

Evaluation of the Irish Aid Ethiopia Country Strategy 2008-2012

Contribution of a results-based management approach to strategy development

Learning brief

Submitted by



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15th October 2012

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1 Background

1.1 Ethiopia was one of the first of Irish Aid's programme countries to apply a Results Based Management (RBM) approach to the development of Country Strategy Papers (CSP). A series of management tools were developed (Logic Model, Results Framework and a Performance Measurement Framework) as part of the approach. Planning took place during 2007 and implementation started the following year, for the period 2008 to 2012. A set of eight objectives were set for the CSP for which indicators were identified. A Mid Term Review of the CSP took place in September 2010 and as a result the set of objectives and higher level outcomes were reformulated.

1.2 This Learning Brief has been developed as part of an independent evaluation of Irish Aid Ethiopia's Country Strategy Paper 2008 to 2012. The RBM approach was firmly grounded with the aim of '*developing and implementing better quality Country Strategy Papers*'. Guidance for staff deals primarily with the planning cycle for a CSP, but includes references to the wider application of results-based management principles. These principles accord with the commitments for a results based orientation under the Paris Declaration of 2005. The evaluation of the Ethiopia CSP 2008-12 is the first opportunity to examine how well those principles have contributed to an improved country strategy.

1.3 The aim of this short paper is to:

- Summarise the approach to results management adopted by Irish Aid
- Test the underlying theory of change about how RBM will help improve effectiveness
- Assess the learning of Irish Aids' experiences in the Ethiopia Country Strategy and
- Provide a number of key learning points and possible ways forward.

2 Evaluation questions

2.1 The terms of reference for the Ethiopia CSP evaluation included a specific question about RBM, under the category of Development Management: '*How useful was the Irish Aid corporate approach to Results Based Management with regard to Irish Aid Ethiopia and its partners?*' The question of usefulness was teased out into subsidiary questions about the extent to which both Irish Aid and partners understood the RBM approach; signs that RBM has contributed to effective strategy implementation; the practical utility of the Results Framework and Performance Measurement Framework; and the existence of evidence about responsive management and a results culture in Irish Aid.

3 Results-based management

3.1 The approach to results based management (RBM) adopted by Irish Aid is set out in a guidance document that presents RBM firmly in the context of country strategy papers. This practical orientation ensures that the concepts and principles are grounded in actions that plan and guide the aid programme. The approach is based on the OECD/DAC guidance on management for development results with five key principles, also included in the Paris Declaration (Box 1).

Box 1 Five principles of managing for development results

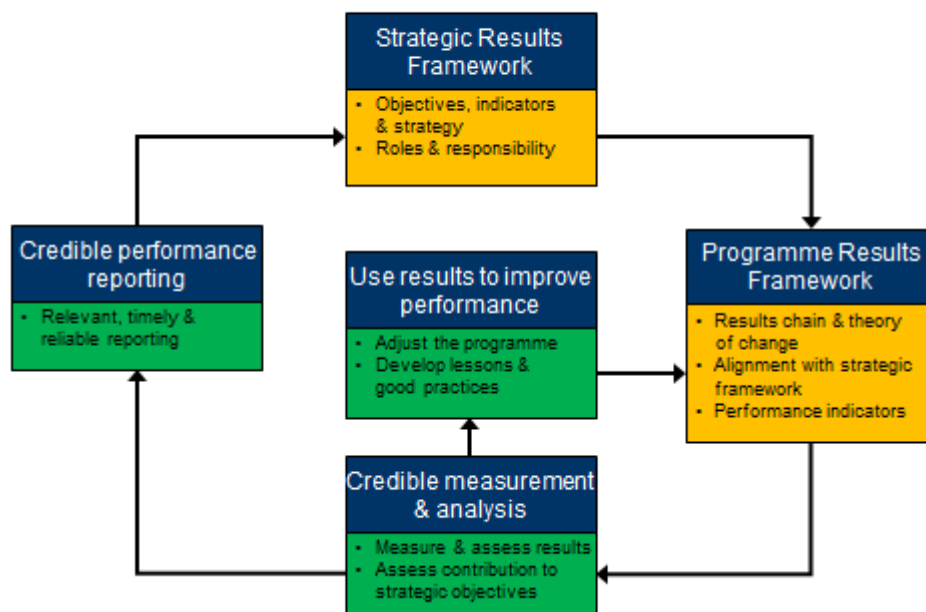
Box 1 Five principles of managing for development results

