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Institutionalizing Impact Evaluation Lessons and Challenges

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Outline

1. Why worry about institutionalizing Impact Evaluation?
2. Defining impact evaluation [IE]
3. Defining institutionalization
4. Alternative pathways to institutionalization of IE
5. Skills required for managing IEs
6. Factors affecting the successful institutionalization of IE
7. Creating demand for IE
8. Issues for governments and donor agencies

1. Why worry about institutionalizing IE?

- Many IE studies are one-off with no direct follow-up
- Many IEs are largely funded and managed by donors with little country ownership.
- Quality of many IE's is limited due to lack of secondary data or national evaluation capacity
- Many IEs are method-driven not utilization driven

Importance of utilization (continued)

- IE potentially a valuable budget and management tool (e.g. Chile, Mexico, Colombia)
- Benefits only achieved if there is a system for selecting, conducting and using the studies
 - and for generating the secondary data on which a rigorous IE will depend

2. Defining Impact Evaluation [IE]

- IE only one of many types of program evaluation [**See Table 1**]
- IE has specific purposes and is not a general tool for addressing all management questions

Option 1: Defining IE in terms of methodology

- An evaluation that uses a counterfactual based on a statistical comparison of project and control group – to estimate the extent to which changes in the project population can be attributed to the project intervention
- This definition does NOT:
 - Define a time-horizon for using IE
 - Define the stage of the project at which IE used

Option 2: Defining IE in terms of what is assessed and the timeline

- Positive and negative, primary and secondary, long-term effects produced by a development intervention, directly or indirectly, intended or unintended [OECD/DAC 2002]
- This definition does NOT:
 - Specify the required methodology
 - Require a counterfactual

Other dimensions of IE

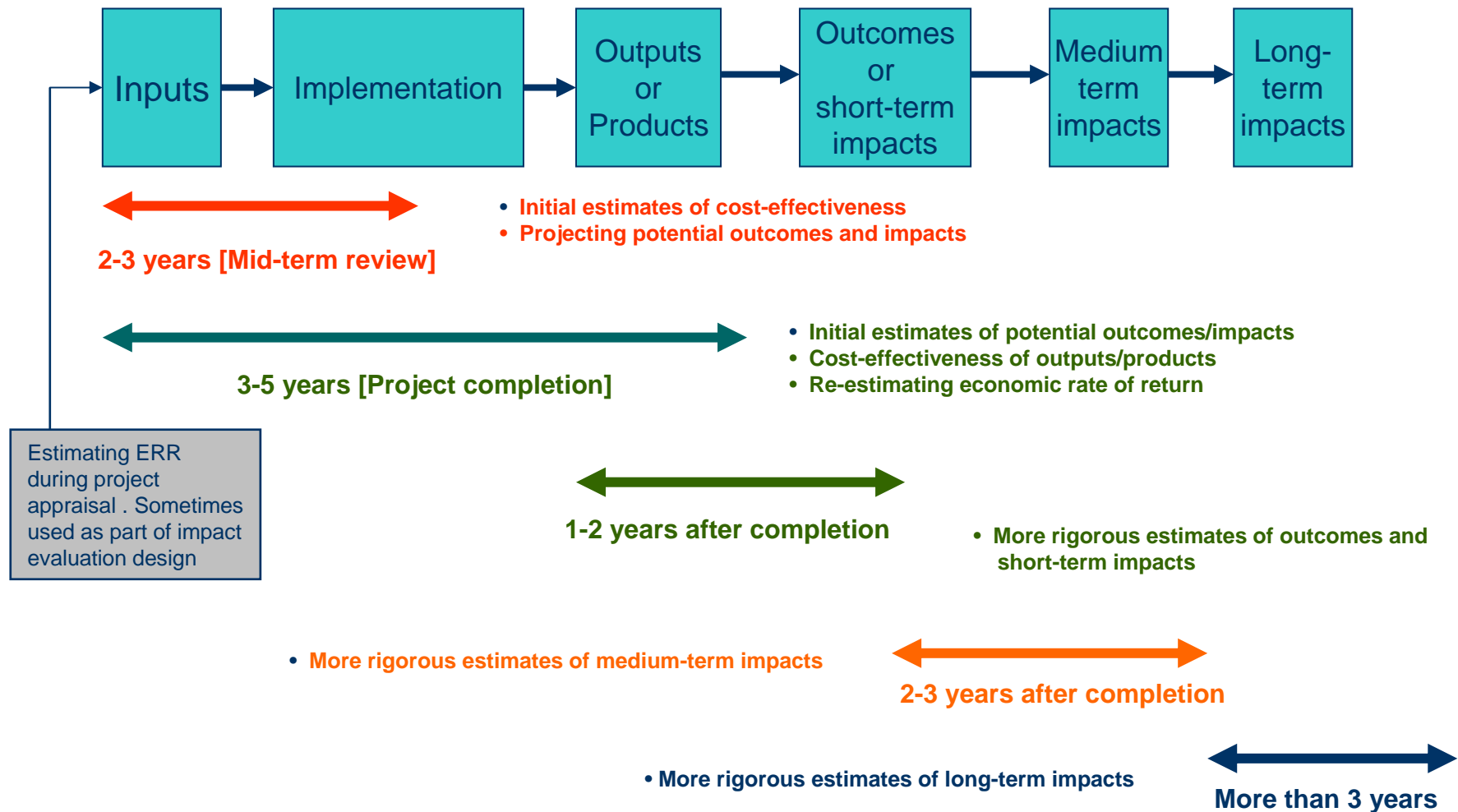
[see Table 2]

