Programme for Strengthening the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean - PREVAL

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INSTITUTIONALIZING MONITORING AND EVALUATION IN IFAD-COFINANCED PROJECTS IN LATIN AMERICA AND THE CARIBBEAN

Summary of surveys of directors and officers of monitoring and evaluation units, 2004 and 2007

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ACRONYMS AND ABBREVIATIONS

DESCO	Centre for the Study and Promotion of Development
IDEAS	International Development Evaluation Association
IFAD	International Fund for Agricultural Development
IICA	Inter-American Institute for Cooperation on Agriculture
IOCE	International Organization for Cooperation in Evaluation
M&E	monitoring and evaluation
MEU	monitoring and evaluation unit
PREVAL	Programme for Strengthening of the Regional Capacity for Monitoring and Evaluation of Rural Poverty-Alleviation Projects in Latin America and the Caribbean
PME&S	planning, monitoring, evaluation and systematization
PME&SI	planning, monitoring, evaluation and systematization index
ReLAC	Latin American and Caribbean Network for Monitoring, Evaluation and Systematization
RIMS	Results and Impact Management System

1. Background

PREVAL has been working to develop evaluation capacity since 1997, with a view to contributing to project impact and sustainability. Phase three (2004-2007) is currently being finalized, under the objective *institutionalizing planning, monitoring, evaluation and systematization (PME&S) systems as well as results-based institutional learning.*

At the outset of this phase, PREVAL tasked consultant Jorge Piña Puig with conducting a survey to gather perceptions on the workings of PME&S activities among directors and officers of monitoring and evaluation units (MEUs). The resulting technical assistance and training needs survey (2004) sought to determine which MEU activities were being carried out and to identify technical requirements among project implementing units. The survey demonstrated the starting situation in terms of PME&S for a total of 11 projects among the 15 assigned priority (identified as having received technical assistance and either at the start-up phase or not yet having reached mid-term), making use of the conclusions to design the operating strategy for PREVAL.[1]

Upon conclusion of this third phase in 2007, a second survey of the projects was conducted to determine to what extent PME&S functions had been institutionalized and whether they were operating systemically.[2] Like the first, this survey gathered perceptions from directors and officers of MEUs. The questionnaire was sent to 26 projects that were receiving technical assistance and training from PREVAL either in person and/or virtually during this third phase, as well as projects using web services on the PREVAL website. Of the 26 projects that received the questionnaire, 14 responded (10 directors and 14 officers of MEUs). Given the nature and characteristics of the current study, the main source of information for analysis was that provided by MEU officers. The information received from directors was used to triangulate and ensure consistency of data in cases where both directors and officers responded.

The 2007 survey was commissioned from economists Daniel Jesús Ccori and Antonio Pozo Solís, who worked in coordination with Emma Rotondo.[3] Subsequent studies should contrast these results with independent external assessments (by governments, consultants and users) to provide a range of perspectives and allow for conclusions based on different perceptions.

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[1] Respondents to the initial survey: PRODERNEA/PRODERNOA (Argentina), PROMARENA (Bolivia), Dom Helder Camara (Brazil), PADEMER (Colombia), PRODAP (El Salvador), Corredor Puno-Cusco (Peru), PROPESUR (Dominican Republic), Uruguay Rural (Uruguay), PRODECOP (Bolivarian Republic of Venezuela) and PROSALAFA (Bolivarian Republic of Venezuela), FAT-FUNICA (Nicaragua).

[2] Institutionalization is defined as the formalization of PME&S operations within the project cycle.

[3] Appreciation is expressed for comments made by Barbara Massler and Daniel Laguna on a preliminary version of this report.

2. Conceptual framework for PME&S system workings

This study is intended as a proposal to evaluate PME&S systems[4] and measure the performance of their functions, taking into account the approach developed by PREVAL and IFAD over the past 10 years. The conceptual framework for this study is based on experience with training and monitoring projects and MEUs, including views shared with consultants under this regional programme. Essentially, the proposal is an adaptation, for the purposes of this study, of the "Método para el Análisis Rápido Concentrado (MARCO) de los Sistemas de Seguimiento y Evaluación" [method for rapid concentrated analysis of monitoring and evaluation systems][5], a useful and highly practical instrument for assessing such systems.

