Monitoring and Evaluation

Recommendations & Actions

USAID’s focus on results and its commitment to making investments based on hard evidence is commendable and will move the aid reform agenda forward. Over the past two years, USAID has taken a number of steps to reinvigorate its monitoring and evaluation. It could strengthen these efforts by:

- **Maintaining a commitment to building evaluation capacity.** USAID should ensure that appropriate support and resources are provided to allow continued staff training (particularly at the field level) and technical support. USAID should also hire more staff with evaluation expertise, and dedicate the necessary resources for evaluating the full portfolio of large and innovative projects, as required by its Evaluation Policy.

- **Ensuring consistent implementation of the Evaluation Policy.** Consistent implementation of USAID’s Evaluation Policy at an operational level is critical to its efficacy over the long term. It is imperative that USAID missions and headquarters offices apply the policy evenly, which requires a common understanding of its requirements.

- **Expanding implementing partners’ role in evaluations.** Increasing implementing partners’ involvement in evaluations will help improve their quality and utility. USAID should provide further guidance on the role implementers can play in external evaluations, and ensure that programs subject to the external evaluation requirement are identified early, so that implementers and evaluators can better coordinate.

- **Increasing transparency around evaluation.** USAID should make public information about evaluations planned or underway (not just completed), describing how they meet the Evaluation Policy’s criteria as well as the evaluation objectives, design and methods. It should also consider publishing information on the amount of money spent on evaluations, in absolute terms and as a proportion of total agency spending.

- **Adopting more realistic timeframes for achieving and measuring results.** Achieving sustainable outcomes, in contrast to short-term outputs, requires longer timeframes. So that evaluations do not try to measure results before they can be achieved, USAID should ensure that evaluations are based on a program’s theory of change, which should inform the timing of data collection and analysis.

- **Reinforcing guidance that no single evaluation method is best.** Evaluation methods should be chosen based on the evaluation questions, the nature of the program, the local context and practical considerations such as time and budget. USAID should promote the use of a mixed methods approach, which draws on the strengths of both quantitative and qualitative methods.

Results

A sustained commitment to building evaluation capacity will ultimately yield greater evidence of what does and does not work, allowing better use of aid dollars.
Background

One of the main pillars of the USAID Forward reform effort is to transform the agency to embrace a "relentless focus on results." This commitment to ensuring that resources are spent based on results-related evidence is critical, especially when funding for foreign aid is under pressure.

Over the past two years, USAID has taken a number of concrete steps to ensure that this commitment is translated into action. In January 2011, the agency released a new Evaluation Policy to strengthen USAID's capacity to design, manage and use more rigorous evaluations. To support its implementation, USAID has dedicated more resources to evaluation, hired new staff, conducted trainings and developed additional guidance and tools to assist its staff.

USAID is now developing guidance on improving performance management, as well as a Strategic Learning Plan to increase the effectiveness of USAID programs by ensuring that they adapt and respond to changing circumstances and findings from past experiences. USAID has regularly sought the input of its implementing partners in developing these policies and guidelines.

Challenges

Transforming an agency in which evaluation practice was only recently in sharp decline will require a significant amount of effort, however. Not surprisingly, some challenges remain:

- **Uneven implementation of the Evaluation Policy.** USAID’s Evaluation Policy provides good guidance and criteria for when and how to evaluate development programs, but it has been inconsistently implemented at an operational level. Both mission and headquarters staff seem to lack understanding of the policy’s requirements, which may be partly due to the fact that many staff are not familiar with evaluation in general. This underscores the need for further training, as well as management that prioritizes and incentivizes evaluation and learning.

- **Minimal role for implementing partners in evaluation.** USAID’s Evaluation Policy requires projects at or above a defined threshold to undergo an external evaluation. These evaluations are contracted by USAID and must be led by an external consultant. Though implementing partners may be invited to join the evaluation team, for the most part the Evaluation Policy limits their role to monitoring a project’s progress. As revealed by the policy’s implementation to date, there are several problems with this practice. First, implementing partners’ limited role means that the evaluation design may sometimes happen in a vacuum, making it inconsistent with the project implementation design, potentially duplicating data collection, or delaying program implementation to allow external consultants to follow their evaluation timeline. Second, given the separation between monitoring and evaluation functions (with implementing partners responsible for one and external consultants for the other), monitoring data necessary for the evaluation may not be collected, or may not be integrated with evaluation analyses. The evaluation may also not reflect changes in project implementation that may be made based on monitoring data. Finally, if the implementing partner is not involved in the evaluation design, it is likely that very little relevant learning will come from it.

- **Demand for quick results and building local capacity are often at odds.** USAID sometimes has unrealistic expectations about what it is possible to achieve in a given amount of time and with the resources available. As a result, program evaluations are often designed to assess outcomes far before they are likely to come about. The demand for quick, optimal results in the minimum amount of time is particularly problematic given USAID’s desire to promote local ownership, which is a long-term process.

- **Focus on quantitative measures of results.** USAID and the State Department have attempted to move beyond a focus on outputs to a greater emphasis on the measurement of outcomes. Still, a persistent focus on quantitative measures of both outputs and outcomes, such as number of cooperatives formed and increases in daily income, remains. This bias – which partially stems from insufficient input from those that manage, implement and benefit from programs in the field – means that important, harder-to-measure goals, such as strengthening an organization’s capacity, are overlooked. The focus on the quantitative also sometimes comes at the expense of careful observation and assessment of causal mechanisms, which allow us to understand why and how changes have (or have not) occurred.

- **Overemphasis on impact evaluation.** Impact evaluations require considerable resources. Best practice dictates that such evaluations be used sparingly, to help answer important questions for which limited evidence is available, for example. The relatively high number of solicitations for impact evaluations indicates that better guidance for when to conduct this type of evaluation is needed. In addition, these solicitations display a strong preference for the use of experimental and quasi-experimental methods for determining impact. Randomized control trials (RCTs) in particular continue to be viewed by many as the gold standard, though they are only rarely appropriate.