

ANNEX D: EVALUATION OF IEG'S SUPPORT FOR INSTITUTIONALIZING M&E SYSTEMS

Evaluation Issues and Methodology

In 2004, IEG completed a self-evaluation of its support to governments to help them institutionalize their M&E systems (IEG 2004a). The methodology used in this evaluation, and the types of issue encountered, are likely to be of interest to other donors endeavoring to evaluate similar activities. Such activities might be conducted by donor evaluation offices or by donor operational areas. The methodological issues relate to the evaluability of efforts to institutionalize an M&E system.

Scale

One important contextual feature of the IEG evaluation was the relatively small scale of capacity-building support on which the evaluation was focused. As the World Bank's independent evaluation arm, IEG has a long-standing program of support in this area.¹ The level of resources involved has been modest, with two full-time staff and a total budget of around \$1 million in recent years. These resources have been used to assist a number of countries around the world.

The scale of this support is small compared with the size of donor loans and grants to individual countries. Donor loans with components for institutionalization of M&E systems might well run to several millions of dollars, and sometimes more, depending on the specific activities being funded. Thus, the scale of activities, outputs, outcomes, and impacts from such country support could be expected to be considerably larger; there could also be strong synergies between these various activities expected.

Contribution versus Attribution

When evaluating donor support to a government, it is relatively easy to monitor the various outputs

(such as country diagnoses) and intermediate outcomes (such as government establishment of a formal M&E framework) to which a donor has contributed. (See figure 13.1 for a list of possible activities, outputs, intermediate outcomes, final outcomes, and impacts.) But it is often much harder to attribute these results to an individual donor, especially when a number of donors have been involved or when donor support overall is small in comparison with the government's own efforts—such as the case of Chile. External factors, such as a change in government or the departure of a key M&E champion, can also have a significant effect on the success of donor efforts.²

Absence of a Standardized Approach to Institutionalizing M&E

As emphasized repeatedly in this volume, a standardized set of actions for strengthening an M&E system does not exist. Rather, the set that is appropriate for any one country will depend on that country's starting point and desired destination, in terms of the various possible uses of M&E information. As there is no standard set of actions, there can be no standard approach to evaluating them. The evaluation approach must be tailored to the specific set of actions adopted, their scale, and the country context.

Heterogeneity of Actions

Efforts to institutionalize M&E often include a long list of actions, such as those in table 13.1. Each action could be evaluated in a specific, and often different, manner. Individual activities, such as a high-level conference, might make a useful contribution to raising awareness among senior officials of the uses of M&E. But it is difficult in an evaluation to separately identify the contribution of this relatively small activity (Perrin and Mackay

1999). Training activities, which are a staple component of most efforts to institutionalize M&E, can be easier to evaluate, especially when their scale is large. And there is a well-recognized methodology for conducting such evaluations (Kirkpatrick and Kirkpatrick 2006).^{3,4} Activities such as diagnoses and pilot evaluations can be evaluated in terms of their quality and depth.

Results Chain

One evaluation approach is to focus on the results chain for building or strengthening a government M&E system (figure 13.1). This comprises a set of activities, outputs, intermediate outcomes, final outcomes, and impacts. At each stage it is possible to collect performance indicators. More in-depth evaluative issues might be addressed by, for example, interviews or surveys of senior officials, detailed case studies, and so forth.

This was the approach the IEG evaluation followed. Of course, a bottom-line measure of success of all efforts to build an M&E system is the extent of utilization of the M&E information which the system produces. Such information can be obtained by means of surveys of budget officials, parliamentarians, and so on.

Diagnoses

The type of evaluation being considered here is similar in many ways to a diagnosis of a country's M&E system (chapter 12). An evaluation, of course, is usually somewhat more formal in nature, and it could encompass a baseline diagnosis and a follow-up diagnosis to measure the extent of changes over time. An evaluation can also include reviews of specific issues (see the list of in-depth diagnoses planned for Colombia, chapter 13).

