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The Importance of Country Diagnosis

It should be apparent that there is a great diversity in country approaches to M&E. Countries such as Brazil stress a whole-of-government approach to setting program objectives and creating a system of performance indicators. Others, such as Colombia, combine this with an agenda of rigorous impact evaluations.

Yet others, such as Australia, the United States, and the United Kingdom, stress a broader suite of M&E tools and methods: performance indicators, rapid reviews, impact evaluations, and performance audits. Some countries have succeeded in building a whole-of-government M&E system. Others, such as Uganda, use a largely uncoordinated and disparate collection of about 16 separate sector monitoring systems. Most of the poorest countries—those required by multilateral donors to prepare poverty reduction strategies—stress the regular collection of performance indicators to measure progress toward the MDGs.

Why Conduct a Diagnosis?

This variety tells us that not only are the starting points faced by each country different, but so are the destinations to which they aspire. There is no single best approach to a national or sector M&E system.¹ Instead, which approach a country should use depends on the actual or intended uses of the information such a system will produce. As discussed in chapter 3, those uses range from assisting resource-allocation decisions in the budget process, to helping prepare national and sector

planning, to aiding ongoing management and delivery of government services, to underpinning accountability relationships.

It is clearly important to tailor efforts to build or strengthen government M&E systems to the needs and priorities of each country. Conducting a diagnosis of M&E activities is desirable because it can guide the identification of opportunities for institutionalizing M&E. A formal diagnosis helps identify a country's current strengths and weaknesses in terms of the conduct, quality, and utilization of M&E. And a diagnosis is invaluable in providing the basis for preparing an action plan. The action plan should be designed according to the desired future uses of monitoring information and evaluation findings. An early diagnosis can help inform judgments about the likelihood of these intentions ever being achieved.

A diagnosis can be conducted—or commissioned—by government or donors, or it may be desirable jointly. The process of conducting a diagnosis provides an opportunity to get important stakeholders within government—particularly

senior officials in the key ministries—to focus on the issue of institutionalizing an M&E system. For most if not all developing countries, there will already be a number of M&E activities and systems. But a common challenge is a lack of coordination or harmonization between them, which can result in significant duplication of effort. A diagnosis that reveals such problems can provide a stimulus to the government to address these problems, and by providing a shared understanding of the nature of the problems, it can also help foster a consensus on what is needed to overcome them.

Such consensus is particularly important for M&E, which is essentially a cross-cutting activity affecting all ministries and agencies. Any whole-of-government reform, such as the creation of a national M&E system, requires substantial effort and a high level of central coordination, as well as the active cooperation of sector ministries and agencies. Achieving real coordination among all these actors is typically not easy, so any process such as preparation of an M&E diagnosis provides one opportunity to get the key stakeholders to talk to each other about M&E and to attempt to reach some agreement on what to do about improving the government’s approach.

This is illustrated by the experiences of Uganda, Mexico, and Australia. The finding that there were 16 M&E subsystems existing in Uganda produced a response of concern—even outrage—among senior officials. That response was instrumental in prompting a decision to create NIMES to address the problems of harmonization and excessive demands on the suppliers of monitoring information in sector ministries and agencies and at the facility level (see chapter 9). And the finding from a rapid diagnosis of M&E activities in Mexico’s social development agency (SEDESOL), that there existed eight uncoordinated monitoring systems within that one agency, also prompted the senior management of the agency to take steps to harmonize these systems (World Bank 2004c).

The process of conducting a diagnosis in Australia in 1987 provided the basis for the government’s evaluation strategy. Although this process did not lead to a consensus among sector min-

istries, which were largely opposed to the introduction of a mandatory set of requirements for conducting evaluations, it not only provided a sound factual basis for the evaluation strategy but also sensitized these stakeholders to the importance of the issue and fostered their somewhat grudging acceptance of the strategy itself.

A diagnosis also provides a baseline for measuring a country’s progress over time; it is a long-haul effort to build and sustain both demand and supply for M&E. As noted in chapter 10, most countries have not developed their M&E systems in a linear, predictable manner; instead, they have developed them opportunistically, depending on emerging opportunities and roadblocks, and as they develop their understanding concerning which initiatives are or are not working well.

In this environment, it is important to regularly monitor and evaluate the M&E system itself—just as any area of public sector reform should be regularly assessed. Indeed, conducting regular M&E efforts to strengthen an M&E system is one way those in charge of such efforts can lead by example. Some aspects of an M&E system are amenable to regular monitoring, such as the number of evaluations completed or the extent to which their recommendations are implemented. Other aspects may require more in-depth evaluation from time to time, such as the extent of utilization of M&E information in budget decision making or the quality of monitoring data.

Thus a diagnosis is a type of evaluation and can identify the degree of progress achieved and any necessary mid-course corrections. It is also noteworthy that national audit offices have played an important role in reviewing the performance of M&E systems, through performance audits (see, for example, Australian National Audit Office 1997; Mackay 2004; Office of the Auditor-General of Canada 2003; GAO 2004) and in prompting their governments to make needed improvements—for example, in Australia, Canada, and the United States.

