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# IMPLICATIONS OF RECENT TRENDS ON EVALUATION IN USAID

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# IMPLICATIONS OF RECENT TRENDS ON EVALUATION IN USAID

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## I. INTRODUCTION

Two studies recently completed by Management Systems International are intended to help USAID enhance evaluation at USAID and, in that context, help inform the functions best performed by the Agency's new central evaluation office. Research reported in these two studies examined, on the one hand, recent trends in foreign assistance and, on the other, trends in international development program evaluation. Findings from these studies show external trends in both areas have implications for the choices the Agency makes about the role of evaluation in USAID and the means by which that role is best executed. In some instances trends in foreign assistance and development program evaluation point to parallel or complementary implications with regard to these two important questions, but this is not universally the case.



## 2. SYNOPSIS OF FINDINGS ON RECENT TRENDS IN INTERNATIONAL DEVELOPMENT PROGRAM EVALUATION

Changes in donor agency evaluation policy and practice described in this paper have been triggered by multiple forces. Broadly speaking, shifts in the way evaluations are conducted in donor organizations over the past decade have a common goal: *enhancing aid effectiveness*. Donor explanations for encouraging specific evaluation practices recognize that evaluation utilization is the path through which evaluation impacts development effectiveness. Some of the trends identified by this study focus directly on improvements in post-evaluation follow-up and utilization, while others focus on improving evaluation ownership, enhancing evaluation quality and the optimal placement for an evaluation office within a donor agency.

Among the strongest trends in evaluation policy and practice during the decade are those that focus on improving the quality of donor-funded evaluations. New policies and practices in this area have, in part, been stimulated by critiques of the quality of evidence found in donor-funded evaluations, including those identified in the best known of these reviews, the 2006 Center for Global Development (CGD) report, *When Will We Ever Learn? Improving Lives Through Impact Evaluation*. This and other critical reviews link weak utilization of evaluation reports to their credibility. Advocating more rigorous evaluation, CGD has taken up the issue not only with USAID but also with a number of other donors, primarily through a conference in Bellagio, Italy, in 2006. Responding to these critiques, some donors have issued new evaluation policies that call for at least some evaluations that meet rigorous standards for evidence, e.g., AusAid, NAZAID, the World Bank and the Millennium Challenge Corporation in the U.S. In parallel, donors that were already investing in evaluations that involved experimental (randomized controlled trials) and quasi-experimental designs, such as the Inter-American Development Bank and the World Bank, have made a greater effort to highlight these types of evaluations. Some bilateral donors have begun to incorporate impact evaluation requirements into their evaluation policies; these donor organizations include the European Commission,

*Agence Française de Développement* and NAZAID, all of which use rating systems to score evaluations against published evaluation standards. Similarly, UNICEF has a system for scoring the quality of evaluation reports. In addition, UNDP, DFID and CIDA have begun to introduce minimum competency for evaluation staff and heads of evaluation offices. Evaluation training opportunities for both donor staff and host government evaluation personnel have also expanded over the decade, as have national evaluation networks and other evaluation interest organizations with worldwide membership, reflecting the increasingly international character of this field.

Donor initiatives during the past decade aimed at improving evaluation have focused on circumstances under which the utilization of evaluation has had an impact, e.g., case examples in the World Bank's publication, *Influential Evaluations*. Interest in improved access to and use of evaluations has also driven donor efforts to create electronic libraries accessible through agency websites. Improved utilization is also the focus of donor efforts to synthesize evaluation findings on a topical basis, e.g., in the UNDP's series called *Essentials* and CIDA's *What are We Learning* series. A number of donors have also strengthened their guidelines for post-evaluation follow-up and several (SIDA, World Bank, DFID and UNDP) are monitoring the frequency with which evaluation recommendations are accepted, and once accepted, whether and how completely they are implemented.

