FUNCTIONS OF A COMPLEX M&E SYSTEM

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A complex monitoring and evaluation (M&E) system needs to serve many purposes. There are proven and effective ways in which complex M&E systems can be used to help staff at different levels of an organisation or complex programme manage development interventions, demonstrate accountability to different stakeholders, generate and share learning, and use this learning to improve performance.

The three most common functions (or purposes) of a project monitoring and evaluation (M&E) system are project management, accountability, and learning in order to improve performance. Some project M&E systems focus on just one of these functions; others focus on two, or all three. A complex M&E system normally needs to serve all three functions – management, accountability and learning – and is ultimately judged on how effectively it does so. This paper looks at each of the three functions in turn. It is primarily concerned with how the three functions can be addressed at overall organisation (or complex programme) level.

However, it is important to acknowledge that M&E systems often need to support a variety of other purposes. These include providing evidence for advocacy or policy influencing work; enabling supervision and control; supporting resource allocation; enhancing communication between different stakeholders; supporting marketing or fundraising; and enhancing the empowerment of different stakeholders. All these purposes are routinely supported by many complex M&E systems. For the sake of simplicity this paper concentrates on the three core functions only.

Organisational or programme management

At project level, M&E is routinely carried out to support day-to-day management. This includes tracking resources, ensuring they are used properly, addressing problems as they arise, taking advantage of opportunities where they occur, and generally ensuring that a project is managed in the best possible way. CSO staff often spend a huge amount of time monitoring activities, deliverables, budgets, finances, procurements, contracts, compliance, relationships, organisational capacity, logistics, equipment, personnel, risks, media and actions, as well as the external environment. This kind of monitoring probably accounts for the vast majority of time spent on project-level M&E.

At organisational or complex programme level, most CSOs find it relatively straightforward to develop simple, numeric indicators to provide basic management information. Sometimes these indicators can be collected directly at organisational or complex programme level (e.g. *'the amount of money received from core funders'*) and sometimes they can be aggregated from different parts of an organisation (e.g. *'ratio of male:female staff within an organisation'*).

Staff working in the central M&E department of an organisation or complex programme may not need to become involved in this area of work at all. For example, in a typical non-governmental organisation (NGO):

- a human resources department would be expected to collect and hold information on the number and percentage of jobs vacant, or the skill level and salaries of staff;
- an administrative department may capture information on logistics, equipment and premises;
- finance departments normally hold information on budgets, expenditures, procurements and reserves;
- a communications department might hold information on registered supporters, media references or private donations;
- a fundraising team would normally capture information on donors and funds raised; and
- an IT department may keep a database of contacts.

This emphasises a big difference between a project M&E system, where the same staff are often involved in collecting and analysing information across all these different areas of work, and a complex M&E system, where tasks are more likely to be compartmentalised.

Many CSOs develop infographics or dashboards to present organisational (or programme) information to senior management, boards, trustees or donors on a regular basis. This is then used to help manage the organisation (or complex programme). Central M&E departments in CSOs are most likely to be involved when required to present information on activities, results or reach (the number of beneficiaries affected by programmes and projects) across an organisation, or large parts of it. This usually means summarising or aggregating information from different places within an organisation or complex programme. This can be a difficult and challenging task, and is covered in a separate paper within this section of the M&E Universe.

Accountability

Accountability means different things in different circumstances, depending on who is accountable, to whom, and for what. Broadly, CSOs are subject to four types of accountability (see box below, based on Hayman (2013)). Accountability covers numerous dimensions, many of which are not necessarily related to M&E. These include transparency of decision-making, financial accountability, safeguarding, due diligence, and open and honest dialogue. M&E is mostly (but not exclusively) involved when CSOs demonstrate accountability for results – whether deliverables (outputs) or changes (outcomes or impact).