By means of ad hoc questionnaires (answered by 10 directors and 14 officers of MEUs), the 2007 study attempted to address several issues summarized in two main questions: *Are PME&S systems functioning?* and *To what extent have they been institutionalized?* The questions included in the 2004 questionnaires were adapted by adding new dimensions and variables, to make the two studies comparable.

The study defines a PME&S system as a tool used by project and/or programme management to gather and process data in order to analyse and communicate information on changes attributable to a development intervention. Essentially, it includes processes to gather and use information to provide evidence of results and guide strategy towards impact, favouring learning by multiple actors. In order to assess the operation of such systems and evaluate their degree of institutionalization, the conceptual framework outlined below was built, containing dimensions and aspects of all of them.

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[4] Basically, since its beginnings in 1997, PREVAL has promoted the design and development of PME&S systems (built into activities rather than exclusively data automation systems), focusing on building capacity among project MEUs, including training, technical assistance (in person and virtual) and knowledge management.

[5] Document prepared by Osvaldo Feinstein for IFAD (1993).

Table N° 1

DIMENSIONS OF A PME&S SYSTEM

DIMENSIONS	ASPECTS INCLUDED
OPERATING FRAMEWORK OF PME&S	• Human resources: trained and experienced technical personnel • Available resources: budgets, equipment and supplies • Budget allocation and budget execution level
EXISTENCE AND QUALITY OF PRODUCTS	• Review and adjustment of logical framework, baseline studies, monitoring reports, systemizations and periodic evaluations • Logical framework has been adjusted to results-based management approach • Planning, monitoring and evaluation are organized within a system with indicators for measurement and verification, adjusted periodically • Planning, monitoring and evaluation are results-oriented • The PME&S system is automated
USE AND COMMUNICATION OF RESULTS	• The PME&S system has been designed on a participatory basis involving users • Information is gathered on outcomes and impact, and is used in decision-making • Management uses information to make decisions and provide strategy feedback • Results are communicated for use by key actors • Institutionalized forums are provided for participatory decision-making, use and communication of information

The underlying hypothesis is that any effective PME&S system should have: (a) an appropriate operating framework; (b) a set of quality products designed to provide feedback on the intervention strategy of operations; and (c) a strategy for use and communication of results with institutionalized forums so that actors can use the information within social learning processes.

3. Conclusions

This study draws conclusions[6] from two surveys of perceptions of PME&S functions within projects cofinanced by IFAD in the region (period 2004-2007) to determine their degree of institutionalization. Although based on responses from a single group of actors (technical bodies responsible for projects), the evidence reveals the strengths and weaknesses of the PME&S function, which is vital to designing strategies to strengthen evaluation capacity and guide training for technical staff in these areas. The study's conclusions should be triangulated with the views of other actors and users of PME&S information (IFAD operations managers, evaluators, supervisors, governments and rural organizations) to minimize any bias due to possible overstated assessments of achievements.

A review of the opinions and perceptions expressed by a sample of 10 directors and 14 officers of MEUs (2004-2007) leads to the following conclusions:

(a) In 2007, all projects consulted in nine countries in the region indicated that they possessed planning, monitoring, evaluation and systematization (PME&S) systems; a result similar to that recorded in the needs survey of 2004.[7]

(b) A comparison of the results of the institutionalization survey (2007) with those of the needs and demand survey (2004) shows a relatively better (and greater) production and use of PME&S products, in particular annual workplans, monitoring reports, systematizations, baseline studies, and reviews of logical frameworks and indicators. Also, the institutionalization of most PME&S systems – according to project perceptions – is perceived to be at an *advanced or intermediate* stage, which could also be explained by the increase in communication and stakeholder participation in PME&S.[8] Generally speaking, it can be said that these systems are evolving *gradually* towards a results-based operation and are increasingly considered by implementing units to be key to the success of strategies to combat rural poverty.

(c) With respect to the *operating framework*, PME&S functions are being instituted at project technical implementing units through action by MEUs, which are

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[6] Given that responses are from a single group of actors (technical teams responsible for projects), it is essential that their views be triangulated with those of other actors and users of PSES information, to minimize any bias attributable to possible overstatements of achievements, by contrasting them with independent external assessments (by rural organizations, consultants, representatives of national and local governments, donors, etc.). For further information on the study, see the full report on the PREVAL website at www.preval.org, Virtual Library, PREVAL Publications.