- Focus the dialogue on results
- Align programming, monitoring and evaluation with results
- Keep measurement and reporting simple
- Manage for, not by, results
- Use results information for learning and decision-making

3.2 These principles can be presented as a virtuous cycle, illustrated in Figure 1.

Figure 1 Results management framework

A results management framework



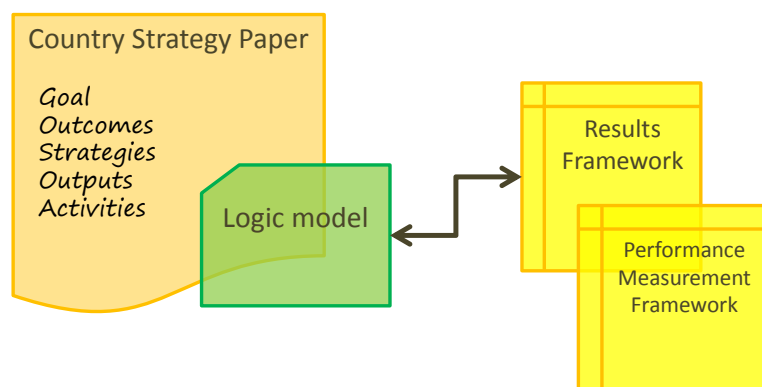
Source: ITAD Ltd training materials - adapted from OECD/DAC Managing for Development Results

3.3 Figure 1 illustrates how programme results are embedded in a strategic results framework and how measurement is used in both short and long cycles to improve programme performance and strategy performance.

3.4 The Irish Aid guidance, which is thorough and practical, leans strongly towards the planning phase of a CSP, with a relatively brief treatment of evaluation and lesson learning. The guidance document contains detailed procedures for the CSP cycle as well as information about results-based management and the use of logic models. Planning a CSP is broken down into stages; roles and responsibilities are defined and explained for seventeen different organisational entities; planning is described in the context of Ireland's international obligations; and step by step instructions are given for the CSP itself.

3.5 Results management is presented in the CSP as portrayed in Figure 2:

Figure 2 Presenting results in the CSP



3.6 The hierarchy of objectives: Goal, Outcomes, Objectives, Outputs and Activities are described in the main text.¹ The logic model, results and performance measurement frameworks are each in separate annexes. As a result, the information is scattered among four locations, including the main CSP document.

3.7 The documentation is clear and the logic models in particular convey a complex programme with great clarity, particularly in the revised version after the mid-term review of the CSP in 2010. However, the scattered, multiple presentations do not make it easy to grasp what are the key results that Irish Aid is working to contribute to in Ethiopia. The results framework is strongly action-oriented, with statements of intended actions for three years ahead, probably an ambitious time-span given the uncertainties facing any development programme. Because the results and performance measurement frameworks are presented separately from the logic models it is difficult to see how individual budget lines contribute towards outcomes. The post-MTR logic model goes some way to resolving this weakness by showing how budget lines link to specific objectives and including indicators as cells in the logic model.

4 Testing the theory of change for results-based management

4.1 In order to critique Irish Aid's experience with RBM, it is helpful to first consider how exactly a results-based approach is expected to contribute to improved development management and effectiveness. This section takes a normative use and uses a theory of change as a structure against which the Irish Aid experience in Ethiopia can be assessed. To start, we ask the question: what is the purpose of results-based management?

