



MONITORING AND EVALUATION SYSTEMS
Approaches, Development Steps and Success Factors
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PREVAL

preval@desco.org.pe

www.preval.org

Introduction

The Programme for Strengthening of Regional Capacity for Monitoring and Evaluation of Rural Poverty Alleviation in Latin America and the Caribbean (PREVAL), supported by the International Fund for Agricultural Development (IFAD), seeks to build local capacity in the development and implementation of participatory, impact-oriented monitoring and evaluation (M&E) systems. The latter are understood as reflection and communication processes for linking together data collection and management activities, to ensure *suitable, timely accountability and create learnings*. PREVAL believes that M&E systems should be flexible, innovative tools responding to the learning needs of multiple users, while acknowledging their specific cultural and organisational characteristics.

A pioneering, innovative programme, PREVAL is probably the only regional programme supported by a UN agency that is focused on building M&E capacity, at a time when there is still a weak evaluation culture. This poses a challenge for meeting this phase's objectives, which are concurrent with the Millennium Development Goals and Targets.

Since 1997, PREVAL has been promoting an evaluation culture, training evaluators and providing technical assistance and capacity building in self-evaluation for project technical teams and managers of anti-rural poverty projects. In addition, PREVAL provides an online platform on information resources, to fostering exchanges and inter-learnings; it networks and partners up with a diverse range of stakeholders to facilitate exchanges and learnings in Monitoring and Evaluation for rural development. Within this context, PREVAL actively runs an electronic network that has more than 2,000 users, as well as a bilingual Spanish–English website featuring data bases, online

libraries, e-bulletins and technical directories. The aim is to help the community of evaluators, facilitators of social processes, rural organisations, project technical teams, social managers and governments concerned with rural development, to enable them to contribute with their activities to the Millennium Development Goals¹.

The following document outlines the conceptual and methodological guidelines that have been being developed and adjusted by PREVAL on issues related to M&E systems, in consultation with its partners. The first part addresses the Conceptual Approaches encouraged by M&E systems; while the second part deals with the Steps required for Developing M&E Systems, which were drafted by a community of evaluators who came together in 2005. This event also agreed a shared definition of capacity building and identified Success and Failure Factors in implementing M&E Systems.²

(1) CONCEPTUAL APPROACHES

Following is an outline of PREVAL's principles and operational approaches in the area of Monitoring and Evaluation, in line with IFAD and UN standards.

(a.1) Building evaluation capacity

As indicated in IFAD's Guide for Project Monitoring and Evaluation, capacity is the "ability of individuals and organisations to perform functions effectively, efficiently and in a sustainable manner."³ Building capacity therefore means developing these abilities at an individual and group level, through inter-active and dialogue activities that are useful for creating knowledge and skills, thereby empowering people for active citizenship.

At an organisational level, building capacity means maximising resource, process and knowledge management within an organisation, which requires engaging with clients inspired by an inner motivation (that which drives you to take action) and specific environmental characteristics (economic, political, social and cultural, and environmental, etc., conditions) to obtain a certain performance.⁴

In the area of evaluation the new approaches encourage learnings to develop the following skills and abilities in each stakeholder:

¹ PREVAL is a member and strategic partner of communities and networks concerned with social learning and evaluation, as well as impact-oriented management. It has supported from the onset the Latin American and the Caribbean Monitoring, Evaluation and Systematisation Network (ReLAC) and is a member of IDEAS (the International Development Evaluation Association).

² We wish to thank Brenda Bucheli, Lúcia Calil, Rogério Silva, and Gloria Vela, members of the PREVAL-supported community of evaluators who drafted the outputs resulting from the "Consultants Training and Inter-Learning Day" hosted by PREVAL in Lima from 24 - 26 May, 2005. The final text was edited by Emma Rotondo, PREVAL Coordinator.

³ See IFAD's Guide for Project Monitoring and Evaluation, Section 7.3.

⁴ For more information see Lusthaus et al., Organizational Assessment – A framework for improving performance. IADB - IDRC, 2002.

- an interest in visualising change for the future, in a shared manner
- a willingness to listen to others and acknowledge different understandings and concerns
- creativity to ask, and create and use knowledge
- leadership to achieve consensus between stakeholders and negotiate proposals
- good judgement in solving conflict
- accountability in making commitments and sharing decision making

As can be seen, these approaches attach value to the acquisition of knowledge and information, but also to reflection, creativity, leadership and other individual and group skills required for impact sustainability.