- Purpose
- What is being measured
- Level
- Scale
- Cost
- Timing
- Client
- Who conducts the evaluation
- Methodological rigor [See Table 3]

Purpose of the evaluation

- Assessing causality and generalizability of findings and recommendations
- Assessing the contribution of a single donor or funding agency to the results (outcomes/impacts) of a multi-donor program
- Accountability
- Assessing the potential development contributions of a particular kind of program

Defining IE in terms of The time horizon



3. Defining institutionalization of IE

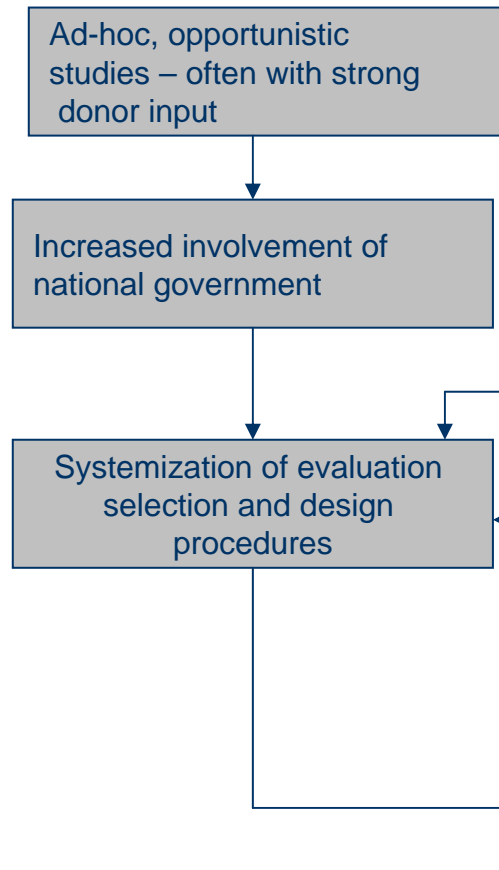
- IE seen as an important tool for budget planning and financial management
- Government willingness to largely fund IEs
- Standard procedures for:
 - selecting the programs and policies to be evaluated [using predefined criteria for IE]
 - commissioning, dissemination and use of IEs
- Set of standard evaluation methodologies