Also of note in the donor evaluation community are shifts in the way evaluation offices relate to agency management. Some agencies have elevated, or are considering elevating, their evaluation offices so that they report either to the head of the agency or its board of directors as a means of ensuring their independence (e.g., DFID and the World Bank). Further, at least one government, Sweden, has created a separate agency that conducts evaluations of programs funded by SIDA, the country's main organization for the delivery of foreign assistance. In contrast, France's *Agence Française de Développement*, after establishing its evaluation office as a relatively independent entity, concluded that the evaluation unit was too isolated from the rest of the institution, and moved it into the organization's management division.

### **3. SYNOPSIS OF FINDINGS ON RECENT U.S. FOREIGN ASSISTANCE TRENDS**

Major events and changes during the past decade have had a dramatic impact on the means by which the U.S. Government and its citizens engage the world. Terrorism, substantial and sustained war efforts, the spread of HIV/AIDS, and the global financial crisis are but some of the more significant happenings that have shaped the international context for the United States. With these changes have come associated shifts in the organization and delivery of U.S. foreign assistance. Development is now recognized – and pursued – as one of the three fundamental components of U.S. national security efforts. The U.S. foreign assistance program, once largely the province of USAID, is now being implemented by perhaps as many as 50 U.S. Government offices and agencies, including such important actors as the Millennium Challenge Corporation (MCC) and the Department of Defense (DOD).

These changes, illustrative of a broader set of movements in the context and content of the U.S. foreign assistance program, have led to changes in USAID's roles and its program portfolio. USAID now works with a greater awareness of – and increased coordination with – other U.S. Government agencies and operations (as trends toward a “whole of government” approach to development continue). USAID plans and implements a large and growing portion of its program portfolio in fragile and post conflict operating contexts. The issues addressed by USAID-supported activities have moved well beyond those traditionally associated with sustainable development (e.g., counterterrorism). As USAID continues to adjust and to incorporate new responsibilities, the purpose and practice of evaluation at USAID are called into question. Evaluation will be a fundamental element – a requirement - of a successful USAID. The question is: with the recent changes in the organization and delivery of U.S. foreign assistance, and within the context of

developments in the field of evaluation, how should the evaluation function at USAID be structured and managed in order to best support the Agency, and more broadly, the U.S. foreign assistance program?

#### **4. BROAD IMPLICATIONS OF DOMESTIC AND INTERNATIONAL TRENDS FOR THE MANAGEMENT AND EVALUATION OF FOREIGN ASSISTANCE**

The two papers summarized above indicate that key domestic and international stakeholders have arrived at similar, though not precisely the same, conclusions that have important implications for the evaluation of foreign assistance.

***More comprehensive and agreed-upon frameworks for international development assistance are needed to deal with the implications of having more and more different types of actors involved in the provision of international development assistance***

Domestically, calls for a new and more comprehensive framework for international development assistance from various quarters culminated last year in a call for a National Strategy for Global Development, in HR 2139, envisioned as a “whole of government” product on which all U.S. Government agencies involved in international development would collaborate to more clearly delineate roles and responsibilities, including coordination responsibilities where mandates overlap. In the international arena, the Paris Declaration synthesized the conclusions of a multi-year effort that focused as much on the burden placed on developing countries by numerous, uncoordinated donor programs, as on the importance of developing country ownership and commitment to their own comprehensive development plans and donor alignment with these plans.

While trends in the domestic and international arenas both converge on the idea that a single plan around which the programs of multiple donors are aligned, the different perspectives they suggest for framing a single plan, i.e., a U.S. government perspective versus the perspective of any given developing country when it frames its own national plan, may not be compatible. USAID, as the agency with the broadest development assistance mandate and the largest share of the U.S. foreign assistance budget, is uniquely positioned to feel the pressure of these potentially competing views and to act as a bridge between them.

