THE HISTORY OF CDIE

The Center for Development Information and Evaluation (CDIE) was established in the Bureau for Program and Policy Coordination (PPC) of USAID in 1983 as a direct result of a 1982 GAO Report, <u>Experience -- A Potential Tool for Improving U.S. Assistance Abroad</u>. The GAO report found that the Agency's application of the lessons of previous development experience to new projects and programs was deficient. Among other things, the report recommended that an "information analysis capability" be established to pro-actively "assist AID project designers and program managers." A special Work Group established to develop a response to the report concluded that the best way to implement GAO's recommendations was to form a new office that would merge the functions of the Development Information Utilization Service of the Science and Technology (S&T) Bureau with those of PPC's Office of Evaluation. Originally called the Office of Evaluation and Development Information Services, it was renamed CDIE in 1986.

Evaluation and Development Information Functions Before 1983

The evaluation system in USAID has two major components: central or "strategic" evaluations, conducted now by CDIE, and project or "operational" evaluations conducted by field missions and operating offices with projects managed in Washington. Prior to the Bennet Administration in the late 1970's, the central evaluation function in PPC had been more concerned with evaluation methodology and overseeing the entire evaluation system than in conducting its own evaluations. One of the major contributions of PPC evaluation work during that period was the creation of the "Logical Framework" or "LOGFRAME" tool for project design, management and evaluation. The LOGFRAME has been adopted throughout the donor community, and is widely recognized as a major contribution by USAID to effective project management. The "objective tree" conceptual framework behind the LOGFRAME also underpins the higher level framework of the Agency's current program performance information system.

Strategic evaluations received a major impetus with the series of cross-country impact evaluations organized around sectoral areas (e.g., rural roads, irrigation, rural electrification, agricultural higher education) that were initiated under Administrator Doug Bennet, who took an intense personal interest in the initiative. (During the Bennet Administration, country case study teams would make oral briefings directly to the Administrator on their return from the field). CDIE still employs the "rapid appraisal" techniques in its field studies that were pioneered in the impact evaluations of the Bennet era.

The development information function has been viewed since its inception in the early 1960's as USAID's "memory". Initially, this function was limited to a Reference Center housed in PPC. In the early 1970's the Reference Center was transferred to the Office of Data Management (a predecessor of today's Office of Information Resources Management - M/IRM). In 1975, a project-related data base -- the Development Information System -- was created as part of the Agency's Planning, Budgeting, Accounting and Reporting (PBAR) reform effort. The following year, the Office of Development Information Services (DIS) was created in the Management Bureau to oversee this data base; DIS and the Reference Center were soon transferred to PPC, where they were merged into one office. In 1978, PPC/DIS was moved again, this time to the Bureau of Development Support, a predecessor of the S&T (and also of the current Global Programs, Field Support and Research (G)) Bureau, as the Office of Development Information Utilization (DIU). In 1980, the Economic and Social Data Services (ESDS)[1] Division was also transferred from PPC to DIU. In its first years in the DS Bureau, DIU had a relatively large staff and reported directly to the Assistant Administrator. After 1980, however, its staff was significantly reduced and its data analysis functions severely curtailed. The new S&T Bureau downgraded DIU to a division within an office reporting to the Deputy Assistant Administrator for Research.

The GAO Report and the subsequent Agency Work Group found that development information under the S&T Bureau focussed mainly on the research concerns of that bureau. Budgetary resources set aside for development information tended to be used for other S&T purposes. The development information unit was essentially re-active, and lacked a service orientation. It was this absence of a pro-active, analytical capacity to help the Agency learn from development experience that concerned the GAO and the Agency Work Group.

The Administrator accepted the Work Group recommendation to shift development information from S&T to PPC and to merge it with evaluation, based on the rationale that the strong potential linkages and synergies between development information, evaluation and policy formulation should result in a much more powerful and effective capability for the Agency to learn from development experience. The Work Group report also recognized that policy, development information and evaluation cut across the entire Agency, that these functions had to be concerned with programs of the entire Agency, not just those of one bureau involved in managing its own programs. The Work Group recommended that actions be taken to increase the awareness of the Agency's development information services, and that the new Office canvas users on a systematic basis on ways the DIU system

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[1] The ESDS was also created as part of the PBAR effort.

could be improved to provide greater assistance in project design.