The IEG Evaluation

The IEG self-evaluation provided a vehicle to clarify IEG's objectives and its eight-part strategy for helping governments (and their Bank counterparts) strengthen their M&E systems (IEG 2004a). It provided information on the amounts IEG spent in pursuing these objectives, categorized according to various types of activity such as seminars, provision of M&E training and scholarships, and country-based support work. It also mapped out a results chain for these efforts and presented

performance indicators for outputs and intermediate outcomes of this work. (Most of these, of course, were only partially attributable to IEG—see preceding discussion.) These indicators included the following:

- The number of countries for which a diagnosis had been conducted
- Whether the priority for government M&E had been included in the Bank's strategy for each country assisted by IEG
- Whether the Bank had also agreed a loan for this purpose with the government
- Whether a government M&E framework had been established.

In-depth reviews of IEG's intensive efforts in two countries—Uganda and Egypt—were conducted by an external consultant. These comprised a document review, interviews of senior government officials and of senior staff of the Bank and other donors. The consultant rated IEG's work in each country against IEG's standard criteria for evaluating any Bank project: relevance, efficacy (that is, effectiveness), efficiency, outcome, sustainability, and IEG performance.

In addition, the IEG evaluation drew on a range of evaluations previously conducted on its main external training program (the International Program for Development Evaluation Training). The evaluation included performance information on the number of research papers prepared by IEG on this topic and on the level of demand for these papers.

Relying on all this M&E information, the evaluation endeavored to identify the specific outputs and outcomes corresponding to each part of IEG's eight-part strategy. It concluded with an analysis of several strategic options for IEG to consider in framing its future work in this area. This evaluation was formally presented to the Board of the World Bank and is publicly available (see http://www.worldbank.org/ieg/edc/evaluating_institutionalization_efforts.html).

IEG Evaluation: Executive Summary

Note that the following summary uses the term "evaluation capacity development" (ECD) to de-

scribe efforts to build or strengthen a government's M&E system. This term does not describe the nature of these efforts well; it emphasizes evaluation, whereas most government systems rely on both monitoring and evaluation. The use of the phrase "capacity development" suggests a supply-side approach. In fact, the demand side and issues of institutionalization are perhaps more important. The term ECD is still used by IEG and other multilateral and some bilateral aid organizations.

The development community is placing a high premium on the achievement of results, and it is committed to helping borrower countries strengthen their abilities to measure and manage for results. An important part of this entails efforts to help countries build their own monitoring and evaluation (M&E) systems. . . . Strong M&E systems can make an important contribution to sound governance in countries. And stronger country capacities for M&E would also facilitate the quality of the Bank's own M&E—both self-evaluation by Bank operations of the development interventions which they design and oversee, and IEG's own independent evaluation of them.

IEG has been a strong advocate of ECD since [IEG's] creation in 1973, and ECD has been part of its formal mandate since 1986. In pursuit of this, IEG has an ECD program, with two full-time staff, which provides ECD advice and other support to countries and to operational areas within the Bank. The purpose of this self-evaluation report is to evaluate IEG's ECD work, and thus to assess the extent to which IEG is fulfilling its ECD mandate.

This report describes and explains IEG's ECD strategy—the manner in which IEG has worked to fulfill its mandate. In pursuit of this strategy IEG has played a catalytic role intended to lead to the mainstreaming of ECD work both within the Bank and in countries, and to establish ECD good practice. The three closely related components of this strategy are the internal support it

provides to the Bank, its external support, and ECD foundation building.

IEG has successfully played a leading role in keeping M&E and ECD on the Bank's agenda, with the strong support of the Bank's Board and its Committee on Development Effectiveness. The Bank's evolving *Results Agenda*, in turn, is strengthening the focus of Bank Operations on the results of their work, and this is providing some additional focus on ECD. Since 1999, when IEG increased its resources devoted to ECD, there has been a substantial growth in the number of Bank country teams pursuing ECD with borrowers; IEG's advocacy and support for almost all of them has been a contributing factor. At least 31 of these country teams—out of the approximately 150 Bank country teams—are currently involved in ECD. This growth constitutes significant progress toward the mainstreaming of ECD within the Bank, although there is clearly a long way to go.

