Lesson 3: Monitoring, evaluation and indicators

Macerata, 19th October

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Agenda

❖ What do we need from the last lesson?

❖ Rationale of the project: theory of change and logical framework

❖ Accountability and monitoring
  ❑ Definition and types of indicators
  ❑ Quality of the indicator system

❖ Evaluation
  ❑ Criteria of evaluation
  ❑ Timing of evaluation
WHAT DO WE NEED FROM THE LAST LESSON?
Relevance and Coherence (EX ANTE)

Programme / policy

Resources (inputs)

Output (implementation)

Result (Specific Objective)

Internal Coherence

External coherence

Relevance

Utility
RATIONALE OF THE PROJECT
Build project’s rationale: Theory of change

CONCLUDING NOTES ON THE SOCIAL PHILOSOPHY TOWARDS WHICH THE GENERAL THEORY MIGHT LEAD (J.M. Keynes – General Theory)

• The outstanding faults of the economic society in which we live are its failure to provide for full employment and its arbitrary and inequitable distribution of wealth and incomes

• “The ideas of economists and political philosophers, both when they are right and when they are wrong are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually slaves of some defunct economist.”
Figure 14: Typical structure of a Logframe Matrix

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Indicators</th>
<th>Source of Verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Objective – The project’s contribution to policy or programme objectives (impact)</td>
<td>How the OO is to be measured including Quantity, Quality, Time?</td>
<td>How will the information be collected, when and by whom?</td>
<td></td>
</tr>
<tr>
<td>Purpose – Direct benefits to the target group(s)</td>
<td>How the Purpose is to be measured including Quantity, Quality, Time</td>
<td>As above</td>
<td>If the Purpose is achieved, what assumptions must hold true to achieve the OO?</td>
</tr>
<tr>
<td>Results – Tangible products or services delivered by the project</td>
<td>How the results are to be measured including Quantity, Quality, Time</td>
<td>As above</td>
<td>If Results are achieved, what assumptions must hold true to achieve the Purpose?</td>
</tr>
<tr>
<td>Activities – Tasks that have to be undertaken to deliver the desired results</td>
<td></td>
<td></td>
<td>If Activities are completed, what assumptions must hold true to deliver the results?</td>
</tr>
</tbody>
</table>
DONOR AND BENEFICIARY

DONORS

Loan

Grant

Tech. assistance

BENEFICIARY

STATE

REGION

LOCAL AUTHORITY

COMMUNITY
Why do we need a project? To make a change…

The project is …..
• Project vs. routine
• Project is limited in time
• Resources are defined
• Beneficiary identified

To…
Solve a problem / social need / change a behaviour:
- Economic growth
- Accessibility
- Social inclusion
…..
Project development

**SELECTION**

**Needs**

**Resources (inputs)**

**Realisation (output)**

**Result / outcome**

**Identification and Formulation**

**Implementation**

**END OF PROJECT**

**After Conclusion**
KEY QUESTIONS ON STEPS

- **Programming**: What are the partners’ priorities?
- **Identification**: Is the project concept relevant (in line with the needs, challenges and consistent with the policy priorities)?
- **Formulation**: Is the project feasible and producing sustainable benefits?
- **Implementation**: Are results being achieved (efficiently and effectively)?
- **Evaluation**: Have planned benefits been achieved? What are the lessons learned?
- **Audit**: Has there been compliance with applicable rules and laws?
ACCOUNTABILITY AND MONITORING
Accountability in Governance – World Bank

The concept of accountability involves two distinct stages: answerability and enforcement.

• **Answerability** refers to the obligation of the government, its agencies and public officials to provide information about their decisions and actions and to justify them to the public and those institutions of accountability tasked with providing oversight (*there is someone answering and explaining decisions*)

• **Enforcement** suggests that the public or the institution responsible for accountability can sanction the offending party or remedy the contravening behavior. As such, different institutions of accountability might be responsible for either or both of these stages. (*there is someone who can sanction*)
What about ACCOUNTABILITY

- Project
- Community
- Donor
- Beneficiary
- Tax payer
- State

Evaluation
Monitor
Audit
Monitoring, Auditing and Evaluation

Monitoring: observing and collecting data form the project.