4.2 The Irish Aid guidelines are relatively silent on this. There is clarity about what managing for development results means, but not about how it might affect the design and management of the programme. Summarising problems found with previous CSPs, the guidelines identify eight items only one of which seems to refer to results, saying that '*CSPs did not always establish the goals and objectives for sectoral engagement. As a consequence there was focus on inputs rather than results*'.ⁱⁱ The implication is that the RBM approach would enable managers to focus more on results, but the mechanisms to achieve that are not described.

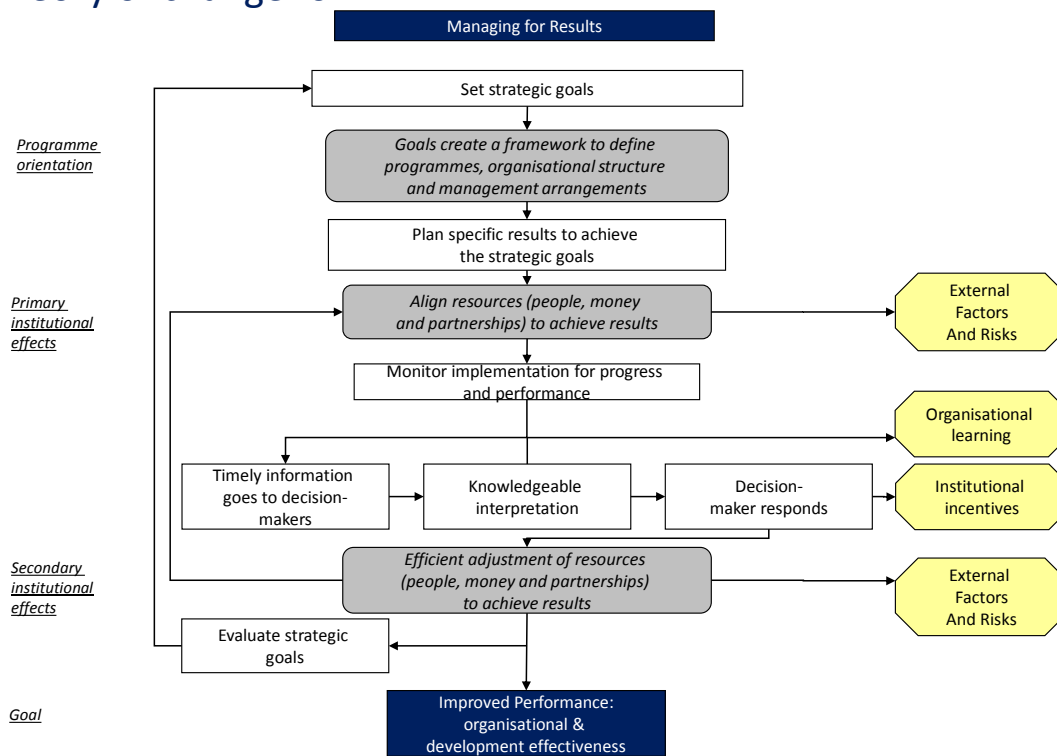
4.3 Figure 3 develops a theory of change about how results management leads to improved performance.ⁱⁱⁱ It identifies actions that need to be taken and the wider implications for the organisation. The flow diagram shows the use of results feedbacks to both programming and

¹ Terminology differs amongst aid practitioners. Irish Aid posits and additional layer in the hierarchy of objectives, between Outputs and Outcomes, which are designated as 'Objectives'.

strategy. It also indicates the importance of external factors such as organisational learning and institutional incentives to manage for results.

Figure 3 Theory of change for results-based management (based on a UNDP model)

Theory of change for RBM



4.4 Experience with the use of RBM in development organisations suggests that among the many challenges to success, organisations find difficulties in three areas: the development of indicators; handling of assumptions and risks; and establishing an organisational culture that is conducive to a results orientation.^{iv} None of these three aspects receives much treatment in the guidance document and all have a bearing on how the CSP has been used. Table 1 summarises the current situation and identifies issues in the approach.

