection

The major data collection methods are as follows:

4.2.2 Census and sample surveys

Census and sample surveys differ in that the former requires a complete enumeration of all the units in a population, whereas the latter uses a randomly drawn representative sample, from which researchers generalize about the whole population. Sample surveys are therefore more economical than are censuses.

Well-designed and efficiently administered sample surveys can provide rich, quantitative data on a variety of subjects of significance to a project. They can help researchers to identify the characteristics of the target populations or its subgroups and their needs and requirements. Moreover, sample surveys can provide data about the effectiveness of the intervention to assess its overall effects.

The usefulness of surveys does not necessarily depend on a large sample size or the coverage of numerous variables. In fact, a small sample survey based on a modest sample and having a few variables can often be as effective and useful as a larger one.

4.2.3 Participant observation

This method requires that the researcher(s) stay in the field and directly observe the phenomenon under study. The researcher lives like a member of the observed group or organization, trying to experience reality as they do. In addition, the observer conducts formal and informal interviews and gathers secondary data. The participant observation method provides deep insights that might otherwise be overlooked. An advantage of this method is that the findings and conclusions are empirically grounded. Although participant observation may be time-consuming, it can generate useful interim information.

4.2.4 Case studies

Case studies are designed to provide an in-depth analysis of select phenomena by tracing events over a defined period of time. This method enables researchers to look at a particular event, organization, or intervention in its broad historical context through the use of records and documents, formal and informal interviews, and direct observation. Case studies are useful for examining delivery systems or the institutions built under the auspices of an intervention. Often, a single case study is not useful. The ideal course is to conduct a series of related or comparative case studies for categorizing experiences and drawing relevant generalizations.

4.2.5 Rapid, low-cost approaches

This broad category includes a range of data gathering techniques which can generate needed quantitative or qualitative information with a modest investment of human resources and within a relatively short time span. For practical purposes, these techniques can be conceived of as methods which provide data and information within 1 to 6 weeks with a staff of one to three professionals.

4.2.6 Secondary methods

Secondary methods use existing data (e.g., census data, clinic records) that were collected for other purposes as the basis for new analyses. Secondary methods can be used whether the original data were collected with survey or case study methods. Using secondary methods is nearly always less expensive and quicker than collecting primary data and should be considered when the data seem appropriate for meeting the manager's information needs.

4.3 Developing Feedback Procedures

Inclusion of a feedback mechanism is what distinguishes an effective information system from pure research. In developing the overall information system, the specialist, A.I.D., and

counterparts must give considerable thought to how this mechanism will work. It is the link which transforms evaluative studies into an information system for improving performance.

In many situations, however, even though a feedback mechanism exists, the feedback itself is useless. Effective feedback requires relatively sophisticated analytical capabilities that can turn raw data into action-oriented reports for management. However, many monitoring and evaluation units lack the analytical capabilities for interpreting key data, for summing up critical findings in the context of goals and purposes, and identifying action-oriented recommendations.

Given that limited capability for well-focused interpretation and analysis is a major management shortcoming in many developing (and developed) countries, perhaps the key task of an expatriate adviser and designated counterparts should be the preparation of periodic reports which document progress and performance (based on analytical results) as they relate to broader goals and purposes. Thoughtful, analytical reports would create a powerful demand for data throughout the life of the project and would enhance data use for decision-making.

In addition to designating expatriate and counterpart staff who are specifically responsible for ensuring meaningful feedback, other steps to enhance feedback might include the following:

- Establishing a project planning committee (composed of key members of the planning unit and the monitoring and evaluation unit) to meet at regular intervals to review feedback reports and their implications for project management
- Ensuring that timeliness and quality of feedback are evaluated routinely as part of annual project assessments and management reviews
- Including in project covenants an outline of procedures for reporting analysis results to counterparts and A.I.D.

5. PLANNING AN EVALUATION

SECTION SUMMARY: Managers must determine when interim, final, or ex post evaluations are needed to address problems and issues that are beyond the scope of ongoing evaluation. The frequency of interim evaluations and the need for final evaluations will depend on the nature of the activity and management's need for information. The major factor in determining when to evaluate is the need for evaluative information to guide key upcoming decisions about the future implementation of the project or program. Another major factor in determining when to evaluate is the contribution of the evaluation process itself to improved communication and policy dialogue with A.I.D. recipients during key junctures in implementation and program development.