△ What time is it? 12:34
△ At what time is the train? 11:50

Auditing: judgement against a rule/standard

△ The train is at 11:50 and you missed it

Evaluation: interpreting data to provide a subjective judgement for accountability and learning:

- You did not catch the train because of.....
- An alternative can be .......
Monitoring

- To monitor means to observe.
- Monitoring is the regular observation and recording of activities taking place in a project or program. It is a process of routinely gathering information on all aspects of the project.
- To monitor is to check on how project activities are progressing.
- Monitoring also involves giving feedbacks about the progress of the project to the donors, implementers and beneficiaries of the project.
- Reporting enables gathered information to be used in making decisions for improving the project performance.
Program(me)s and projects

- Financial contribution from programmes to projects
- Information (e.g. progress reports) concerning the status of implementation to the authorities responsible for the programme -> support the day to day management
Monitoring and Indicator

- Monitoring is the observation of project and program by measurements
- These measurements are the Indicators

- Indicators on the project outputs are normally
- Outcome indicators may be more difficult to derive, and it is often appropriate to rely on indirect indicators as proxies. Indicators can be either quantitative or qualitative.
- There could be also “project indicators” (specific to the project)
- CONTEXT INDICATORS relate to the environment for the programme
Indicators: what is it needed?

❖ Definition

❖ Unit of measurement

❖ Source of information (going from internal to external)

❖ Baseline (i.e. the initial value against which an indicator is subsequently measured)
  ✓ Refer to local context; or
  ✓ Refer to activities in previous programmes

❖ Target (combined with baseline information, provides information concerning the importance of the planned interventions)

❖ Current status
FRAMEWORK FOR PROJECT

DEFINITIONS

• **INPUT**: Financial, human, material, organisational and regulatory means mobilised for the implementation of an intervention. Monitoring and evaluation focus primarily on the inputs allocated by public authorities and used by operators to obtain outputs.

• **OUTPUT**: physical" product of spending resources through policy interventions. Examples are: the length, width or quality of the roads built; the number of hours of extra teaching hours provided by the intervention; the capital investment made by using subsidies.

• **Outcome**: The specific dimension of the well-being of people that motivates policy action, i.e., that is expected to be modified by the interventions designed and implemented by a policy. Examples are: the mobility in an area; the competence in a given sector of activity.
Output indicators

Output indicators: direct products of the programme

✓ Could require information from beneficiaries, or can be calculated directly at the programme level
Outcome indicators

**Outcome indicators:**
relate to the *effect* brought about by a programme. They provide information on changes for the well being of the people to, for example, the behaviour, capacity or performance of beneficiaries.
# ROAD CONSTRUCTION

<table>
<thead>
<tr>
<th>Indicator type</th>
<th>Indicator Name</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td>Length of rehabilitated/modernized county roads</td>
<td>KM</td>
</tr>
<tr>
<td>Outcome</td>
<td>Increase passengers and freight traffic on the rehabilitated, constructed, modernized roads</td>
<td>%</td>
</tr>
<tr>
<td>Indicator type</td>
<td>Indicator name</td>
<td>Unit</td>
</tr>
<tr>
<td>---------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>------</td>
</tr>
<tr>
<td>Output</td>
<td><em>Inhabitants benefiting from the implementation of integrated urban development plans</em></td>
<td>N</td>
</tr>
<tr>
<td>Outcome</td>
<td><em>Companies established in the “urban action zones”</em></td>
<td>N</td>
</tr>
</tbody>
</table>
## SOCIAL INFRASTRUCTURE

<table>
<thead>
<tr>
<th>Indicator type</th>
<th>Indicator Name</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td>Rehabilitated/equipped health care mobile units (total and by type)</td>
<td>N</td>
</tr>
<tr>
<td>Outcome</td>
<td>Average response time of mobile units</td>
<td>N</td>
</tr>
</tbody>
</table>
## BUSINESS ENVIRONMENT