On the other hand, the experience of rural development projects in the region shows that success cannot be expected unless *social capital* is created, that is to say, unless local capacity is built to sustain results over time. In order to promote a culture of consensus building and create social capital, the new approaches emphasise actions to:

- decentralise decision making, to open up opportunities for local development
- encourage the use of locally available technical talent, to the same end
- encourage shared leaderships and team work
- create a vision for the future that attaches new value to cultural and gender identity
- promote networking and information sharing on new technologies and access to markets
- help community, social, production and marketing organisations to mobilise and manage their resources in a more self-reliant manner

(b.1) Management for impact and learning

IFAD defines impact as change – productive or non productive, tangible or intangible – in the living conditions of people in rural areas, both men and women, that can be seen in the environment and to which the project has contributed. The use of M&E by stakeholders allows them to come up with evidence of change and reflect upon what causes it, helping them internalise the lessons learned, i.e., use learnings to improve practice. Above all, the aim is to create links between accountability (with transparency) and learning, while respecting specific cultural and organisational contexts.

It is well known that both IFAD's and other international agencies' concern with strengthening impact and learning-oriented management comes as a result of changing paradigms and strategies for rural poverty alleviation. From projects concentrating decision making exclusively on managerial and technical levels, there has been a move towards planning and implementation systems that give an active role to project target groups and local societies themselves. According to IFAD, the following is required to achieve impact-oriented management:

- gear the project's strategy towards impact on poverty reduction
- create a learning environment

- ensure the effectiveness of operations, and
- develop and use M&E systems to improve strategic operations, rather than to draft reports and collect information that is often not used

M&E's impact orientation means responding to RIMS⁵ requirements and to questions such as, *how is the project contributing to reduce rural poverty? have the income and assets of the poor increased and to what extent?, and is capacity being built among both male and female stakeholders?*

(c.1) Participatory Monitoring and Evaluation

While the concept of participation is present in the development agenda since the 70s, there is currently a new approach to project evaluation, based on negotiation and consensus building among all stakeholders involved, to secure shared commitments and accountabilities with regard to management and results. Within this context, participation in evaluation *is not only about involving or consulting with people from time to time, but rather involving them in decision making.*

The focus on participation can be seen in opportunities being opened up for stakeholders to participate in data collection, analysis and use, while at the same time taking into account their own specific culture. This means having to rethink the role of projects as one of facilitators opening up opportunities with the aim to contribute to the vision and mission of project target groups.

A participatory approach recognises the significance of people's experience and knowledge, particularly the poor, in conducting and drawing together proposals for change and influencing improvements to their local realities (empowerment), as well as developing and managing their own information within the context of a project. Participatory evaluation provides user friendly procedures, tools and methodologies to facilitate project planning and implementation being conducted by multiple stakeholders.

The idea is that Monitoring and Evaluation Units act as facilitators and provide guidance on data development, collection, processing, interpretation and use processes, in such a way that local potential is maximised.

⁵ Results and Impact Management System

(2) STEPS TO THE DEVELOPMENT OF M&E SYSTEMS⁶

The following steps have been identified as those required to develop an impact and learning oriented Monitoring and Evaluation System. The aim is that the Monitoring and Evaluation (M&E) System developed in this manner becomes a mechanism for learning on how, through a specific intervention in a given context, changes can be produced within the target population (individuals, social organisations, institutions, etc.) and/or in the realities of the environments within which the intervention takes place. While these systems are often used with the purpose of being accountable to audiences (“accountability”), it is through the learnings obtained that they start making sense and become consistent in the first place, particularly in changing and highly uncertain environments such as the ones currently faced in Latin America.

For a M&E system to be able to maximise its potential as a learning mechanism, both its development and use processes need to be of a participatory nature, i.e., they need to involve different stakeholders as well as their diverse concerns.

Broadly speaking, any organisational activity involves different actors, who are likely to have diverse interests and stakes with regard to M&E systems. For instance, a social organisation might expect that using a M&E system will create learnings that will help improve its ongoing and/or future undertakings, allowing it to improve its relative standing / competitiveness vis-à-vis donors and increase its ability to secure additional funding to sustain its organisational activities; whilst donors might expect that the setting up of M&E systems within projects or interventions supported by them will allow them to find out whether projects are being implemented according to the terms and conditions agreed and whether their resources are being used to obtain the expected outcomes and impacts. Public bodies (for instance, governments) might expect that a M&E system will make it easier for them to fulfil their commitment to be accountable for their performance and the way they used their budget.