Table 1 Overview of the RBM arrangements for Irish Aid in Ethiopia

RBM element	Current achievement	Issues
Goal	Clear, well-worded statement; text demonstrates link with government plans. Indicators derived from well-established national or international sources.	None
Plan specific results to achieve strategic goals (logic model)	Logic model developed for the CSP then improved at the CSP Mid-term review to more closely match Irish Aid Guidance material	Scope for closer linkages between results and indicators for specific budget lines and results for the programme objectives
Results framework	Conforms with guidance material. Action plan for three years 2008-2010. Statement of strategy for each objective. Baseline presented as a descriptive text.	'Results' geared more towards activities and delivery of outputs rather than progress towards outcomes. Not clear which budget lines contribute to each objective. Nor is it clear why the results framework should be separate from the performance framework.

RBM element	Current achievement	Issues
Performance Measurement Framework	This is the main document with indicators for objectives and outcomes. Very good use made of national data sets from administrative records and surveys for the indicators. Baseline values and targets for the indicators were being developed after the 2010 MYR of the CSP. There does not appear to be any links between partner programme or project indicators and strategy indicators.	Strong basis for the indicators and data collection. But guidance is needed on specific baselines and target values, and on whether or not Irish Aid's indicators relate to national figures or specific regions. No links are shown to output delivery from specific budget lines.
Alignment of resources (programmes and projects), external factors and risks	The main narrative of the original CSP and post-MTR revision indicate budget-lines for each objective. There is a comprehensive treatment of risks in the CSP and all project memoranda have a risk analysis. But there does not appear to be any obvious links between project documentation and strategy documentation.	The analysis of risks does not seem to be closely associated with the implementation of budget lines.
Monitoring - organisational learning	Partner programmes or projects make periodic reports to Irish Aid but indicators are not systematically used in the reporting framework. The Embassy produces a quarterly and annual report.	Good reporting structure, but there is a challenge to link projects to strategy and demonstrate progress against indicators.
Decision-making - institutional incentives	At present there are no institutional incentives for decision-making to reflect corporate performance.	Consideration is needed about how to create incentives to manage for results.
Adjustment of performance	The main channel for adjustment was the Mid-term Review held in 2010, which provided a comprehensive overview and used a participatory approach in which there was some involvement by development partners.	This was a timely and effective process. The logic model presentation was radically changed reflecting the experience of staff in settling into the RBM approach.
Evaluation	Independent external evaluation of the CSP is taking place in 2012.	Good practice and timed to feed into the next CSP. Care might be taken in choosing indicators for the next CSP to find those for which data will become available in line with Irish Aid's planning cycle.

4.5 A critical gap appears to be in identifying how the performance of individual budget lines contributes to the objectives under the CSP. The presentation of the revised post-MTR logic model goes some way to tackling this by inserting output statements under each objective and adding indicators from the performance management framework to the logic model. But it is not clear if the outputs are linked to specific budget lines, nor if they are supposed to be indicators or performance targets. The indicators for each objective are predominantly output statements. There are widely held definitions about the distinction between outputs and outcomes. Irish Aid needs to define the characteristics of 'Objectives' so that indicators can be scrutinised for being appropriate.

4.6 Writers on RBM have drawn attention to the fact that adopting a results orientation is not only about designing new means of measurement, but implies a change in the way people work and manage. Mayne contrasts *traditional management* which focuses on ongoing activities and use of resources - inputs and outputs - with *managing for outcomes*: establishing what outcomes are sought; knowing and questioning the theory of change and the evidence for it; measuring and analysing actual outcomes/impacts in light of expectations; assessing the contribution the program is making; reporting on the extent of attainment of performance expectations; and deliberately learning from evidence and analysis.^v This implies a different sort of management culture, something that is not explored in the CSP guidelines. Some ideas are presented later in Box 2.

