

Feinstein International Center, Tufts University

## PLI Policy Project

# Capacity-building in Impact Assessment in PLI: A review of organizational issues with PLI NGOs

Alison Napier  
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### Introduction

Under the Pastoralist Livelihoods Initiative (PLI) Policy project, Tufts University is providing technical and policy support to non governmental organizations and government partners in Ethiopia. One component of the project is the use of impact assessment of livelihoods interventions to inform policy dialogue at federal and regional levels. Within this component, Tufts is providing capacity-building support in impact assessment to the PLI participating agencies and their partners. The partners have diverse experience of impact assessment and varying organizational commitments and approaches to evaluation and learning.

As a first step, in March 2010, Tufts conducted a training needs assessment in Participatory Impact Assessment (PIA) with the five PLI implementing agencies. The results of this assessment pointed to the need for another series of discussions, at a 'higher' or more strategic level, that would help gauge current institutional capacity and commitment to impact assessment generally amongst the partners, and at the same time help to establish a baseline for Tufts' capacity building work.

The discussions were based on a checklist of questions, listed in Annex 1, and were held with Country Directors and other senior staff of each of the participating agencies: Mercy Corps, Save the Children US, IRC, CARE Ethiopia and Save the Children UK. The discussion participants are listed in Annex 2. This paper summarises the results of the discussions and presents some ideas for ways forward for Tufts to work with interested agencies to build capacity in impact assessment. In parallel with these 'strategic' level discussions, informal discussions were also held with senior DM&E and/or technical staff in the five agencies. These discussions have also informed some of the ideas in this paper.

### 1. Summary of current capacity and commitment to impact assessment

#### Current application and use of impact assessment (IA) amongst PLI 2 agencies

- Four agencies said that IA is applied as part of a project evaluation process in **>80% of grants**; 1 agency was not able to estimate the percentage of grants where IA used.
- Two agencies said that IA, as distinct from project-level evaluation, is applied in **10-30% of grants** (the others included IA as a component of evaluation).

- Four agencies gave an example of an evaluation or impact assessment that has generated learning used to design new programs and/or for policy advocacy; the examples given were conducted between 2006 and 2009 (NB. 1 agency was not asked this question).
- Impact measurement across the agencies is primarily project-dependent i.e. IA is usually project-funded, conducted as part of a project evaluation, and limited to assessing impact in relation to project objectives and (relatively short) timeframes.
- Three agencies made the point that impact on lives and livelihoods depends on many factors, many of which are beyond the influence of individual projects, sectors or even organisations, and that real impact may not be seen or measured within standard project frameworks and timeframes.

### **Organisational commitment to IA**

- Three agencies have global agency-level impact indicators that try to measure the country office's contribution to strategic organisational goals.
- All agencies have a country or mission level strategic plan and a related measurement tool, which involves measuring progress against annual plans, objectives and indicators.
- Four agencies' strategic plans specifically mention improving M&E. However, only 2 of the 4 agencies has a quantitative target for improving IA, with related budget attached; only 1 agency has conducted/ is conducting an internal organisational capacity assessment on IA.
- Only 1 agency has developed/ is developing specific IA indicators, tools, methodologies and guidelines.
- Three agencies have a dedicated, cross-cutting M&E unit at the Addis level (with between 2 to 3 staff); 1 of these agencies is establishing cross-cutting M&E units/ staff at field office level; field level M&E staffing is largely project-dependent and project funded.