Different types of accountability

1. Upwards accountability normally means the accountability of a CSO to its public or private donors. It can also include accountability to host governments or regulatory bodies.
2. Downwards accountability usually means the accountability of a CSO to its beneficiaries, to any partners it funds or supports, or to other stakeholders that might be affected by its work.
3. CSOs can also demonstrate sideways or horizontal accountability. This means being accountable to sister organisations working in coalitions, partnerships or networks.
4. CSOs may also demonstrate self accountability. For example, small CSOs that represent the needs of their memberships may be accountable to those members. Staff working in a CSO might need to be accountable to managers. And CSOs are often accountable to boards, trustees or steering committees.

Within a complex M&E system, at organisational or complex programme level, M&E is most commonly used to demonstrate accountability upwards to donors, governments or supporters. Most CSOs are expected to report regularly to these stakeholders on a range of issues, such as compliance, financial management and risk management, as well as providing information on results. Summarising results at the level of activities or outputs can be difficult, especially for organisations or complex programmes that implement many kinds of initiatives in different locations. The task is even harder when CSOs are expected to summarise or aggregate information at the level of outcomes or impact. Again, this is covered in a separate paper within this section of the M&E Universe.

Downwards accountability, particularly towards supported communities, is an aspiration for many CSOs. Sometimes, M&E staff implementing a complex M&E system can design relatively straightforward, centralised processes to support downwards accountability, such as sending satisfaction surveys to all supported partners, or regularly providing reports to partners. However, within complex M&E systems downwards accountability is not always emphasised to the same degree as upwards accountability. This is partly because donors and governments usually expect upwards accountability as a condition of funding or support. But it is also partly due to the difficulty of systematically reporting to many different communities compared to a single donor or small group of donors. A CSO working in just a few communities may find it relatively simple to report to those communities in an appropriate way. But CSOs working in multiple locations can find themselves having to report to hundreds of communities, often having to adjust the subject and means of reporting to suit different audiences, such as men, women, children, illiterate or semi-literate people, etc. This would be a daunting task if controlled centrally.

Rather than focusing only on reporting, CSOs that are committed to downwards accountability tend to engage their primary stakeholders in beneficiary feedback mechanisms or participatory planning, monitoring and evaluation (PME) systems. The stakeholders are then able to see how a project or programme is progressing, provide their own analysis and recommendations, and monitor resulting actions. This better empowers them to hold CSOs to account.

Staff at the centre of a complex M&E system would not normally be expected to handle this kind of downwards accountability directly. Instead, staff designing and implementing complex M&E systems are more likely to set the conditions under which downwards accountability can take place. For instance, they can propose principles around participation within PME, or minimum standards for reporting to supported communities. Programmes and projects would then be expected to follow these principles, but adapt them to local needs and contexts through a decentralised system. In other words, a complex M&E system can set the framework within which different parts of an organisation can promote downwards accountability in appropriate ways to different audiences.

Many CSOs successfully manage to integrate elements of downwards accountability into their complex M&E systems, alongside measures designed to demonstrate upwards accountability. But some large NGOs have gone even further, and have made downwards accountability the highlight of their planning, monitoring, evaluation and learning systems. The best-known example is the ActionAid ALPS system (see case study on the following page).

Putting downwards accountability at the heart of a complex M&E system is a serious undertaking, and not one to be taken lightly. Participatory M&E can be difficult to manage, and often requires significant shifts in power relationships between CSOs and their beneficiaries. CSOs that operate in just a few locations and/or operate close to the ground may find it relatively easy to orient M&E systems towards downwards accountability. Larger CSOs operating in multiple locations, or working through many operational partners, may have to invest significant resources to make it happen, and may find the task considerably harder.

Learning and improving

There is near universal agreement that learning should be an important aspect of an M&E system, which is why many organisations now label their systems MEL (monitoring, evaluation and learning) rather than just M&E. Complex

M&E systems can, and usually do, support learning at different levels within CSOs. This requires the development of systems and processes to enable the generation, capture and synthesis of learning, and its sharing and dissemination throughout, and sometimes beyond, an organisation. Some of the more common ways in which a complex M&E system can support learning are as follows.

