



**DAC Tokyo workshop on  
Evaluation Feedback for  
Effective Learning and Accountability**

**DAC WORKING PARTY ON AID EVALUATION**

**Evaluation Based Learning  
The German Case**

**Submitted by**

**'Federal Ministry for Economic Cooperation  
and Development'  
Germany**

---

**Hosted by the Government of Japan  
26-28 September 2000**





**BUNDESMINISTERIUM FÜR WIRTSCHAFTLICHE ZUSAMMENARBEIT UND  
ENTWICKLUNG**

**- Federal Ministry for Economic Cooperation and Development -**

**EVALUATION BASED LEARNING**

**- The German Case -**

**Study  
submitted to the**

**Tokyo Workshop of the DAC Working Party on Aid Evaluation**

**on**

**Evaluation Feedback for Effective Learning and Accountability**

**Tokyo, 26-28 September 2000**

## PREFACE

This paper deals with the conditions allowing for evaluation-based learning and accountability in Germany's development assistance. The account given here is partly based on an extensive study of the German evaluation system conducted by the Hamburg Institute of International Economics on behalf of the Federal Ministry for Development Cooperation (BMZ) in 1997/98 and published the following year (Borrmann 1999). It also incorporates the findings of a progress report which the Institute presented to the Ministry in September 2000 (Borrmann 2000). The BMZ specifically requested that close attention be paid to examining feedback and learning systems within Germany's aid agencies. We would like to thank the Institute of Development Studies in Sussex for granting permission to use its questionnaire on Evaluation Feedback for Effective Learning and Accountability (efela) prepared for the DAC Working Party on Aid Evaluation.

## CONTENTS

1	SUMMARY.....	4
2	DETERMINANTS OF EVALUATION-BASED LEARNING .....	6
3	INSTITUTIONAL STRUCTURE AND LEARNING.....	6
4	EVALUATION AS PART OF A LEARNING SYSTEM .....	7
	4.1 THE FRAMEWORK FOR LEARNING.....	7
	4.2 QUALITY AND INTEGRATION OF EVALUATION SYSTEMS .....	9
5	LEARNING-ORIENTED EVALUATION PLANNING AND IMPLEMENTATION.....	11
6	EVALUATION FEEDBACK FOR EFFECTIVE LEARNING AND ACCOUNTABILITY .....	13
	6.1 FEEDBACK FOR PROJECT IMPLEMENTATION AND BEYOND .....	13
	6.2 RESPONSIBILITY AND STRATEGY FOR FEEDBACK OF EVALUATION RESULTS .....	13
	6.3 INTERNAL LEARNING PROCESSES .....	13
	6.3.1 <i>How findings are processed</i> .....	13
	6.3.2 <i>Internal dissemination and access</i> .....	14
	6.3.3 <i>Internalization</i> .....	14
	6.3.4 <i>Implementation monitoring</i> .....	15
	6.4 EXTERNAL LEARNING PROCESSES .....	16
	6.4.1 <i>Involvement of evaluators</i> .....	16
	6.4.2 <i>Interchange and cooperation between aid agencies</i> .....	16
	6.4.3 <i>Public relations</i> .....	16

## 1 SUMMARY

Citing the German case as an example, this paper will show that evaluation-based learning is highly dependent on:

- the structure of the development cooperation system,
- the overall framework for learning in aid agencies,
- the evaluation system's positioning within an organization's learning system,
- the quality of the evaluation system,
- how well the planning and execution of evaluations are geared to subsequent lesson-learning, and finally on
- how the process of exploiting the knowledge gained from evaluations is organized.

There are now clear signs that the conditions for evaluation-based learning in German aid agencies are further improving:

- The drawback posed by Germany's diversified development-cooperation structure is now gradually being tempered by a greater **concentration** on particular issues, priority areas and countries. On the other hand, there is also a parallel trend towards greater decentralization.
- German aid agencies see themselves more than ever as **learning organizations**, and are beginning to restructure their management systems accordingly.
- Evaluation systems** are intended to play a key part in this, so they are being given greater priority and greater institutional independence.
- The **quality of evaluation** is improving. More sophisticated methods, more impact orientation and a greater number of broader-based evaluations (not confined to a single project) all offer the prospect that in future more of the knowledge will be generated that is needed not only for quality improvement and the conceptual advancement of development-cooperation work, but also for greater external accountability.
- Inadequate **user and partner orientation** in the planning and execution of evaluations is a failing that has persisted. Though organizations are visibly at pains to tackle the problem, progress is slow, for reasons that have to do with the partners' as well as the donors' interests and preferences.
- Given that Germany's aid organizations usually have well-developed project controlling and M&E systems, feeding back evaluation findings into on-going projects is relatively straightforward. In contrast to this, utilizing the lessons learned from broader-based evaluations is a considerably more challenging task.
- Most German aid agencies themselves believe it is important to increase the extent to which they systematize and institutionalize their **feedback system** for evaluation-based learning and accountability.
- The organizations are making increasing use of modern, **intranet-based information and documentation (I&D) systems**. These reduce information and search costs, and help to establish an institutional memory.
- However, the functionality of these systems leaves room for improvement. In particular, efforts are needed to manage the growing flood of information.
- Further problems, given the diversity of institutions, are how to network the I&D systems and how to cater for upward feedback in heavily decentralized organizations.
- Most German aid agencies see a strong need to do more to promote the **internalization** of evaluation lessons, taking a more systematic and innovative approach. Some organizations are currently appraising the inclusion of this in an overall system of knowledge management.

- **In-country partners and stakeholders** still tend to be passed over too often in the feedback process. However, the need for greater participation is generally recognized.
- **Implementation monitoring** (i.e., implementation of evaluation lessons) is essentially based on established M&E systems. A small number of independent evaluation units do their own separate implementation monitoring.
- The foundation of the Deutsche Gesellschaft für Evaluation (German Society for Evaluation) and the annual evaluation meetings now staged by the BMZ with the major German aid agencies have both given a substantial boost to **horizontal learning** among German aid agencies in recent years.
- Most German development aid organizations have in the past largely addressed their feedback to internal audiences. The media and general public have not had a high priority for them as target audiences.
- By putting its evaluation reports on public release, the BMZ has initiated a turn in the tide for German aid agencies' **public disclosure policy**. Numerous agencies have said they intend to follow, or at least look at the possibility of following, the ministry's example. Others remain hesitant to make this move.

## 2 DETERMINANTS OF EVALUATION-BASED LEARNING

This paper deals with the conditions allowing for evaluation-based learning and accountability in German development agencies. Evaluation feedback will be understood as encompassing all measures that process the knowledge gained during evaluation with users' needs in mind, disseminate it internally and ensure its accessibility, internalize it, implement it and disseminate it externally. These measures are designed to prepare the ground for decisions on current projects and programmes and to improve their quality, to boost the quality of planning for future activities, to develop the strategic and conceptual stance of development cooperation in general, to account for the organization's activities, and finally to inform the general public and maintain legitimacy in its eyes.

However, the paper does not confine its attention to the phase in which evaluation outcomes already obtained are put to work. Even the best of feedback systems will be of little use if the framework laid down by the institutional environment and individual conditions is generally unfavourable to the generation of knowledge and learning within an aid agency, and if the evaluation system is insufficiently user-oriented and/or its results are of inadequate quality. The possibilities opened up by evaluation-based learning are highly dependent upon:

- (a) how complex a donor's institutional structure is, within which knowledge is gained, communicated and utilized,
- (b) how evaluation is integrated into overall lesson-learning processes within aid agencies,
- (c) the quality of the evaluation system in terms of generating usable knowledge and triggering learning processes,
- (d) how even the planning and implementation of evaluations is geared to lesson-learning at a later stage, and finally
- (e) how the knowledge gained from evaluation is synthesized, disseminated, internalized, implemented, and kept accessible on a sustained basis.

Given the extraordinary importance, from a learning point of view, of the aspects prior to the actual feedback processes, this paper initially addresses items (a)-(d) before moving on to discuss the utilization of evaluation findings for effective learning and accountability (e).

## 3 INSTITUTIONAL STRUCTURE AND LEARNING

For a large donor with diversified policy responsibilities for ODA, i.e. comprising various bodies carrying political responsibility and working with a lot of other institutions as executing agencies, evaluation feedback for effective learning and accountability is a particularly difficult task. A number of different aid management systems exist, the development-policy objectives of which – apart from the projects and programmes themselves – may not necessarily be in harmony, and their evaluation systems too may serve different purposes and operate to different quality standards, with the result that they will also differ in the way they contribute to effective learning and accountability. The difficulty a donor has in organizing effective learning processes generally increases in proportion to the volume of aid it is delivering, with the number of recipient countries involved, with the complexity in terms of sectors addressed and instruments used, and with the extent to which operational responsibilities are decentralized into the hands of specialized institutions. These same problems are repeated inside large implementing agencies.