***Comprehensive international development assistance frameworks require more comprehensive and collaborative evaluation approaches***

Consistent with the above, both domestic and international trends include threads that posit that more comprehensive evaluation frameworks and approaches are needed to ensure learning and accountability across more comprehensive development assistance plans. On the domestic side, this thread emerged most visibly in July 2009 in Senate Bill S. 1524, which calls for a Council on Research and Evaluation of Foreign Assistance, an entity that would complement agency level evaluation functions by examining in a more holistic way the impact of U.S. foreign assistance, looking across programs carried out by any U.S. government agency and/or international and multilateral assistance programs funded by the U.S. In the international arena similar conclusions have resulted in efforts to strengthen the capacity of recipient governments to evaluate their progress against goals and targets established in their own development plans and to promulgate the use of joint evaluations through which donors and developing countries collaborate in reaching conclusions about what works, what does not work and what actions are required in light of shared conclusions.

Here, as in (1) above, parallel trends are leading in similar, yet perhaps not fully compatible, directions. USAID, more than any other U.S. Government agency, is likely to be expected to engage in evaluation efforts initiated from both of these perspectives.

***While learning and accountability remain the core functions of evaluation, domestic and international trends focus on improving the credibility of the evidence evaluations provide and the consistency with which evaluations lead to visible improvements in aid effectiveness and stronger justifications for future plans and budget allocations***

In this arena, U.S. domestic and international development trends converge, though the pace at which action is being taken to improve the credibility and use of evaluations differs somewhat between the two. The two views are as follow:

- Domestically, the Office of Management and Budget (OMB) has been a vocal proponent of efforts to improve evaluation quality and utility by strengthening the evidence evaluations obtain. This position is also held by a variety of independent observers and most recently was incorporated in HR 2139, which calls for agencies to establish criteria that would be used to determine which foreign assistance programs are subject to impact evaluations of the type OMB guidance suggests will provide strong evidence of program effectiveness, or the lack thereof. These suggestions, however, have not yet been transformed into government-wide or USAID-specific policies. In contrast, a number of other bilateral and multilateral donor organizations have adopted evaluation policies that require that some portion of the programs of those agencies be evaluated using robust impact evaluation techniques.
- Domestically, the Government Performance and Results Act (GPRA) and evaluation policies in most agencies call for the application of evaluation findings when strategic plans are framed and decisions about allocating budgetary resources to programs are made. Few agencies, according to a GAO review, have the kind of strong evaluation cultures that enforce these expectations, and none of those identified by the GAO as having strong evaluation cultures were heavily engaged in foreign assistance. Internationally, a number of organizations, including the World Bank, have strong new programs dedicated to ensuring that evaluation recommendations are being tracked to determine whether they are being implemented and if not, why not. Further, countries such as Chile, have become world leaders with respect to integrating evaluation results into government budget formulation processes, while the U.S. continues to struggle to make operational this GPRA concept.

USAID, with a new mandate to enhance evaluation as the leading U.S. foreign assistance agency, and a new central evaluation office to support that effort, has an unusual opportunity to play a leadership role with respect to these trends.

## **5. U.S. GOVERNMENT LEADERSHIP OPPORTUNITITES AVAILABLE TO USAID**

While reaching beyond the realm of evaluation, USAID has clear opportunities to play a leading role in shaping the U.S. response to the trends identified by the two studies outlined above and their key implications for the management and evaluation of foreign assistance. We explore two of those opportunities in this section, emphasizing those in the evaluation arena.

### **A. A NEW U.S. DEVELOPMENT ASSISTANCE FRAMEWORK**

On the planning side, USAID's involvement in the upcoming Quadrennial Diplomacy and Development Review recently announced by the Department of State represents a significant opportunity to help develop a forward-looking whole-of-government framework for U.S. foreign assistance. The Review will provide USAID with multiple opportunities to explore with State the ways in which a U.S. approach to foreign assistance can be more closely aligned to the aspirations of developing countries and U.S. commitments under the Paris Declaration.

## **B. COMPREHENSIVE APPROACHES TO FOREIGN ASSISTANCE EVALUATION**

USAID's leadership opportunities with respect to the development of a comprehensive foreign assistance evaluation framework for the U.S. -- while helping to strengthen other countries' evaluation capacities and expanding U.S. participation in joint evaluations, in line with both the Paris Declaration and HR 2139 -- are significant. We explore these opportunities in greater detail below.