What Issues Should a Diagnosis Address?

In the simplest sense, a diagnosis would map out what is working and what is not—the strengths

Box 12.1: Key Issues for a Diagnosis of a Government's M&E System

1. Genesis of the existing M&E system—Role of M&E advocates or champions; key events that created the priority for M&E information (for example, election of reform-oriented government, fiscal crisis)
2. The ministry or agency responsible for managing the M&E system and planning evaluations—Roles and responsibilities of the main parties to the M&E system, for example, finance ministry, planning ministry, president's office, sector ministries, the Parliament or Congress; possible existence of several, uncoordinated M&E systems at the national and sector levels; importance of federal/state/local issues to the M&E system
3. The public sector environment and whether it makes it easy or difficult for managers to perform to high standards and to be held accountable for their performance—Incentives for the stakeholders to take M&E seriously, strength of demand for M&E information. Are public sector reforms under way that might benefit from a stronger emphasis on the measurement of government performance, such as a poverty-reduction strategy, performance budgeting, strengthening of policy analysis skills, creation of a performance culture in the civil service, improvements in service delivery such as customer service standards, government decentralization, greater participation by civil society, or an anticorruption strategy?
4. The main aspects of public sector management that the M&E system supports strongly—(i) Budget decision making, (ii) national or sector planning, (iii) program management, and (iv) accountability relationships (to the finance ministry, to the president's office, to Parliament, to sector ministries, to civil society)
 - Actual role of M&E information at the various stages of the budget process: such as policy advising and planning, budget decision making, performance review and reporting; possible disconnect between the M&E work of sector ministries and the use of such information in the budget process; existence of any disconnect between the budget process and national planning; opportunities to strengthen the role of M&E in the budget
 - Extent to which the M&E information commissioned by key stakeholders (for example, the finance ministry) is used by others, such as sector ministries; if not used, barriers to utilization; any solid evidence concerning the extent of utilization by different stakeholders (for example, a diagnostic review or a survey); examples of major evaluations that have been highly influential with the government
5. Types of M&E tools emphasized in the M&E system: regular performance indicators, rapid reviews or evaluations, performance audits, rigorous, in-depth impact evaluations; scale and cost of each of these types of M&E; manner in which evaluation priorities are set—focused on problem programs, pilot programs, high-expenditure or -visibility programs, or on a systematic research agenda to answer questions about program effectiveness
6. Who is responsible for collecting performance information and conducting evaluations (for example, ministries themselves or academia or consulting firms); any problems with data quality or reliability or with the quality of evaluations conducted; strengths and weaknesses of local supply of M&E; key capacity constraints and the government's capacity-building priorities
7. Extent of donor support for M&E in recent years; donor projects that support M&E at whole-of-government, sector, or agency levels—Provision of technical assistance, other capacity building and funding for the conduct of major evaluations, such as rigorous impact evaluations
8. Conclusions: Overall strengths and weaknesses of the M&E system; its sustainability, in terms of vulnerability to a change in government, for example, how dependent it is on donor funding or other support; current plans for future strengthening of the M&E system

and weaknesses of the M&E system—and the reasons why.

A diagnosis of M&E would be expected to map out a number of key issues (box 12.1). These key issues are relevant whether the focus of the diagnosis is at the national level or at the level of an individual sector ministry or agency, albeit with

somewhat differing emphases. The issues include the following:

- The genesis of the existing M&E system (assuming some sort of system or systems already exist)
- The system's management and the roles and responsibilities of the key stakeholders

- The public sector environment and whether there are incentives to take M&E seriously
- The current main uses of M&E information, especially the role of M&E information in the budget process and the use of M&E information by sector ministries and agencies
- The types of M&E most frequently used
- Responsibilities for collecting performance information and conducting evaluations
- The extent of donor support for M&E
- Overall strengths and weaknesses of the M&E system or systems.

The purpose of a diagnosis is more than a factual stocktaking. It requires careful judgment concerning the presence or absence of the success factors for building an M&E system, as discussed in chapter 10. Thus it is important to understand the strength of the government's demand for M&E information and whether there is an influential government champion for M&E.

Conversely, it is important to know if there are barriers to building an M&E system, such as lack of genuine demand and ownership; lack of a modern culture of evidence-based decision making and accountability (due, in some countries, to issues of ethics or corruption); lack of evaluation, accounting, or auditing skills; or poor quality and credibility of financial and other performance information. This understanding naturally leads to the preparation of an action plan to strengthen existing M&E systems or to develop a new system entirely (discussed in chapter 13).