In Germany's bilateral development cooperation, these relationships are quite strongly in evidence (see annex 1, recent DAC peer reviews for Germany [OECD/DAC 1995, OECD/DAC 1998b] as well as OECD/DAC 1999). To begin with, the political responsibility for aid operations is divided: although the BMZ is the ministry with prime responsibility and also the main source of funding for Germany's bilateral development assistance, 30% of it nevertheless falls under the auspices either of other federal ministries or of particular German *Länder*. The assistance in these latter two categories, though, is both institutionally and thematically very heterogeneous, and the structures of evaluation and monitoring are liable to be rather weak. Secondly, the BMZ has completely delegated the implementation of its projects and programmes to numerous implementing agencies, so most project-related evaluation work with its associated learning processes has been shifted to these organizations. To ensure that evaluation is done, and is done with the proper quality, the BMZ contractually commits the implementing agencies working on its behalf to comply with certain standards. It also reserves the right to require other audits to be done, or to carry out or arrange for others to conduct its own spot checks. It has also taken appropriate steps to ensure proper development-policy monitoring by the Federal Court of Audit (*Bundesrechnungshof*) and also, in the case of the two largest implementing agencies (KfW and GTZ), by independent financial auditors. These two agencies together manage  $\frac{3}{4}$  of the BMZ's bilateral funds of some \$2 billion annually. The Bank for Reconstruction (*Kreditanstalt für Wiederaufbau – KfW*), responsible for financial cooperation, processes approx. 50% of the funds, while some 25% are managed by the Agency for Technical Cooperation (*Gesellschaft für Technische Zusammenarbeit – GTZ*). The remaining 25% of the funds are distributed to a large number of small or medium-sized governmental, political, ecclesiastical and other NGOs.

Another factor impeding the organization of lesson-learning processes is the vast range, both thematic and geographical, of Germany's development cooperation and the implementing agencies involved, plus the variety of instruments used. Increasingly, the present structure of German development cooperation is attracting critical scrutiny. The signs are that assistance is becoming more focused – whether thematically, geographically or institutionally.

#### 4 EVALUATION AS PART OF A LEARNING SYSTEM

Evaluation is just one element in the individual and institutional learning process within aid organizations. It can only contribute towards lesson-learning if:

- there is a conducive framework in place, i.e. if a conscious system of quality, learning and knowledge management has built up information and lesson-learning structures and encouraged the development of a certain culture of learning, encouraging both the gaining, dissemination, internalization and implementation of *new* knowledge and the proper recourse to *existing* knowledge, and
- the evaluation system itself is sufficiently developed – in both quantitative and qualitative senses – to generate useful knowledge, and if it is fully integrated into the above system of learning and knowledge management.

##### 4.1 THE FRAMEWORK FOR LEARNING

Frame conditions are crucial in their influence on whether, and to what extent, such a culture of learning will develop in the course of time. These conditions include such factors as the qualifications and expertise of staff, the resources available for training them, the salary

structure, career paths and other employee incentives, the rate of staff turnover, the style of management used, internal patterns of information flows and communication, and the administrative workload together with the time this leaves for staff members to engage in learning. Another factor governing learning is the extent to which a particular institution and its staff are integrated into their external environment. The relevant aspects of this include how they communicate and cooperate with other national and international donors and implementing agencies, how they make use of science and research, and what other sources of technical knowledge and advice they tap.

All donors and development institutions ought now to have possessed these knowledge and learning structures for a considerable time, at least in rudimentary form. Nevertheless, given the differences in frame conditions one would expect the learning cultures that have developed to be very varied. For most donors and implementing agencies, institutionalizing lesson-learning with the aid of systematic knowledge management means stepping out into new territory. The World Bank is playing a pioneering role in this respect (OECD/DAC 2000, p.24). However, other donors and aid agencies have also recently been devoting increasing attention to this issue, and that also holds for those based in Germany. Concrete moves in this direction have now been made both at the BMZ and by GTZ and KfW.

At the **Federal Ministry of Economic Co-operation and Development (BMZ)**, the plan to establish knowledge-based management forms part of a comprehensive reform of the entire system for managing development cooperation. This has been spurred on both by the pressure placed on all federal ministries to introduce more modern management methods and by intensified demands on the part of parliament, academics and the general public to see some credible evidence of the quality, efficacy and sustainability of Germany's development assistance. The BMZ has now had a working party developing a system of strategic controlling coupled with quality, information and knowledge management since the mid-1990s. The new system is intended to systematize, develop and complement the instruments already in use by the BMZ and its implementing agencies. This year, the BMZ established a dedicated Quality Enhancement and Improvement Directorate, the divisions of which are Management Tools and Controlling, External Auditing of Contract Awards and Equity Holdings, and Evaluation).

The main obstacles in the past to institutional and individual lesson-learning, and to strategic action and quality assurance at the BMZ have been the strong focus by staff on monitoring *specific* projects and programmes, and also an escalating level of technical and administrative regulation and targeting. Now that the ministry plans to transfer specific project controlling into the hands of implementing agencies to allow the BMZ to focus on its strategic functions, a marked improvement in the framework for learning processes within the ministry can be expected. The change is also likely to be encouraged by a specific enquiry into current and future learning processes within the ministry which has just been initiated. Evaluation is to be a key element in the BMZ's future lesson-learning, so the study will devote special attention to ways of ensuring that evaluation findings are efficiently utilized in future. The BMZ has also commissioned further studies that are currently examining how the ministry can maintain an involvement in the learning processes taking place in the implementing agencies via upward feedback, even after it has devolved project-level evaluation to them and even in the wake of increasing decentralization.

At **GTZ**, its strategic Knowledge Management project was initiated throughout the organization at the start of 2000. Among the goals is to ensure that the knowledge on hand within GTZ is reused to a greater extent, project experience is better synthesized and disseminated, documents remain available and are more readily accessible, communication between staff and the various management levels is improved, and finally that staff leaving the organization are more effectively debriefed, to encourage them to bequeath the knowledge they have gained for others to use. GTZ also participates in interchanging knowledge-management experience with other development agencies on an international basis (World Bank, IADB, FAO, Bellanet, CIDA, UN, USAID).

Although **KfW**, like GTZ, has long had structures and procedures in place for learning lessons and managing knowledge, it too believes there is a need to improve them. KfW is therefore looking at the possibilities offered by consciously targeted knowledge management. In other implementing agencies in Germany, although the issue is increasingly discussed this has not yet led to any concrete steps being taken.

#### 4.2 QUALITY AND INTEGRATION OF EVALUATION SYSTEMS

How much an evaluation system contributes to the propagation of knowledge, to individual and institutional lesson-learning and to accountability directly depends on the system's quality. It is true that the comprehensive survey of German evaluation systems referred to earlier found that all of the organizations do have certain institutional structures, guidelines, methods and instruments for assessing the outcome of their activities, both on an on-going basis and following completion (Borrmann 1999). Nevertheless, the study identified substantial differences among the institutions surveyed. Also, when examined in the light of the DAC criteria, the majority of development organizations surveyed had certain deficiencies in their evaluation work, particularly with regard to its independence and impartiality, the degree of emphasis on efficacy, and stakeholder participation. However, during the last two years Germany's development organizations have made evident progress in these respects (Borrmann et al. 2000). Even among the smaller German aid agencies, awareness of the DAC principles is now substantially greater; however, specific aspects of them are being keenly debated.

Along with the improvements in evaluation systems, the conditions for lesson-learning can also be assumed to have improved perceptibly. As new, more independent evaluation units are created this offers more favourable opportunities for integrating evaluation work into a comprehensive system of learning and knowledge management, just as some institutions have now begun to do (BMZ, GTZ, KfW). As attention focuses more closely on impact and a more pronounced *ex post* perspective increasingly looks beyond the individual project to become broader-based, we can expect the German aid organizations' evaluation systems to generate more of the knowledge that is needed for learning to improve quality, for the conceptual, strategic advancement of development cooperation, and for external accountability.

At the **BMZ**, the Evaluation Division – already in existence for 30 years and largely independent – has now been moved from its former home into a newly established Quality Enhancement and Improvement Group. The division has now largely stepped back from any involvement in single project evaluations to focus on broader-based evaluations dealing with key development issues, sectors, countries, regions, instruments and procedures. It has also

initiated systematic *ex post* investigations of the development impacts and sustainability of German aid measures.

**KfW** has had a comprehensive quality assurance system in place for many years, and in the past this was primarily a system of internal self-evaluation, covering the entire project cycle including the *ex post* phase. KfW is the only German agency to conduct *ex post* evaluation (approx. 5 years on) across the board for all projects and programmes, to a high quality standard. To deal with what had previously been an insufficient level of independence for its controlling system, KfW has now resolved to establish an evaluation unit that is independent of all operational departments and, as recommended by the DAC, reports directly to the Board of Managing Directors.

This new unit will be headed by an external expert on a limited-term contract. The unit's personnel will be supplemented on a rotational basis for specific evaluations by staff from country operations and other, external experts. As a matter of principle, no one will ever evaluate projects operated by their own departments. This model is derived from the World Bank's Operations Evaluation Department (OED) and Quality Assurance Group (QAG). The idea is to minimize the detrimental effect on institutional lesson-learning which might otherwise result from an independent evaluation unit being set apart too far from the operational side. In the KfW's view, a prerequisite for institutional learning is to have the responsible staff involved in the process as closely as possible, to ensure that experience gained from an evaluation is swiftly fed back into the design of new projects. The rotational system means that staff can gain a broader impression of how their colleagues work in other country departments, thus gaining new experience via their role as evaluators. Nevertheless, it should be stressed again that the evaluation work is done by staff who do not carry any operational responsibility for the project. The new evaluation unit has also been given responsibility for the *ex post* impact analyses of all completed projects that have long been standard practice, so the credibility of KfW's entire evaluation system has been boosted considerably. At the same time, though, project appraisals, progress monitoring and completion examinations will continue to be the responsibility of the Auslandskretariat (foreign secretariat) and the country departments, thus upholding the principle of self-evaluation. Further moves to enhance institutional lesson-learning include greater use of cross-sectional evaluations of project completion reviews.