### **I. HOW TO MAKE EVALUATION "WORK" ACROSS DIFFERENT ORGANIZATIONS**

It is no longer reasonable for organizations in international development to implement and evaluate their programs independently, ignoring the activities and agendas of the institutions that work in and across the same or related sectors and geographies. Projects and programs overlap across many aspects, including objectives and goals, sectoral focus, partner communities, and stakeholders. When organizations do not actively coordinate their work, they lose an opportunity for synergy and improved performance and impact, in the best case scenario. At worst, their programs work against and undermine each other, greatly reducing effectiveness and the potential for sustainable improvements. The development community increasingly recognizes this fact and thus, over the past five years, substantial efforts have been made to better coordinate and integrate development efforts across institutions. This is perhaps most evident in the terms of the 2005 Paris Declaration (harmonization) and in the U.S. Government's attempt to better organize its foreign assistance agenda and programming across the dozens of government offices currently implementing foreign assistance programs.

As these organizations seek to work together they must also address vastly different organizational cultures, structures, goals and policies. This is true not only for program planning and implementation, but also for evaluation, because as strategies and programs become increasingly coordinated across organizations, so must evaluation. Evaluation provides information to managers and officials, and facilitates effective reporting, improved program management and performance, and broad institutional learning. However, as institutions' management cultures and decision-making processes vary, so too will their use of evaluation. The types of evaluation questions or study topics that managers wish to explore through evaluation are likely to differ; the standards and expectations related to evaluation (design, data collection methods, data analysis, etc.) will often be inconsistent; and the means for incorporating evaluation into discussion and decision-making will also vary. As better cross-organization coordination of development strategies and programs becomes more and more critical to the success of such programs, coordination around the evaluation function will also become increasingly important. Making cross-organization evaluation activities effective and useful - whether this means sharing in the development of an evaluation SOW or designing and conducting joint evaluations, for example - will be a challenge, but it is a challenge that must be engaged.

#### **Managing the U.S. Government Voice**

A critical implication stemming from the fragmentation of the U.S. foreign assistance program across dozens of U.S. Government agencies is the difficulty in ensuring that a consistent message is received by our development partners, be they multilateral and bilateral donors, host governments or private sector institutions. This is true for development policy and programming, but it is also true for evaluation. Defining evaluation priorities, objectives, standards and expectations - and communicating this message on a consistent basis to U.S. Government partners where and when appropriate - is a task that might best be taken up by USAID, perhaps in partnership with the State Department.

USAID and the State Department recognize the importance of coordinating evaluation activities and have worked to establish a number of informal mechanisms to share ideas, information and resources. In addition, both organizations maintain an open and active dialog with the OECD on topics related to evaluation in international development. As promising as this is, there remain many important U.S. Government actors in international development - the Departments of Defense and Agriculture, and the Millennium Challenge



Corporation, to name a few – that do not appear to be currently involved in any substantial efforts to better understand and coordinate evaluation efforts related to their foreign assistance programming. Similarly, USAID’s efforts to actively coordinate with bilateral donors, host governments, international PVOs and foundations regarding the practice and use of evaluation have been limited. USAID has an opportunity – and perhaps an obligation – to provide leadership and to help organizations within and outside of the U.S. Government involved in international development effectively coordinate evaluation efforts, thereby ensuring that these joint efforts provide value across organizations, regardless of culture, structure or mission.

