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REQUIREMENTS FOR STRENGTHENING EVALUATION
AND DEVELOPMENT INFORMATION AS A MANAGEMENT TOOL

EXECUTIVE SUMMARY

WE HAVE A PROBLEM

The problem is not evaluation per se. In our decentralized evaluation system, Missions and offices annually sponsor some 250 evaluation studies covering about 15 percent of our active project portfolio--a reasonable coverage over time. Our officers find these studies to be helpful.

Instead, the problem is our inability to get from these studies or other efforts timely, empirically-based information about project performance, effects and impacts related to development objectives; and to use such "evaluative information" a) in project management (including timely redesign) during implementation; b) in decisions about project continuation, follow-on, amendment, replication, de-obligation and termination; and c) in telling our story convincingly to the Congress and general public.

Our Officers need much stronger re-inforcement and support to become effective users of evaluative and other information resources in their project management and program decision-making, drawing on information reflecting both localized and broader development experience.

Many of our officers and managers get, know and use evaluative information all the time in guiding their decisions and actions. Others don't know and believe they don't have the need, the time, the skills or resources to get this information through specific evaluation studies or other means. We are also concerned about evidence that some officers and managers don't know they don't know. To them, project effectiveness means moving assistance funds, getting the inputs in and some outputs out. They aren't accustomed to regularly asking themselves-- nor are they regularly asked by more senior managers-- the forward-looking question: "So What?"

WE CAN SOLVE THIS PROBLEM

We can a) strengthen the Agency's perception that we are development managers (not only implementors' working toward development objectives; b) accustom our officers and managers to new practices and procedures; and c) provide them resources and skills--including the skill of getting and using evaluative information to inform their project monitoring and their decisions and actions.

Three actions are needed to make this happen (specific steps are described in the following report):

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• A much stronger and more regular senior management demand for, and attention to, information about program effects and impacts of assistance. In our reformed programming system, it is as important for A.I.D./W senior management as it is for our Mission Directors to call for evidence of performance, effects and impacts in key areas of our program.

• Re-orientation of Agency staff through practical training, preferably in collaboration with host country counterparts. We have developed a one-week workshop that can be used as a basis for comprehensive training and that has already been highly successful in two missions (Cairo and Dhaka).

• Provision of resources to Missions to support their program and evaluative information needs. We should consider both the direct-hire and contractor requirements for bringing our Missions fully into the "information age." To achieve this we should consider a new type of Mission position - program evaluation and information manager - which combines the evaluation functions and the promotion of systematic use of development information.

BUREAU PLANS FOR STRENGTHENING THEIR EVALUATION SYSTEMS DON'T YET CONSTITUTE A STRONG RESPONSE TO THE PROBLEM

Our review of the reports on this topic sent to you by the Bureaus leads to the following conclusions:

--Regional Bureaus agree that they have difficulty getting empirically-based information on project and program impacts. A few outstanding Mission exceptions, however, have demonstrated what is possible.

--Regional Bureaus agree on the need for staff training, but none has committed itself to a comprehensive effort--leaving it up to each Mission to decide.

--While noting that staff constraints prevent Missions from fully exploiting the potential of evaluative information, no Bureau has offered recommendations for dealing with this constraint.

--Of the regional Bureaus, only ANE has adequately staffed the evaluation function in A.I.D./W. With four positions assigned to this function, ANE provides strong back-stopping and technical advice to Missions and is able to mediate and integrate evaluative information needs of Missions and A.I.D./W. No other regional Bureau can yet claim a similar level of effectiveness in bringing evaluative information to bear on project management and broader programming decisions.

CDIE REPORT

WHAT IS THE PROBLEM?

The problem is not evaluation per se, but rather our inability to get timely, empirically-based information about project performance, effects and impacts, and to use this "evaluative information" a) in project management (including project design and timely re-design) during implementation; b) in decisions about project continuation, follow-on, amendment, replication, de-obligation and termination; and c) in telling our story convincingly to the Congress and public.