### **Main purpose of impact assessment**

- Four agencies identified the main purpose of IA currently as being **to learn lessons to inform future programming** and ultimately to increase the positive impact on beneficiaries.
- In terms of the level of importance of impact assessment in driving new programming, there was a wide variation in scores across the agencies – 3, 4, 6, 7 and 8<sup>1</sup>; the agencies that scored themselves lowest (3/10 and 4/10) both made a clear distinction between project-level evaluation and impact assessment looking at impact beyond an individual project.
- As a driver for new programming, **country office strategic plans were scored highest at 9 or 10** for all 5 agencies; donor requirements were scored from 4 (1 agency) to 7 (1 agency) and 9 (3 agencies).
- Three agencies scored lessons from M&E at 6 (1 agency) to 8 (2 agencies) in terms of driving new project design; the others did not distinguish between M&E and IA.
- Two agencies mentioned geographic focus as a driver for new programming, and 1 agency mentioned situational analysis as a driver.
- Four agencies also mentioned the need to use IA to build evidence for policy/ advocacy work to influence donor strategies. 2 agencies mentioned the need to influence government policy/ strategies.
- Four agencies said that **M&E is 100% dedicated to improving programming quality**, whilst finance units deal 100% with financial accountability; 1 agency split level of effort at 90% for programme accountability and 10% for financial accountability.

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<sup>1</sup> Agency scored level of importance from 1 to 10, with 10 being the highest.

## **Current strategies for improving IA**

Three agencies described specific strategies for improving IA. These included:

- Building relationships and partnerships with other organisations with expertise in IA both in-country, as well as linking to wider, global programs for capacity building, (2 agencies);
- Development of knowledge management and learning systems such as internet hub, gateway for info exchange, wikis etc. mainly intra- agency, (2 agencies);
- 1 agency described organisational structural changes specifically designed to lead to improved impact and to build evidence of impact beyond the project level; the same agency has brought in external expertise to help country offices develop IA systems and structures.

## **Initial conclusions**

Although there is recognition that impact cannot necessarily be measured at the project level, agencies are dependent on project funding for impact assessment. This means that IA, if done at all, tends to be done as part of a final project evaluation with the focus on measuring project achievements at the level of outputs and outcomes. Improving M&E is a strategic priority for most of the agencies, but only two agencies have specific quantitative targets related to improving IA and only one agency is undertaking an organisational capacity assessment on IA looking at issues of organisational structure, staff capacity and funding related to IA. All of the agencies prioritised IA first as a means to learn lessons to improve future programming but scored IA relatively lower than country office strategies as a driver for new programming. All of the agencies identified weaknesses in systems for ensuring that lessons are generated, shared and used, which may be linked to current M&E funding and structures - whilst three agencies have an M&E unit at the Addis level that cuts across projects and technical sectors, field level staff are mainly project-linked and learning tends to happen within, rather than across projects.

## **2. Main barriers to improving IA**

### **2.1 Organizational-related barriers (# agencies who mentioned this)**

- Lack of a clear knowledge management and learning system: a weakness in the systematic generation, sharing, communication and use of lessons learned from M&E and impact assessment, both within their organisations (internal learning), and between their agency and others (external learning) - (4 agencies);
- Current organisational structures which encourage a 'silo' approach based on technical units, sectors or projects - (3 agencies);
- Gaps in attitudes and conceptual understanding of staff at different levels, in terms of thinking about impact beyond project objectives and timeframes and beyond individual organisations; encompasses gaps in reflective practice and critical thinking - (4 agencies);
- Gaps in technical capacity of staff to analyse information, to apply and use the tools available, to move from knowledge to application of lessons learned - (4 agencies);
- Agency's global business model presents challenges to spending time and resources on impact measurement/ quality issues - (1 agency);
- Lack of 'institutionalisation' of IA and PIA (e.g. following PLI 1) – whether IA is done depends on the interest of projects/ individuals – (1 agency).

### **2.2 Donor and funding-related barriers**

- Four agencies have <5% of core funding (range from 0% to <5%);
- Four agencies have >50% of USAID/ USG funding (range from 52% to 90%);
- Four agencies have 15% or less funding from private sources/ foundations (range from 5% to 15%);

NB: 1 agency was not able to give a breakdown of funding sources.

- Donors do not emphasise M&E or IA. RFAs require presentation of technical programs - they usually only require a paragraph on M&E and do not ask for evidence of impact (or even for evaluation data) of previous grants. Donors never question M&E plans/ budgets or request an impact assessment - (1 agency);
- Generally donors' accountability frameworks, for example USAID's 'results' framework, are based around the outputs and results levels – they are not interested in impact and are not committed to funding impact measurement ; process and output level data then becomes the priority for agency staff to collect and report. The institutional environment (donors and agencies) prioritises the achievement (and measurement) of outputs over the achievement (and measurement) of impact - (3 agencies).