Indicators of progress towards institutionalization of IE

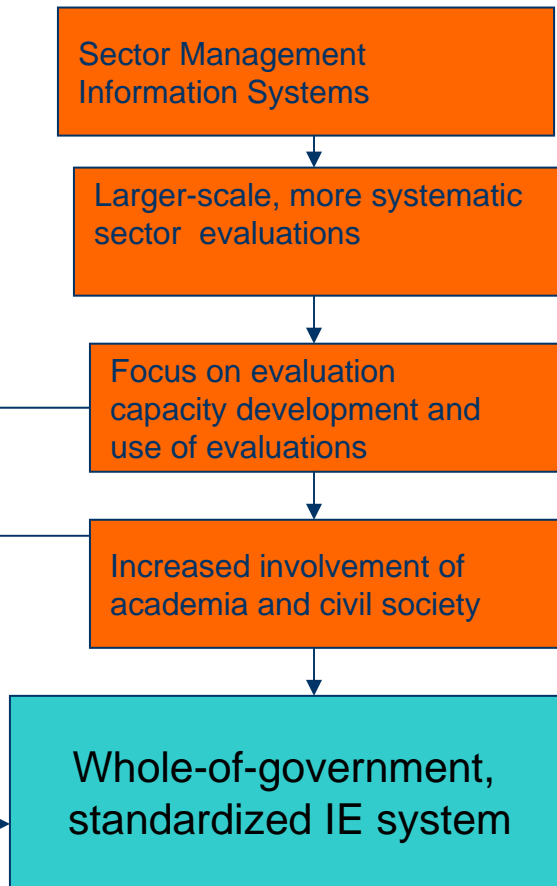
1. Widespread buy-in
2. IE funded through national budget
3. Support of powerful central government agency
4. Capacity developed to design, conduct, use IE
5. IE coordinated with project/program M&E systems
6. Data collection and analysis capacity developed for most programs
7. Institutional mechanisms to ensure findings disseminated, discussed, used
8. Depoliticization of the IE system

4. Alternative pathways for the institutionalization of IE systems

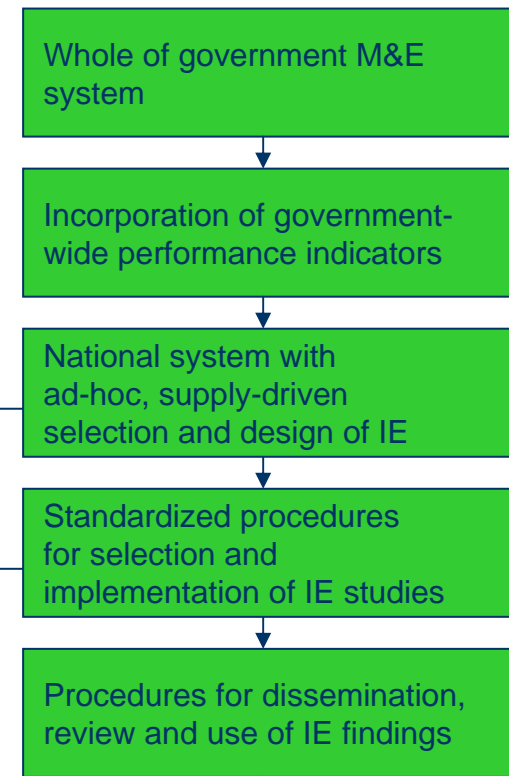
A. IE starts through ad hoc studies



B. IE starts in particular sectors



C. IE starts at whole-of-Government level



Examples of different country pathways towards institutionalization of IE

- A. Ad hoc studies moving towards national IE system
 - Colombia: Sinergia
- B. IE starts in particular sector(s) and moves towards institutionalized system
 - Mexico: Progressa/Oportunidades
 - Uganda: Education for All
 - China: Rural Poverty Alleviation
- C. IE Begins as part of national system:
 - Chile: Ministerio de Hacienda

Mexico: Moving from an evaluation program developed in one sector towards a national evaluation system

- Rigorous evaluations of Progresa conditional cash transfers conducted over a number of years
- Demonstrated effectiveness of CCT as poverty reduction tool
- Contributed to new government continuing a major program started by previous regime

Mexico (continued)

- Evaluations convinced policy-makers to pass law mandating the evaluation of all social sector programs managed by CONEVAL.
- Hacienda and Funcion Publica have joined forces with CONEVAL and introduced a national, all-sector M&E system
- Various M&E tools and methods have been developed, including rigorous IE.