PPC/EDIS (1983-85) and PPC/CDIE (1986-90)

The new Office of Evaluation and Development Information Services (PPC/EDIS) was originally composed of 3 units: an information division, an analysis division, and an evaluation division. The staff and functions of the development information division came from DIU. The evaluation division merged functions of the methodology and studies divisions of the former PPC Office of Evaluation. The analysis division brought together elements from each of the former units, including the ESDS. This structure did not work out in practice, however, and approximately one year later the functions of the analysis division were split between the other two. This structure basically remained in place until 1991.

PPC/EDIS's staff decreased 40% in 1985 as the result of overall Agency personnel reductions. The evaluation side of EDIS was hardest hit, decreasing from 28 full and part time staff to 11. This large loss of staff was partially offset by putting in place an evaluation applications and methods contract.

In 1987, at the request of Peter McPherson, former-Administrator Bennet conducted a review of CDIE's services and organizational structure. In a letter to the Administrator, Bennet concluded "I think your decision to combine responsibility for project evaluation and development information was right. The result is a growing body of knowledge about project design and execution which is unique in the development business. Equally important is the fact that this information can now be truly accessible." Bennet also made several recommendations for possible CDIE activities. These included:

- Engage project officers more directly in the evaluation process as a means of making them more results-oriented;

- Invest in direct computer access to CDIE's information and evaluation resources;

- Consider giving CDIE a new role in consulting on project management; and

- Do more on the "demand" side of information use, e.g., by requiring bibliographies for all new project proposals.

CDIE was the subject of a management assessment by senior Agency managers the following year, conducted (along with similar assessments of eight other USAID/Washington offices) in response to a provision of the FY 1988 Continuing Resolution. This study,

led by Mission Director Julius Coles, examined the validity of CDIE's goals and objectives, how well they were being achieved, the organizational placement of CDIE and the adequacy of resources available to the Center to accomplish its objectives.

The assessment reached a number of conclusions about CDIE. It considered that CDIE's goal -- "the fostering of the use of development information in support of A.I.D.'s assistance effort" -- was valid and being achieved. It concluded that CDIE had created a credible Agency memory capability and had evolved as a unit with organizational identity, teamwork and a common sense of purpose. The study found that the Center had greatly increased demand for information services, a demand that seemed to grow exponentially as users had experience with CDIE products and responses. In addition, it concluded that CDIE had given USAID a leadership role among other donors in the information and evaluation field, particularly through its guiding efforts in the OECD/DAC Expert Group on Aid Evaluation. With respect to organizational location, the assessment considered a number of alternatives, but concluded that "the consensus is that CDIE is properly located and organized."

The 1988 management assessment also identified a number of areas where improvements were suggested. It found that CDIE was isolated from the decision-making process and that it's physical distance from the rest of PPC and the geographic bureaus was limiting its influence and effectiveness. It noted the serious lag time in completing evaluation studies and the need to improve the overall quality of evaluation reports. The report's recommendations included the following:

- The Agency should establish a policy for strategic use of development information and give higher priority to the use of evaluations in decision-making;

- CDIE should target its evaluation studies more for users and get more senior management input in setting its priorities;

- CDIE should be linked more closely to the Agency's policy priorities; and

- The Agency should promote wider knowledge of CDIE services.

As reflected by the 1988 study, CDIE developed a highly regarded reputation within the Agency and among NGOs, the academic community, and other donors as a source of quality, objective information on Agency-wide development experience. The services of development information in CDIE grew particularly rapidly in the 1980's by building effective groups of research analysts and information specialists, who assist requestors from Washington and the field define their development information needs, and analyze and synthesize the information obtained for

more direct application to the requestors' policy and operational decisions. In the early 1990's, CDIE initiated an innovative system to collect "fees" from user offices for its value-added information services that has led to "liaison" researchers and analysts being placed directly in various USAID/W bureaus, greater relevance and user "ownership" of these services, and increased overall funding for development experience information activities. By 1993, the DI division of CDIE was responding to over 35,000 requests a year, of which over 3,000 involved in-depth short-term research and analysis related to development experience requests.[2]

The "Evaluation Initiative," 1990-92

A major watershed in CDIE's evolution occurred in October 1990 when the Administrator approved an "Evaluation Initiative." The Initiative built on many of the recommendations of the 1988 study and a paper, "The A.I.D. Evaluation System: Past Performance and Future Directions", prepared earlier in 1990 by CDIE at the request of the AA/PPC, which established a framework for assessing the Agency's evaluation system and made recommendations to strengthen it.