### **2.3 Methodological-related barriers (# of agencies who mentioned this)**

- Limited number of organisations and individuals in country with specific skills and expertise in IA – the demand for support is greater than the capacity of these organisations to respond; in-country consultants tend to be good at data collection but less good at the analysis, (2);
- Staff already have the necessary theoretical knowledge to some extent but need practical, hands-on experience and an understanding of how to analyse and use lessons from PIA or IA, (3);
- Lack of good quality baselines – linked to lack of time in a short project timeframe which means staff's priority is implementation and baselines get 'sidelined' to external consultants; lack of planning for impact assessment at the design stage means lack of time and funding for IA, (2);
- There are various conceptual issues involved e.g. how to measure attribution or level of contribution of a project/a sectoral intervention/a program/an organisation where impact is likely to be a result of multiple influences and actors effecting change at different levels, (1);
- As shown by the Tufts PIA training needs assessment exercise (referred to by 2 agencies), few staff have real, current experience and expertise in using participatory methods, including PIA;
- There are capacity gaps related to how to put impact assessment into practice but there also needs to be a balance between the 'ideal' in terms of systems, tools, methods and what is realistic, affordable etc. based on what are the priorities in terms of improving impact measurement, (1).

### **2.4 Potential risks of improved impact assessment**

- Risk of being criticised if there are, as there will be, weak areas of work. The 'negatives' in an impact assessment could be seized upon and used to undermine an agency's credibility with donors, used by government as an excuse to limit an agency's operations if it doesn't approve of what the agency is doing, or used by competitors to promote their own work etc. (4 agencies).
- Focus should be on constructive criticism and on learning and as a positive way of influencing policy and programming generally. There needs to be a 'safe space' for impact assessment, (3).
- There needs to be a common understanding of impact assessment – otherwise there is a risk that IA becomes a new 'buzz word' and donors and agencies end up packaging project level evaluation as 'impact'; related to this, focussing more on IA might undermine the resources and level of effort needed for ongoing M&E which is still a weak point in many agencies, (1).

### ***Initial conclusions***

The main organisational barriers to improving IA are gaps in learning and knowledge management systems, linked to current project-based organisational structures which do not promote sharing of learning across projects and which encourage staff to think at the level of project outputs and outcomes rather than impact. This is reinforced by donor accountability frameworks, which explicitly emphasise measurement of project achievements in terms of outputs and outcomes, over project impact. At least

four of the PLI agencies are over 50% dependent on USAID/ USG funding and therefore the attitude and commitment of USAID to funding impact assessment is a major determinant of whether or not agencies a) prioritise IA and b) are able to fund IA. The four agencies that provided this data have less than 15% funding from private sources (which arguably may be more flexible in terms of allocating funds for IA) and less than 5% of 'core' funding (arguably the most flexible source of funding). In terms of methodological barriers, the consensus seems to be that support is needed in developing analytical skills, techniques and methods that help staff to bridge the gap between information gathering, learning and application of learning. Most of the agencies highlighted the risk that 'negative' findings from IA could be used (by other agencies, donors, government) to undermine an individual agency and stressed that there needs to be a 'safe space' for IA at different levels – within individual agencies, between agencies, and between agencies and donors.

### **3. Ways forward and next steps**

#### **3.1 Core organisational entities for capacity building and institutionalisation of IA**

- Program Quality positions or units which are cross-cutting (2 agencies)
- M&E units and staff (4 agencies)
- Technical staff including managers and field level staff (4 agencies)
- Specific to PLI2, it is important to define the desired impact and how we will use the impact evidence generated for advocacy/ policy influence. That will then govern who are the relevant people to work with ('core entities'), what type of evidence is needed, the most appropriate methodologies and the capacity building needs (1 agency).