For **GTZ**, too, self-evaluation forms the basis of the organization's quality management and learning processes. To this end, GTZ has developed a comprehensive and sophisticated evaluation system. However, it also believes an independent evaluation unit is needed to support the self-evaluation work. The Strategic Corporate Development unit established in 1994, and kept separate from any operational responsibilities, includes an internal evaluation team which has since been enhanced, allocated more personnel, and given a wide-ranging mandate directly by the executive management. The organization is currently appraising the possibility of merging this unit with the controlling, auditing and quality assurance functions to form an integrated management information system. A new overall concept is likely to emerge in autumn 2000. GTZ is still endeavouring to make its evaluation work more impact-oriented. It is currently developing its monitoring system and its mid-term project progress reviews from being simple project management tools into a comprehensive means of observing impacts. Both for the purpose of planning future projects and for managing quality, GTZ takes a sceptical view of the benefits of *ex post* evaluations which often look back a long way into the past. On the other hand, the organization does indeed think they are a useful

platform for greater accountability and for supporting medium to long-term considerations and strategic planning of development cooperation.

Recent developments at the BMZ, GTZ and KfW act as important signals for Germany's other implementing aid agencies. Here too, there is an unmistakable trend towards more independent evaluation and greater attention to impacts and lesson-learning. Non-governmental organizations in particular are not finding it easy to make the changes, but they too are feeling the pressure to present a more credible face to the general public. From a learning point of view, the agencies stick by the central importance of self-evaluation, but they are now seeking a sensible balance between this and independent, impartial evaluation. Many organizations running projects of a process-oriented nature, intended to influence political and societal structures, have a problem with finding a sensible approach to impact-oriented evaluation.

## 5 LEARNING-ORIENTED EVALUATION PLANNING AND IMPLEMENTATION

How evaluations are planned will affect subsequent learning processes in a number of ways, including the following:

- When evaluations of projects and issues are agreed *ex ante* between the parties involved, this increases the subsequent interest in the findings, the acceptance of associated decisions, and the success with which they are implemented.
- An evaluation's usefulness substantially depends on how well its audience is chosen, i.e. the people the evaluation addresses and who will subsequently be expected to act on its findings.
- The same applies to the participatory selection of evaluators according to their abilities, credibility and acceptance.

During the **execution of an evaluation**, a number of factors play a key part, including the following:

- The quality of execution substantially influences the acceptance of an evaluation's findings.
- In particular, participatory execution tends to enhance the acceptance of findings by partners.
- If the findings are presented in good time, this generates the desired inputs for project management, or for other, broader-based path-breaking decisions of conceptual or strategic significance.
- Finally, the quality of the evaluation report also affects the acceptance of the findings and subsequent lesson-learning. The key requirements are systematic, clear presentation, objectivity and impartiality, a balanced view of all participants' interests, transparency as regards the methods used and sources referred to, a realistic perspective, and genuinely practicable recommendations (Joint Committee 2000; OECD/DAC 1992).

In the light of these points, two aspects of vital importance for lesson-learning are **user orientation** and **partner participation**. As the review of the DAC principles has shown, this is a field that the donors still have their problems with, Germany's ODA donors included. These difficulties are substantially less for project-related evaluation than they are for broader-based investigations. Monitoring & evaluation, mid-term checks and final checks are normally firmly embedded from the outset in the project cycle. Involvement of those responsible for a project on both the donor and recipient sides in the planning of evaluations

is largely routine. Even so, the level of participation by evaluators from the partner countries remains persistently low, especially among the governmental DC organizations. By way of contrast, Germany's NGOs take a much more participatory approach to evaluation. In the German development world, broader-based evaluations are still very much donor-run. As well as the familiar obstacles occurring on the partners' side of the equation (socio-cultural factors, administrative overload, a shortage of evaluators), an additional problem is that in-country partners appear to be more keenly interested in project-oriented evaluations and those directly addressing implementation issues.

German aid agencies have certainly recognized the deficiencies of evaluation that does not sufficiently address users or include enough stakeholder participation. They are making clear efforts to do something about this, though progress is only gradual, due not only to factors on the donor's but also on the partners' side. At the BMZ, there is evidence to show that focusing on broader-based, strategic evaluation issues will stimulate the interest of staff members, spurring initiative and a greater involvement in synthesizing evaluation findings. Germany's aid agencies are also showing a stronger interest in cross-sectional studies. However, in the technical cooperation field there is still a good deal of scepticism as to what useful lessons can be learned from *ex post* investigations if they have too much of a historical perspective. Development workers here are quick to point out the negative experience made by the World Bank.

As for participation by in-country partners, the BMZ will begin this autumn to take stock of the institutions in developing countries that might be approached for the purposes of recruiting local evaluators. The BMZ moved on to new territory with the country evaluation it recently carried out in Laos. German evaluators and representatives of the BMZ in Laos met with in-country partners for a preparatory workshop, where they jointly established the terms of reference and procedures for the evaluation. Laotian partners were actively involved in the investigation. Once the findings had been gathered, they were assessed at another workshop in Laos, on the basis of summaries provided in Laotian and English. The plan envisages that implementation of the measures agreed upon will be reviewed next year with both German and Laotian evaluators participating, and that their findings will be discussed at a further workshop in Laos.

In the wake of the decentralization process now under way, **GTZ's** project progress reviews can be expected to become much more participatory in future. As the prime responsibility for carrying out the progress reviews will be on the ground in the country concerned, this will both improve liaison with the in-country partner and make it easier to recruit local evaluators. Local expertise will also be required to obtain a better assessment of project impacts, which will play a much more important part in GTZ's new form of project progress review than it used to.

Other organizations such as political foundations, which normally execute projects geared towards promoting political or societal change, feel they face a conflict between pursuing their own rather sensitive objectives and a perceived mandatory need to introduce participatory evaluation.

## 6 EVALUATION FEEDBACK FOR EFFECTIVE LEARNING AND ACCOUNTABILITY

### 6.1 Feedback for Project Implementation and Beyond

Given that most German development aid organizations have well-developed project controlling and M&E systems, and that evaluations conducted during or on completion of projects are implementation-oriented and their findings are routinely fed back directly into on-going project management according to predetermined procedures, any problems *on the donor's side* tend to concern quality (e.g. insufficient focus on impact) rather than feedback. However, if specific project evaluations are initiated and conducted by independent units, the risk of acceptance problems arising with the implementation staff cannot be ruled out. Particularly the evaluation units recently established or now being set up in German agencies are going to some lengths to attain recognition and to allay the numerous reservations held against them internally ("a force watching over us", out of touch with practical concerns, plus methodological and other quality doubts).

While it is relatively straightforward for evaluation findings that are immediately relevant to implementation and the recommendations flowing from them to be put into practice in on-going projects, exploiting the knowledge gained from broader-based evaluations is evidently a more complex matter. The preconditions for effective exploitation include:

- properly defined responsibilities for dissemination and feedback,
- effective strategies and instruments for synthesizing and disseminating lessons learned,
- suitable channels and forums for getting to grips with and internalizing newly learned lessons, and for transforming them into new concepts, instruments and procedures, and finally
- implementing the lessons in new projects and programmes.

### 6.2 Responsibility and Strategy for Feedback of Evaluation Results

Not all German implementing agencies have a central, independent evaluation unit like the BMZ, which means that responsibilities for internal and external dissemination lie in different hands. As in most of the DAC's member countries, the central evaluation units do not allocate either specific budgets or specific personnel to the task of feedback. The units are generally too small for that to be the case, even at the BMZ.

Formal strategies for utilizing broader-based evaluation lessons are maintained only by some of the larger agencies, the BMZ being one of them. However, that does not mean to say that systematic procedures are not followed. All 15 of the German organizations surveyed have at least the makings of such procedures. Dissemination and feedback are often related to specific occasions or issues, and vary accordingly. Yet at the same time, most German development aid organizations believe it is important to take a more systematic approach to, and to institutionalize, internal dissemination, feedback and learning processes. These findings correspond with those of the DAC efela survey.

### 6.3 Internal Learning Processes

#### 6.3.1 How findings are processed

Internal dissemination in Germany's aid agencies continues to centre around individual evaluation reports. These reports normally also contain executive summaries. In some organizations, they are also utilized or reworked for both internal and external information

and documentation purposes. That includes specially prepared summaries for the DAC Evaluation Reports Inventory, to which the BMZ and KfW provide regular, up-to-date input.

In most organizations, feeding back interim results is standard practice. Evaluators will normally provide in-country partners with preliminary findings in the form of a short translated report while they are still in the project area, and will discuss this with them at a final meeting. Final reports are not usually translated in full for the in-country partners, but it is normally standard practice to send them translated copies of the summary.