The broadened mandate of CDIE reflected in the Evaluation Initiative included:

• To target assessments on strategic issues of performance and impact that will help senior managers make critical programming and policy decisions and report more convincingly to Congress, OMB, and the public;

• To assess USAID's operational processes and management systems -- that is, to examine how our tools of assistance, procedures, and organizational models for operation influence achievement of results;

• To undertake regular and comprehensive reviews of USAID's program performance as a basis for performance-based decision-making; to establish an Agencywide system for measuring and comparing performance of our core programs;

• To function as a center of excellence for the Agency's overall evaluation system, including reviewing the quality of evaluation work carried out by Missions and Bureaus; and

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[2] The majority of the 35,000 requests are for documents, which are filled by the Development Information Services Clearinghouse (DISC) and the Development Information Center (library). A total of $5.6 million in fees for value-added services and buy-ins to CDIE/DI's contracts was received from other USAID offices in FY94.

- To expand CDIE's technical assistance, guidance, and training support to Missions in designing and implementing evaluation systems for effective project and program management.

The Evaluation Initiative resulted in a major expansion in the size of the staff and budget of CDIE. The direct-hire evaluation staff of 10 was more than tripled to 33 (with total CDIE staffing levels increasing to 47, a level that was never reached in practice). The former evaluation and development information divisions were elevated to offices, with two divisions created in the new Office of Evaluation: a Program and Operations Assessment (POA) Division and a Systems Design and Support (SDS) Division. Responsibility for developing and implementing a new Program Performance Information System for Strategic Management (PRISM), as well as for technical assistance and guidance on evaluation for the entire Agency, was lodged in SDS. POA was to undertake a major expansion of strategic evaluations, including for the first time systemic "operations and management" evaluations as well as program evaluations. Procedures were put in place to ensure greater rigor and objectivity for strategic evaluations. POA also initiated the practice of developing an <u>Annual Agenda of CDIE Evaluation Studies</u>.

The Evaluation Initiative of 1990 did not occur in a vacuum. The Agency was experiencing increasing budgetary pressure, and Congress and the public were asking increasingly critical questions about the results that were being achieved, or not achieved, with foreign aid expenditures. In the late 1980's several CDIE staff and contract consultants worked with seven USAID missions in response to expressions of concern from their Mission Directors that, while they might have successful project activities, they lacked a sense of the extent to which their overall program might or might not be contributing to a few objectives significant to the sustained development of the country in which they were working. New performance measurement and evaluation systems were modeled in these seven missions. This experience, plus that of USAID's Africa Bureau in the late 1980's under the new Development Fund for Africa (DFA), led to the strategic planning and program performance measurement (PRISM) component of the Evaluation Initiative.[3]

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[3]The DFA assured both stability and flexibility of development assistance funding for priority countries in sub-Saharan Africa, but in return, the Congress asked USAID to report on the development **results**, especially the **impact on poor people**, that were being achieved under DFA-funded programs. This led the Africa Bureau to develop tools of strategic planning and performance measurement that have made substantial contributions to the evolving Agency-wide PRISM system.

Subsequent developments, including critical assessments of the management of USAID programs late in the Bush Administration,[4] as well as events during the Clinton Administration, such as the National Performance Review under Vice President Gore, and the Government Performance and Results Act (GPRA) of August 1993,[5] all stressed the importance of USAID and/or government agencies being able to "manage for results," that is to plan against strategic objectives, to measure performance against those objectives in terms of results achieved, and then to use that information in improving the performance of programs. The direction taken by CDIE in 1990 was consistent with, and in fact anticipated, these subsequent developments.

CDIE devoted a great deal of effort during the period 1990-92 to the challenges of implementing the Evaluation Initiative, including setting up new organizational structures, recruiting new staff, and developing the new approaches required for the expanded evaluation agenda and for program performance measurement. Progress was often slow and frustrating. For example, although the Administrator announced the initiative in October 1990, the formal reorganization package containing the new structure and expanded staff was not approved until nearly a year later, delaying recruitment. Nonetheless, significant milestones were achieved:

- with substantial technical assistance from CDIE and the PRISM contract team, most Missions in Africa and LAC, and many in Asia and the Near East, developed strategic plans and began to collect and report performance information; CDIE prepared the first annual report on Agency program performance in early 1993 drawing on this information.