5.1 When to Evaluate

5.1.1 Initially Estimated Evaluation Requirements

The Information Plan for A.I.D. projects should estimate when key decision points will occur during implementation. These decisions usually concern the future implementation of the activity and modifications to improve project performance. For example, in many projects, certain components cannot be fully planned during the initial design and are intentionally left as issues to be resolving later. After 2 or 3 years of implementation, an interim evaluation would be a useful way to deal with these issues, in effect completing the initial project design. Another critical decision point that can be anticipated during the design of the project is the

need for evaluation when follow-on activities are likely, such as in multiphase projects. Similarly, key decision points that require evaluative information occur periodically in performance disbursement designs, such as policy reform programs.

For these critical junctures in the project, managers will often need additional information or assistance from outside specialists available through an evaluation. As described above, the Information Plan for a project should estimate the requirements for periodic evaluations drawing on the data generated by the project.

5.1.2 Decisions Based on Implementation Progress

The Information Plan for a project provides only a tentative schedule for evaluations, whereas the actual course of implementation should determine when evaluations are actually needed. In some cases, the Information Plan may have correctly estimated when an interim or final evaluation is needed. But any number of unanticipated events can alter the pace of implementation and management's need for information, thus delaying or accelerating the evaluation schedule.

Moreover, an effective management information system should surface issues and problems for managers. In many instances, information to resolve these questions can be obtained through short surveys or rapid, low-cost studies that could not have been predicted in the initial information plan but which are necessary for ongoing evaluation. In other instances, the information needed may require an interim evaluation. Another possibility is that for program purposes, senior Mission or Office managers determine that an evaluation of a particularly important project may provide useful information for program or sector strategy planning. In short, managers must determine when to evaluate based on their current need for information.

5.2 What to Evaluate

After the decision has been made to conduct an evaluation, the A.I.D. Project Officer (or other officer assigned responsibility for the evaluation) must develop a clear statement of work for the evaluation team. Specifying clearly and exactly the questions to be examined by the evaluation and answered in the evaluation report is critical. These questions depend largely on the type of project to be evaluated, its stage of implementation, and the issues or problems that need to be resolved. However, A.I.D. requires that evaluations examine several broad concerns that are applicable to virtually any type of development assistance. These are the following:

- **Relevance.** Are the development constraints the project was initially designed to address major problems that are germane to the current development strategies supported by A.I.D.?
- **Effectiveness.** Is the project achieving satisfactory progress toward its stated objectives?
- **Efficiency.** Are the effects of the project being produced at an acceptable cost compared with alternative approaches to accomplishing the same objectives?
- **Impact.** What positive and negative effects are resulting from the project?
- **Sustainability.** Are the effects of the project likely to become sustainable development impacts—that is, will they continue after A.I.D. Funding has stopped?

These issues help focus evaluations on the major concerns of development managers. They force evaluators to go beyond mere examination of inputs and outputs and think about the more important questions of why the project is or is not having anticipated effects, what can be done improve the overall performance of the activity, and what can be done to ensure that this investment produces enduring benefits. Attention to these issues makes the evaluation

process useful in promoting policy dialogue.

5.3 Who should Evaluate

The nature of the activity and the focus of the evaluation questions should determine the composition of the evaluation team. In general, an evaluation team requires technical specialists as well as at least one evaluation specialist. A.I.D. strongly encourages the use of multidisciplinary teams. A social scientist with field research experience or a management specialist with development project experience can often serve as the evaluation specialist.

To avoid conflicts of interest, final or ex post evaluation teams must be composed entirely of individuals with no previous connection (from initial design through implementation) with the activity being evaluated. This includes both U.S. and host country personnel. Combining project staff with outside evaluators is encouraged for interim process evaluations. Outsiders working with project staff can quickly "get up to speed" on the objectives and present status of the project. Project staff benefit from the disinterested perspective outsiders bring to the evaluation. This also adds to the perceived legitimacy of the evaluation and facilitates more rapid use of the findings and recommendations.

Including A.I.D. direct-hire staff on evaluation teams who are not associated with the project, either from other Missions or from A.I.D./Washington, and who have the necessary skills and experience specified in the scope of work is encouraged whenever possible. Their participation serves as a direct link to Agency operations, expediting the transfer of experience and lessons learned from the evaluation.