A number of constraints on the evaluability of IEG's ECD work are identified in this report, such as difficulties of attribution; the "upstream" nature of IEG's ECD work; lack of any standardized approach to ECD; small scale of many of IEG's ECD activities; and early-stage nature of some of this work. However, this report has also enhanced the evaluability of this work through: the mapping of ECD results chains; articulation of ECD performance indicators; and preparation of detailed criteria for rating country-level ECD. The report presents evidence on a number of outputs and outcomes of IEG's ECD work.

IEG has provided country-level ECD support to 34 countries (and their corresponding Bank country teams) since 1999: high-intensity support has been provided to 2 countries (Uganda and Egypt), medium-intensity support to 15 countries, and indirect support to another 17 countries. Such a large "footprint" of IEG's support has helped lift the profile of ECD within the

Bank, leading to the likelihood of some demonstration effect to other country teams. This country-focused work constitutes a key part of IEG's ECD strategy. An important finding of this report is that many of the countries for which IEG has provided high- and medium-intensity support have made substantive ECD progress—in terms of ECD outputs such as ECD diagnoses, identification of ECD as a priority in the Bank's country assistance strategies, and creation of Bank projects with an ECD component, and in terms of intermediate outcomes such as strengthening of country demand for M&E and of country capacities to conduct and to use M&E. While not all of this progress can be attributed to IEG, IEG has been an important contributor to these ECD results.

In-depth reviews of the two countries where IEG has provided high-intensity support—Uganda and Egypt—confirm IEG's leading role in ECD in recent years; IEG's performance in both countries is rated as satisfactory. A strength in Uganda has been the provision of sustained, high-intensity support, which achieved synergies between a range of different ECD activities and has led to some significant ECD results. The in-depth review concluded that the ECD work in Uganda represents good practice ECD. However, the situation for Egypt is somewhat different—insufficient demand from key stakeholders within the government has to some extent frustrated the work. This experience reinforces a lesson learned by a number of countries where demand has been weak: that weak demand can lead to fragile ECD efforts. For this reason, IEG needs to pay close attention to the demand side in its country ECD work, both at the initial diagnostic stage and in subsequent capacity-building work.

IEG's ECD foundation-building work has included preparation of ECD resource materials, to share lessons from ECD experience, provision of M&E and ECD training, and various cooperative initiatives such as joint evaluations and donor M&E harmonization. IEG has played a leading role in

identifying and disseminating the lessons from ECD experience—in effect, ECD research—and this is reflected in the very high level of demand for its ECD resource materials. A recent IEG evaluation of the International Program for Development Evaluation Training, IEG's flagship course in M&E, found high levels of participant satisfaction with the training and also found that participants had demonstrated significant learning gains. There are also highly positive evaluation findings for the other M&E/ECD courses in which IEG has been involved. However, there are a number of gaps in IEG's evaluative information concerning the results of its ECD work, and these will need to be addressed.

There is no evidence of any conflicts of interest having arisen in relation to IEG's ECD activities. There exist important precedents inside and outside the Bank where legal or fiduciary responsibilities are reconciled with provision of capacity-building support to operational work. This reconciliation is achieved through a simple firewall approach.

This self-evaluation presents three key options for IEG management to consider in framing its future ECD strategy. These are: (1) an exit option to transfer IEG's ECD activities; (2) a scale-up option involving closer IEG collaboration with Bank central units, and a more targeted approach to ECD work with Bank country teams and with the Bank's Regional Vice Presidential Units; and (3) a renewed focus on ECD lesson-learning.

The conclusion of this report is that, given the modest level of resources committed to ECD, IEG has been highly active in ECD, and that its ECD strategy has contributed to a number of ECD results—outputs and outcomes—over the past five years. The task now facing IEG is to further strengthen its ECD work—to achieve the related objectives of mainstreaming ECD and establishing high-quality ECD more widely. There are growing opportunities for achieving a results orientation within the Bank and in countries, and the priority for ECD has never been higher.