In our decentralized evaluation system, Missions and offices sponsor every year some 250 mid-term and final evaluation studies of specific projects and programs. For Missions, these covered about 15 percent of the active project portfolio in FY 86, and 23 per cent of active projects that were three years or more into implementation and hence potential candidates for evaluation. This is reasonable coverage over time. Our officers generally find these studies to be helpful.

But we aren't getting from these studies or other informational activities empirically-based information for assessing the effectiveness, efficiency, impact, continued relevance and sustainability of projects and programs. Since we don't consistently have this information at the project level, it is all the more difficult at the level of broader programming decisions and strategy formulation to know what is working or very likely to work, or not.

The underlying problem is a need to heighten the attention that management at all levels gives to the effects and impacts of investments of our assistance. If senior managers don't see evaluative information as a management tool, and don't regularly demand and use this information, then our officers have less incentive to do so. They will be dissuaded from investing in the data collection and analysis necessary to substantiate this information even for their own use.

The problem is not a technical one. If the management demand is there, we have practical and cost-effective methods available to get evaluative information.

WHAT NEW CONCEPTS ARE NEEDED?

We have this problem in large part because we haven't been making some important distinctions about using evaluative and other development information resources during both project implementation and program decision-making. These distinctions are the following, and they require strong reinforcement until they permeate the Agency:

- The effective results of a project are results that are credibly related to the project's development purpose and goal, not it's "inputs" and "outputs."
- Getting and using information about project effects, impacts and assumptions are integrated into--not divorced from--management actions during implementation. This information is generated through an information system that is part of the project's activities, not just through one or two visits by evaluation teams.
- Programming decisions are based not only on keen, salty judgment, but also on empirical evidence about leading or ultimate indicators of performance, effects and impacts, and about the continued validity of project assumptions.
- A project design is not "finished" when the project paper is authorized, and a project is not "done" when all the inputs are in, but both are part of a continuing development effort that should be considered before the project ends--evaluation looks to the future as much as to the past in measuring and assessing project accomplishments.
- Evaluation is a continuous process of learning, supported by a variety of informational efforts (including but not limited to specific evaluation studies), not an isolated "event" or fault-finding exercise.
- Specific evaluation studies address questions on the issues of relevance, effectiveness, efficiency, impact and sustainability before major programming decisions.
- Evaluative information has uses beyond those of project management, such as in generating lessons learned useful for project replications in other settings and reports on accomplishments.
- In our reformed programming system, senior management in A.I.D./W is just as interested in well-substantiated evaluative information as is the Mission Director and project officer, particularly on key indicators that reflect the thrust of the Agency's assistance program.

These distinctions underlie the guidance in our new (1987) Evaluation Handbook. They orient us to the goals of assistance.

Imbuing the Agency with these distinctions is all the more challenging for the very reason that we've already had in place, since 1970, an evaluation system that too often resulted in pro forma, perfunctory evaluation studies and limited views about the role of evaluation and development information in management.

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EVIDENCE THAT A PROBLEM EXISTS

- Evaluation reports lack empirically-based information about project performance, effects and impacts.

Our recent synthesis of interim and final evaluation reports submitted in FY 85-FY 86 found that the majority of evaluation reports were descriptions of project implementation status, or litanies of implementation and design problems. The issues addressed focus on inputs and outputs; the reports contain little or no analyses relevant for assessing actual or "leading" effects related to the development purposes and goals of projects, or to such concerns as sustainability or women in development.

In part, this condition reflects deficiencies in systematic data collection and analysis for substantiating changes in leading indicators of project performance, effects and impacts. It also reflects inadequate backstopping of systematic information activities in or for Missions.

- Programming decisions aren't fully informed by evaluation studies.