5.3.1 Trade-Offs Between Internal and External Evaluators

Someone from Inside

Advantages

- Knows the organizations, its program and operations
- Is not an adversary
- Has a greater chance of adopting/following up on recommendations
- Is often less expensive
- Is familiar with A.I.D.'s evaluation procedures
- Doesn't require time-consuming procurement negotiations
- Has more opportunity to build host country evaluation capability

Disadvantages

- May avoid looking for facts or forming conclusions that are negative or reflect badly on organization/individuals
- Tends to accept the assumptions of the organization
- Is usually too busy to participate fully
- May be constrained by organizational role conflict

Someone From Outside

Advantages

- May be free from organizational bias
- May bring fresh perspective, insight, broader experience, and recent state-of-the-art knowledge
- Is more easily hired for intensive work
- Can serve as an arbitrator or facilitator between parties

Disadvantages

- May not know the organization, its policies and procedures/regulations
- May be ignorant of constraints on feasibility of recommendations

- May be perceived as an adversary, arousing unnecessary anxiety
- May be expensive (unless contracted locally)
- Requires more time for contract negotiations, orientation, and monitoring
- Can't follow up on recommendations
- May be unfamiliar with local political, cultural, and economic environment

5.4 Host Country Collaboration

The Agency places considerable importance on making monitoring and evaluation a collaborative activity involving A.I.D.'s counterparts to the fullest extent possible. A major objective of U.S. foreign assistance is to strengthen host country institutional capabilities to carry out national development programs. The capability to collect and analyze useful data on a timely basis to guide decision-making is certainly a key component of such institution building. At the very least, it contributes to more effective planning and investment of development resources by the host country. Therefore, A.I.D.'s monitoring and evaluation activities provide an excellent opportunity for improving the capabilities of host country counterpart organizations to collect, analyze, and use data.

A cooperative approach to evaluation is also consistent with A.I.D.'s mode of operation in providing development assistance to a country. A.I.D.'s mandate is to work collaboratively with its host country counterparts. To do so requires a basis of mutual understanding and general agreement on which development activities represent the best investment of development resources. Once these activities are underway, agreement on the direction progress, and possible need for changes is equally important for effective implementation. A collaborative approach to monitoring and evaluation can contribute to this process by providing a common information base for A.I.D. and host country managers. Moreover, the findings of evaluation will have more credibility for host country managers if they have had a direct role in carrying out these activities. A.I.D. relies heavily on the cooperation of its host country counterparts to collect or make available the types of data necessary to meet requirements for adequate monitoring and evaluation of development projects and programs. This work is often performed by an appropriate office within the line ministry or host country agency responsible for project implementation. Certainly, routine data about levels of outputs, service delivery, operating costs, and other basic performance measures are often available only from the host country implementing organization.

The collaborative approach also has a major implication for A.I.D. and the host country at the planning stage. Data collection and analysis for monitoring and evaluation can quickly exceed the host country organization's existing capabilities for such work. Even though A.I.D. may provide technical assistance and training, the monitoring and evaluation requirements of projects and programs must be designed to fit within existing capabilities if participation and cooperation by the host country are to occur.

6. RECENT EXPERIENCE WITH DATA COLLECTION FOR

SECTION SUMMARY: A.I.D. has required much experience in evaluation over the past decade. Key lessons to be drawn from this experience include: most project designs have weak information components; complex surveys rarely meet the information demands of decision-makers; selective administrative data can be useful for tracking project performance; and low-cost rapid studies can effectively address the information needs of many managers. The general conclusion is that there is no one solution to design an information system.

6.1 Introduction: Information Gathering Strategies in A.I.D.

Over the years, A.I.D. has tried several approaches to make project data gathering and analysis more useful to managers. In the early 1970s, A.I.D. emphasized using the logical framework—or logframe—for analyzing project performance, and many evaluators then used the logframe to assess progress. However, these analyses frequently ended with an examination of inputs and outputs, with little or no mention of purpose and goal achievement. Many of these evaluations concluded that if inputs and outputs were achieved, the project could probably be called a success. This clearly was insufficient information for informed project decision-making. An indicator of evaluation inadequacy in the 1970s was the use of evaluations by A.I.D. managers for decision-making was extremely rare.

