What Role for Evaluation in the Context of Performance-Based Management?

Katie Wright[1], September 2008

Evaluation and the Third Sector

Evaluation has formed a major focus of development work over the last fifty years, encompassing diverse traditions, and has shifted from a highly specialised niche area to an increasingly crowded industry. Traditional evaluation approaches based on linear models have failed to account for the way that programmes and objectives can change from their original design over a relatively short period of time. INTRAC believes that evaluations require flexible approaches that take account of and respond to change. One major challenge that evaluators in the third sector are currently grappling with is that of growing demand for performance-based management, accountability and quantification, making 'learning-oriented' evaluation increasingly difficult to undertake. Evaluation using linear models has become a defence against action research and a barrier to bringing about transformative social change that enables and sustains people and communities in the long term.

NGOs and evaluation

In the 1990s NGOs were criticised for 'losing their roots' – focusing too much on upward accountability to donors and diverting attention away from those they claim to serve. Intense competition from other providers has created an environment where NGOs have had to prove their accountability and added-value. It is perfectly reasonable that NGOs should, alongside other actors, be required to demonstrate financial accountability and have indicators to measure their social performance. However, in the present context, 'development' itself is increasingly being viewed as a short-to-medium term outcome of desirable targets such as GDP growth or the MDG targets, in addition to meeting donor requirements and accountability to tax payers, rather than as a process or a discourse. Relying on economic targets alone to promote development can be fraught with problems. For example, Saith (2007) has argued strongly that the MDGs in principle are a potentially great achievement, but in practice their translation into forms of results-based management has already begun to distort development research (and practice). There is little emphasis in the development arena on once valued and important dimensions such as participatory processes, empowerment and structural change. This, for example, has been core to much of INTRAC's work in the past two decades. The current discourse is largely focused on outcomes and indicators that is complicit in the failure to bring about long-term transformative change, particularly in relation to power and ownership of the development process.

---

[1] Katie Wright is Senior Researcher at INTRAC.

Saith and others, including INTRAC, are now calling for a much more assertive and forward looking, rights and redistribution agenda based on addressing the growing levels of both national and international inequality and unequal power relationships. As we move closer to 2015 therefore, discussions will likely begin on the post-2015 aid architecture. INTRAC has argued that there is now an even greater need to move away from a conceptualisation of development based on a set of short-to-medium economic outcome-based indicators. Such an understanding and exclusive focus is burdensome for development organisations, often working with few resources and in difficult circumstances, but also for aid agencies. It is also increasingly evident that this mode of paper chasing evaluation can undermine the 'real' work of NGOs[2]. To some extent the failure of target-focused development has already been highlighted by the recent evaluation of the aid effectiveness agenda (OECD/DAC 2007), which showed that a purely target-driven implementation process, though easier for reporting, can be highly problematic unless it has caveats to support greater ownership and better learning.

Thinking ahead to 2015, the MDG indicators need to include a more process-based approach. This conceptualisation of development would then shift from development as the fulfilment of economic targets, towards a conceptualisation of development as to some extent also process-based that is poverty reducing and will enable real change (both measurable and otherwise) in the long term.

Recent trends in evaluation: Reconciling performance management with flexible funding and programmatic approaches

Most recently the debates around evaluation have emerged around the problems encountered in flexible funding whilst trying to meet the demands for more performance-based grant management (which are often derived from politicians). Several donors have moved to multi-year funding of NGOs around objectives which have a wide scope. Meanwhile, ministers remain focused on demonstrating quantifiable and easily understood results to demonstrate good use of tax payer's money. Whilst there may be a strong case for this in a world of diminishing resources, in a context of reduced scope for social impact assessment and a push for results-based approaches to fit the needs of government auditors, how far can official agencies continue to be responsive to the needs of beneficiaries through flexible funding?

The official agencies have also made considerable inroads into introducing programmatic approaches into their funding mechanisms. What has proved challenging is (i) how these agencies can then measure outcomes and impact of these programmatic interventions; (ii) how far these sets of indicators are process rather than outcome-driven; and (iii) whether these can be built up from below and fed into higher policy level frameworks.

A further issue is that the term 'programmatic approach' has been interpreted differently: "A programmatic approach is a cross-cutting strategy that can catalyse, support, and sustain a process of regional development to build the capacity of individuals, communities, and institutions to put regional development projects into action" (Kellogg Foundation, 2008).