#### **3.2 Ideas for ways forward**

Four 4 CDs expressed organisational and personal commitment to IA – all expressed interest in working with Tufts to build capacity of core staff. One agency stated that IA is not an organisational priority (this agency prioritises 'quality programming') but that IA is a focus within a number of individual projects. Some key ideas for moving forward included:

- Bring together Country Directors and possibly also Programme Directors (limited number to allow a deeper level of discussion) to discuss agency strategies for program quality generally – and potentially strategies for IA and learning as part of program quality. This could link to the debates around aid effectiveness, improved aid accountability etc. (1 agency);
- Identify and work with a core group of PLI 2 partner staff to design and conduct PIAs together. This group could be trained almost as a PLI2 consortium cross-cutting 'core team' that has the expertise to conduct PIAs and to train and mentor other staff in their respective organisations; use this as an opportunity for cross-organisational learning (2 agencies);
- Start with changing staff attitudes and mindsets, building understanding of why we do IA and how to use it; move to learning by doing through practical PIA – this could include starting with participatory baselines and M&E to build comfort and skills levels in using participatory methods (and how to analyse and use the information) for future PIA (2 agencies);
- Capacity needs to be built in different ways – through organisational/ structural change, through building a group of like minded practitioners, or a technical interest group (e.g. a community of practice) beyond individual agencies, and beyond the INGO sector e.g with government and non-PLI NGOs, and national NGOs etc. and not just through field level training (which was tried under PLI 1). (1 agency);
- Capacity building could/ should include a range of impact assessment methodologies i.e. not just PIA (1 agency);

- There also needs to be change at 'higher' or 'strategic' levels e.g. changes in the donor results-level focus, which in turn influences managers and staff to have a project-based world view. (2 agencies);
- Start with defining and agreeing the desired impact of PLI 2 and the evidence base required for policy advocacy; bring in non-PLI 2 agencies and work on the basis of geographic focus, rather than per agency or project focus (1 agency).

### 3.3 Suggestions for next steps<sup>2</sup>

The key to capacity building in IA will be to build appreciation of IA and (within PLI) PIA as a process of learning, rather than as an evaluation or 'fault finding' tool that therefore carries risks. The first step will be to **identify and agree clear impact indicators for PLI2**; this will include determining the desired policy/ advocacy impact and the evidence base that will be required to achieve this. Once this is agreed, the focus will be on creating practical commitment to cross-organisational learning and a 'safe space' for PIA , building donor interest in IA and PIA through maximising and demonstrating learning synergies across donor programmes (PLI2, PSNP PAP, PILLAR) and building agencies' staff capacity through joint participation in a significant number of PIA and other learning processes.

Strengthening impact assessment will need support at three levels: (i) the 'strategic' level –involving Country Directors, senior managers, donors; (ii) the 'middle' level – involving DME and learning and knowledge management staff, systems and structures, and; (iii) the 'field' level – involving the technical and DME staff who implement projects and interact with the people whose lives are being impacted by development activities.

#### At the 'strategic' level:

- Follow up initial CD discussions with joint CD-level strategic discussion (limited to half day? Possibly include interested non-PLI 2 agencies e.g. PSNP PAP agencies, others working in PLI2 areas?) around some of the following issues:
  - strategies for ensuring quality programming (and what are the learning priorities);
  - use of IA to influence donor strategies and funding of IA;
  - use of IA to influence government policy (and what are the advocacy priorities);
  - building a 'safe space' for IA; practical commitment to inter-agency learning and use of PIA as a learning process rather than as a (critical or risky) evaluation tool;
  - agreement on ways forward e.g. MOUs and ways of working, collaboration and learning around PLI 2, PSNP PAP, PSNP+ etc; geographic focus.
- Analysis of donor RFAs re. requirements for M&E, IA and evidence of impact (short desk review).
- Snap shot discussions with selected donors (USAID PSNP, USAID FFP, CORDAID, ECHO ):
  - interest in IA, acceptability of IA, uses of IA, funding of IA;
  - role of INGOs (and IA) in creating an evidence base for donor policy development;
  - interest in building capacity around IA;
  - priorities for IA in PLI 2 and linkages with PSNP in pastoralist areas.
- Analysis of local academic and research institutions re. potential involvement/ support to capacity building in IA.
- Agree (organisational assessment) indicators and tools for measuring the impact of capacity building work.

