

AES Conference Paper

Mid-Term Review of The Sub-National Strategy

Observations on the Monitoring and Evaluation of Capacity Development

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This Presentation

- Reflects on 3 issues related to the M&E of capacity development:
 - Measuring progress and impact in *soft areas* such as capacity development.
 - Looking beyond external accountability, the potential of M&E for organisational *learning and ownership*.
 - Measuring *attribution* in the context of *endogenous CD*.
- Reflections based on a recent MTR of AusAID's Sub-National Strategy in PNG

The Sub-National Strategy (SNS)

- Australian Government Program in PNG
- Supports PNG efforts to improve service delivery by strengthening institutions of local governance
- Complements sector, and central agency support programs
- Running since 2007 (pilot 2004-7)
- Flexible design: building on opportunities and adapting to emerging policy priorities and concerns.
- ‘Support for Partner Programs’ modality:
 - *Aligns behind GoPNG leadership and direction.*
 - *Use of co-located officers at provincial level*
 - *ISP provides administrative and logical support.*

■ Three Entry Points:

- central agencies and systems
- Provincial Administration
- AusAID coherence

■ Achievements to date:

- Supported introduction of a new system of intergovernmental financial transfers.
- Strengthened role of/ processes within central agencies with decentralization responsibility incl. DPLGA, PLLSMA.
- **Helped Expand the Provincial Performance Improvement Initiative (PPII) to 17 provinces.**

PPII

- Strengthening provincial and district administrations capabilities to support service delivery
- a structured but flexible process of organizational development
- Voluntary Participation : pace and direction of change determined by each provincial administration
- Staged Approach: capacity diagnostic exercise corporate plan...phased implementation
- **Performance-based** progression from one phase to another
- Main instrument is **TA** personnel. Also, training, exchange visits and peer review, performance-based financial incentives.

Mid Term Review

- Conducted in March, 2009
- **Scope:**
 - Take stock of achievements since inception.
 - Understand what approaches to CD work.
 - Make recommendations on way forward.
- **The Team:** 3 x independent consultants, 3 x government representatives, 2 x AusAid staff members.
- **Approach:** Semi-structured interviews, direction observation, document review.
- **Field visits:** East New Britain, Milne Bay, Morobe, Sandaun and Autonomous Region of Bougainville.

Some Definitions (OECD/ DAC)

■ Capacity

- *“Ability of people, organisations and society as a whole to manage their affairs successfully”*
- For PPII, it is the capacity of provincial and district administrations to perform core administrative functions that facilitate service delivery
- What are those capacities ?

■ Capacity Development

- *“Process whereby people, organisations and society as a whole unleash, strengthen, create, adapt and maintain capacity over time.”*
- For PPII – both the process through which each provincial administration takes charge of its own CD agenda, as well as the broader process of decentralisation itself within which each sub-national entity operates.

■ Support for Capacity Development

- *“What outside partners can do to support, facilitate or catalyse capacity development and related change processes”.*
- In this case, support is the contribution by AusAID through SNS to goPNG efforts to strengthen institutions of local governance (is synonymous with technical co-operation).

Issue 1: Measuring CD Progress & Impact

- **Challenges of CD measurement:**
 - Global development community places importance on measurement and demonstrating impact against hard indicators. Key for political support and funding
 - Yet CD less amenable to such measurement. But is fundamental to sustainable development; service delivery improvement and MDGs.
 - Challenge to find ways to communicate evidence of capacity change.
- **Changes in Capacity can be difficult to measure:**
 - Does not lend itself easily to hard quantifiable indicators
 - Can be difficult to capture the dynamics of change and interrelationships
 - Time lag between capacity change and performance improvement
 - rarely follows a neat linear path esp in complex situations (emergent)

■ **Option 1: Focus on Outputs (as Proxy indicator)**

- look at changes in outputs (products, services etc.)
- Can be back office / internal products and services or front line
- Easier in simple organisations with routine production process/ tasks. More difficult in complex organisations/ multiple outputs
- Be mindful of time lag between capacity enhancement and performance improvement
- Other factors can be responsible for performance improvement.

■ Option 2: Track Capacity Change

- Can work if got a **baseline or benchmark**; (capacity assessment or norms) to compare against
- Combine **tangible & intangible indicators**:
 - *Tangible*: skills development, organisational restructuring and business process re-engineering.
 - *Intangible*: politics, culture, legitimacy, identity, confidence, establishing integrity and trust.
- **Consider alternative techniques**: Outcome Mapping, Appreciative Enquiry and Most Significant Change may help unravel complex processes
- **In situations of complexity, uncertainty and contention** measurement against a priori objectives may be less useful than defining strategic goals in broader terms and allowing iterative learning.