- M&E often involves the generation of new learning, which can then be applied to improve existing or future performance. This learning may result from the collection and analysis of new information, the analysis of existing information, or (more often) a combination of both. The learning can be used at the level at which it was generated, or it can be used by people in other projects, programmes or organisations.
- Individual and collective learning happens within organisations all the time, irrespective of how good or bad an M&E system is. It is often useful to capture and synthesise some of this learning by recording and storing lessons learned. Lessons can be defined as *"useful knowledge distilled from experience that establishes principles for guiding action"* (Britton 2005, p55). They can range from very specific lessons, unique to a particular time and place, to broad generalisations which may be adapted and applied in many different situations. Lessons can be used immediately, disseminated, or retrieved at a later date. A good Information Technology (IT) system for handling lessons enables people in one part of an organisation to access, adapt and use lessons generated in another part.
- Some complex M&E systems support processes designed to generate mutual learning between different stakeholders, for example through stakeholder reviews, workshops, peer reviews, exchange visits, seminars, conferences, and mechanisms supported by new forms of IT. These processes create space for stakeholder groups to review and analyse information, and openly discuss successes, failures and lessons learned in a safe environment, thereby generating new lessons or re-identifying old ones.
- Some complex M&E systems promote different forms of participatory M&E. Participatory M&E can support service users or beneficiaries to engage in mutual learning. This can help to instil ownership in a project or programme, as well as generating relevant and useful learning. Sometimes this learning can be applied immediately to improve a project or programme.
- Complex M&E systems often include organisational processes and mechanisms designed to communicate and disseminate learning. Learning can be communicated in many ways, including through written reports, presentations, photographic displays, videos, websites, intranet sites and blogs.
- Complex M&E systems can also be deliberately designed to allow space for people at different levels of a CSO to design their own learning mechanisms and approaches to support their own decentralised needs.

Case study: ActionAid ALPS system

ActionAid's accountability, learning and planning system (ALPS) was partly designed to strengthen its accountability to poor and excluded people. In order to achieve this, ActionAid committed to involving them in all processes of local programme appraisal, analysis, planning, monitoring, implementation, research and reviews, on the basis that poor and excluded people have a right to take part in the decisions that affect them.

This often required the translation of key documents to local languages. However, ActionAid's ALPS system also encouraged the use of alternative forms of communication other than lengthy written reports. For example, ActionAid promoted the use of people's art, oral traditions, theatre and song as some of the ways in which people could engage their creative talents and develop insights. ALPS also encouraged open information sharing through bulletin boards and posters easily accessible to communities.

ALPS further required ActionAid to work with poor and excluded people to facilitate their analyses, respecting and critically engaging with what came out of it. This meant that the priorities and perspectives of poor people informed the decisions made at all levels by ActionAid and its partners.

Source: ActionAid International (2006)

These examples demonstrate that there are many simple and cost-effective ways for CSOs to support learning within and throughout an organisation or complex programme, and most CSOs do not find this difficult to do (resources permitting). This learning may be facilitated by an M&E department or sometimes by other departments. It may be organised by central staff, or by staff at other levels of an organisation or complex programme.

There are also many simple and practical mechanisms that can be used to promote learning through a complex M&E system. These include:

- incorporating learning objectives (or indicators) into workplans or results frameworks;
- developing learning questions to be addressed throughout an organisation or complex programme;
- ensuring that formal reviews, evaluations and impact assessments have a learning focus;
- communicating M&E findings to different audiences using different methods;
- creating safe spaces for the sharing and generation of new lessons;
- ensuring that report templates contain questions designed to capture analysis, recommendations and conclusions as well as results;
- developing IT systems to ensure that lessons can be stored and retrieved when needed;
- encouraging staff to consider how they might engage in M&E-based learning through appropriate training and induction; and
- devoting a proportion of M&E budgets to ensuring that at least some of the M&E work carried out within an organisation or complex programme is dedicated wholly or partly to learning, and the use of that learning to enhance performance.