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<sup>2</sup> Based on discussions with PLI 2 CDs and senior staff, summarised in this paper, the parallel discussions with PLI 2 M&E and senior technical staff and the PIA training needs assessment conducted by Tufts.

### **At the 'middle' level**

- Create a technical working group/ DME coordination group for IA involving PLI 2 M&E staff<sup>3</sup>: set up regular coordination meetings, establish an email list serve and if possible set up a web page (link to Tufts or one of the agency web pages?) where information and documentation related to IA, PIA results etc. can be posted.
- Specific to the PLI 2 consortium, hold an initial DME coordination and planning meeting with PLI2 agencies to discuss and agree a capacity building plan based on:
  - priorities for IA in terms of the desired impact of PLI, the priorities for policy advocacy and the evidence base required;
  - geographic focus of the agencies;
  - program or sectoral focus (include synergies with PLI2, PSNP PAP, PILLAR);
  - interest in and opportunities for establishing an inter-agency 'core team' &/or conducting inter-agency PIAs;
  - priorities for PIAs and 'mini-PIAs' (use experience of SCUS's learning groups, including the impact learning group) and links to participatory M&E;

After this first prioritising and planning meeting, either there could be regular DME technical group/ coordination meetings or DME could be integrated into the relevant regular technical working group meetings.

- Set up a 'seminar series' that could be the starting point for the creation of a 'community of practice' on IA: a series of short (2 hour? Lunchtime? Monthly?) learning and discussion forums related to IA, including:
  - purpose and uses of IA;
  - IA methodologies;
  - learning and knowledge management systems, and reflective practice;
  - development of training plans on IA;
  - presentations of PIAs etc..

The purpose would be to provide technical information and support on IA linked to roles and responsibilities for IA, to create a 'safe space' for IA and encourage cross-organisational learning initiatives<sup>4</sup>.

### **At the 'field' level**

- Review current PLI 2 M&E plans, methodologies and tools;
- Identify opportunities for incorporating at least one participatory monitoring and IA tool into existing plans (e.g. 'evidence of change' methodology, community mapping, identifying community impact indicators...);
- Develop a practical 'guideline' to different impact assessment methods, with recommendations about their use and practical examples of how they have been used (from within PLI 2 partners where possible?);
- Develop a practical 'guideline' to different participatory monitoring tools with practical examples of how they have been used and how they can inform IA/ PIA; support cross-organisational training in these with the aim of stimulating critical analysis and building interest in and understanding of impact;

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<sup>3</sup>Either specific to PLI 2 or a wider 'community of practice' for capacity building in IA.

<sup>4</sup> If wider than PLI 2, other interested agencies may include: FARM Africa, VOCA, PSNP Plus partners, SOS Sahel, other national NGOs, government agencies, private practitioners, local academic and research institutions? Could link to the existing national evaluation network. This could even include interested donors?

- Involve and support cross-project or 'core' PIA cross-agency team/s throughout the process of PIAs and 'mini PIAs' e.g. in joint planning, implementation, participatory analysis/interpretation and use of PIA results with a focus on developing skills and comfort levels in analysis of information and building understanding of impact

#### 4. Reflections on the discussions

This process has raised some interesting issues and questions for Tufts related to how best to impact on improving institutional capacities in impact measurement in Ethiopia. These are:

- What do development agencies mean by 'quality programming' and how do agencies know whether they have achieved it, if they do not measure the impact of what they do?
- Given the stated importance of country strategic plans in driving new programming, have agencies achieved the right balance in terms of developing strategic plans and related programmes that are driven by global organisational strategies (arguably the 'top down' approach) and those that are driven and informed by community-based, livelihoods analysis and impact assessment using participatory methods? The results of the recent PIA training needs assessment, which highlighted relatively low PRA training levels, suggests that community level analysis is a less important driver of new programming.
- Again related to the stated importance of country strategic plans, how much 'space' or flexibility is there within country strategic planning processes for adapting and shaping strategies and programmes that are context specific and take into account country-specific policy and institutional structures and systems?
- To what extent are the challenges that agencies face around learning and knowledge management due to agency structures? There seems to be a contradiction between the 'silos' structure of many agencies and their acknowledgement of the need to understand livelihoods impacts more broadly, through multi-sectoral, multi-disciplinary learning approaches.
- For large INGOs that are continuing to grow, is there an inherent contradiction between an organisational culture and practice that necessarily tends towards the more and more bureaucratic, and the ability to be innovative, to respond and adapt rapidly and flexibly based on learning, and ultimately to be able to develop quality programmes?