- by the end of 1992, operations assessments were completed on USAID's Overseas Presence and Performance Based Budgeting, and a wide range of new program assessments had begun, including evaluations of Agency experience in Export and Investment Promotion Services, Rule of Law, Child Survival, Agribusiness, Capital Projects, Social Safety Nets, and Environment and Natural Resources Management. Significant investments were made in rigorous evaluation designs and innovative methods for these studies. In addition, CDIE

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[4] These reviews, which all became public in 1992, included a GAO General Management Review of USAID, a joint OMB-USAID "SWAT Team" Report, and a Presidential Commission Report on USAID Management, also known as the "Ferris Commission."

[5] The GPRA had a long legislative history. Similar legislation had long been promoted by Senator Roth. CDIE had been aware of this interest.

institued for the first time an external review process for
its major evaluation designs and reports.

In the meantime, as part of an overall Agency reorganization
process launched in 1991, the location of development information
services within CDIE was again examined. The Information
Services Subgroup of the Management Committee (one of three
committees formed to develop reorganization proposals) weighed
the pros and cons of merging the DI functions with IRM. The
group, led by Rick Nygard and Jim Painter (currently Director and
Deputy Director, respectively, of M/Budget), found that "[t]he
general consensus among DI clientele seems to be that DI isn't
'broke' and doesn't need fixing, by relocation or other changes."
The group concluded that "the case for leaving DI in CDIE [is]
stronger than for moving it."

CDIE and the Agency Reorganization of 1993

During the summer of 1993, the issue of combining the
Agency's development information and evaluation functions in one
office was re-opened. The August draft reorganization plan
called for the development information function to be relocated
in the new G Bureau. The final plan, issued on October 1, 1993,
modified this as follows: both development information and
evaluation were to remain in CDIE, but "[t]he location of
Development Information will be reevaluated in one year to
determine whether it will remain in PPC or be moved to the Bureau
for Global Programs."

PPC, together with all other USAID/W bureaus, undertook a
"rightsizing" exercise in the three months following the issuance
of the Agency Reorganization Plan. Based on "CDIE's very
positive name recognition, both inside and outside the Agency,
and its reputation for being 'customer driven'", the Report of
the Internal Review team did not propose major structural changes
to CDIE. It did recommend, however, that the Office of
Evaluation be eliminated as a separate organizational layer,
resulting in an internal structure of three divisions reporting
to the front office. Total direct-hire staff in CDIE was
proposed to be reduced from 41 to 36 FTEs (this was subsequently
further reduced to 34). In addition, the team's report contained
the following recommendations:

• that the POA division establish a "rapid response"
  capability to provide evaluative analysis on special topics
  in the space of three months or less, and that POA's work be
  adjusted to increase the share of its work being completed
  in twelve months or less;

- that CDIE reaffirm the Agency's commitment to project-level evaluation as an integral part of performance management in forthcoming guidance on evaluation;

- that the DI division be assigned responsibility of "data broker" for development information databases throughout the Agency, and for working with M/IRM to define standards and common user access to those databases; and

- that the responsibility for procurement of hardware and software used to support DI's information services be shifted to M/IRM as rapidly as possible.

These recommendations were endorsed by the AA/PPC in a memorandum to AA/M dated January 31, 1994, and approved by the AA/M in early March.

CDIE's budget levels have risen and fallen over the years in tandem with its staff levels and the attention given by senior Agency management to evaluation and development experience information. Program funding ranged between $3.4 million and $4.7 million between FY87 and FY90, then increased dramatically after the Evaluation Initiative, reaching a high of $10.2 million in FY93 (exclusive of OYB transfers from other offices). Likewise, operating expense budgets increased from the $100,000 range in the late 1980's to highs of $426,000 in FY92 and $410,000 in FY93. Resource levels were significantly lower in FY94: CDIE's program budget was $7.2 million, and only $119,000 was spent in OE.