[7] Of the total of 14 projects participating in self-evaluation, 7 (50%) are at mid-term and the remaining 50% at the final stage; none are at the start-up phase.

[8] Nevertheless, these results must still be triangulated with internal and external evaluations that enable the findings to be corroborated.

responsible for designing and developing the systems. A comparison of the two studies (2004 and 2007) indicates that projects currently assign greater importance to monitoring and evaluation, since they have MEUs, budget and personnel with specific functions, experience and training. Thus, while in 2004 only 45% of the projects reported a MEU chief or officer, in 2007 *all* projects consulted so indicated.

(d) The PME&S functions carried out by MEUs have involved a higher level of specialization by their personnel, and differences were noted between the two surveys, particularly with respect to the variables "attendance at academic studies" and "training in M&E". In 2004, specialization was confined to area chiefs and did not include technicians and assistants, while in 2007 there was an observable trend among chiefs, technicians and assistants to access academic studies (undergraduate, master's and doctorate level), as well as training in PME&S. This indicates the importance assigned to the professionalization of monitoring and evaluation, as well as increased demand for fully trained specialists. Nevertheless, the high level of turnover among M&E technical personnel observable in the past three years affects the continuity of approach and the quality of M&E products.

(e) Budgets allocated to MEUs are still relatively low, and in fact some projects have no specific budget for M&E but share resources with the project coordination unit. In the opinion of MEU officers, the average budget allocated to PME&S activities in 2007 was 5.1% of the total project amount, somewhat low considering the current trend to set it at around 10%. As to financial execution, the 2004 study showed that, on average, only 50% of the budget had been spent, a percentage that rose gradually over the past three years. Thus, spending in 2006 was 84% of budget and during the first five months of 2007 stood at 58%, projected to reach 100%.

(f) On the *Existence and quality of PME&S products*, the 2007 study shows that 64% of the systems are focused on results rather than activities and that half of them, with their respective subsystems, are organized and structured, although a considerable number (21%) lack automation (qualitative and quantitative databases, automated access to on-line queries and reports, etc.).

(g) The needs survey (2004) showed that MEUs carried out more than 29 activities per year, focusing mainly on *operations management* (annual workplans, reports), to the detriment of the *production of information on impact* and its *use and communication* for decision-making purposes. The institutionalization study (2007) shows that progress has been made, with activities in all three areas having been stepped up.

(i) The 2007 study noted the following changes in PME&S products:(i) MEUs indicate that operations management activities have been stepped up; and (ii) feedback and the use and communication of results have begun to be developed, albeit at an incipient level. With respect to PME&S products, the study highlights the increasing use of

systematization as a means of promoting organizational learning: currently four out of five projects are conducting such activities.[9] The trend towards using information for decision-making is reported to have intensified given greater emphasis by PREVAL in proposing that projects open up space for discussion and feedback to use PME&S information, involving the various actors in the process.

(j) Together with operations management and steps to improve PME&S products, projects have increased their actions for the *use and communication of results.* According to the responses by directors and officers of MEUs, approximately 50% of projects *frequently* communicate results for use by key actors. However, in response to a different question, 42.9% of the projects state that the various actors *do not use, or use some* information for decision-making. It may be concluded that although moderate progress has been made in communicating results, there continue to be deficiencies in the use of information by the various actors, despite its importance to system sustainability.

(k) One aspect that emerges from a comparison of the two studies (2004 and 2007) is the reporting of new activities, especially those relating to the use and communication of results with other actors, beyond the technical implementing unit. The following activities are mentioned in this regard:

(a) *Exchange of experiences*. Among MEUs consulted in 2007, 14% indicated that they had participated in such activities in order to visualize community M&E systems.
(b) *Building monitoring and evaluation capacity among project beneficiary groups*, from system design to decision-making. However, the level detected (14%) remains incipient.
(c) *Self-evaluation with beneficiary groups.* This heading includes experiences having taken place within the past three years. In 2007, 13% of MEUs reported having participated in such activities.