Based on this experience, the Agency began to seek ways to provide analyses of purpose/goal achievements to managers and at the same time find out what really happened to project beneficiaries. A wide-ranging series of “impact evaluations” was initiated in 1979 in a variety of sectors. These studies were designed to examine, in a short period of time, the question, “What difference has the project made to the beneficiaries? The studies showed that valuable lessons could be learned fairly quickly about a project’s effects on people. In some cases, impact evaluations were instrumental in providing useful data to project managers that resulted in important modifications that enhanced project effectiveness. In other cases, however, some of these evaluations lacked empirical data, as well as more rigorous analysis, and for this reason were less useful for management decision-making.

While the impact evaluations were underway, some Agency staff advocated using more traditional methodologies for assessing performance and impact. They criticized the impact evaluations for being “quick and dirty” and argued for more rigorous methods to gather empirical data on project effectiveness and impact. In contrast to “quick and dirty,” such approaches were at least “clean,” they insisted, albeit “slow.” Later, as discussed below, it became apparent that traditional methods were sometimes both “slow and dirty.”

This brings us to where we are today. The impact evaluations sensitized Agency managers to the value of timely information. The impact evaluation critics called attention to the value of empirical data for decision-making. Clearly we need to draw on both approaches—the efficiency of the impact evaluations and the empirical basis of more rigorous studies—to provide the information that managers need.

6.2 Lessons Learned

The lessons presented below, based on recent A.I.D. experience with data collection, suggest some answers to these questions.

6.2.1 A.I.D. Projects Not Designed To Generate Data

Most A.I.D. projects are not designed to generate useful, relevant, and timely performance data for project decision-making. In recent years, the single most common refrain of returning A.I.D. evaluation teams has been, “There were no data.” This has been an important finding of project evaluations in almost every major sector in which A.I.D. works. This means that many project managers do not have the kind of information they need for effective monitoring and management. Nor are there adequate data for documenting project effects and impact.

Why are there no data? A casual examination of A.I.D. Project Papers suggests one major reason: the absence of specific data collection plans. The Project Papers indicate that projects are simply not designed to generate data for decision-making.

6.2.2 Problems with Complex Surveys

Complex surveys and experimental designs may not be useful for A.I.D. project decision-making. Although complex studies and experimental designs may be useful in some instances, experience demonstrates that they are quite costly and often are not used for immediate project decision-making, nor even for future project design. These methods often take too long to obtain results (sometimes over 5 years), collect too much data, and gather data that are irrelevant to specific decision-making needs of managers.

Beyond the issues of data costs, relevancy, and timeliness, there are other problems associated with complex surveys and experimental designs: they are not necessarily more definitive than other approaches, and they cannot answer many of the questions A.I.D. managers have. Nevertheless, managers frequently consider only this method when they want information. However, experimental designs do not necessarily provide more clear-cut, unequivocal answers than do other methods due, in part, to the following.

Experimental designs are intended to provide causality. A major problem in using such designs to assess development projects is that extraneous factors constantly impinge on the study setting, making it virtually impossible to hold the research design constant over a long period. As a result, the ability to attribute change to the project and make definitive statements about impact diminishes. This observation has been made by several individuals who have conducted such studies for A.I.D. One observer comments that there will always be a tradeoff between accuracy and timeliness. He opts for timeliness and recognized that "there will always be some level of indeterminacy of analysis results.....While this indeterminacy is somewhat disturbing, our experience shows that comprehensive, full-blown studies which devote far greater resources for data-gathering and analysis also yield indeterminate results. An unambiguous result cannot be obtained through application of the rigorous experimental model".

Finally, experimental designs often overemphasize the usefulness of quantitative findings, to the exclusion of qualitative ones. Quantitative data can often tell managers what has happened (e.g., production has increased, nutrition status has improved) but not why and how. Quantitative analysis cannot answer many of the questions A.I.D. managers have—questions concerning institutional performance, the implementation process, participants' behavioral change, participants' quality of life, and unanticipated as well as anticipated project impacts. Exploratory and inductive methods are also needed to provide qualitative information and to examine these kinds of questions.

This lesson suggests that a data collection system must be designed to provide timely data to satisfy specific decision-making needs of project managers rather than the long-term research interests of academics or consultants. Accordingly, A.I.D. and counterpart managers should work with an information specialist during the design stage to identify the **minimum** data they need for effective project decision-making.

The lesson also suggests that an effective data collection, monitoring, and evaluation system should include a **combination of methods** for gathering both quantitative and qualitative data. The questions managers have about their projects should largely determine the method that is used to obtain answers. If managers want to know "what has happened," quantitative analysis may be appropriate. If they want to know "how and why," case study methods and qualitative analysis may be more appropriate.