Common Threads through CDIE's History

By way of summing up this historical overview of CDIE, it is interesting to identify a number of common threads of the past dozen years. Many of them remain relevant, and in some cases actively debated, today. They provide a useful context within which to look at CDIE's performance and the evaluation and development information functions in USAID in the future.

. . . utilization

The issue of utilization of evaluations, indeed the role of evaluation in the Agency, has been a theme in all of the various reports and assessments of CDIE and its predecessor offices. The focus of attention has shifted over the years, from a concentration on reflecting evaluation findings in project design in the 1970's and early 1980's, to a growing emphasis on influencing policy and senior management decisions in the late 1980's. This trend perhaps reached its peak in the Evaluation Initiative of 1990; the priority given in the Initiative to rigor, objectivity, and using evaluations as the basis for

credible reporting to outside stakeholders also reflects a strong "accountability" role for evaluation and the Agency's central evaluation office. While these are still major expectations of the Agency's evaluation system, there may also be a return to looking at evaluation more as a learning tool at the operational level and an integral element of USAID's managing for results systems. Regardless of the particular role evaluations are expected to play, however, the constant finding in the historical record is that more needs to be done to encourage evaluation findings to be used by USAID managers.

. . . . relevance

A second, and related, recurring theme has been the relevance of evaluation and development information services to their intended users. This resulted in recommendations at the time CDIE was created for systematic and regular customer surveys and other efforts to obtain user input and feedback on CDIE's activities. There has been tremendous expansion over the years in the number of requests answered and access to CDIE's development information resources. There is also overwhelming evidence of satisfaction with CDIE information services from those who use them. However, there still appears to be a significant portion of USAID employees and partners who are not regular users of these resources, as well as a perception that CDIE is often not relevant to the needs of the Agency's managers. A subset of these concerns is the frequently-noted "distance" -- both physically and substantively -- of CDIE from the rest of PPC.

. . . . evaluation quality and timeliness

Comments about the quality, and in particular the timeliness, of CDIE's evaluations also appear consistently throughout the years. How one views this issue often depends on how one is influenced by two competing schools of thought about evaluations: one that they should be participatory and involve the key stakeholders in a learning process, the other that they should be independent and meet high methodological standards. To some extent, these two expectations -- quality and timeliness -- may have collided in the procedures put in place to implement the Evaluation Initiative. The renewed emphasis on rigorous methods and objectivity has resulted in much longer schedules for CDIE's major assessments than was originally envisioned, and led to the PPC Rightsizing Team's recommendations for a different mix of products and procedures with shorter time frames.

. . . . resource instability

Another feature of CDIE's history has been the fluctuations in resources devoted to its evaluation and development information activities. Almost from the outset, the Center

suffered a major staffing reduction in 1985, that was reversed
only in 1991. But even then, some of the additional positions
approved for CDIE as part of the Evaluation Initiative were taken
away before staff could be recruited for the new jobs: rather
than the level of 47 approved in 1990, CDIE effectively reached
its recent high-water mark at 41 positions in 1993. The latest
reorganization process resulted in a reduction of over 15% in
staffing levels. CDIE's program and operating resources parallel
this pattern. After reaching highs in FY93, program funding
declined by nearly 30% and operating expenses by over 70% in
FY94. Preliminary budget allocations for FY95 in both accounts
are at levels in real terms equivalent to what CDIE received in
1988.

. . . _CDIE: A Fragile Concept?_

Finally, in reviewing CDIE's history one is struck by the
almost constant threats to the organizational concept of
combining the Agency's evaluation and development experience
information activities in one office. This was a theme of
reviews or assessments in 1987, 1988, 1991, and again, of course,
in the Reorganization Plan of 1993. The continual re-examination
of this issue can't help but have diverted management time and
considerable amounts of resources away from carrying out
evaluation and development information activities.

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3. Management Assessment: Center for Development Information a d Evaluation, Julius Coles, et. al, April 15, 1988.

4. The A.I.D. Evaluation System: Past Performance and Future Directions, September 1990 (analysis prepared by CDIE that formed the basis for the "Evaluation Initiative").

5. Overview of the Administrator's Evaluation Initiative.

6. Memorandum from Jim Painter to Henrietta Holsman-Fore, dated March 14, 1991, on the Pro's and Con's of Relocating CDIE's Development Information function (report of the 1991 Agency reorganization Information Services Subgroup).

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