For a M&E system to be successful - and given the diverse stakes in M&E that the different stakeholders involved in a project or programme may have – it is important to clearly identify, prior to starting developing a M&E system, each stakeholder’s stakes as well as the roles resulting from them. Considering that one of the actors involved in an organisational intervention, particularly during the development and use of a M&E system, are Consultants, it is essential to clarify the roles that they will need to play during the development and implementation of a M&E system.

In general, during the development and implementation of a M&E System Consultants are expected to act as advisers, trainers and/or process facilitators. The exact implications of each role must therefore be clearly understood:

- Facilitator: a person promoting group conversation processes and creating the necessary conditions for these processes to flow and work efficiently, to make sure each participant contributes effectively while at the same time fostering participants’

⁶ This section was written by the community of evaluators that came together for a “Consultants Training and Inter-Learning Day” hosted by PREVAL in Lima on 24 – 26 May 2005, which was attended by some 25 professionals. The paper drafted as a result of that event was edited by Lúcia Peixoto Calil (Brazil), Emma Rotondo (Perú) and Gloria Vela (Colombia).

creativity and encouraging them to voice and discuss their ideas, identify their issues, find appropriate solutions, make decisions and take on commitments.⁷

- Trainer:⁸ a person with knowledge and experience on certain issues, who designs and promotes specific activities to share this expertise or pass it on to others.
- Adviser:⁹ a person who, at a certain point in time and for a given length of time, provides technical support to a programme, to help solve a specific issue, situation or need.

Regardless of the above, a participatory impact and learning oriented M&E system requires Advisers to have facilitation skills, in order to help beneficiary groups or those responsible for taking action to identify their stakes in M&E as well as the key dimensions that they wish to be measured through M&E, identify the most suitable indicators and interpret the data collected from these groups' own perspective (as it is essential that interpretation of the data collected "makes sense" to the people involved in M&E).

Likewise, Facilitators should have technical knowledge in M&E, so that the outputs created during the process of developing or using M&E systems will have a minimum degree of coherence and consistency, not only from a technical but also cultural point of view (again, since this has to "make sense" to participants and reflect the rationale behind actions). Similarly, Advisors should never forget the nature of the learning process that is taking place – that is to say, its cultural nature – nor should they attach more weight to accountability, at the expense of learning.

Participatory processes involving people with limited technical expertise sometimes require lowering the demand for technical quality in a M&E system, to ensure participation and the use of the M&E system as a learning tool, as well as a democratic management of programmes. However, flexibility from a technical point of view cannot mean disregarding the quality of procedures, but should rather be taken as a challenge to be faced, taking into account the objective conditions available. It is only through technical flexibility that participation and the non-exclusion of many stakeholders – particularly target groups - in a M&E system development and implementation process will be ensured.

For a M&E system to enhance the learning dimension it must have the ability to mobilise in a positive way those people who are going to be the future users of the system, triggering their interest in learning based on a rigorous, systematic observation of reality and informed interpretation thereof. This mobilisation allows participants to:

- a) During the M&E system development phase, voice their views, build consensus or identify their differences with regard to what each considers an "issue," the rationale that links these issues to the purposes of the intervention and the means to implement it; in addition, it allows participants to develop ownership of the concepts and categories

⁷ Adapted from Klaus Schubert and Heloisa Nogueira – Desenho e facilitação de processos de discussão grupal – Caixa de Ferramentas. H+K Desenvolvimento Humano e Institucional. São Paulo, 2001.

⁸ Adapted from BANSES, PREVAL, Consultant Registration Card, 2005.

⁹ Same as above.

defined for M&E and use them as an understandable language and one that enhances communication.¹⁰

b) During the M&E system implementation phase, overcome their own technical restrictions and fear of the formal procedures required in using M&E methods, by empowering themselves to produce data / knowledge that is useful to their own action and management needs.

In brief, mobilising people's interest means creating enabling conditions (not only from a technical standpoint, but also culturally), to help them understand what they wish or need to observe and why; develop their own ability to observe, listen, and interpret; feel the pleasure of discovering, learning and sharing learnings; and build M&E activities in an easier and more natural manner into their daily work / life routines.

Taking into account the above considerations, following is an outline of the steps that need be taken in developing an impact and learning oriented M&E System.

¹⁰ In developing and implementing a M&E System a large number of technical concepts will need to be "translated," for instance, what does democracy / empowerment / sustainability, etc., mean within the specific environment in which the intervention is taking place. Clarifying these concepts / categories helps in understanding what are the results that should be expected from the intervention, and therefore what are the elements that should be "observed" / assessed throughout the M&E process.