<table>
<thead>
<tr>
<th>Indicator type</th>
<th>Indicator Name</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td>Micro-enterprises created and supported</td>
<td>N</td>
</tr>
<tr>
<td>Outcome</td>
<td>New jobs created in the supported micro-enterprises</td>
<td>N</td>
</tr>
</tbody>
</table>
## TOURISM PROMOTION

<table>
<thead>
<tr>
<th>Indicator type</th>
<th>Indicator Name</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td><em>Tourism infrastructure / accommodation projects implemented</em></td>
<td>N</td>
</tr>
<tr>
<td>Outcome</td>
<td><em>Increase of overnights-staying</em></td>
<td>%</td>
</tr>
</tbody>
</table>
Context indicators:

✓ reflect the socio-economic conditions of a programme area

✓ enable to assess local needs of the programme area, to assess how the general context of a programme is evolving
Indicators – Physical, financial, procedural

- **Physical indicators**: describe the concrete ‘products’ of the programme;

- **Financial indicators**: provide a basic picture for usage of the available resources (i.e. how fast? which priorities?):
  - Committed/spent;
  - Year/Priority/Source of funding.

- **Procedural indicators**: provide information on the current status of the operational level and forecasts for the next steps.
EVALUATION
Evaluation

Based on monitoring, evaluation is the systematic collection and analysis of data needed to make decisions, a process in which most well-run programs engage from the outset (American Evaluation Society).

Evaluation tries to answer two distinctive questions:

- Did the public intervention have an effect at all and if yes, how big – positive or negative – was this effect. The question is: Does it work? Is there a causal link? This is the counterfactual question.

- Why an intervention produces intended (and unintended) effects. The goal is to answer the “why and how it works?” question. To answer this question is the aim of the theory-based impact (European Commission – DG REGIO).

An evaluation is an assessment, as systematic and objective as possible, of an on-going or completed project, programme or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, developmental efficiency, effectiveness, impact and sustainability. An evaluation should provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process of both recipients and donors (OECD/DAC).
WORKOUT
## Template Project: ....

<table>
<thead>
<tr>
<th>Description</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Needs</td>
<td></td>
</tr>
<tr>
<td>Resources (inputs)</td>
<td></td>
</tr>
<tr>
<td>- Financial resources</td>
<td></td>
</tr>
<tr>
<td>Resources (inputs)</td>
<td></td>
</tr>
<tr>
<td>- Other resources</td>
<td></td>
</tr>
<tr>
<td>Realisation (outputs)</td>
<td></td>
</tr>
<tr>
<td>Results / outcomes</td>
<td></td>
</tr>
</tbody>
</table>
**WHAT IS IMPORTANT TODAY?**

<table>
<thead>
<tr>
<th>Monitoring</th>
<th>• Observation of project / program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indicator</td>
<td>• Measurable characteristics</td>
</tr>
<tr>
<td></td>
<td>• CONTEXT / PROGRAM - PROJECT</td>
</tr>
<tr>
<td>Project</td>
<td>• OUTPUT</td>
</tr>
<tr>
<td></td>
<td>• OUTCOME</td>
</tr>
</tbody>
</table>
Quality - individual indicators

SMART

▲ Specific indicator, if it measures the relevant change at the specific objective level;

▲ Measurable indicator, if it is possible to measure the baseline and the target and if necessary the milestones;

▲ Attainable (achievable) indicator, if the target is possible to be achieved;

▲ Relevant indicator, if it measures the contribution to the change at a priority axis and programme level;

▲ Time – bound, if the indicator is available and updated in different periods
Quality - individual indicators

- Clarity (in particular for result indicators)

  CLE (the definition and the direction of change are clear)

  A (available indicator or ad hoc)

  R (the methodology of construction is defined and sound)
Project development

- Selection
- Implementation
- Needs
- Resources (inputs)
- Realisation (output)
- Result / outcome
- Identification and Formulation
- End of Project
- After Conclusion
Project development and Evaluation

On going Evaluation

Ex ante Evaluation

Monitoring

Ex Post Evaluation

Needs

Resources (inputs)

Realisation (output)

Result / outcome
Relevance and Coherence (EX ANTE)

Program / policy

Relevance

Needs

Resources (inputs)