## **2. FACILITATING JOINT LEARNING**

Though implied in the narrative above, facilitating learning across organizations through evaluation warrants a brief separate discussion. The number and variety of organizations involved in various aspects of development represents not only a challenge regarding the coordination of evaluation efforts, it also represents an enormous learning opportunity. If we consider the number of organizations involved, for example, in HIV/AIDS, or primary education, or agricultural research – and then consider the number and range of projects, programs and activities being implemented across these sectors by these organizations – the potential for learning through some form of shared evaluation is extraordinary. The notion of shared evaluation can include, for example, joint evaluations, meta analyses of evaluation reports and data from multiple organizations, sharing of monitoring or evaluation-related data sets (e.g., from regional and national surveys), or facilitating working conferences aimed at sharing evaluation results specific to a given sector or country. Pooling the knowledge gleaned from the monitoring and evaluation of similar projects or programs implemented by various organizations offers very significant benefits for every organization active in the relevant sector or region.

Importantly, the potential for learning is not restricted to the technical or substantive nature of programs and projects. It also extends to learning related to evaluation methodology, including but not limited to, evaluation design, data collection methods, sampling, and data analysis and use. Identifying methods and approaches that have worked particularly well in specific situations or in the face of commonly experienced constraints is just one illustration of the benefits that can be derived from coordinating evaluation-related practices across institutions.

USAID is positioned to be a catalyst for realizing the potential for learning from “shared evaluation.” Though evaluation specialists both within and outside USAID acknowledge some retreat over the past ten years, USAID continues to be recognized as a leader in the field of evaluation. As the U.S. Government increases the level of resources dedicated to foreign assistance, USAID’s role in development will grow and the “evaluation enterprise” at USAID will almost certainly expand as well. Facilitating learning across development organizations through evaluation would fit well into USAID’s expanding role. The Agency could pursue numerous options, including: (a) developing policies and protocols for sharing evaluation information and data sets; (b) facilitating knowledge management across organizations; (c) pushing for meta analyses that utilize documents and data from multiple organizations; (d) facilitating evaluation conferences on specific sectors or geographies; and (e) organizing and managing “communities of practice,” utilizing existing and emerging information technologies.

## **6. OPERATIONALIZING A CHANGING ROLE FOR EVALUATION WITHIN USAID**

As the role of evaluation at USAID evolves and expands, the Agency will face many choices and challenges related to the implementation of that changing role. Perhaps the most critical choices relate to roles and responsibilities for various evaluation functions; however, USAID will also need to pay attention to questions of institutional capacity and the need for a larger toolkit of evaluation methods and approaches.

## **A. WHO DOES WHAT – ROLES AND RESPONSIBILITIES**

Before addressing the issue of how to most effectively distribute evaluation responsibilities across the organization, it is helpful to consider both the range of evaluation functions the Agency currently addresses (or will need to address) and the USAID offices and partner institutions available to support evaluation at USAID. Though not exhaustive, a list of current and probable evaluation functions is included below. As the list makes clear, establishing and maintaining substantial evaluation capability at USAID is a significant task.

### **Illustrative Evaluation Functions:**

- developing and maintaining evaluation policies and procedures
- maintaining quality control related to evaluation policies and standards
- identifying best practices and developing or defining leading edge methods and approaches, i.e., providing or facilitating intellectual leadership
- coordinating with U.S. Government and non-U.S. Government partners and stakeholders on any and all issues related to evaluation (policies, standards, best practices, “shared evaluation,” etc.)
- conducting or managing specific project or program evaluations
- conducting or managing multi-project or sector-wide evaluations and meta analyses aimed at broad evaluation questions and study topics (i.e., corporate level learning)
- conducting or managing evaluation training for internal staff and implementing partners
- developing and maintaining evaluation resources and reference materials, including “how to” guidance and tools (made available through multiple media and taking advantage of on-going IT innovations)
- providing on-going technical support to USAID missions and offices
- collecting and archiving evaluation reports, data and materials

To fulfill these functions and meet the full range of related responsibilities, USAID can call on a number of internal and external resources, as listed below.

### **Evaluation “Actors”:**

- USAID’s central evaluation office, recently established and housed in the Agency’s Management Bureau
- evaluation offices or evaluation specialists in regional and central bureaus
- evaluation offices or evaluation specialists at USAID country and regional missions
- USAID partners - contractors, universities and PVOs – that provide evaluation services and expertise to USAID
- USAID implementing partners – contractors, universities and PVOs – that implement USAID projects and programs.