5 How results have been used

5.1 Two levels of periodic performance reports are generated within the Embassy: quarterly and annual. The annual provides the main summary statement of performance. In addition, there was a large-scale review of the CSP at mid-term. Inspection of all the annual reports reveals a consistent approach. The reports are largely narrative-based. They are structured around the outcome and objective pillars of the CSP and present progress systematically against budget lines under each objective. Prior to 2010, the text does not contain any direct statements against the indicators listed in the Performance Measurement Framework (PMF). The 2010 Annual report, which coincided with the MTR, does include outcome statistics reporting against indicators in the PMF. As targets and baseline parameters were mainly developed after the MTR there was little information to make an overall judgement about whether or not the programme is on target or behind.

5.2 The most recent Annual Report for 2011 (reviewed in a draft version) appears to be tackling some of these deficiencies by presenting performance statistics for selected budget lines where data are available. There is also a summary table showing the most recent statistics for the outcome indicators in the logic model together with baseline figures but no target values. There does not appear to be any systematic reporting against the output statements.

5.3 Managing the link between individual partner programme or projects, for which periodic monitoring reports should be available, and performance against higher level programme objectives is difficult. In order to convey how successfully or otherwise the supported budget lines are performing, consideration might be given to specific reporting of partner programme or project data combined with the use of ratings to summarise at higher levels.

5.4 One approach that could be considered would be for staff in the Embassy to make a subjective assessment of project progress towards outcome objectives, using a simple ordinal rating scale. As long as the assessment is justified by reference to available evidence, and updated when data are available for performance indicators, this approach would provide a guide on how well interventions are doing. By using a common rating scale, performance can be assessed across all projects under each pillar, for a rapid assessment of where problems exist and more support is needed. Outcome indicators would still be used to reflect real development change.

5.5 When asked how useful the results frameworks had been during the MTR, senior staff replied that overall the structure of the CSP provided a sound logic against which to plan how to cope with a reduction in the aid budget. Information about results was said to be a significant part of that process, but only one element alongside wider policy considerations and the changing context in Ethiopia. Decisions were taken not to continue financing some projects but results was not the major consideration for any of these.

5.6 The incorporation of results-based management in the CSP has not enabled the IA staff to meet the challenge set out in the CSP: *“This country programme will prioritise lesson learning and building policy messages based on evidence”*.^{vi} Weaknesses in arrangements for learning were identified in two reviews of support to regions commissioned by Irish Aid. The SNNPR review concluded that *“ability to learn lessons from the ground and feed these into policy dialogue - has been compromised because the structure of the partnership did not really serve this purpose”*.^{vii} The Tigray report argued that although areas of influence could be identified especially from former evaluations, the information coming out of Tigray more recently made it hard to grasp the achievements of the programme as a whole, and in turn make recommendations linked to learning. It did however, note some areas of better practice in the use of information from sentinel woredas, the Tigray Agricultural Research Institute and a Comprehensive Poverty Monitoring project.^{viii} The changing format of the annual reports might signify a fresh look at the use of information.

Supporting M&E

5.7 The quality and utility of results depends on the extent to which Irish Aid has been able to work with development partners. Attention to results can be seen in the interaction with project partners about the design, monitoring and evaluation of their projects, and in activities under CSP Objective 4, *‘To improve the quality and use of poverty monitoring data’*.

5.8 The CSP evaluation found convincing evidence that Irish Aid has been a consistent and determined promoter of effective monitoring and evaluation. Good examples were found of design work to improve the poverty and gender focus of indicators, promotion of Rapid Response Teams and field monitoring in support of field supervision missions, and impact evaluation of the PSNP.

5.9 A survey of mainly NGO and CSO partners questioned their awareness of Irish Aid’s results framework. More than 70 per cent of respondents said they were aware of the IA results framework and how their project results contribute to them. They also agreed that their results indicators were linked to IA results framework indicators, although there was a large minority of ‘Don’t Know’ responses. A lower proportion of respondents (65 per cent) said that they had worked with IA staff to plan their results to demonstrate links to the CSP, though here again some 22 per cent said they didn’t know. Some of the ‘Don’t Knows’ might reflect turnover in staff appointments implying the work was carried out by a different person. These responses are more positive than the evaluators found in face to face interviews and are encouraging, suggesting that IA staff are trying to interact with their partners.