Some of the reporting schemes used, such as the BMZ's matrix, differentiate between recommendations with a direct relevance to the project and its implementation and other lessons of a broader nature. The BMZ filters out the two classes of recommendations for the purposes of implementation monitoring and informing management of evaluation findings. Recommendations must also be addressed to those responsible for implementation. This procedure is also followed by other German aid agencies.

In just a few German organizations (BMZ, KfW, GTZ), specific evaluations are used as the basis for periodic cross-sectional analyses as well as those conducted to address particular issues. The periodic analyses share the same purpose of "distilling" lessons learned, assessing impact and informing the general public. All three of the institutions cited devote substantial funds to preparing and utilizing these periodic reports. When circumstances require it, the findings of broader-based evaluations are processed to draw up decision-making documents for top management.

### **6.3.2 Internal dissemination and access**

German aid agencies circulate their evaluation reports internally either to a predetermined list of recipients or to others as circumstances demand. Circulation and archiving in paper form is still the predominant method. However, there are now signs of a technological shift occurring. Several organizations have now had modern, intranet-based information and documentation (I&D) systems installed for some time, and these are being used to disseminate information on the evaluation system, evaluation plans, evaluation reports (either as the full manuscript or at least in summarized form), and links to other institutions and donors and their evaluation work. Such systems vastly improve the conditions for internal lesson-learning processes by lowering individual employees' information and search costs and helping to establish an institutional memory. Nevertheless, there is still scope to enhance the functionality of these systems by, for example, improving the way the information is structured and using more intelligent retrieval procedures, and also to stem the flood of information by filtering and compressing data more than at present. Another problem that arises in view of the variety of institutions involved is that of networking different systems. For organizations that are relatively decentralized such as GTZ, DSE, DED and others, a problem of insufficient upward feedback can arise, i.e. not always integrating the central units into the learning processes of downstream ones (see 4.1 above). The other development agencies in Germany have also now recognized the benefits of modern I&D systems, and almost all of them are planning or setting up such systems.

### **6.3.3 Internalization**

Internalizing lessons arising from an evaluation is generally no major problem for staff members responsible for implementing the project involved and/or those who commissioned



the evaluation. These people all have their own immediate interest in learning from the reports, taking part in assessment meetings and actually putting the lessons learned to direct use in the on-going project or taking account of them in new concepts, instruments and procedures. On the other hand, internalization is far more difficult to achieve in the case of staff who have not been directly involved or who are new to the organization. Given that German aid agencies differ widely in the scope of their management systems and learning cultures, they also use different forms of internalization with different frequency, regularity and intensity. Widespread forms include internal briefings, workshops and training courses. These are mainly organized by the initiators of evaluations and/or by central evaluation units. Other, more general communication forums such as departmental meetings, specialized working-party sessions and domestic or foreign staff meetings are also used as an opportunity to discuss evaluation findings. However, most of Germany's ODA organizations see a need to do more to promote the internalization of evaluation lessons, and to see that this occurs in systematic, innovative ways. As mentioned elsewhere, the BMZ, GTZ and KfW are currently appraising ways of incorporating this into a general system of knowledge management (see 4.1).

As with donors elsewhere, many German development agencies still do not do enough to integrate in-country partners and target groups into evaluation feedback and lesson-learning. NGOs are often substantially better at this than governmental organizations. The present deficiencies are a result of inadequate participation levels even when evaluations are being planned and executed (see 5.). Political foundations may have their own special reasons for not wanting to pass on sensitive evaluation findings to their partners. – The need for more participation is generally acknowledged. As far as target audiences for evaluation feedback are concerned, the German organizations surveyed give a higher priority to the technical staff involved in project planning and management, and to partner countries and stakeholders there, than they do to their own policy-makers and senior management.

#### **6.3.4 Implementation monitoring**

German aid agencies normally check on the implementation of recommendations made in evaluations of specific projects in the course of their routine M&E procedures and, where necessary, this is again reviewed in follow-up evaluations. In some organizations, such as the BMZ and DSE, independent evaluation units do their own separate implementation monitoring. The BMZ's Evaluation Division, for example, has so far had the practice of contacting the bodies responsible for implementing recommendations after a certain period of time and requiring them to report on the status of implementation, giving reasons whenever this has not gone according to plan. The division has then compiled an annual implementation report for the ministry's executive officers. This has lent transparency both to the progress in implementing recommendations and to the responsibility for doing so, thus substantially boosting the whole process. As the ministry shifts most of the specific project evaluation work to GTZ and KfW, this monitoring practice will also transfer to the other two organizations.

A small number of Germany's development agencies explicitly demand previous evaluations – and the lessons learned – to be taken into account when new projects are planned. On the one hand, for the sake of maintaining their independence central evaluation units do not get involved in decision-making on the prolongation of existing projects or the initiation of new ones. Yet on the other, the organizations' evaluation matrices often do include an appraisal of whether the new project planning has taken account of past evaluation findings.

## 6.4 External Learning Processes

### 6.4.1 Involvement of evaluators

To assure the quality of the evaluation procedure, it makes sense to involve the external evaluators in the processes of lesson-learning. In practice, it is generally left up to the evaluators themselves to gather information on current intra-disciplinary developments in Germany's aid organisations. However, at the start of an evaluation the experts called in to do the job are usually briefed on current thinking in the organization and other relevant aspects. Feedback on these intra-disciplinary issues from a particular evaluation process is not normally an institutionalized procedure. Here again, the evaluators are largely left to find out for themselves about the acceptance, implementation and effectiveness of their own recommendations. On the other hand, internal assessments of the work done by evaluators are quite common, though their findings are seldom made transparent to the external evaluators. Only one German aid organization (HBS) regularly stages meetings with its evaluators.

Some of the external evaluators practising on behalf of German organizations have now formed a "development appraisers' working forum" (*Arbeitsgemeinschaft Entwicklungspolitischer Gutachter*) which is promoting the interchange of experience, further training etc. Another group with similar aims and objects is the development evaluation working committee (*Arbeitsgemeinschaft Evaluation von Entwicklungspolitik*) within the German Evaluation Society (*Deutsche Gesellschaft für Evaluation*).

### 6.4.2 Interchange and cooperation between aid agencies

The latter society, only founded in 1997, acts as a joint forum for academics and practitioners, and is already being used by numerous German aid organizations as a platform for the horizontal learning which had been rather rare in the past. It is true that the BMZ, GTZ and KfW have long tended to perform a lead role for many smaller and medium-sized aid agencies as far as evaluation systems are concerned. However, in the past this horizontal interchange was not institutionalized and not especially intense: a situation felt by many organizations to be unsatisfactory. Since 1998, the BMZ has made a point of promoting horizontal learning, and it now holds annual evaluation meetings with its implementing agencies. Contact among organizations has also intensified between such meetings. Leading German agencies are also integrated into international interchange forums. For instance, they participate in the DAC's and other joint bodies. Both within German organizations and internationally, there has so far been little participation in joint evaluations; however, there are signs of greater involvement in this approach to come.

### 6.4.3 Public relations

The need to involve a variety of "publics" – policy-makers, experts in the field, academics and the general public – in the learning process is part and parcel of evaluation's triple function as a conveyor of accountability, information and legitimacy. Germany's aid agencies see this position as something of a dilemma. On the one hand, they have a natural inclination to closely constrain the dissemination of evaluation findings for reasons including the wish

- to facilitate a critical, uninhibited evaluation process
- to allow problems to be resolved internally,

- to avoid outside intervention
- and any deterioration in the organization's image,
- to ward off potential risks to discreet development activities, and
- to avoid any extra drain on personnel and financial resources.

On the other hand, they are subject to substantially growing pressure from parliament and the general public who wish to see what work they are doing and what results it is achieving.

Most German aid agencies have in the past been very reticent about making their evaluation reports and findings publicly available. They preferred to focus their feedback on internal audiences, with the media and the general public taking a much lower priority as target audiences.

By fundamentally changing its stance on public disclosure, the BMZ has now turned the tide in a new direction. Since mid-1999, the normal rule has been to make all the ministry's evaluation reports accessible to the general public unless top officials see good cause to deviate from the rule. Since June 1999, the BMZ has been publishing short summaries of evaluation reports on its homepage as they have appeared. On enquiry to the BMZ, interested parties may inspect the full-length version of the reports. The Ministry also keeps the public informed of its biannual evaluation programme via the Internet. Many German aid agencies have declared their intention to follow the BMZ's example or at least to seriously consider doing so. However, others – both governmental and non-governmental – continue to be wary of making this move. Public pressure on aid agencies to justify the work they do will persist for the foreseeable future. And apart from anything else, this is likely to have a feedback effect on the quality of their evaluation systems. So far, the German public has regarded reports substantially based on a self-evaluation principle as having dubious credibility. Evaluation reports will not be as convincing as they should be until such time as the independence and impartiality of evaluation systems have been strengthened.