Based on these new activities, *still at an incipient level of development*, it can be said that the projects are beginning a new phase of implementation of PME&S systems, more open to participation by major stakeholders.

(l) Activities by MEUs are carried out mainly by their own personnel, with the participation of key stakeholders.[10] The results of the 2007 study indicate that 63% of the activities are implemented directly and 28% through external consultancies, mainly

[9] To strengthen the development of project systematization, PREVAL and above all FIDAMERICA have provided technical assistance and training with support in the form of methodological guidelines and land.

[10] Key stakeholders are those who intervene directly in operations, and may vary from one country to another. To identify the key stakeholders intervening in project operations in each subregion, PREVAL is currently disseminating *Stakeholder maps* and *Network maps*.

to conduct baseline studies and mid-term evaluations, in the context of a trend towards mixed work (i.e. internal evaluations with external collaboration).

(m) The 2007 study shows a larger number of participants in actions to gather, process, analyse and use information. Increasingly involved are personnel from the project technical team and co-implementing agencies, as well as representatives of rural organizations and the target population. This is a significant change that opens up new opportunities for social learning.

(n) In order to measure the degree of institutionalization of PME&S systems in projects cofinanced by IFAD, an index has been developed (PME&SI) that includes the three dimensions of the conceptual framework, disaggregated into 31 variables. This is a composite indicator assessing the extent to which PME&S activities have been institutionalized within project or programme operations. Projects cofinanced by IFAD in the Latin America and Caribbean region have increased their degree of PME&S institutionalization according to the PME&SI index, which determined that – in the opinion of those consulted – 57.1% of PME&S systems were at an advanced level and 42.9% at an intermediate level. Of the three dimensions measured by PME&SI, the most dynamic were *"existence and quality of products"* and "*use and communication of results*", while the "*operating framework*" was found to be at an intermediate level given high personnel turnover and low budget allocations.

(o) The average rate at which PREVAL operations contributed to institutionalization is 5.10 points;[11] that is, for each support process, this regional programme contributed 5.10 points to the degree of institutionalization of such systems. Accordingly, the programme has had a positive influence. If a programme such as PREVAL had not existed, or had the PME&S activities taken place without technical assistance from the programme, institutionalization would have attained only a low intermediate level.

(p) During its third phase (2004-2007), PREVAL focused its action on introducing PME&S as part of results-based management, as well as on improving baseline studies and the use and communication of results by multiple actors, based on the conclusions of the 2004 needs survey. In the view of the MEU officers, the major technical assistance and training activities provided by PREVAL – either in person or virtually – during the third phase were as follows: results-based management and the Results and Impact Management System (RIMS), 87%; design of a participatory PME&S system oriented towards impact and learning, 80%; logical framework development and adjustment, 47%; development of indicators, 47%; systematization of experiences, 47%; self-evaluation of impact, 33%; and use and communication of results, 27%.

[11] In order to measure PREVAL's contribution to institutionalizing PSES systems, a simple regression model has been built that includes, as a dependent variable, the PME&S system institutionalization index (PME&SI) and, as an independent variable, the number of PME&S activities carried out by projects with support from PREVAL.

4. Lessons learned by PREVAL

These lessons learned are based on the findings of the surveys of perceptions among project implementing units (directors and officers of MEUs), as well as experience with PREVAL support in the form of technical assistance and training for a total of 26 projects. They have to do mainly with the challenges of developing evaluation capacity, and are therefore relevant to this report, as outlined below:

(i) On the adoption of management by results

Generally speaking, it can be observed that project implementing units are increasingly adopting management by results. However, a high proportion continue to focus on meeting the operational and financial targets set at the planning stage, losing sight of outcomes and impact. The fact that poverty reduction strategies and state apparatus structures are not yet aligned with results-based management makes it difficult to obtain and generate comparative information to measure achievements, accountability and learning by interventions. Similarly, the opportunity to learn which strategies are most effective in achieving sustainable change is lost, while time is spent generating information of little practical use. Accordingly, it is crucial to exert influence so that public PME&S systems in which implementing units participate also adopt results-based management (including planning and reporting).

Given the experience of PREVAL, the institutionalization of PME&S systems is a non-linear process that takes time and requires those involved to have a shared vision of the significance of developing evaluation capacity, factors of success and failure, and how each calls for active participation based on specific roles.