It is not within the purview of this paper to suggest specific roles and responsibilities for each of the evaluation tasks and functions that USAID pursues; however, several overarching considerations are worth discussing.

## **I. CENTRAL OFFICE VERSUS FIELD OFFICE MISSIONS**

A number of the evaluation functions listed above are clearly best addressed by USAID’s recently-established central evaluation office and/or by evaluation offices in the regional and central bureaus. These functions include, for example, the development of evaluation policy and procedures, coordination with U.S. Government and non-U.S. Government institutions on issues related to evaluation, and thought leadership

related to evaluation methods and approaches. Conversely, field missions have traditionally been most substantially involved in such areas as conducting and managing project and program evaluations, and facilitating the provision of evaluation training to implementing partners and staff. There are a number of functions, however, where responsibility is less obvious and is open to debate. A good example of this is the question of whether and to what extent USAID's central evaluation office should conduct or manage evaluations. In the 1990s, USAID's central evaluation office designed and conducted sector or program-based evaluations aimed at identifying important lessons on a broad scale. But as USAID now renews its internal discussion regarding the role and purpose of evaluation at the Agency, and the most useful and appropriate role for the central office with this context, it is fair to ask whether the central office should expend its relatively scarce resources and capacity conducting evaluations in the field. The central office is uniquely situated to meet or contribute to many evaluation-related requirements and functions, e.g., policy, quality control, thought leadership, coordination, and training oversight. These functions are critically important and represent an enormous workload. With relatively few staff and a modest initial budget, the central office will have to choose what tasks it pursues, as it is unlikely it will be able to "do it all."

## **2. EXTERNAL VERSUS INTERNAL**

The discussion presented in the preceding paragraph also applies to the question of how to best use and balance staff and resources within and outside USAID. USAID has a long history of working with external partners to address its many evaluation needs. External partners provide evaluation services and support that include designing and conducting evaluations, developing and delivering evaluation training, developing "how to" resource materials, and collecting and archiving evaluation reports and materials. These and other services are provided by working in close collaboration with USAID evaluation specialists. External evaluation partners allow USAID to access a full range of evaluation expertise in a relatively flexible and cost efficient manner.

However, though critical to a strong evaluation capability at USAID, external partners are not well-situated to address a number of evaluation functions at USAID (e.g., coordination with other organizations) and an over-reliance on external partners likely has several potential costs. For example, the quality of evaluations conducted of USAID projects and programs – by external partners – is substantially improved when USAID staff is able to develop strong evaluation scopes of work and to critically review evaluation designs, data collection protocols, data analyses and evaluation reports. As USAID's funding levels increase and projects and programs expand, the overall evaluation task for the Agency will also grow, and will likely grow substantially. Both internal and external resources will have to be brought to the task of meeting evaluation requirements at USAID. The question remains: How best to organize internal and external staff and personnel to best apply their respective comparative advantages? Now is a perfect time to engage this question, as USAID reviews options regarding the role of its newly established central evaluation office.

## **3. EVALUATION CAPACITY AT USAID**

Both of the questions reviewed in (1) and (2) above relate to capacity at USAID. The number of evaluation functions that USAID pursues, the depth with which it pursues them, and the nature and extent to which external partners are used will all be determined by the internal evaluation capacity at USAID. MSI's core paper on foreign assistance trends noted that, until recently, USAID capacity had been declining on most fronts, in spite of a growing project and program portfolio. USAID has taken aggressive steps to address its overall staff shortage through the pursuit of the Development Leadership Initiative (DLI). More specific to evaluation, USAID's central offices and field missions have actively pursued evaluation training for staff for the past three or four years. These developments are promising, but are they sufficient? How many in the initial class of 300 DLI hires will focus their work on evaluation, whether in Washington or in the field? (Some 75 of the 300 are listed as "Program and Planning Officers," but presumably only a small portion of their time will be spent on evaluation.) Similarly, is the evaluation training provided to USAID staff sufficient to build the evaluation skills necessary to effectively address the range of evaluation functions the Agency