STEPS TO DEVELOPING IMPACT AND LEARNING ORIENTED M&E SYSTEMS	Consultant's Role¹¹
1. Identify stakeholders who need to become involved in the M&E system, making sure everyone (or key stakeholders) with whom you will be working or who has a stake in the project is represented.	F
2. Identify in a participatory manner the stakes of stakeholders involved in the M&E system. 2.a. Define their roles in operating the system (it is advisable to agree these roles later on individually with each of the stakeholder groups involved – see Step 8.c.).	F and/or A
3. Identify participation levels and mechanisms for each stakeholder during the process of developing a M&E system.	A and/or F
4. Select a Committee responsible for developing a M&E system in a participatory manner (with each of the different stakeholders represented).	F and/or A
5. Agree with the development Committee the process agenda, resources, technical and logistical requirements, commitments, timeframe and communication mechanisms.	F
6. Define in a participatory manner the M&E system approaches, strategic guidelines, learning means and operational definitions. 6.a. Develop a common language for recognising different concepts – understandings and ways to measure these.	T and/or F
7. Review in a participatory manner, document and adjust a Logical Framework (Logframe) / project planning instruments. 7.a. Review and adjust indicators in a participatory manner.	F and/or A
8. Define in a participatory manner the M&E system objectives and outcomes with regard to impact. 8.a. Define in a participatory manner areas of concern for decision making based on a M&E system. 8.b. Identify in a participatory manner each stakeholder's information needs. 8.c. Define each stakeholder's roles in operating the system.	A and/or F
9. Develop in a participatory manner data collection, reporting and use, as well as learning, mechanisms, tools and instruments.	A and/or T
9.a. Define the system's automatization needs and requirements for set-up.	A y T
10. Define in a participatory manner mechanisms to enable	A and/or T

¹¹ Consultants' roles may be as:

F: Facilitators

T: Trainers

A: Advisers

stakeholders to institutionalise ¹² the M&E system.	
11. Define in a participatory manner review mechanisms and a feedback system.	A and/or T
12. Agree on an activity plan for implementing and getting feedback on the system.	F and/or T

(3) FACTORS IN DEVELOPING MONITORING AND EVALUATION SYSTEMS

Success Factors

- Political willpower:¹² A condition or requirement for being able to set up an impact and learning oriented M&E system, that is to say, a participatory M&E system.
- A participatory approach to M&E: Involvement by representatives of different stakeholder groups (represented by gender, age, ethnicity). This is a further requirement or condition for implementing M&E systems.
- Conceptual and operational clarity of the project, and quality change objectives expressed in chains of change and logical models, including a Logframe, particularly with regard to the development of outcome and impact indicators, as well as a clearly defined project strategy.
- Stakeholder analysis (identification and definition of M&E stakeholders and users and their characteristics, as well as their information needs). Clear definition of results expected for each stakeholder and feedback on implementation based on information obtained as a result of using the M&E system.
- Inspiring stakeholders to become involved in the development of a M&E system.
- Existence and/or development of a shared language amongst those developing a M&E system and those who will be using it.
- A simple, progressive (consistent, phased and sequenced) development process, and one that is user-friendly and may be adjusted in an ongoing manner.
- Definition of simple, flexible, innovative, suitable tools and instruments for addressing the needs and requirements of each stakeholder group.
- In developing and implementing a M&E system, the social dynamics (time, culture) of participants should be considered.
- Definition of an appropriate timeframe and deadlines for developing a M&E system.
- Creating linkages between the M&E system and other information systems (particularly the accounting system).
- The Advisor needs to have facilitating skills and expertise.

Failure Factors

¹² Institutionalising a M&E System means introducing it in each stakeholders' daily work routine.

- Excessive devolution of responsibilities by project technical units and/or by the project to consultants, with little or no stakeholder involvement in the M&E process
- An understanding of M&E system development and implementation as an administrative or compulsory function (an imposed on process)
- Unclear definition of and/or highly expensive terms of reference for consultancies
- Misuse of resources or unsuitable instruments
- Highly complicated, time consuming or financially demanding data collection methods
- Lack of communication mechanisms between more directly involved stakeholders and those that have a stake in the project but are not directly involved in M&E (e.g., donors / government agencies)
- Lack of coordination between system users, resulting in fragmented and irrelevant analyses
- Compulsory, imposed on indicators, with little regard for stakeholders' and users' actual needs
- Lack of an agreed plan for the use of the data and recommendations obtained as a result of the M&E system
- Lack of agreement between Facilitators, Trainers and Advisers (should these roles be played by different people): risk of using different languages and approaches, thereby creating confusion in understanding and using concepts
- Key stakeholders entirely or partially lose or change their stakes in the M&E process

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