6.2.3 Usefulness of Administrative Data

Appropriately selected and designed administrative records are an effective source of regular data for observing project performance. A 1982 study of six highly successful nationwide development programs found that four used **simple yet carefully designed**

administrative records to regularly assess program progress. Simple, one-page reports submitted monthly by local officials were quickly tabulated, and the results were shown to management. For example, for a family planning program in Indonesia, the report provided information on new acceptors, by methods and types of services provide, and on stock of supplies.

For each of the four programs, managers relied heavily on the data to track overall achievement and to flag situations in which achievements were below expectations. Field visits and cross-checks were used to minimize exaggerated claims; field visits also were used to gather additional information informally. The simplicity of the reporting programs was appropriate to the simplicity of the design of the programs: the programs all involved the mass delivery of a single service.

The author of the study commented that "the development of a small set of key indicators which reflected the progress of the program was [critical]Although the information system appeared to be simple and limited in the types of data sought, its design called for considerable sophistication. The identification and selection of the most relevant indicators inevitable called for a great deal of skill and understanding." He summarized his findings as follows: "Successful development programs utilize monitoring processes which are simple, yet speedy in terms of feedback. Their information systems make use of both formal and informal sources."

The focused use of administrative data in the four programs differs fundamentally from the indiscriminate use of routinely collected administrative data. The key to the focused approach is the active involvement of top management in designing the data system, to ensure that the data to be collected meet strategic information needs. In contrast, in the indiscriminate approach, management typically is not involved in designing the data system. As a result, managers are frequently flooded with masses of data that are routinely churned out by tradition-bound bureaucracies. In as much as the significance of the data for project or program performance is often unclear, management tends to ignore the data in decision-making.

Positive features of the focused use of administrative data include the following:

- **It is useful.** It provides information on selected key aspects of project performance over time and thus allows managers to observe trends in project performance.
- **It is practical.** It builds on existing host government structures, procedures, and data.
- **It is responsive.** Formats for some administrative records can be adapted during project implementation to reflect more accurately the information needs of top management.
- **It is simple and inexpensive.** No elaborate or expensive surveys are involved. Simplicity permits quick analysis of performance trends and rapid feedback.
- **It encourages institution building.** By using the data planning, collection, and analysis skills of the host country, it supports institutionalizing the host country's capability to perform these functions.

This lesson suggests that the information management specialist should work with counterparts during design: (1) to identify existing data collection procedures which provide information on key performance indicators and (2) to fine-tune these procedures as appropriate so that the data accurately reflect key aspects of project performance.

6.2.4 Usefulness of Rapid, Low-Cost Studies

Rapid, low-cost studies can provide useful and timely data for project decision-making. Rapid, low-cost studies are a relatively new approach in evaluation. These studies emphasize gathering empirical data in informal ways that are low-cost, practical, and timely for project decision-making. Rapid, low-cost studies are particularly suitable for providing managers with

data in a variety of situations that require quick feedback. Quick feedback is typically required when managers suddenly become aware of a problem, lack regular sources of information on the problem, and need information quickly to solve implementation problems and enhance project effectiveness.

6.2.5 No Blueprints for Data Collection, Monitoring, and Evaluation Systems

There is no perfect information system, and there are no methodological “blueprints” for developing project information systems. There are no ready-made solutions for data gathering that can easily be adapted from one project and applied to another. Each system has to be developed specifically to fit the project environment—cultural, sectoral, financial, and institutional—and to provide the specific information needed in that context.

This lesson reminds us that even within a given project, the information needs are bound to change as implementation proceeds ; thus, information systems should be designed so that they can be easily adapted to changes in the project environment capabilities of implementing agencies, methods of service delivery, impediments to project success, and beneficiary needs. New information needs arise which may have to be addressed through ad hoc rapid, low-cost studies. An effective information system must change and adapt to provide genuinely needed information.

All information systems have flaws and deficiencies. No one system will provide all the data that managers think they need for informed decision-making. Yet, too much time spent conceptualizing and planning a “perfect” system may result in an overly-ambitious and totally unmanageable effort that is of no use to anyone. Simplicity, feasibility, timeliness, and relevance must be the guiding principles. We have always lived with imperfect information and must continue to do so. Nevertheless, efforts to improve the information available to us must continue as well. Stated more eloquently, “Life cannot wait until the sciences have explained the universe scientifically; we cannot put off living until we are ready”.