(ii) PME&S systems and project management

Experience shows that the roles and functions of PME&S systems are highly situational and must be adjusted to the needs, processes, uses and decision-making procedures of social programmes and projects. Moreover, project PME&S systems work better if they have ad hoc organizational arrangements within management, meaning an operational framework with roles and delegations for M&E, human and financial resources, as well as teamwork and motivation to intervene in a participatory process. In addition, PME&S systems need to be useful for multiple actors, as explored below.

(iii) Stakeholder participation in PME&S

Building capacity among stakeholder groups to solve problems and take decisions collectively makes it more likely that the impact and outcomes of interventions will improve. This can be achieved in part through continuous, dynamic evaluation processes in which the actors develop skills appropriate to their roles, not only to apply knowledge and information but also capacity for reflection, creativity, leadership and other personal and group conditions needed to ensure the sustainability of outcomes and impact. This is a challenge in developing evaluation capacity that extends beyond a

knowledge of PME&S instruments – tied to the social sciences – to encompass issues relating to facilitating processes, adult education, and social and organizational learning.

(iv) Developing local capacity

Experience with rural development projects in the region shows that success is contingent upon building *social capital,* i.e. local capacity to keep results relevant over time. Experience has demonstrated that when key stakeholders make their own decisions on changes and possess tools and opportunities for organization, they develop skills and knowledge that are a source of empowerment, involving the ability to influence the environment and achieve outcomes and impact. Accordingly, the use and quality of PME&S system products must be aligned with the day-to-day needs and interests of local stakeholders: regional and local governments, communities and rural organizations. Such products must improve their effectiveness in bringing about change more quickly, as by adopting innovations (technological, social, organizational) to access markets and improve the quality of life for families.

(v) On the supply of technical services

Within the region, the supply of professional technical assistance services for the design and development of PME&S systems is still quite heterogeneous. According to the updated PME&S approach, the provider of a service to develop evaluation capacity among groups and organizations plays a role not only as an expert and technical advisor, but also as a facilitator and trainer, preferably with instruments typical of coaching and social or organizational learning. It is therefore important to set quality standards for service providers with the help of international communities of evaluators and social facilitators, taking into account that the competencies of a monitoring and evaluation specialist involve at least the following professional skills:[12]

- Knowledge and skills in facilitation and social learning
- Knowledge of M&E and social projects
- Communication and negotiating skills (interpersonal relations)
- Critical thought, self-criticism and ethical behaviour

(vi) Factors of success and failure

Based on opinions of the supply of M&E technical services, the following key factors are those which facilitate success or failure for the institutionalization of an M&E system:[13]

[12] "Taller hacia la definición de competencias del especialista en Seguimiento y Evaluación" [Workshop to define competencies for monitoring and evaluation specialists] M&E Diploma, PUCP-Peru, organized by the Faculty of Arts and Human Sciences, EvalPeru and PREVAL. Lima, June 2007.

[13] The factors for success and failure in the design and development of M&E systems were developed with PREVAL consultants at the inter-learning workshop in 2005.

(a) Factors for success of a PME&S system operation

- Political will, teamwork, active listening, shared leadership and appropriate organizational arrangements within the implementing unit
- Involvement and motivation to participate among the project's key stakeholders: governments, rural organizations and implementing unit
- Conceptual and operational clarity of the project and assumptions for change
- Simple, gradual design process that is easily applied and adapted
- Simple, flexible PME&S tools that address stakeholder needs (including visual and interactive elements)
- Forums for feedback and use of information by multiple actors
- Usefulness of PME&S system products to improve the performance of project operations
- Consider external consultant not only an expert but also a facilitator and trainer

(b) Factors for failure of a PME&S system operation

- Excessive delegation of responsibility to MEUs and/or externals
- Limited stakeholder participation
- Design and application of M&E system as an administrative or mandatory function (imposed process)
- Complex and costly instruments and methodologies
- Lack of mechanisms for communication and feedback
- Imposition of indicators that do not take into account user needs
- Lack of an agreed plan for the use of information and recommendations
- Technical service providers without facilitation skills, with no connection to user needs, or with different languages and approaches

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