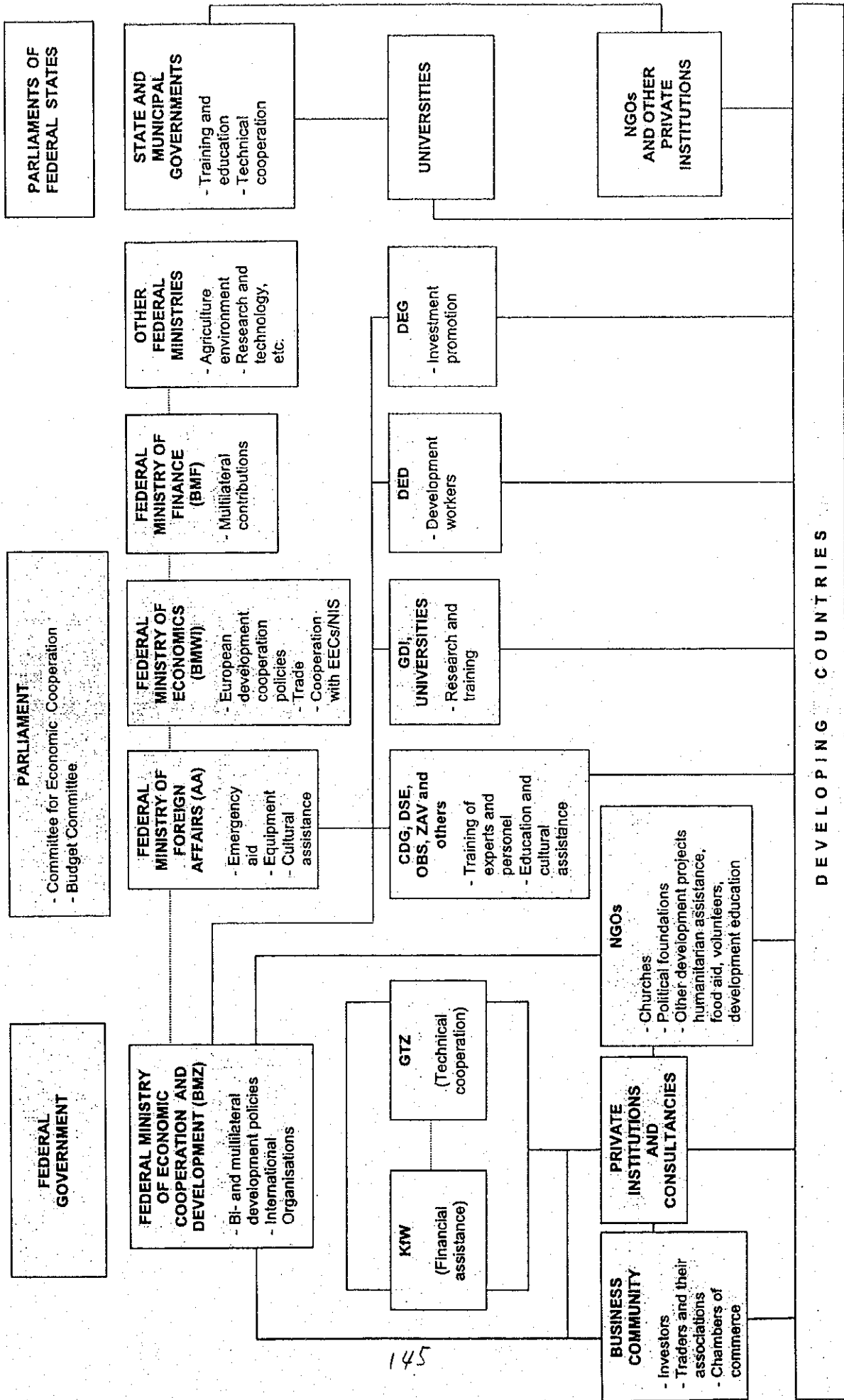
For additional information please contact :

Axel Borrmann, Senior Economist  
 c/o Hamburg Institute of International Economics  
 Neuer Jungfernstieg 21, D-20347 Hamburg, FRG  
 Phone : +49 40 42834 - 436  
 Fax : +49 40 42834 - 451  
 E-mail : [a-borrmann@hwwa.de](mailto:a-borrmann@hwwa.de)  
 Internet : <http://www.hwwa.de>

## References

- Borrmann, Axel et al. (1999)  
 Die Erfolgskontrolle in der deutschen Entwicklungszusammenarbeit,  
 Analyse, Bewertung, Reformen, Studie im Auftrag des Bundesministeriums für  
 Wirtschaftliche Zusammenarbeit, Baden-Baden  
*(Evaluation in Germany's Development Co-operation – Study on behalf of the Federal  
 Ministry of Economic Co-operation and Development-BMZ)*  
 (for a summary of the study see Axel Borrmann: Evaluating Development Co-operation  
 – The German Case, in : *Intereconomics* Vol.34, [1999], No.5)
- Borrmann, Axel et al. (2000)  
 Die Erfolgskontrolle in der deutschen Entwicklungszusammenarbeit,  
 Evaluierung der Reformfortschritte, Hamburg  
*(Evaluation in Germany's Development Co-operation, Progress Report)*
- Bernard, Geoff; Cameron, Catherine (2000)  
 Efela: Evaluation Feedback for Effective Learning & Accountability, Synthesis Report,  
 Draft for Discussion 2 June 2000, DAC-Working Party on Aid Evaluation
- Joint Committee on Standards for Educational Evaluation /  
 Sanders, James R. (Ed.) (1998)  
 The program evaluation standards : how to assess evaluations of educational programs  
 2. ed., 6. [printing]. Thousand Oaks, Calif. [et.al.]
- OECD/DAC (1992)  
 DAC Principles for Effective Aid, Development Assistance Manual, Paris
- OECD/DAC (1995)  
 Germany, Development Co-operation-Series, No.9, Paris
- OECD/DAC (1998a)  
 Review of the DAC Principles for Evaluation of Development Assistance, Paris
- OECD/DAC (1998b)  
 Germany, Development Co-operation-Series, No.29, Paris
- OECD/DAC (1999)  
 A Comparison of Management Systems for Development Co-operation in OECD/DAC  
 Members, Paris

**Annex 1**  
**Actors in the German Aid System**



145





# DAC Tokyo Workshop on Evaluation Feedback for Effective Learning and Accountability

DAC WORKING PARTY ON AID EVALUATION

## Role of Central Evaluation Unit (Input by Germany to Discussion in Working Group)

Submitted by

'Federal Ministry for Economic Cooperation and Development'  
Germany

---

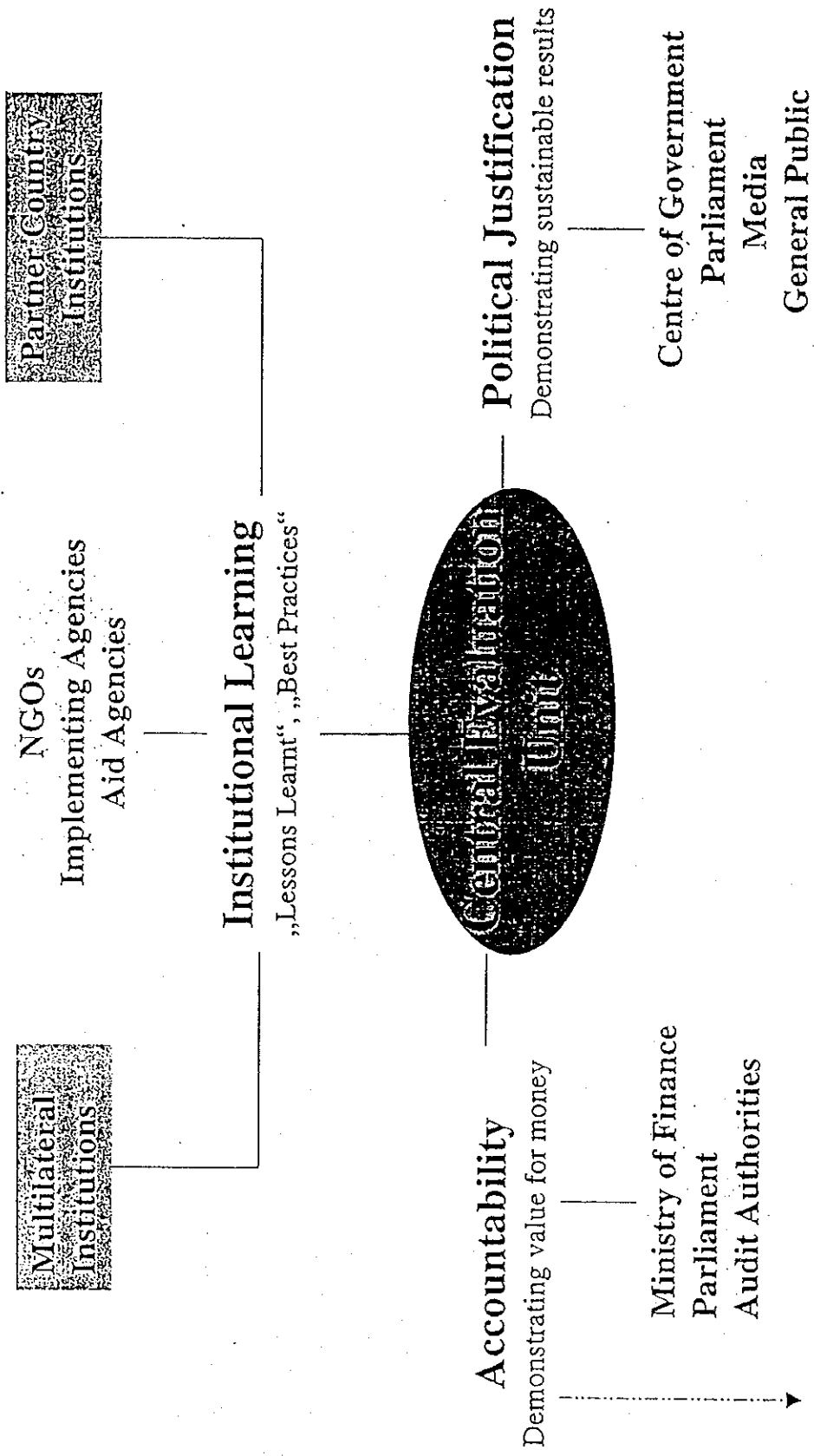
Hosted by the Government of Japan  
26-28 September 2000