now faces? (Many of the functions imply the need for staff to have substantial practical experience across a range of evaluation tasks, i.e., qualifications well beyond classroom training, regardless of how effective the training might be.) How will USAID provide the opportunities – structured opportunities that match recently trained evaluation “specialists” with evaluation experts who have a deep range of experience and technical/methodological expertise – that will allow new DLI hires as well as other USAID staff to develop practical evaluation experience and capabilities? The answer to this question, as well as the implications that stem from how it is answered, lie in the issues discussed in (1) and (2) above. For example, USAID may need to partner with external organizations to build its capacity; how effective it is at building capacity will determine which evaluation functions it pursues and how successful it is at doing so.

## **B. A NEW ROLE FOR EVALUATION AT USAID – CHALLENGES TO MAKING IT WORK**

The nature of international development has shifted dramatically over the past ten to fifteen years. The largest projects and programs are being implemented in post-conflict countries and regions that lack stability and security. Bilateral donors are working hard to coordinate their development efforts – amongst themselves and with host governments – and as a result pooled funds are increasingly common and projectized assistance is diminishing. New institutions, such as the Gates Foundation, are getting involved in development and are bringing innovations and new funds. At the same time, USAID is operating in a new and shifting U.S. Government context. Development has been recognized as a key component of U.S. national security and as many as 50 U.S. Government offices now implement foreign assistance programs. These changes, which are listed here as illustrative of a much broader set of movements, have implications not just for the role of evaluation at USAID, but also for the technical aspects of how evaluations are designed and conducted for the Agency’s projects and programs.

### **A BIGGER TOOLKIT IS NEEDED**

As the preceding paragraph indicates, USAID is pursuing an increasingly complex set of priorities and objectives in an operating context that is almost constantly shifting. The challenges implied for the design and implementation of USAID projects and programs also exist for the design and conduct of project and program evaluations. The following annotated list presents several technical issues currently faced by evaluators of USAID activities.

- **Methodologies Appropriate for Conflict-affected Environments:** Some analytic work has been done on evaluation in conflict and post-conflict settings, as well as where conflict prevention is a goal. USAID has provided some training for staff in this area and has even carried out evaluations under such circumstances. Despite these efforts, practical knowledge of the methodological adaptations, special skill requirements and costs of conducting these kinds of evaluations are not well documented. More systematic extraction of evaluation process information from existing experience, as well as a more systematic approach for field testing recommended approaches, may be warranted.
- **Working in Data-poor, Hard-to-access Environments:** Even when conflict is not an issue, producing high-quality evaluations in environments that are challenging as a function of their inaccessibility, limited literacy, and paucity of records of any sort is difficult. As trend data from the MSI study show, funding for development programs tends to be concentrated in some of these environments, particularly in Africa. Statements of Work (SOWs) and budgets for evaluations do not generally make allowances for these issues. One hypothesis that emerges from these observations is that USAID may be getting lower-quality evaluations, for the equivalent amounts of effort, from both data-poor/difficult-to-reach and data-richer/easier-to-reach environments. Given USAID’s need for sound program evaluations from the most vulnerable environments in which it works, this hypothesis warrants testing that could result in improved guidance for evaluations in

these circumstances -- even if only through a quality of evidence-focused review of existing USAID evaluations with equivalently complex scopes and budgets.

- **New and Emerging Areas of Programming:** The issues now addressed by USAID programs extend well beyond the traditional realm of “sustainable development.” With national security now a fundamental rationale for the U.S. foreign assistance programming, for example, USAID is developing and implementing activities that are intended to support U.S. Government counterterrorism efforts. Emerging issues in more typical sectors also continue to expand, e.g., vertical funds and strengthening health systems in the health sector. As the Agency continues to absorb an expanding set of responsibilities, evaluation at USAID must adjust and adapt, finding new answers to a constantly changing set of new challenges. For this reason – and consistent with the discussion presented in the two preceding paragraphs – USAID’s evaluation function will need to emphasize innovation and thought leadership.