Wednesday
20th January 1988

Questions & Answers

Public Address by Dr. Timothy Mahoney :
"A.I.D. Evaluation Policies, Procedures, and Experience"

CHAIRMAN: Now we would like to have the question and answer session. Those of you who have questions, please raise your hand.

QUESTIONER: Thank you very much. My question relates to the evaluation of the technical assistance project versus financial assistance project. I have three questions.

The first question is: How much percentage of USAID projects belong to technical assistance and to financial assistance respectively in terms of project number and of project cost.

The second question is: Do you use the same evaluation methodology for both technical assistance project and financial assistance project?

And then, the third one: Which is difficult to evaluate, technical assistance project or financial assistance project?

These are the three questions. Thank you very much.

MAHONEY: I think the important point to make here is that A. I. D. combines technical assistance activities with other activities into one project. I can't think of one activity that we have under way in Jakarta that only has a technical assistance component.

Technical assistance, in the sense that we provide experts to work with foreign ministries –or with ministries:—We do have projects that focus on overseas training, which I think sometimes is used by JICA as a part of its technical assistance category. But to try to distinguish between technical assistance and financial assistance in A. I. D. is oftentimes a very futile distinction.

We do finance a considerable degree of technical assistance. That technical assistance, though, like other aspects for projects, is provided to assist with the achievement of specific goals.

When we do an evaluation, we generally evaluate progress towards goals, as I said before, it's very difficult, but "outputs", results, and objectives. We rarely break out one aspect of it, such as technical assistance or local cost financing for special consideration.

So, it's probably not appropriate to talk about different methodologies.

With that comment, though, I should also mention that I have found it extremely difficult to evaluate technical assistance. The problem is that you oftentimes do an evaluation of the capabilities of individuals. And to a great extent, our evaluation system is a public process. And it would be very difficult to find people willing to come in and do a critical assessment of an individual's performance within a project. I imagine there are certain legal constraints.

And to put down in a public document that this person is not performing could present legal problems for that person at some future point.

Lastly, it's a project officer's responsibility, in his management of that programme, to supervise technical consultants brought in to work. Now, there have been instances in the past where technical consultants were brought in, that were clearly not qualified for the job. The project officer, in talking usually with the company that's providing that technical assistance, and with other people in the mission, have figured out quiet ways to replace that person and bring somebody else in.

But in general, it's a topic that we have done a very poor job of examining.

Is that sufficient? Thank you.

CHAIRMAN: Any other questions?

HIRONO: UNDP and USAID, I think we both have common problems. At UNDP, there are about 6,000 fellowships in a year. And people from developing nations are trained to accumulate knowledge in certain areas. They receive group training, or they have individual training like attorney classes at Harvard University. The problem is that these people, government people, when they return to their home countries. They may work for completely different

things, or sometimes they work for private companies because they get better pay. And they will not be contributing to improve the capabilities of the nation. Or in worse cases, they stay at the country where they study, and they will not go back to their countries. There are many discussions going on in UNDP on such cases. At USAID, I wonder, in such cases, what kind of evaluation you would give.

MAHONEY: Thank you. Very interesting question; but a question in a way that I haven't had to deal with. And I should start with this first.

Indonesia has a remarkable record in a number of areas. One of them is returned participants. I think they have 99 percent for A. I. D. participants sent overseas. Ninety-nine percent have returned. Just in November, I think, of this year, we sent our ten-thousandth participant overseas. On an annual basis, probably, seven or eight hundred.

Now, the simplest question, I suppose, is what happens to these people when they return. And it's only this year that we have begun to take a very serious look at this issue. We are in the process of doing tracer studies, studies looking about where those people are now employed and what kinds of responsibilities they have.

The preliminary results are very interesting. Most of them seem to have, for the most part, stayed in their Government positions-government and university positions. But, as a consequence of their overseas training, they have rapidly moved up the administrative hierarchy. So, you might be training a person in biology; one example of trained person as a veterinary scientist, is now the Head of the Centre for Research at Indonesia's largest agricultural university. In reviewing the information, we have concluded that this is a positive benefit. We think that these people with their additional skills can contribute to an improved administrative and management system.

We, also, though, have modified our overseas training courses. And as is typical, we provide orientation before they start their graduate studies. But now, at the end, only on an experimental basis, we are providing a small number of management training, in the recognition that once they return to Indonesia, they are likely to assume management responsibilities.