Most CSOs are quite good at this kind of work, and commonly implement a variety of different measures designed to support learning at different levels. Some of this learning can be used internally, and some can be shared with other organisations to support their learning and eventually enhance their own performance.

However, perhaps the hardest challenge of all for a complex M&E system is to generate and apply learning to make strategic adaptations at organisational or complex programme level. In this context, strategic adaptation means constantly assessing whether an organisation (or complex programme) is doing the right thing and adjusting where necessary (O'Donnell 2016). Changing the strategic direction of an organisation or complex programme has far more significant implications than making adjustments within a single project affecting a relatively small number of people. There is no doubt that M&E should contribute to strategic adaptation at organisational (or complex programme) level, but unfortunately in practice it is often unable to do so. There are many reasons for this. Some of the more important are as follows.

- Genuine learning often requires a project or programme to be able to accurately measure or assess its performance in relation to predicted results (Guijt 2010). Many CSOs cannot do this with any degree of accuracy at organisation or complex programme level. This means that some of what is called *'learning'* is more a matter of different people's opinions, with relatively little evidence to back it up.
- Making major changes to a CSO's vision or strategy requires a degree of certainty of M&E findings that can be difficult to acquire through a complex M&E system.
- The measurement (or assessment) of results is not always the most important influence on managerial decision-making at organisational (or complex programme) level. Management are often heavily influenced by other factors, including changes in the external socio-economic and political environment, and expectations of other stakeholders, such as donors.
- Larger NGOs often have very inflexible planning systems, with negotiated plans and budgets linked between multiple levels of their organisations via formal agreements and contracts. These can prove a barrier to making rapid, strategic adaptations

The use of M&E information to contribute to strategic decision-making and adaptation at organisational (or complex programme) level is perhaps the most advanced topic in the M&E Universe. It is dealt with in a separate paper, listed in the section below on further reading and resources.

Summary

A complex M&E system needs to serve many purposes. There are proven and effective ways in which complex M&E systems can be used to help staff at different levels of an organisation or complex programme manage development interventions, demonstrate accountability to different stakeholders, generate and share learning, use this learning to improve performance, and fulfil various other functions.

Often, the task of a complex M&E system is to set broad frameworks and principles that allow staff at different levels of an organisation or complex programme the freedom to develop their own solutions in response to their own needs. Sometimes, staff designing and implementing a complex M&E system may develop principles, processes or guidelines that radically change the way an organisation operates – such as reorienting reporting downwards towards partners or beneficiaries, or ensuring supported communities have a greater say in decision-making through engaging them in participatory planning, monitoring and evaluation.

None of this should represent a significant technical challenge for complex M&E system designers (although the political and/or practical challenges may be huge). However, there are two key areas which may indeed create significant technical challenges. One is the aggregation and summarisation of results across a large portfolio of work. The other is the use of M&E information to contribute to strategic decision-making and adaptation at organisational (or complex programme) level.

> *"Making minor adaptations within a project can be done fairly easily, like turning round a dinghy. Making adaptations to a complex programme may be harder, like turning around a sailing boat. Making strategic adaptations to a large NGO can be like turning round an oil tanker - it can be done, but you need to be very sure you want to do it!"*

Further reading and resources

This short paper is based on a much longer paper produced for INTRAC, called *"Complex M&E Systems: Raising standards, lowering the bar"*, by Nigel Simister. It is available from the INTRAC website at https://www.intrac.org/wpcms/wp-content/uploads/2019/03/Praxis-Series-6.-Complex-ME-Systems.pdf.

The next two papers in this section of the M&E Universe deal with two of the key topics raised in this paper. One is the aggregation and summarisation of results across a large portfolio of work. The other is how to use M&E information to contribute to strategic decision-making and adaptation at organisational (or complex programme) level.

Other papers in the 'Data Use' section of the M&E Universe expand on the links between M&E and learning, and M&E and accountability. These papers cover some of the same subjects as this paper, and can be accessed by clicking on the links below.

Aggregation and summarisation

Strategic decision-making

Accountability

Learning

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