5.10 The evaluation found some, but limited, documentary evidence to support these views. The best example comes from the experience with SOS Sahel Sustainable Livelihoods Support Programme where file correspondence shows clear interactions dealing with: documentation of experiences for learning and evidence-based advocacy in 2009; quality of the project logframe and the need for baseline data for an extension phase in 2011. Interestingly, there is no explicit mention of indicators, nor of links to the IA results framework.^{ix}

5.11 The evaluation team observed that adopting a results-based management approach has not prompted any change to basic documentation in the agreements between IA and partners. Memoranda of Understanding (MOU) include a brief note on reporting (Section 8) but neither make reference to projects following IA’s results frameworks, nor to the use of information for learning. This latter is an interesting omission and suggests that more attention has been given to the creation of logical objectives, results and indicators, than to how they are used by managers. The question of how to build a results culture has already been referred to above. Box 2 summarises some of the building blocks to make that happen, drawing on literature from the OECD/DAC and others.

Box 2 Factors that help build a results culture²

❖ Demonstrated senior management leadership and commitment

Strong senior leadership in building an evaluative culture can be evident through such actions as:

- *supporting the results management regime*, including demonstrating the benefits of using evidence, and supporting results management with resources;
- *providing consistent leadership in results management*, acting consistently with an evaluative culture; and
- *managing expectations for results management*, through setting out reasonable yet challenging expectations for success, proceeding gradually and with modesty, and balancing accountability with learning.

❖ Informed demand for results information

Key ways that informed demand can occur is through:

- *having managers and senior managers routinely ask for results information, and*
- *requiring that planning, budgeting and reporting be results-based.*

❖ Supportive organizational systems, practices and procedures

- *Managers need adequate autonomy to manage for results –able to adjust their operations as they learn what is working and what is not.*
- *Evidence-friendly information systems are needed – The financial, human-resource, planning and reporting systems in organizations need to be able to incorporate results information in a user-friendly manner.*
- *Results management needs to be linked with other reform initiatives –results management needs to be seen as a key aspect of reform, not a one-off initiative to meet, for example, external requirements.*

❖ A results-oriented accountability regime

If managers are simply accountable for following procedures and delivering planned outputs, there is little incentive to actively seek evidence on the outcomes being achieved. Accountability for outcomes should consist of (a) providing information on the extent to which the expected outputs and outcomes were attained, and at what cost; (b) demonstrating the contribution made by the programme to the outcomes; (c) demonstrating the learning and change that have resulted; and (d) providing assurance that the means used were sound and proper. Thus, for example, if outcome targets and other expectations have not been met, a key accountability question should be 'what has been learned as a result and what will change in the future?'

❖ A capacity to learn and adapt

- *Institutionalized learning events such as workshops, seminar, even lunchtime discussions*
- *Encouraging knowledge sharing – for example by providing group learning opportunities and developing supportive information-sharing and communication structures.*
- *Encouraging learning through experience –by encouraging efforts to identify and communicate good practices.*
- *Making time for learning –it is hard to find time for reflection and learning. Ways need to be found for an organization to create 'learning spaces'.*

❖ Results measurement and results management capacity

This capacity can be enhanced through:

- *providing ongoing training to managers and staff in the various aspects of results management*
- *identifying and supporting peer champions*
- *integrating results management training into the regular management training programme*
- *including self-evaluation as part of the results management training*
- *providing clear and effective guidance to managers on results management and*
- *using results management networks to share lessons and foster an evaluative culture.*

² Adapted mainly from Mayne, John (2008)

6 Lessons learned

6.1 ***The RBM approach has been a positive influence on the CSP plan, but has not brought guidance or tools to help with indicators and managing for results.*** The adoption of a results-based approach to the CSP brought evident improvement to the clarity of expression of the programme and to measurement. But apart from decisions taken at the MTR there is no evidence a results-based approach influenced the way the programme was managed. Managing for development results implies changes in ways of working, in relationships with partners, in the reporting of performance, in lesson learning and in new resource decisions. These elements have yet to be brought into play.