Since 1981, A.I.D./W guidance on evaluation planning has advised Missions and offices to plan specific evaluation studies in time to inform foreseeable programming decisions and to address other management concerns. Concerns may evaporate, but decision points don't go away--decisions have to be made with or without the findings of an evaluation. About 60 percent of planned evaluations have actually been carried out. Some of the remaining 40 percent were postponed or cancelled (and others occasionally substituted) for good programming reasons; most, however, were simply dropped, reflecting a low priority given to evaluation. Mission and Office performance is well above this 60 percent average in those Bureaus (ANE, FVA, PRE) where Bureau evaluation divisions have adequate professional staff experienced in evaluation with time to support and review Mission or Office evaluation work.

- Project managers are too often uninterested in development-related effects and impacts, have not adequately monitored progress towards these project results, and have not ensured the collection and analysis of data pertinent to these results.

We could tolerate fewer-than-planned evaluation studies if project managers were using other mechanisms for getting and analyzing data on project effects to help inform their decisions and actions. But this is not usually the case. An IG audit (August, 1986) of Mission evaluation programs found a strong pattern of deficiencies in routine monitoring of project results and in information systems for monitoring and

evaluation (M&E). This finding has been corroborated by our TDYs and four workshops overseas designed to help officers define and manage their evaluative information needs; and by our synthesis of FY 85-FY 86 evaluation reports, which found that 20 percent of 212 projects evaluated suffered from poor monitoring.

Project (technical) officers haven't had adequate information systems or related information backstopping services at their disposal to support regular data collection and analysis for monitoring project effects, as distinct from inputs and outputs. They tend to rely on occasional evaluation studies for this purpose. While this seems a reasonable response to a problem, it is a cumbersome practice, especially when so many evaluation studies end up being dropped and the studies themselves don't have adequate data available for their own analysis.

Our new Evaluation Handbook strongly re-affirms a requirement to build information systems into project management. Early attention to management information for monitoring and evaluation can also improve project efficiency. Particularly in projects that suffer from marked deficiencies in the quality of project design (our synthesis of FY 85-FY 86 evaluation reports found that 30 percent of 212 projects evaluated had such deficiencies), officers could act quickly to correct design flaws rather than wait for a mid-term evaluation study.

While efficiencies in the use of information are possible, project officers interpret the priorities of the Agency to be on obligating and disbursing assistance funds, and they believe that the Agency's rewards are much greater for these activities than for using evaluative information (and other tools) to manage projects toward development results. Their complaints that they don't have time to perform the latter task effectively partly reflects their perception of relative priorities and rewards. This condition won't change until senior managers spell out their requirements and expectations for evaluative information on development accomplishments.

- In our reformed programming system and decentralized evaluation system, managers in A.I.D./W are not being well informed about program results and impacts--and are not consistently demanding evaluative information during key program events (e.g., Program Weeks, CDSS reviews).

Our reforms in the Agency's programming system leading to greater redelegations of authority assumed that A.I.D./W would retain a management interest in, and Missions would report on, broad program outcomes. In other words, A.I.D./W managers would get out of the business of monitoring the "nuts and bolts" of specific projects but hold Missions

accountable for accomplishments related to development objectives as stated in program "strategies" and Action Plan "tactics."

We are not consistently getting the solid and timely evidence about results--at project or broader program levels--to serve this vision of an effective programming and management system. Our ability to inform programming decisions in A.I.D./W and our ability to report to Congress are thereby weakened.

In addition to the above conditions, the following contribute to this problem:

- A.I.D./W managers, including senior management, don't systematically share with Missions and Offices their priority questions or concerns which evaluative information from the field might help answer.
- We have yet to reach an understanding within the Agency about what constitutes minimally adequate and credible "indicators" of performance, effects and impacts, and how a mutually useful information bridge can be built between headquarters and the field to help substantiate such indicators.
- Although we recognize that the Action Plan/Program Week process is still being perfected, to date AAs and Office Directors have not consistently used these occasions to demand empirical evidence justifying the decisions and actions reported, and to elicit commitments from Missions and Offices to get the evidence. Semi-annual portfolio reviews are still structured to focus on implementation of projects. Unless senior managers plug their own questions about project and program performance and outcomes into these key reviews, priorities will not change and the problem will remain with us.
- ANE, FVA and PRE Bureaus have (to date) adequate staff with strong evaluation backgrounds who are able to devote most of their time to evaluation-related tasks. This not only reflects their senior management interest, but also enables these evaluation divisions to work imaginatively on ways to ensure that Bureau management's needs for evaluative information can be met. Other Bureaus can't do this yet.
- In our decentralized evaluation system, there are no regular procedures for ensuring that the questions and concerns of A.I.D./W managers about project performance, effects and impacts are incorporated into Mission and Office evaluation plans. While A.I.D./W may be less interested in mid-term evaluations, they should certainly

be interested in final and ex-post evaluations, which are opportune times to capture the most complete picture of project performance.

- We have a genuine staffing and resource constraint that handicaps our ability to get and use evaluative information in Missions and A.I.D./W.

If we act to strengthen management's demand for evaluative information, we must seek new approaches to supporting our officers' ability to supply it.

Agency-wide, most officers assigned as Mission Evaluation Officers (MEOs) are able to devote only 5 to 15 percent of their time on evaluation-related tasks. This compares poorly to an average of 45 percent in Missions which are our best "performers" in getting and using evaluative information to meet the strong demands of their directors. These high-performing Missions also make good use of qualified long-term contractors and foreign nationals to support their evaluation divisions. They are, moreover, among our larger, fully-staffed Missions. Small Missions simply don't have the capability to stretch direct-hire staff time further.

Regional posts (e.g., REDSO/EA, Bangkok) do not have personnel to backstop Mission requirements for developing and implementing information systems to get the kind of data collection, analyses and related studies needed (unlike regional services provided by lawyers, procurement specialists and auditors).

Our TDYs have found a genuine need for training staff--not to be evaluators--but to increase their skills and confidence in managing their needs for evaluative and other information resources, including related management of contracted resources. In-house staff training programs have not been able to devote adequate attention to evaluation and information systems as a result of other priorities and budget limitations. Our collaborative evaluation workshops in the field have barely scratched the surface.

Our review of FY 87-FY 88 Bureau evaluation plans indicates that staffing of the evaluation function at the Bureau level is not likely to improve and may continue to decline in the number of positions or grade levels necessary for best qualified staffing.

The ability of A.I.D./W staff to support Mission evaluation work through the provision of relevant technical advice and participation in evaluation studies remains limited by the availability of direct hire staff for short-term TDYs and related OE travel funds.

WHAT STEPS ARE NECESSARY?

We believe the following steps are necessary to support concerted action over the next 18 months. In their reports to you, Bureaus have indicated the actions they have already taken and intend to take; these are also highlighted below.

1. To improve A.I.D.'s articulation of its evaluation priorities and interests:

-- A/A.I.D. engages the Agency in an annual evaluation agenda, through which A/A.I.D. communicates forward-looking questions or concerns about the effectiveness and impacts of our program (e.g., "Administrator's November Forum").

-- A/A.I.D. initiates a dialogue between A.I.D./W and missions on Agency-wide evaluation and information systems. To begin this process, issue PPC's guidelines on program priorities and development indicators; and request Bureaus to respond to PPC on the steps they are taking to design or tailor indicators for measuring program performance and results. Modifications should include indicators of key cross-cutting concerns (e.g., women in development) for further development and use in evaluation studies.

Related Bureau Actions: Bureaus agree on the lack of empirical information on effectiveness and impacts at the project level, and on difficulties of synthesizing such information for use in broader program and sector planning. ANE plans to pursue the problem of obtaining better impact data, and sees the need for strong Bureau support and backstopping for this effort over the next 18 months. AFR has established a working group to help define priority information needs and related indicators. LAC expects to continue working on the challenge of integrating Mission evaluation plans with the Bureau's objectives and indicators in its MBO system.