So, this is the way we have adjusted to the in-country context. Should they leave and work in the private sector, I think, my general conclusion is: there is nothing necessarily negative about that. A country like Indonesia has a very weak human resource base, and improvements in that human resource base, whether it be in the public or private sector, will benefit the economy as a whole.

I don't have an easy answer for people who have stayed in the country where they received education or training. And here, again, I can only speak generally, because it's not a problem in Indonesia.

But I know that we have moved to a point where we do contracts with participants. And if they do not go back to their host country, then, they are expected to repay the moneys that were provided.

I guess I am talking about very operational kinds of solutions. The evaluation itself probably would be pretty difficult to conduct, if you would get into a context.

CHAIRMAN: Are there other questions?

QUESTIONER: I would like to know about the timing of the ex-post evaluation.

MAHONEY: It depends on decisions. Here, again, there is no set rule as to when we would go back and look at the kinds of impact issues that are more easily examined, in an ex-post evaluation.

If, though, we had ended our support for an activity two or three years ago and now were thinking about going back into that sector, we would do it at that time.

It would depend on the timing of the decision to be made, rather than on what's an

appropriate length of time to get a good assessment of impact.

But, a perhaps more direct response to your question: We did do the series of impact studies that I referred to earlier, and went back to project areas where assistance was completed two or three years ago. We found that that was doable-doable in the sense that there was still a record of the project and the beneficiaries who had participated in it were easily identified. As we've got into older projects, we've found that that was more difficult.

It does depend on the time for questions you are asking. But if you are looking for an assessment of beneficiary impact, two or three years is probably the ideal time.

CHAIRMAN: Any other questions?

QUESTIONER: Sasaki, JICA.

My question is the following: How do you make a good use of your anthropological experience or study background for your evaluation work?

MAHONEY: Thank you. It's a question that's frequently asked. I think the kind of anthropology training that I received forced you to swim in muddy water, so to speak.

What I mean by that is: You were working in environments and on problems that were not neatly defined. And you had to use data that you might not think would be most appropriate for answering your questions. A simple example: You want to find out about the economic status of a community. And you are going to be there for a short time. In rural Java, if five years ago, if they had a window and a radio, you knew they were well off. Today it might be a television. But these are small indications that I think you acquire in your anthropological training and that you can begin to apply to the low cost rapid surveys that we were talking about before.

Now, I said that I have kind of come down in the middle on this. I think there are many good anthropologists who can spend two or three weeks in a project area and come up with some very very interesting information. But it is not a system that is easily replicated or institutionalized. And for that reason, I have moved away from a more ethnographic approach, a case study approach, to a simple survey approach, which, you know, is a part of the anthropological tradition as well, but not a central feature of it.

Is that sufficient? Thank you for your question.

CHAIRMAN: Any other question?

QUESTIONER: What are the sizes of resource allocation of the evaluation in relation to the total expenditure of the USAID in terms of finance and personnel?

And to what degree are they decentralized?

MAHONEY: Okay. USAID Jakarta is an exception. And I think I mentioned briefly these levels in USAID Jakarta. Let me give you those, because that's the bright side.

When I first came to Jakarta, one of the responsibilities that I was assigned was evaluation officer. I think they envisioned me working 20 to 25 percent of my time on evaluation. I was very fortunate in USAID Jakarta to have a mission director who thought a great deal about the importance of empirical data for decision-making. And when we go into meetings about future investments, the first question he would ask is: What evidence do we have from past experience that we should continue to make these investments?

With that support, I guess I still only spend 25 percent of my time on evaluation. But I have now got three contractors. They are full-time, but they are not permanent A.I.D. employees. One is an anthropologist; the second one is an editor, which is invaluable. The third is an "information specialist", who helps organize seminars, who works with project officers to get reports, sort of outside this closed circle of people directly involved.

Budget: My specific budget is three to five hundred thousand dollars a year. But as I indicated earlier, all projects now have to include an evaluation component;—component is a

budget line item. Average project would probably include about 500,000 dollars for a life of project, over seven years. But more recently, projects have included special studies or policy studies, operational studies components in these projects. And if I were to look at our total obligations of 40 million dollars for this coming year in development assistance, I would guess that 7 or 8 million dollars of that 40 will be spent on what I consider "information".