Colombia: From ad hoc evaluation studies towards a national IE system

- Ministry of Planning responsible for national system for evaluation of public sector performance
- Most widely used is system for monitoring progress against 320 presidential and country development goals
- SINERGIA commissioned and managed wide range of IE:
 - Selected in a somewhat ad hoc ways, initially with methods focus
- Moving towards national system (Bank M&E loan)

Chile: National IE system evolved out of government-wide M&E and accountability system

- National M&E system has evolved since 1970s
- 1994 introduced indicators to evaluate national programs
- 2001 national program of rigorous IE:
 - Standard retrospective studies completed in 6 months with low-budget
 - More in-depth studies lasting up to 19 months

Chile [continued]

- The system is managed and championed by the powerful Ministry of Finance
- Limitations:
 - Narrowly focused
 - Limited buy-in from implementing agencies
 - Methodology not very rigorous and would benefit from being combined with more rigorous, in-depth studies in priority sectors

Uganda: Education sector evaluations generate interest in more rigorous research

- Evaluations of the cost-effectiveness of different components of universal primary education demonstrate how data from the MIS can be used, encouraging more rigorous data collection
- Parliament impressed with more rigorous evaluation and accountability and expresses interest in expanding to other programs?

China: Using evaluation of field experiments to test approaches to rural poverty alleviation

- 1978 Communist Party Congress adopted more pragmatic approach where public action based on demonstrable success on the ground
- Field research teams set up to evaluate poverty impacts of decollectivization of farming using contracts with individual farmers

China [continued]

- Empirical data helped convince skeptical policymakers of the merits of scaling-up local initiatives
- Based on empirical evidence rural reforms that were implemented nationally produced “the most dramatic reduction in the extent of poverty the world has yet seen.” (Ravallion 2008)

5. Skills required for managing impact evaluations

See Table 4

6. Factors affecting the successful institutionalization of impact evaluation

1. Substantive demand from government
2. Enhance understanding of what IE encompasses
3. Strengthening the supply side
4. Starting with a diagnostic study
5. Support of a powerful champion
6. A strong ministry acting as a steward for the program
7. Support of middle-level civil servants

Factors affecting success [continued]

8. Build on existing M&E and country experience
9. Utilizing university and civil society expertise
10. Integrate different ministry evaluation programs
11. Adopt an opportunistic approach
12. Strong capacity development component

7. Creating demand for IE

See Table 5

- Carrots
 - Providing financial and other incentives to implementing agencies to develop “evaluation ready” data bases
- Sticks
 - Laws, decrees or regulations mandating IE
- Sermons
 - High-level statements or endorsements by the President, ministers etc.

8. Issues for governments and donors

1. Moving from supporting individual IEs to helping governments develop their own IE systems
2. Linking institutionalization to moves towards multi-donor, government-lead evaluations
3. Flexibility in terms of methods
 - Avoid imposing methods that are too sophisticated for client countries
4. Deciding the appropriate funding and support mechanisms

Issues governments and donors (continued)

5. Design projects that can be evaluated
 - Seek more uniform implementation procedures permitting use of rigorous designs: Regression Discontinuity, randomization
 - Document implementation and decisions concerning changes
 - Use project records to create baseline data – ensure records are kept in a form that can be used for evaluation
 - Make greater use of project monitoring data
6. Strengthening national data bases

Issues for governments and donors (continued)

7. Involving civil society and academia
8. More focus on evaluation utilization
9. Supporting IE capacity development
10. Mapping of all attempts to use different types of IE (including failures) to provide more complete information on what does and does not work, how evaluations are used and what influence they have