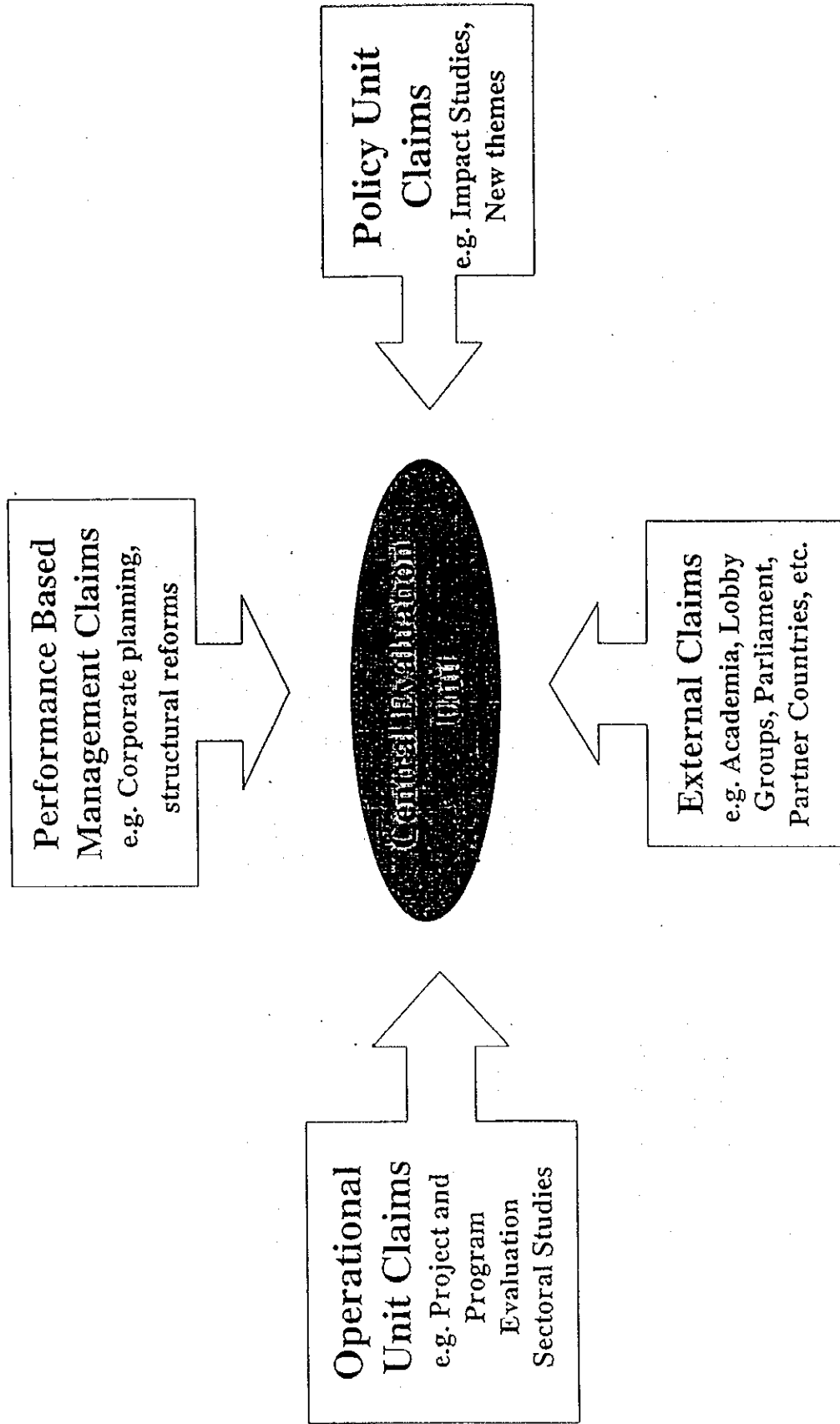


**SIMPLIFIED IM. ACT MODEL OF CENTR. L EVALUATION**

UNITS

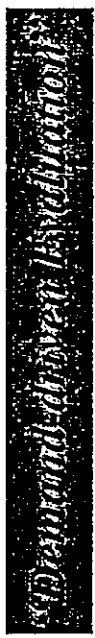


SIMPLIFIED CLAIM MODEL ON CENTRAL EVALUATION UNITS



WHAT ARE THE EMERGING CHALLENGES FOR CENTRAL EVALUATION UNITS ?

To make evaluation programs even more relevant by gearing them as closely as possible towards the felt needs and demands of the aid agency without compromising the independence and provocative/innovative role of evaluation



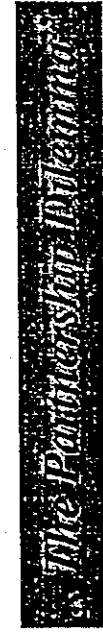
To come to grips with the growing number of competing claims on central evaluation units in view of their limited capacity and scarce resources



To develop tools that would allow for a better assessment of the absorptive capacity of an aid agency at any given moment to cope with and react to evaluation findings, particularly of a structural nature



To develop approaches and procedures in evaluation work, that would help to overcome the exclusion of partners from most evaluations and allow for their full involvement throughout the evaluation cycle, from the initial steps to the final results and their use for and impact on institutional learning, accountability and political justification in partner countries



To work towards evaluation alliances across institutional and geographic borders, for example through joint evaluations, allowing for the division of labor between different actors, the pooling of resources, the valorization of competitive advantages, the reduction of burdens on partners, and the development of joint perceptions of what works and what doesn't work



*The Quest of Synergies*

To play a leadership role in a system-wide approach to evaluation, which would include all actors in development co-operation, be based on common goals and benchmarks, and accept diversity



*The Systemic Challenge*

To work towards the comprehensive and timely implementation of evaluation findings and to secure the firm integration and full consideration of lessons learnt into the planning and implementation cycle of development co-operation projects and programs



*The Resistance to Change Challenge*

# EVALUATION-BASED LEARNING

## THE GERMAN CASE



# EVALUATION-BASED LEARNING

## FUNDAMENTALS

- ▶ Institutional structure
- ▶ Delivery of aid
- ▶ Framework for learning and positioning of the evaluation system
- ▶ Quality of evaluations
- ▶ Evaluation planning and implementation
- ▶ Organisation of evaluation feedback & learning





