

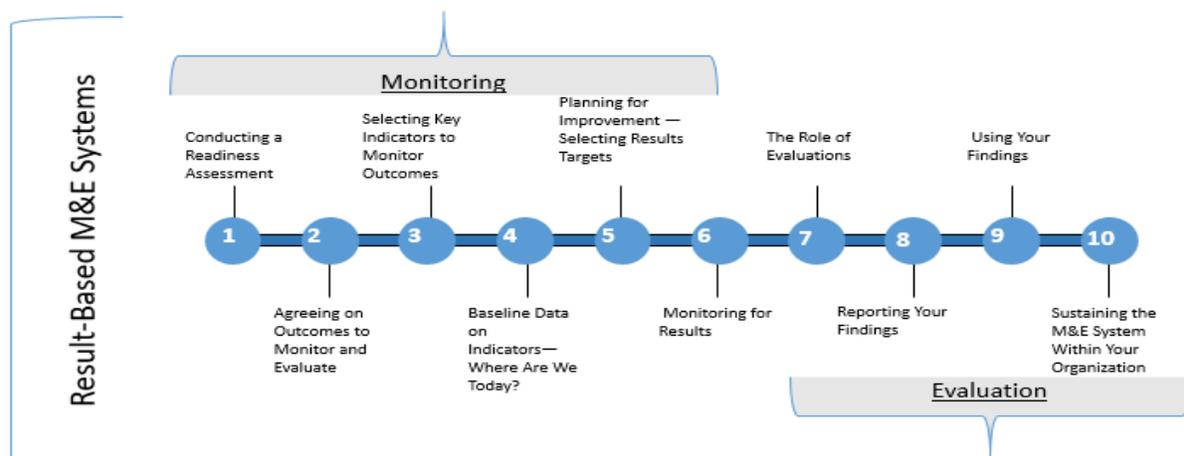
# Designing Robust M&E Systems: Blending in Tools and Approaches for Performance Management

Document shared by Zahid Shabbir from Pakistan, member of EVAL-Forward

Result-based monitoring & evaluation (M&E) systems are expected to support the improvement of policies and design of interventions. While monitoring refers to the systematic collection of data on specific indicators and reporting progress by the implementing agency itself, evaluation refers to systematic and objective assessment of interventions including projects, programs or policies, their design in different dimensions (relevance, efficiency, effectiveness, sustainability etc.) to measure an impact by subject matter experts.

In the context of result-based M&E systems [1], monitoring complements the future evaluation efforts and improvement in the design of new interventions/policies. Results-based M&E focus beyond inputs and outputs, aiming particularly at outcomes and impacts. With solid foundation of conducting monitoring through readiness assessment using different means like focused group discussions and data diagnostic sessions with stakeholders and agreement on evaluability of outcomes and selection of indicators, result based M&E systems take into account proper measurement of baselines for selected indicators. The monitoring of results over the period of time supplement the process of evaluation i.e. making interventions evaluable while bringing in the sustenance for overall M&E function for evidenced based policy making and design of interventions.

The figure below summarizes the functioning of result-based M&E systems:



Partial Content Sourced from World Bank's Report on Results-Based M&E Systems

## Approaches & Tools for Pre-intervention Design and Performance Management

The development of resilient M&E systems relies also on the assessment of the design of interventions. Evaluation can benefit greatly from pre-intervention assessment which many donor organizations undergo prior to offering support for an intervention [2]. One important tool is Value for Money (VfM), which basically ensures optimal use of inputs to generate maximum output to derive an impact [2]. The VfM works on the principle of efficiency, economy, effectiveness and overall cost effectiveness. Likewise,

the execution of interventions can be greatly improved while blending in the use of performance management tools like Earned Value Management (EVM) or Earned Value Project/Performance Management (EVPM), a technique for measuring project performance objectively and quantifiably. It is characterized as a systematic way of measuring project performance based on variances and takes into account project cost, time and resource utilization being the most critical aspects of any project to keep track of project performance during the entire life cycle of any intervention. Hence, it can greatly assist in project performance assessment against stipulated benchmarks across milestones [3]. Most multilaterals/donors use their customized reporting tools like PARs, PPARs, ICRs, MfDRs etc. to monitor the progress of policies, programs and projects [4].

### ***Choice of Indicators for M&E Systems***

Result-based M&E systems require a careful approach to the **choice of indicators** to be monitored along with the objectives of interventions. In many areas, the existing literature provides a strong base to determine indicators to choose from. However, the selection of proxy indicators is equally important where there is no precedent and baselines available for such indicators. For instance, setting up a gender related indicator for an intervention/program where there is no precedent or baseline available for such data may jeopardize monitoring as well as evaluation in the future unless proper mechanism to provide such data is agreed upon. In essence, an indicator should truly and fairly represent the measure of performance expected from the outcome. Sometimes, it is necessary to introduce new indicators or modify a proxy to give a reliable and fair picture of the intervention's performance.