Although the preceding issues are largely generic to all countries, it is necessary to adjust the focus according to the nature of the country. Thus middle-income or upper middle-income countries might well possess a strong evaluation community, centered in universities and research institutes. But the supply of evaluation expertise would be much weaker in many of the poorest countries—those that prepare poverty-reduction strategies, for example (see chapter 9). Also, poorer countries are likely to have a strong focus on poverty-monitoring systems in particular and are likely to experience much greater difficulties

in coping with multiple, unharmonized donor requirements for M&E. Donor pressure is often the primary driver of government efforts to strengthen M&E systems, and the strength of country ownership of these efforts may not be strong. A deeper discussion of diagnostic issues is presented by Mackay (1998b).²

Depth of Diagnosis

A question that is often asked is how long it should take to conduct an M&E diagnosis. There is no simple answer to this question; it all depends on the purposes for which a diagnosis is intended, the range of issues under investigation, and the available time and budget. In some cases a week-long mission to a country has provided a sufficient starting point for a broad understanding of the key issues facing a government interested in strengthening its M&E functions. At the other end of the spectrum is a more formal, detailed, and in-depth evaluation of a government evaluation system, such as the one the Chilean government commissioned the World Bank to undertake (Rojas and others 2005). The Chile evaluation involved a team of seven people working for many months. It entailed several missions to Chile and involved interviewing large numbers of government officials in central and sector ministries, as well as detailed reviews of evaluation quality and evaluation utilization. Such in-depth diagnoses can cost as much as several hundred thousand dollars.

Other issues may need to be investigated in-depth, such as the quality and credibility of monitoring information and of the sector information systems that provide this information.³ Another possible issue is the capacity of universities and other organizations that provide training in M&E; such training is a common element of action plans to help institutionalize M&E. A diagnostic guide for assessing training organizations is provided by Adrien (2003); an actual diagnosis for Ghana is also available using this guide (Adrien 2001).

In between the two extremes of a week-long mission and an in-depth evaluation are the Bank diagnoses conducted for Colombia and Uganda. Each involved several missions for discussions

with senior officials and representatives of civil society, document review (such as government policy statements, documents relating to relevant donor projects, and any previous country diagnoses—of M&E, public sector reform, or public expenditure management issues, for example), and formal conference or seminar presentations on the government's M&E systems.

The Colombia diagnosis involved a number of Bank staff working closely with their government counterparts over the course of several missions to the country (Mackay and others 2007); this diagnosis is included in annex B. Illustrative ToRs for a possible future in-depth diagnosis of Colombia's M&E system are presented in annex C.

The Uganda diagnoses—in 2001, with a follow-up in 2003—were conducted by a Bank consultant over the course of several missions, with the close collaboration and support of government counterparts (Hauge 2001, 2003). The 2001 Uganda diagnosis is summarized in table 9.1.

The scope of a sector diagnosis would be narrower than one focused on the government as a whole, although many if not most of the key issues would be the same. A sector diagnosis would need to focus, among other things, on the role of sector M&E activities in contributing to any whole-of-government M&E systems. It would, of course, be possible to conduct a sector diagnosis as part of a national diagnosis; this could be useful in understanding the issues of institutionalizing M&E at the sector level, or if the government is considering piloting new M&E initiatives in selected sector ministries.

Depending on the issues to be addressed in a diagnosis, it might well be necessary to assemble a team of experts with a range of backgrounds. A team might therefore include individuals with expertise in some or all of the following: the management of a government M&E system; performance indicators and systems; statistical systems; evaluation; public sector management reform; and performance budgeting.

If a donor project to support the development of an M&E system is also envisaged, then it would be important to include in the diagnostic team some donor staff with relevant experience. Close involvement of senior government officials in the diagnosis is, of course, important—to tap into their knowledge and judgments about the current M&E system and the ways it could be strengthened and to ensure their acceptance of the diagnostic findings and recommendations.

Conclusions

A diagnosis of a country's systems for M&E can provide a solid understanding of their strengths and weaknesses. This is clearly important for developing an action plan that is appropriately tailored to some vision of the future M&E system, particularly in terms of the desired uses of monitoring information and evaluation findings, which are specific to each country. Such a diagnosis would also provide a baseline measure against which future progress can be evaluated, and further modifications can be made to the system as opportunities emerge and setbacks or barriers are encountered.

The process of conducting a diagnosis provides a vehicle for involving senior officials in the key central and sector ministries, together with donor staff, in considering the purposes, uses, and architecture of the government's M&E system(s). Diagnoses can provide surprising findings about a multiplicity of uncoordinated and duplicative systems. Such findings can help foster consensus on an action plan to strengthen the system.

Creating a consensus on roles and responsibilities under a whole-of-government M&E system may not be easy, however. Sector ministries and agencies might prefer not to be subject to centrally determined, formal requirements for M&E. And central ministries themselves might jostle for control of a new or rejuvenated M&E system.⁴ A more collaborative, less adversarial approach can help reduce these differences.

A diagnosis should include a factual stocktaking and careful judgments concerning the presence

or absence of the various success factors for building an M&E system, such as a committed, influential champion for M&E. A rapid diagnosis can provide an overview of a number of key issues but could not be expected to be either complete or balanced. A detailed, in-depth diagnosis would include drill-downs into specific issues considered important for the country, such as the quality of data systems or a detailed in-

vestigation of the current extent of utilization of M&E information.

Most diagnoses are neither very rapid nor very time consuming or in-depth; they fall between these two extremes. Nevertheless, a sound diagnosis does require considerable care; the expertise and quality of judgment of those who prepare the diagnosis is crucial.