2. To strengthen senior management's "demand" for evaluative information:

-- Once a year, include a review of the health of the Agency's evaluation system on the agenda of the Deputy Administrator's or Counselor's program management reviews.

-- All Bureaus ensure that substantive issues are raised during Program Week on the management information requirements of Action Plans, focussing on the adequacy of empirical evidence on performance and outcomes justifying the decisions and actions in these plans, and on Mission or Office commitments to get this evidence during the Action Plan period.

Related Bureau Actions: All regional Bureaus intend to discuss evaluation during upcoming Mission Directors Conferences, although specific issues for discussion were not identified. ANE and LAC

systematically addressed evaluation during Program Weeks, and believe these efforts were effective in focussing Mission and Bureau attention on problems related to the use of evaluation as a management tool.

3. To improve the supply and use of evaluative and other information resources:

-- Bureaus should require at least their major Missions to hold a collaborative evaluation workshop (comparable to highly successful workshops in Cairo and Dhaka), preferably preceded by a regional workshop for key Mission and counterpart staff responsible for evaluation (already held for ANE and for some LAC field staff).

-- M/PM/TD should establish a training course or module for A.I.D. staff, focussing on evaluative information requirements for M&E, to be offered with or in tandem with the current project implementation course.

Related Bureau Actions: Regional Bureaus agree on the strong need for staff training. They intend to promote collaborative evaluation workshops in the field, but are leaving it up to each Mission to decide. AFR and ANE are planning more intensive networking and exchange of experience on evaluation methods and procedures, and on the design of practical information systems for projects and programs.

4. To provide critical staff support and resources for meeting program information requirements of Missions:

-- Regional Bureaus should assign and recruit one direct-hire position in each regional office (e.g., Bangkok, Cairo, REDSO) to support information and evaluation services to Missions, including contracted services; candidates should have a strong generalist and social science research background in developing countries. Bureaus should also recommend to Missions the advantages of long-term host country nationals or personal services contractors to assist in organizing, managing and targeting information for project and program monitoring and evaluation.

-- Selected major Missions should establish a new type of position - program evaluation and information manager. The officer in this position would be responsible for promoting the use of evaluative and other information resources in Mission program management.

-- Bureaus should recommend to Missions the long-term desirability of strong support for improving host country capability to get and use information in development management, enabling both Missions and counterparts to rely on increasingly reliable and useful sources of data for program evaluation.

-- The Agency should give a priority to releasing direct hire staff to participate in short-term evaluations.

Related Bureau Actions: AFR, LAC and FVA recognize staffing as a constraint affecting evaluation operations. Other than staff training, no Bureau has indicated action to address direct hire staff requirements.

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AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

THE ADMINISTRATOR

May 6, 1987

MEMORANDUM FOR ASSISTANT ADMINISTRATORS

FROM: A/AID, M. Peter McPherson *M*

SUBJECT: Strengthening our Monitoring and Evaluation (M&E)
System: Information for Decision Making

I want to express my personal support for the recent moves to strengthen A.I.D.'s program monitoring and evaluation (M&E) system. At the same time, I also want to go even further and assure that all of our field missions are engaged in a serious and effective evaluation and monitoring program. I view the importance of monitoring and evaluation from several perspectives:

First, we need to know what works and what doesn't, then act accordingly. From my trips to A.I.D. Missions and visits to our projects over the past six years, I have come to appreciate the importance of making the tough decisions on our projects -- when to terminate our poor performers, -- when to redesign those with good prospects but which have implementation problems and, most important, -- when to press ahead vigorously with those projects we are convinced will have a major impact on development. The evaluation process is critical in helping us make these decisions.

Second, monitoring and evaluation information systems can be instrumental in generating the empirical data for measuring the results and accomplishments of our programs. From my own experience and from what I've heard from mission directors, good data on accomplishments can have a powerful positive effect when used in our exchanges with developing country counterparts and in our presentations to Congress and the public. I am, therefore, especially interested in having the Agency work towards the use of targets and indicators in our programs in the monitoring and evaluation process. It is important that we keep our eye on what we are trying to accomplish and judge our performance accordingly.