## Annex 1

### IA Organisational capacity assessment - checklist for discussion

#### Aim of the discussion

To assess current organisational capacity (policies and structures) and commitment to impact assessment as part of a baseline for the PIA capacity building component of PLI. To gauge interest in Tufts support

#### Introduction

Reason for the discussion, review meaning of impact assessment and difference between IA and evaluation, overview of agency's perception of IA including approaches/ methodologies and uses.

#### Questions

1. Estimate the % of grants (projects and programs) where impact assessment is currently used, across the entire country program

Approximate    <10%                      10-30%                      30-50%                      50-80%                      >80%

2. Are there organisational targets to improve the % of grants where IA is used and if so, what are they? What is the timeframe for these improvements e.g. 1-3 years, 5 years, 10 years etc?
3. Does the organisation have a dedicated M&E section/ unit? Staffing?
4. Within current organisational M&E as a whole, roughly what proportion of effort is geared towards financial accountability (both internal and to donors) compared to programmatic accountability – learning lessons to feed into programming and policy?
5. What are the drivers of the technical strategies in new proposals/program development? Allocate level of influence on a scale of 1-10?

Driver (identify whether CO, global etc)	Level of influence (1=lowest & 10=highest)
Expansion or further use of existing organisational policies/ strategies/ models	
Donor requirements e.g. as expressed in RFAs	
Lessons from M&E	
Lessons from impact assessment	
Other	

6. What is the approximate breakdown of country office funding by 'donor', as a %age? E.g.

Funding source	%age of CO funding
Core funds	
EU	
HRF	
USAID	
DFID	
ECHO	
Private/ foundations	

7. For the targets expressed under 2, what are your main ideas/ strategies for reaching these targets?
8. What are the main 'barriers' to achieving these targets? How could these begin to be addressed?  
E.g.
  - Organizational-related barriers
  - Donor-related barriers
  - Methodological-related barriers
  - Other
9. Can you identify and describe an example of an impact assessment which you found to be useful and which was used for programming or policy change within the organisation?
10. Do you foresee any potential risks of improved impact assessment e.g. potentially negative information generated by impact assessment e.g. the possibility of harmful unintended outcomes?
11. Discuss the need to channel capacity building support on PIA to 'core organisational' entities rather than to projects. If so, what and who are these core entities (staff, units) and who are they accountable to? How should Tufts work with these core entities, given capacity building support is being channelled through PLI?
12. Discuss any other impact assessment capacity building initiatives (if any) that are underway or being planned and how Tufts may best contribute to or complement these.

## Annex 2

### List of participants

Date	Agency	Name
04.05.10	Mercy Corps	<ul style="list-style-type: none"><li>• Simon O'Connell, Country Director</li><li>• Fasil Demeke, DM&amp;E Manager</li></ul>
10.05.10	Save the Children US	<ul style="list-style-type: none"><li>• Ned Olney, Country Director</li></ul>
14.05.10	IRC	<ul style="list-style-type: none"><li>• David Murphy, Country Director</li></ul>
17.05.10	CARE Ethiopia	<ul style="list-style-type: none"><li>• Abby Maxman, Country Director</li><li>• Garth Van't Hul, Programme Director</li></ul>
04.06.10	Save the Children UK	<ul style="list-style-type: none"><li>• Kimberly Smith, Director of Policy and Programmes</li><li>• Holly Welcome Radice, Head of Livelihoods and Nutrition Information Systems</li><li>• Maria Ruiz-Bascaran, Project Manager (PILLAR)</li></ul>