For example, in a development intervention for a drought-resistant crop plantation, aimed at addressing water conservation and food security, it would be important to define caveats for watering, quantity of fertilizers and end produce which can be monitored over the period of time to develop an analysis for efficacy of such plantation. Thus, the results of monitoring can aid in policy decision making about choice of plantation.

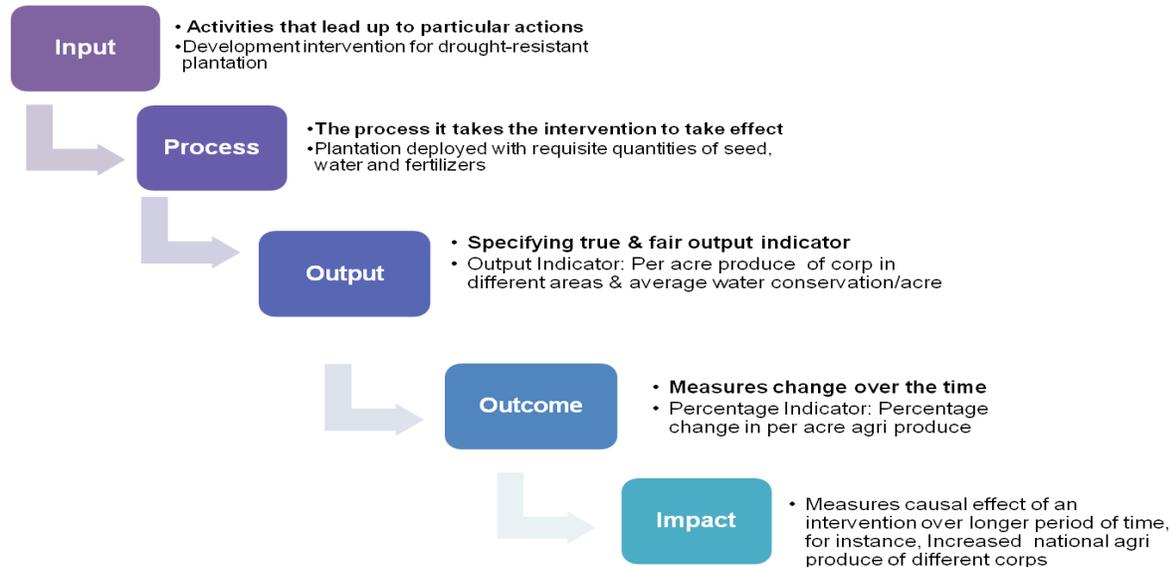
Social norms and country context play an important role in the selection of indicators. For instance, if we need to measure the quality of financial capability of an individual, literature may suggest the number of complaints lodged with financial institutions as an important measure. However, the country context may altogether change the effectiveness of this indicator, if people in general tend to avoid lodging complaints due to extra effort to be made in terms of time, travel or resources. In this case the indicator wouldn't capture the desired outcome. In this case, a well deliberated proxy could be the number of financial access points available to an individual within certain geographic diameter, which may increase his choice of financial services, thus adding in his capability to access a financial service.

Apart from the above points, whereby true and fair representativeness of indicators has been briefly touched upon, development practitioners have adopted different approaches to finalize the selection of indicators based upon key characteristics. Like SMART goals/objectives, the indicators may also follow the same or similar characteristics like CREAM described as below:

- **C**lear; precise and accurate
- **R**elevant; relevant to the subject/environment
- **E**conomic; Available at economical cost
- **A**dequate; sufficiently captures evidence/performance
- **M**onitorable; easily measurable/verifiable

## Mapping Results Mechanism into Theory of Change

Most importantly, many of evaluation bodies lay strong emphasis on the quality of M&E to be achieved and this forms one of the important aspects other than intervention outcome itself. With rightly designed M&E systems, the Theory of Change (ToC) ladder can lead to efficiently assess the impact that the intervention was supposed to achieve. A high-level example of the ToC's transition of inputs to outputs and outcomes, ultimately resulting into impact is depicted in figure 2, taking the earlier example of the drought resistance plantation:



Source: Author's own work

The above example signifies a comprehensive **theory of change** and highlights results and tracking methods for each layer that shows how a systematic and well thought M&E system can provide input for evidence-based policy making/design of future interventions.

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## Key Resources

- [1] Ten steps to a results-based monitoring and evaluation system: a hand-book for development practitioners / Jody Zall Kusek and Ray C. Rist, 2004.
- [2] DFID's Approach to Value for Money (VfM), Department for International Development, UK (2011).
- [3] Project Management Institute. A Guide to the Project Management Body of Knowledge (PMBOK Guide). Newtown Square, Pa: Project Management Institute, 2004.
- [4] A Water-Secure World for All, World Bank Water Global Practice, Web Resource, available at: <http://www.worldbank.org/en/topic/water/overview#1>
- [5] Independent Evaluation Group, World Bank Project Performance Ratings - Codebook, September 2015