# EVALUATION-BASED LEARNING

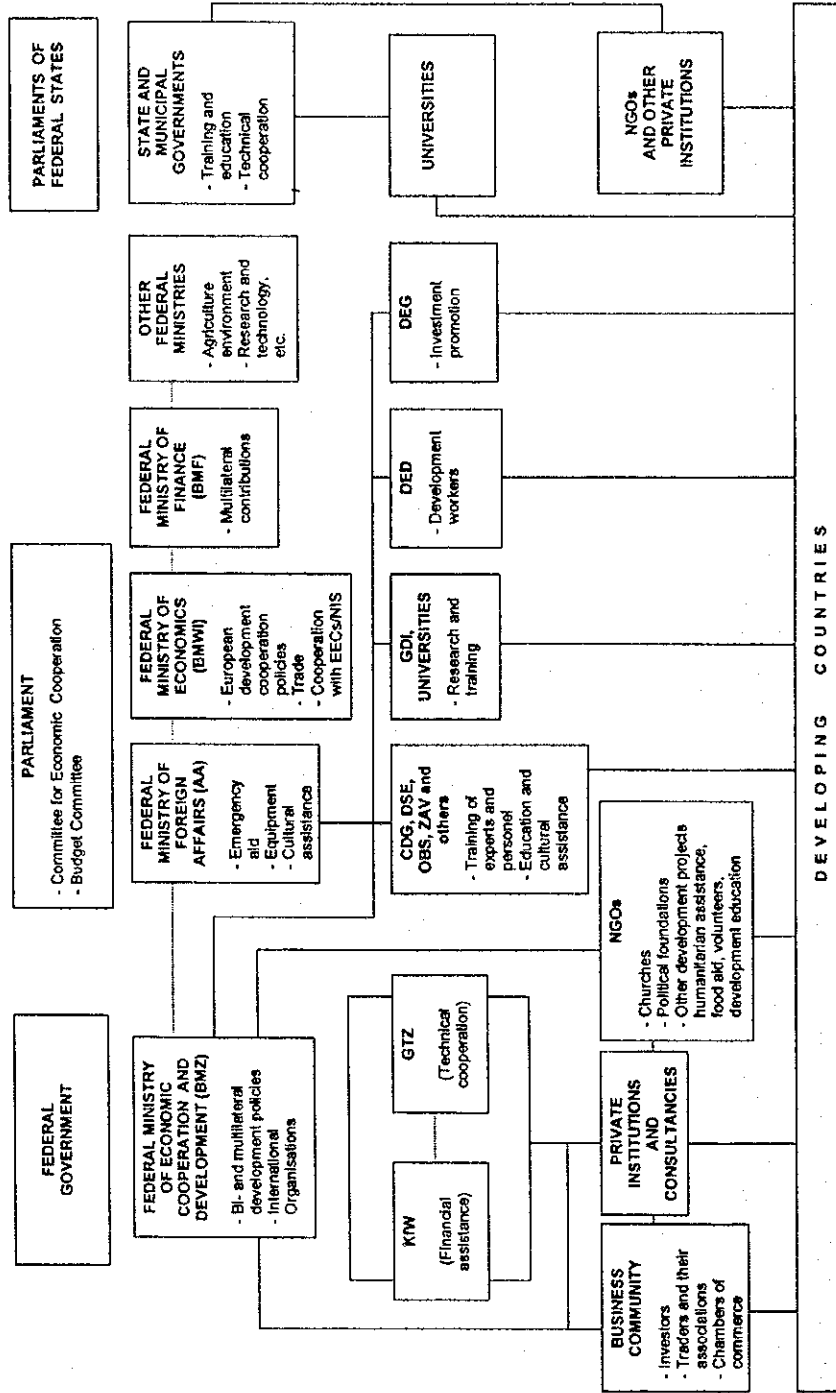
## INSTITUTIONAL STRUCTURE

- ▶ Policy responsibilities
- ▶ Executing agencies
- ▶ Decentralisation



# OPERATIONAL-BASED LEARNING

# INSTITUTIONAL STRUCTURE : Germany



Source : OECD/DAC 1985

..... Coordination Links  
..... Financial Links



# EVALUATION-BASED LEARNING

## INSTITUTIONAL STRUCTURE : Germany

FEDERAL GOVERNMENT		PARLIAMENT		PARLIAMENTS OF FEDERAL STATES	
<b>FEDERAL MINISTRY OF ECONOMIC COOPERATION AND DEVELOPMENT (BMZ)</b> Bilateral development cooperation through all organisations	<b>FEDERAL MINISTRY OF FOREIGN AFFAIRS (AA)</b> Embassy and consulates abroad Cooperation with NGOs	<b>FEDERAL MINISTRY OF ECONOMICS (BMWi)</b> European development cooperation Analysis State Cooperation with EU & MS	<b>FEDERAL MINISTRY OF FINANCE (BMF)</b> Multilateral cooperation	<b>OTHER FEDERAL MINISTRIES</b> Agriculture Development Transportation	<b>STATE AND MUNICIPAL GOVERNMENTS</b> Cooperation Education Cooperation
<b>NGOs</b> Private institutions and consultancies	<b>CGO, OSF, CBS, ZAV and others</b> Cooperation of NGOs and other Cooperation of NGOs and other Cooperation of NGOs and other Cooperation of NGOs and other	<b>UNIVERSITIES</b> Research and training	<b>DED</b> Development	<b>DFG</b> Research	<b>NGOs AND OTHER PRIVATE INSTITUTIONS</b>
<b>BUSINESS COMMUNITY</b> Companies Traders and their associations Chamber of commerce	<b>MG08</b> Char. Sec. Public institutions Private institutions International institutions Local institutions International institutions				

Source: DE GUDAG, 1995



# EVALUATION-BASED LEARNING

## DELIVERY OF AID

- ▶ Volume of aid
- ▶ Size of interventions
- ▶ Recipient countries
- ▶ Sectors
- ▶ Instruments



# EVALUATION-BASED LEARNING

## FRAMEWORK FOR LEARNING

- ▶ Management style
- ▶ Qualification of staff
- ▶ Information & communication
- ▶ Training
- ▶ Research
- ▶ EVALUATION
  
- ▶ Incentives
- ▶ Staff turnover
- ▶ Workload and absorptive capacity



# EVALUATION-BASED LEARNING

## FRAMEWORK FOR LEARNING

- ▶ Management style
- ▶ Qualification of staff
- ▶ Information & communication
- ▶ Training
- ▶ Research
- ▶ EVALUATION

- ▶ Incentives
- ▶ Staff turnover
- ▶ Workload and absorptive capacity



---

# EVALUATION-BASED LEARNING

## EVALUATION PLANNING & IMPLEMENTATION

User orientation and  
partner participation  
in planning and execution :

Decisive for subsequent  
effective feedback and learning.

---



# EVALUATION-BASED LEARNING

## EVALUATION PLANNING & IMPLEMENTATION

User orientation and  
partner participation  
in planning and execution :

Decisive for subsequent  
effective feedback and learning.





---

# EVALUATION-BASED LEARNING

## FEEDBACK & LEARNING

- ▶ Participation
- ▶ Internalization
- ▶ Horizontal learning
- ▶ Publication
- ▶ ...



# EVALUATION-BASED LEARNING

## FEEDBACK & LEARNING

- ▶ Participation
- ▶ Internalization
- ▶ Horizontal learning
- ▶ Publication
- ▶ ...



---

# EVALUATION-BASED LEARNING

## PARTICIPATION

Partner participation :

One of the core areas of deficiency  
in feedback and learning.

To a large extent  
result of inadequate participation levels  
when evaluations are being  
planned and executed.



# EVALUATION-BASED LEARNING

## PARTICIPATION

Partner participation :

One of the core areas of deficiency  
in feedback and learning.

To a large extent  
result of inadequate participation levels  
when evaluations are being  
planned and executed.



---

# QUALITY-BASED LEARNING

## INTERNALIZATION

Far more difficult to achieve in the case of staff who have not been directly involved.



# EVALUATION-BASED LEARNING

## INTERNALIZATION

Far more difficult to achieve in the case of staff who have not been directly involved.



---

## **EVALUATION-BASED LEARNING**

## **HORIZONTAL LEARNING**

---

**In particular for a donor with a diversified institutional structure, intensified communication between aid agencies and more frequent joint evaluations can substantially contribute to horizontal learning.**



## EVALUATION-BASED LEARNING

### HORIZONTAL LEARNING

In particular for a donor with a diversified institutional structure, intensified communication between aid agencies and more frequent joint evaluations can substantially contribute to horizontal learning.





# EVALUATION-BASED LEARNING

## PUBLICATION

### Dilemma:

- ↓ critical, uninhibited evaluation process
- ↓ problems to be resolved internally, avoid outside intervention
- ↓ deterioration in the organization's image, discreet development activities
- ↓ personnel and financial resources
  
- ↑ growing external pressures
- ↑ accountability, credibility



# EVALUATION-BASED LEARNING

## PUBLICATION

### Dilemma:

- ↓ critical, uninhibited evaluation process
- ↓ problems to be resolved internally, avoid outside intervention
- ↓ deterioration in the organization's image, discreet development activities
- ↓ personnel and financial resources
- ↑ growing external pressures
- ↑ accountability, credibility



# EVALUATION-BASED LEARNING

## FUNDAMENTALS

- ▶ Institutional structure
- ▶ Delivery of aid
- ▶ Framework for learning and positioning of the evaluation system
- ▶ Quality of evaluations
- ▶ Evaluation planning and implementation
- ▶ Organisation of evaluation feedback & learning