"A Programme Based Approach is a way of engaging in development cooperation based on the principle of coordinated support for a locally owned programme of development, such as national

---

[2] See, for example, ONTRAC 39, May 2008

poverty reduction strategy, a sector programme, a thematic programme or a programme of a specific organisation" (Learning Network on Programme Based Approaches, definition adopted by DAC, 2007).

Both of these adopt a primarily geographic rather than a thematic approach to programming.

"A programme will have a range of strategies working towards defined outcomes. A programme can include a collection of inter-related projects and activities. For example, it may be a mixture of development, relief, advocacy, networking and capacity building". (INTRAC, 2008).

If organisations do not fully understand what they mean by a 'programmatic approach', then they will inevitably experience problems with going beyond measuring at the level of activities and specific outputs.

Specific difficulties that this raises that are common to many agencies include:
- weaknesses in M&E systems in collecting data at the level of activities and outputs without articulating what value they add at the level of programme outcomes and impact.
- a lack of routine practice of gathering input from marginalised/excluded groups on the social impact or performance of programmes.
- difficulty of establishing appropriate indicators and progress indicators to identify or track change over a multi-annual programme period.
- a lack of systematic information from partners that would feed into the monitoring needs of official and other agencies.
- cross-cutting programmatic issues in the context of working with and through partners.

Using evaluations to capture and embed learning within programmes approaches

There is scope to embed particular principles into the thinking about programmes and development of benchmarks and process-based indicators (from input from below) that can support organisations and their partners to work programmatically. Ways that these principles might underpin monitoring and evaluation of programmes include:

(1) Listening to programme users:
- How might users themselves be involved in developing robust M&E systems to feed into the development of benchmarks?
- What are the current levels of satisfaction with the programmes used?
- Which profiles of clients are winning and which are losing out from the programmes offered?
- Are there particular groups of clients whose opinions need to feed into the construction of benchmarks for programmes?

(2) Understanding variations in impact across different sets of programme users:
- How might benchmarks be included to consider variations in impacts of programmes on differentiated groups of user profiles?
- How and why are users' demands for the kinds of programmes being offered changing?
- It is important to draw on information from those who have left the programmes in order to adapt programmes to different sets of users.

How can NGOs navigate the challenges between accountability and the predominance of performance management and process-based long-term change without these necessarily becoming competing or antagonistic goals?

First, this involves awareness of the reasons for the current predominance of performance-based management and use of economic indicators that are more easily quantifiable, and the risks that this poses for distorting participatory process, empowerment and structural change to one focused on outcomes and indicators. Much use of economic indicators in the current aid climate is linear and growth driven, with economic indicators favoured based on assumptions of their objectivity.

Second, practitioners are keen to experiment with social indicators and mixed-methods data but still need to find ways of getting these taken seriously (Wright, 2007). NGOs are under pressure to demonstrate their accountability and relevance. One way to respond is to demonstrate to busy managers that by improving their social performance using mixed methods approaches this can also improve their bottom-line. Similarly, NGOs need to use their influence to demonstrate to governments that greater accountability to the tax payer is achieved via developing social-performance and longer-term process indicators to compliment those that are economic and output-driven.

Embedding particular principles deriving from mixed methods approaches into the thinking about programme impact will also support organisations and their partners to work programatically. The first challenge that this presents is how far development of benchmarks can be achieved via process-based indicators that compliment more easily understood or demonstrable economic outcome-driven results. A new conceptualisation of development would move away from development as solely the fulfilment of the MDGs towards a conceptualisation that is more process-based – both poverty reducing and long term. The second challenge underpinning thinking about programme impact is how indicators of impact can be built up from below (rather than imposed from above) via participatory processes, for example through externally facilitated regional workshops. The third is supporting agencies to develop flexible systems that are capable of feeding this input from below in meaningful ways back into higher policy level frameworks.

References:

Kellogg Foundation (2008) Overview: Programatic approach. www.wkkf.org

Nash, R, Hudson, A, Luttrell, C (n.d.). Mapping Political Context: A toolkit for civil society organisations and their use. www.odi.org.uk/rapid

Saith, A (2007) 'From universal values to MDGs: lost in translation', *Development and Change*, 37 (6): 1167–1199.

Seers, D (1969) 'The meaning of development', *International Development Review*, 11: 2–6.

OECD (2007) OECD – Development Assistance Committee (DAC) terminology. See www.oecd.org/dac/evaluation

Wright, K (2008) 'Getting your qualitative data taken seriously: using QUIP' in ONTRAC 37, September 2008, INTRAC