## THE ATTRIBUTION PUZZLE

Attribution has long been a USAID concern. The importance of attribution to USAID is evidenced in its most recent update of the Agency’s Automated Directives System (ADS). The ADS now states that performance indicators selected for inclusion in [a performance monitoring plan] should measure changes that are clearly and reasonably attributable to USAID (or USG, as appropriate) efforts.<sup>1</sup> Internally, USAID staff involved in indicator exercises is best able to meet this requirement only at very low levels of results on any hierarchy or results framework. Similar problems exist when examining the question of attribution through evaluation. A number of organizations involved in the evaluation of international development projects have applied rigorous methods of evaluation design and data collection (e.g., randomization) to better answer the attribution question. While methodological rigor is always an important objective when designing and conducting evaluations, it is frequently neither practical nor methodologically appropriate to utilize methods of sufficient rigor to allow for high levels of confidence when making conclusions regarding attribution. Nonetheless, understanding whether and how USAID projects and programs contribute to critical development results will continue to be an important focus of USAID managers. Evaluators of USAID activities – both internal and external to the Agency - will need to continue to look at different approaches for addressing the question of attribution. Among these approaches are:

- **Contribution Analysis:** Substituting a contribution or relative effectiveness analysis for efforts to attribute development program results is already under discussion in the evaluation literature MSI examined. However, effective analytic approaches and tools for undertaking contribution analyses are not yet well developed. These approaches or tools include weighing the impact of several USG and/or other donor’s contributions to a particular development outcome in a particular country or ascertaining the relative effectiveness of each of several projects aimed at the same result. In addition to the added realism to be gained from evaluations that include a contribution analysis, such endeavors offer opportunities for understanding synergies, particularly where natural experiments exist. (For example, similar USAID programs delivered in more than one relatively similar environment, in at least one of which another donor project or program is working in parallel to achieve the same results). Internationally and within the USG, a leadership opportunity exists in this regard to develop and institutionalize methods for carrying out contribution analyses and assessing the synergistic effects of multiple interventions on a common objective.
- **Joint Evaluations:** While the importance of joint evaluations in a multi-donor environment has already been discussed, it is worth returning to this approach from a contribution analysis perspective. Though joint evaluations can involve substantial challenges (e.g., competing evaluation priorities, different methodological standards and preferences, and management difficulties

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<sup>1</sup> See ADS 203.3.4.2.

associated with multi-organizational teams), their work includes examples from which USAID may be able to learn. USAID also has some experience with joint evaluations, though overall it is limited. The best models within USAID may be those emerging in the health arena where some programs are jointly funded.

## **7. CONCLUSION**

As foreign assistance policy and the implementation of development programs continue to evolve, the nature and function evaluation will also change. Recent trends have implications for the Agency's central evaluation office. Evaluation has grown in prominence with an increasing attention on aid effectiveness and incorporating more rigorous methods into evaluations of assistance programs. Bilateral and unilateral donors are looking to improve their evaluation functions and increasing local capacity. Over the past decade foreign aid has also gained prominence inside and outside the U.S. Government. It is viewed as an essential part the national security strategy and a means to combat terrorism. It is used to fight global diseases and create new and sustain existing partnerships with other countries. There are more actors than ever before in foreign assistance, including other U.S. Government agencies, foundations, universities and even the corporate sector. Now is an opportune time for USAID to shape the U.S. Government response to these trends over the next few years and address such issues as how to implement a "whole of government" approach to evaluation, coordinate evaluations among the different actors, and implement the Paris Declaration. As a consequence of these trends, effectiveness of aid and issues of attribution will need to be addressed. New approaches to conducting evaluations in challenging environments and to dealing with evolving programs will have to be developed. USAID will have to address these issues as it decides how evaluation will be implemented within the Agency and its role in the evaluation of development programs.