# EVALUATION-BASED LEARNING

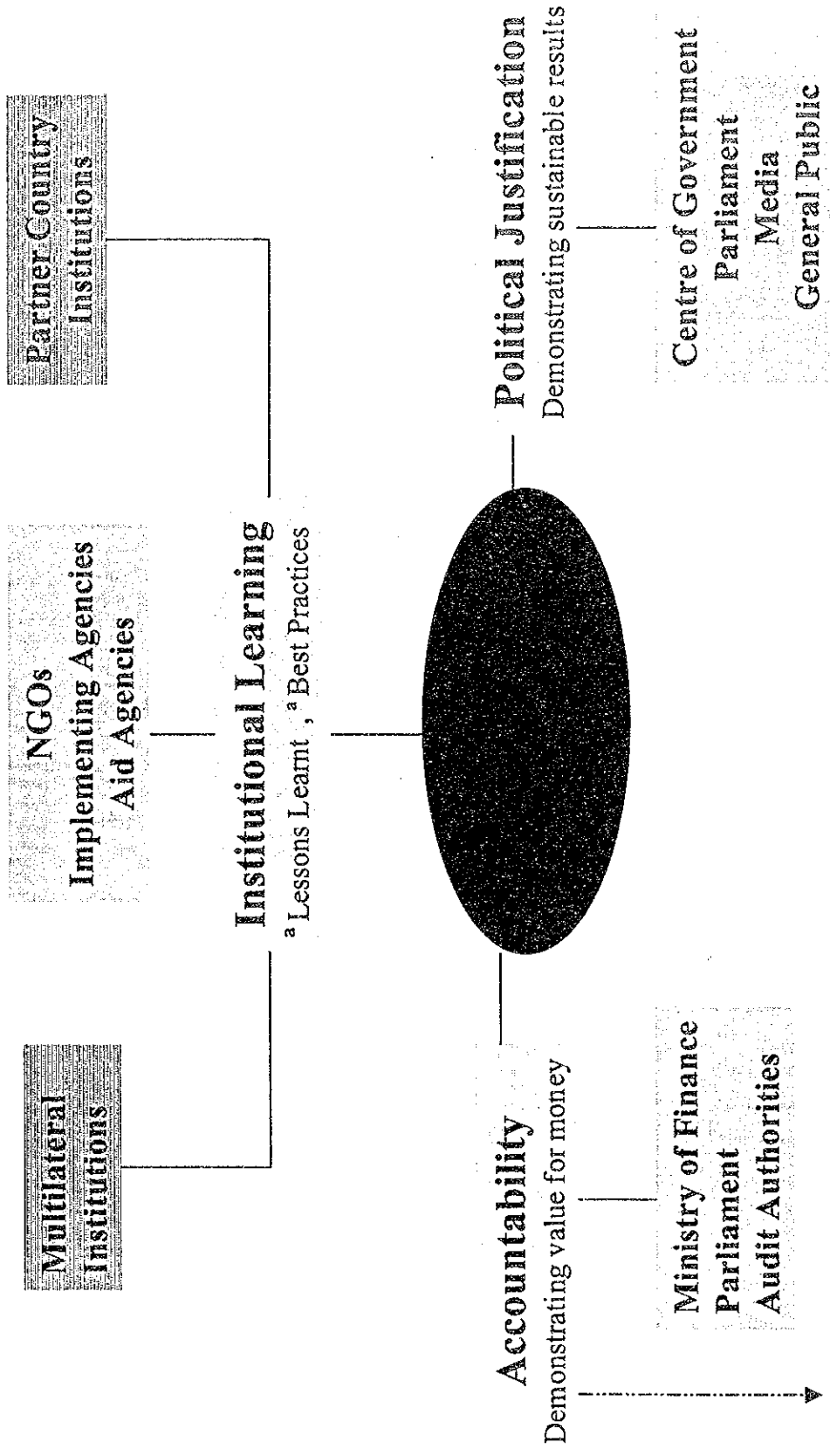
## FUNDAMENTALS

- ▶ Institutional structure
- ▶ Delivery of aid
- ▶ Framework for learning and positioning of the evaluation system
- ▶ Quality of evaluations
- ▶ Evaluation planning and implementation
- ▶ Organisation of evaluation feedback & learning



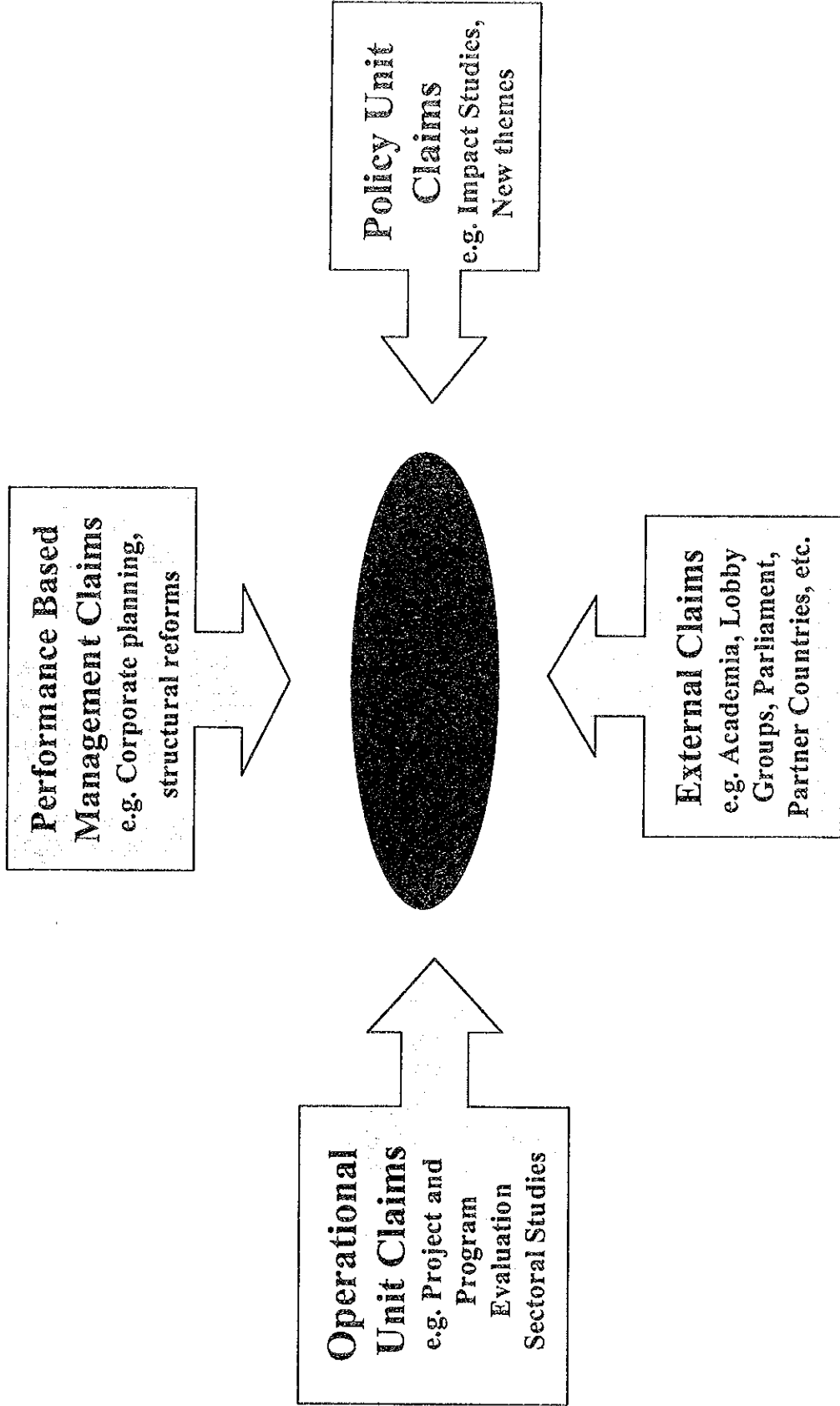
# SIMPLIFIED IMPACT MODEL OF CENTRAL EVALUATION

## UNITS



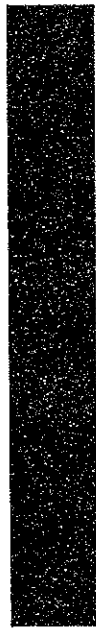
**Partner Country Authorities**

SIMPLIFIED CLAIM MODEL ON CENTRAL EVALUATION UNITS



**WHAT ARE THE EMERGING CHALLENGES FOR CENTRAL EVALUATION UNITS?**

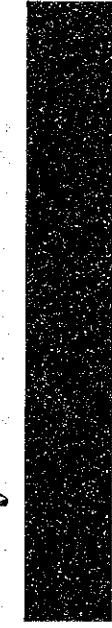
To make evaluation programs even more relevant by gearing them as closely as possible towards the felt needs and demands of the aid agency without compromising the independence and provocative/innovative role of evaluation



To come to grips with the growing number of competing claims on central evaluation units in view of their limited capacity and scarce resources

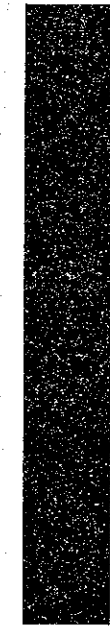


**To develop tools that would allow for a better assessment of the absorptive capacity of an aid agency at any given moment to cope with and react to evaluation findings, particularly of a structural nature**



171

**To develop approaches and procedures in evaluation work, that would help to overcome the exclusion of partners from most evaluations and allow for their full involvement throughout the evaluation cycle, from the initial steps to the final results and their use for and impact on institutional learning, accountability and political justification in partner countries**





To work towards evaluation alliances across institutional and geographic borders, for example through joint evaluations, allowing for the division of labor between different actors, the pooling of resources, the valorization of competitive advantages, the reduction of burdens on partners, and the development of joint perceptions of what works and what doesn't work



172

To play a leadership role in a system-wide approach to evaluation, which would include all actors in development co-operation, be based on common goals and benchmarks, and accept diversity



**To work towards the comprehensive and timely implementation of evaluation findings and to secure the firm integration and full consideration of lessons learnt into the planning and implementation cycle of development co-operation projects and programs**



**To work towards evaluation alliances across institutional and geographic borders, for example through joint evaluations, allowing for the division of labor between different actors, the pooling of resources, the valorization of competitive advantages, the reduction of burdens on partners, and the development of joint perceptions of what works and what doesn't work**



172

**To play a leadership role in a system-wide approach to evaluation, which would include all actors in development co-operation, be based on common goals and benchmarks, and accept diversity**



**To work towards the comprehensive and timely implementation of evaluation findings and to secure the firm integration and full consideration of lessons learnt into the planning and implementation cycle of development co-operation projects and programs**



173