The last point, and this is Jakarta, is that before, we measured our impact by the number of hectares irrigated, the number of roads paved, participants sent overseas, etc. Today, we measure our impact;—and we haven't done an evaluation on this, as Mr. Raheem is suggesting. I don't know if I want to be around for it;—we measure our main contribution in terms of the information we generate on approaches to development, policies constraining, new options for development, and dynamics occurring in rural areas. It's much more of a policy-focussed, with the capital "P";—or, excuse me; small "P";—Not "policy" in terms of overall trade policy, but "policy" in terms of what's an appropriate subsidy level in conservation programmes.

That is USAID Jakarta. That is very very very different from most missions in A.I.D. One thing somewhat positive is that there have been number of special studies done on our evaluation system in Jakarta. And people are suggesting that that kind of approach be taken in other places. It's a long way to achieving that.

CHAIRMAN: Any further questions? Please.

QUESTIONER: First of all, I must say that I don't know very much about USAID. But what little I know comes from two or three things. Firstly, I read your urban land policies, where USAID had recommended that international funds be used to finance land purchase for urban projects, which is usually ascribed to the local cost component.

Similarly, more than ten years ago, USAID embarked on this programme of investment for the small capital enterprise sector, called the "PISCE" studies. This "REISAI KIGYO" was the target group.

Now, both these areas of assistance, I find, as having been slightly visionary, or strategic. No one else was talking about it at the time.

Now, what are the secrets that make such a giant aid giving institution like yours capable of working at such a micro level of operational activity?

MAHONEY: Thank you for your very kind remarks about the Agency, to begin with.

I think there are some very simple answers to it. And a part of it is: What our role is in the donor community today as A.I.D. Overall U.S. overseas development assistance is still quite high. But the development assistance funds that come to A.I.D. are less than 2 billion dollars.

I think that our role that we have been able to assume because of our shrinking resources is that of the capital venturist—the risk capital kind of operation, where we can allocate resources to areas that people with larger resources would shy away from;—the risks are too high. We can put a small amount of money into small enterprise development in Indonesia;—500,000 to 2 million dollars. And if it doesn't work, that does not reflect poorly on A.I.D., I don't believe, nor on Indonesia. But what's important is we have the information to say: We made this experiment. These were the key components of it. This is how it worked out.

So, I think the sense of that we have some money which we can play around with and that we do have staff in country who can do it without those two ingredients, you probably couldn't be very effective in those areas.

CHAIRMAN: Our time has already come and gone, but if you are interested, we would like to take one or two more questions.

QUESTIONER: My question is regarding anthropology, once again. I understand that social impact assessment is the current topic of applied anthropology. And I would like to know if USAID has formulated or developed any particular strategy for social impact assessment.

And if yes, what kind of indicators have been used.

MAHONEY: Yes. It is a part of our project design process; and one that really is not given a great deal of attention any longer. We went through an elaborate process of the kinds of indicators that we thought would be appropriate for a social impact assessment. But it was a case in which much of this was developed Washington, and sort of blindly implemented at the field level: Issues such as cultural sensitivity; issues such as dietary preferences, land ownership, income inequalities were all a part of that. And what happened was most people got a local anthropologist and said; "Look at these issues. Would the project adversely impact anybody?" And they said: "No." I am an anthropologist, and so, that might sound fairly negative about; or, that might be one of the reasons why anthropologists were brought into A.I.D.

I do think, though, that our design process is improving. We don't call it "social impact" so much any more. But we certainly do much more detailed and high-quality assessments of beneficiary communities. What we follow are, you know, through informal interviews what the local community surfaces as its major problems.

They can be a major part of evaluation work, once the project is under way. You have, in one irrigation area that we have been working in, a great deal of prestige associated with the ownership of livestock;—a livestock allowed to roam freely, while your irrigation can now quickly suffer under those circumstances.

And we have decided to significantly scale back our activities in irrigation in that area, to start with one small project, and to see if something can't be worked out with penning the animals. And if it can't, it has crawled inappropriate intervention for that community. I think the idea has become somewhat entrenched in our design process, and as a consequence, we are doing many of the things that are part of it, but not in quite the formal way that we were in the past.

CHAIRMAN: The time is already up; so, I would like to complete the question and answer session. Thank you, Dr.Mahoney.

This completes all the programmes for today. I would like to thank once again Mr.Raheem and Dr.Mahoney for your very outstanding lectures.

This was the very first attempt on our part to hold a meeting like this with so many guests participation. And I would like to thank you all for coming.

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