Finally, M&E should be used in close collaboration with our developing country counterparts. In the long run the success of the programs that we start depends on the people and governments in developing countries. The establishment of

effective monitoring and evaluation as part of our work in institution building can contribute to the achievement of self-sustaining programs.

It is clear to me that successful Mission efforts in M&E have been the result of the personal interest and involvement of the Mission Director. You should urge each Mission Director to play an active role in the M&E process. Each Director can start by asking himself or herself and mission staff - what kind of information do I need for:

- project management decisions including resource allocations
- measuring impact and effectiveness
- confirming or refuting the validity of mission strategies
- supporting policy dialogue.

The key to an efficient, effective M&E system is not asking a lot of questions that generate costly major evaluations, but asking the right questions and developing an ongoing evaluation process that addresses them.

Support and interest from Bureau leadership is also essential. Therefore, each of you should provide your respective field Missions or Central Bureau offices with your views on Bureau-specific questions and issues that should be addressed through M&E systems.

I also want each Bureau, with CDIE assistance, to review the quality and quantity of recent evaluations for each Mission or Central Bureau office and to rank evaluation performance (good, satisfactory or needs improvement).

In a report to the Acting Administrator due June 30, each Bureau should provide its assessment of Mission evaluation performance together with a description of the follow-up actions to be undertaken to improve performance, as appropriate. Although I know many missions already give considerable attention to monitoring and evaluation, I want to assure all Missions and Central Bureau offices are doing so.

cc: DA/AID, JPMorris

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AGENCY FOR INTERNATIONAL DEVELOPMENT

WASHINGTON, D. C. 20523

ASSISTANT
ADMINISTRATOR

ACTION MEMORANDUM FOR THE DEPUTY ADMINISTRATOR

JUL 29 1983

FROM: AA/PPC, Richard E. Bissell *REB*

SUBJECT: Requirements for Strengthening Evaluation as a Management Tool

Attached is our report with an Executive Summary, assessing the Agency's evaluation performance and describing actions that we believe should be undertaken to improve this performance. This report builds on the Administrator's Evaluation Initiative to strengthen further our monitoring and evaluation (M&E) system and our use of information for decision-making. In his May 6 message to Bureaus and Missions, the Administrator also affirmed his belief that information about program accomplishments can empower our exchanges with developing country counterparts and our presentations to Congress and the public.

Each Bureau followed up by reviewing evaluation performance in their Missions and Offices, and by engaging Mission views on what needs to be done to strengthen their own M&E systems. We received copies of Bureau reports sent to you, and have included highlights in our report. Some of their ideas are similar to our own, which helps provide a basis for the concerted strategy that is needed. We believe, however, that further action is required.

We found that several Missions are performing well, in getting and using evaluative information in their project management and program decisions. But even our "highest performers" believe that further improvements are warranted. Our suggestions, therefore, address a pattern of conditions that are systemic to the Agency as a whole.

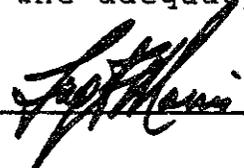
The number one priority is to get A.I.D. to recognize evaluative and other empirically based information as a basic resource for A.I.D. programming of equal importance to personnel and budgets. Internal management systems to achieve this objective can then be created.

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Recommendation:

That the attached report be discussed during the upcoming program management reviews, as one basis for judging the adequacy of actions that Bureaus intend to take.

Approved: 

Disapproved: _____

Date: 7-31-87

Attachment:

Requirements for Strengthening Evaluation and Development Information as a Management Tool

cc: Bureau AAs

Cleared: DAA/PPC,  Martin Dagata

Drafted: PPC/CDIE:Vreeland:WHNewch:EP:235-3974:7/20/87:3042A