Output (implementation)

Result (Specific Objective)

External Coherence

Internal Coherence
Performance, Efficiency, Sustainability, Effectiveness (on going / ex post)

- Performance
- Efficiency
- Effectiveness
- Sustainability

Diagram:
- Needs
- Resources (inputs)
- Output (implementation)
- Result (Specific Objective)
Definitions

• **Relevance**: the project results and Impact CAN produce a change

• **External Coherence**: the project is strategically aligned with the concerning policy (vertical) – the program works in synergy and complementarily with other contextual intervention (horizontal)

• **Internal coherence**: the project objectives, activities, output, results, impacts are logically connected

• **Performance**: the project activities are delivered on time, the outputs respect the targets, the resources are duly absorbed, the procedures are done according to the rules.

• **Effectiveness**: the project achieves results / Impact accordingly with the targets

• **Efficiency**: the project achieves results / Impact accordingly with the targets with the minor costs and in the shorter time.

• **Sustainability**: the project changes can last after the conclusion
Other prospective....
## Phases of evaluation and Criteria

<table>
<thead>
<tr>
<th></th>
<th>EX ANTE</th>
<th>ON GOING</th>
<th>EX POST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevance</td>
<td></td>
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<tr>
<td>Internal coherence</td>
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<td></td>
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<tr>
<td>External Coherence</td>
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<tr>
<td>Performance</td>
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<tr>
<td>Efficiency</td>
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<tr>
<td>Effectiveness</td>
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<tr>
<td>Sustainability</td>
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</tbody>
</table>
# Evaluation from different perspectives

<table>
<thead>
<tr>
<th>Prospective and approach</th>
<th>Key difference</th>
</tr>
</thead>
</table>
| **Summative**: the evaluation provide a judgement | **Status Evaluator**:  
- summative, shall be independent  
- formative, he can be from the organisation implementing the project (auto-evaluation) |
| **Formative**: evaluation is for learning and changing the project |
| **Qualitative**: analysis of intangible effect (opinions, perceptions, facts) and narrative approach | **Methods**:  
Qualitative: case studies, interviews, focus group  
Quantitative: statistical analysis, cost and benefit analysis, counterfactual |
| **Quantitative**: analysis of tangible effects by sharp measurement. |
| **Counterfactual**: identify what is the impact (net effect) | **Type of projects**:  
Counterfactual: the impact shall be quantifiable and easy to be identified  
Theory based: type of impact is not relevant |
| **Theory based**: identify the casual effects linked the impact/effect to the project |
| **Participative**: involvement of the stakeholders during the whole evaluation process (data collection, analysis, assessment, dissemination) | **Involvement of project actors** |
| **Top down**: technically driven and detached from the project actors |
### WORK OUT

**Priority axis:** Improving accessibility of the country  
**Specific objective:** Increase the accessibility of the rural villages located in the North of the country

<table>
<thead>
<tr>
<th>Type (input, output, outcome)</th>
<th>Physical, financial, procedural</th>
<th>S</th>
<th>M</th>
<th>A</th>
<th>R</th>
<th>T</th>
<th>Clear (only for outcome)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Km of roads renovated in 2015 (source: MS)</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>% increase in the accessibility index</td>
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<tr>
<td>20 % increase in the accessibility index in 2015 (knowing that similar target have never been achieved in the past)</td>
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</tr>
<tr>
<td>Number of project activities finalized each year (source: MS)</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Number of inhabitants improving their life conditions (source not identified)</td>
<td></td>
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</tr>
<tr>
<td>Increase of wellbeing in 2015 in the country (source: NAT STAT)</td>
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</tr>
<tr>
<td>Euro spent (source: MS)</td>
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<td></td>
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<tr>
<td>Number of bridges built in 2014 in rural villages located in the South of the country (source: MS)</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>10% increase in satisfaction of health services in 2016 (source: NAT STAT, knowing that similar targets have been achieved in the past)</td>
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</tr>
</tbody>
</table>

**Legend:**

- **Y** = Yes;  
- **N** = No;  
- **?** = it depends or not enough information available;  
- **/** = not pertinent question
See you

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