6.2 ***A number of practical changes could usefully be incorporated to strengthen the RBM approach:***

- Clarify some of the terminology, such as the 'Objective' level of results and define the nature of indicators with reference to the well-established international definitions for outputs and outcomes.
- Develop a theory of change for Irish Aid RBM, building on the UNDP example in Figure 3 and linking to specific management structures and processes.
- Retain the Performance Measurement Framework, but include a summary of indicators in the logic model (as per the post-MTR model). Discard the Results Framework in its current form (possibly retain as part of the annual budget and work plan documentation).
- Ensure there is a logical link between outcome indicators agreed for partner programmes or projects and the corresponding output indicators for the country strategy.³
- Improve use of indicators, with numerical values for baseline and targets.
- Align results and indicators at partner programme or project level with outcome objectives in the CSP.
- Continue a focus on promoting M&E as an Irish Aid strategy.
- Develop the Annual Report format further to include specific reporting on indicators of objectives and outcomes. Consideration could be given to reporting against indicators every second quarterly report (i.e. six monthly and annually) in circumstances where data are available to make such reporting useful.

6.3 ***Further consideration can also be given to promoting a culture of results:***

- Develop an approach amongst senior management in Irish Aid to manage for outcomes: endorse and promote results-based planning; ensure strategic results frameworks are supported by theories of change; oversee delivery and results monitoring; respect managerial freedom; approve reprogramming where results are clearly used; hold managers to account for results; report on results performance.
- Link individual staff annual role profiles directly to the country strategy and performance management frameworks.

³ Conceptually, in a multi-level logic model the output level of a country strategy equates to the outcome level of a specific budget line or partner programme/project.

- Revisit the MOU and Annual Workplan and Budgets used with development partners to include more consistent treatment of indicators and a clear link in project logframes to CSP outcomes.
- Examine the adoption of a performance ratings indicator that would permit simple judgemental summary of the performance of projects at periodic intervals, such as six-monthly. One approach that could be considered would be for staff in the Embassy to make a subjective assessment of partner programme or project progress towards outcome objectives, using a simple ordinal rating such as a six point scale where 1 is a poorly performing budget line unlikely to achieve its outcomes in time or within budget; and 6 is a highly satisfactory budget line likely to fully achieve its objectives. As long as the assessment is justified by reference to available evidence, and updated when data are available for performance indicators, this approach would provide a guide on how well interventions are doing. By using a common rating scale, performance can be assessed across all projects under each pillar, for a rapid assessment of where problems exist and more support is needed. Outcome indicators would still be used to reflect real development change. Such an approach helps overcome data deficiencies in real indicators and provides a common platform to compare across diverse projects.
- The Country Strategy evaluation found convincing evidence that Irish Aid has been a consistent and determined promoter of effective monitoring and evaluation. Use meetings with development partners to build capacity and promote a common view of Irish Aid objectives and performance.

ⁱ Irish Aid (n.d.) A results-based management approach to country strategy papers. Dublin

ⁱⁱ Irish Aid (n.d.) A results-based management approach to country strategy papers. Box 2

ⁱⁱⁱ Adapted from UNDP (2007) Evaluation of Results-based Management at UNDP, Figure1

^{iv} See for example: Office of Internal Oversight Services (2008). Review of results-based management at the United Nations. A/63/268. New York: UN General Assembly

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^v Mayne, John (2008) Building an evaluative culture for effective evaluation and results management. ILAC Brief 20 (www.cgiar-ilac.org)

^{vi} Irish Aid (2008) Country Strategy Paper Ethiopia para 78

^{vii} Stuer, Francesca and Dr Essido Lendebo (2012) Learning from the ground. A midterm review of the partnership between Irish Aid and the SNNPR, 2009-2012

^{viii} Jones, Beverly and Chekol Kidane (2010) A Review of the Tigray Region Support Programme 2006-2010

^{ix} IA file correspondence Smallholder Livelihoods Improvement Project