Observations from MTR

- High expectation: *enhanced capacity = better service delivery = better development outcomes.*
 - it is too early to show evidence of this causal link
- **Is Provincial Capacity Improving?**
 - Yes, but incrementally:
 - Corporate planning process identifies key result areas that offers a basis for monitoring change over time.
 - Difficult to determine how far organisational wide change has occurred and how sustainable
 - Significant anecdotal/qualitative information provides evidence on direction of change and CD dynamics.
- **MTR confirmed that capacity enhancement is a necessary condition for service delivery improvement.**
 - However, many other critical factors impact on quality of services but lie beyond scope of PPIL.
 - Need a more holistic model of factors impacting on service delivery

Issue 2: Potential of M&E For Organisational Learning and Ownership

- **M&E often defined in terms of reporting needs of donor:**
 - Accountability to domestic constituencies for donor resources expended.
 - Learning about what does and doesn't work as a basis for improving practice.

- **M&E can also play key role in supporting the CD process itself**
 - As a tool for organisational learning.
 - By empowering leaders to take charge of the change process.

- **Involving local organisation in defining M&E parameters/ indicators is essential:**
 - No two organisations see capacity issues in quite the same way; it is context specific.
 - It is important that local stakeholders participate in making CD visible in terms they understand, & mutually agreed.
 - Organisational behavior is shaped by cultural and political factors which outsiders often cant see or misinterpret.
 - Helps avoid M&E being perceived as intrusive and extractive, or not responsive to local needs and priorities
 - Avoids undermining ownership and commitment to change, by apportioning blame for lack of implementation.

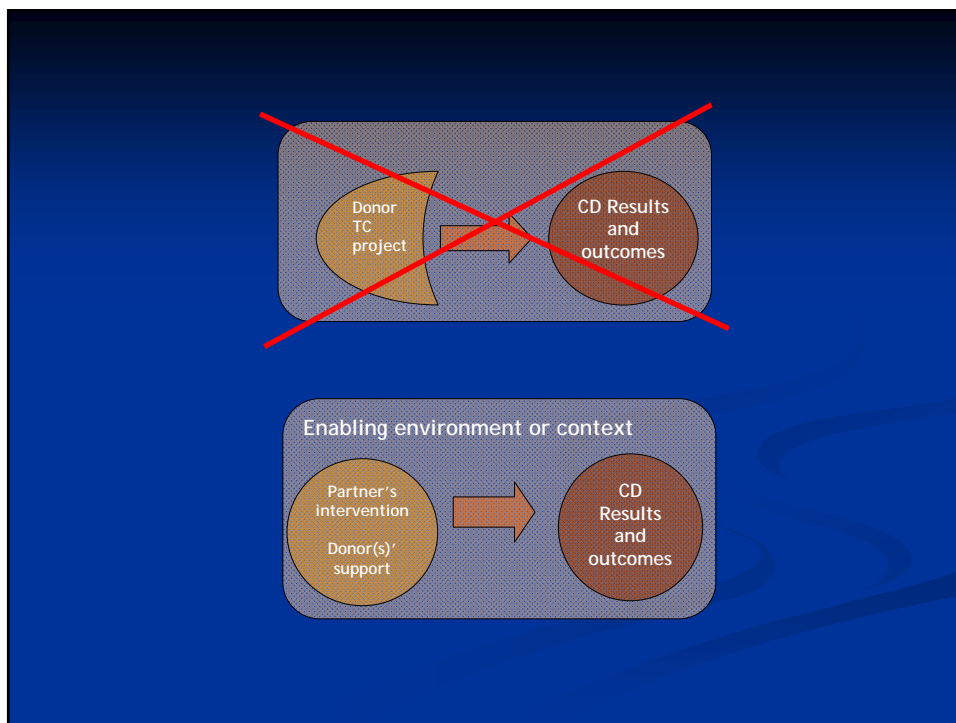
Observations/ Lessons from the MTR

- **PPII/ Corporate planning process:**
 - It is Empowering, as ownership for change is vested within leadership of provincial administration.
 - Offers opportunity for internal learning and as a management tool to set direction and change.
 - Encourages sub-national stakeholders to engage in continuous self-assessment.
 - It also provides framework for dialogue/ negotiation with external stakeholders and local participants at 2 levels:
 - **DPLGA:** CD support, compliance and incentives
 - **External partners** seeking evidence of impact of support on capacity enhancement.

- **Considerations for the future:**
 - Extending assessment process to include **users** of services (establish relationship between CD and performance improvement).
 - Provinces to reflect and identify other areas of Capacity, not captured in Corporate planning process
 - Value of other techniques for capturing change; outcome mapping, Most significant change etc.
- **Tips for outsiders “looking into the kitchen”:**
 - Be sensitive to how issues are approached and discussed (integrity).
 - Invest in building confidence and trust between those interviewing and those being interviewed.
 - Include national (local) consultants: valuable as communicators, interpreters of information and strengthening relationships.

Issue 3: Attribution and Endogenous CD

- How far can capacity change be attributed to an external input ?
 - CD an endogenous process driven and directed by local stakeholders.
 - Outsiders (eg. Donors) can provide support but not lead.
- How do we perceive our donor contribution vis-à-vis that of our local partners?
 - Can there be a donor funded process that does not actively involve local partners?
- What should be the focus of measurement?
 - Contribution of donor input
 - The endogenous CD process



- **By focusing on the donor input:**
 - role of donor emphasized
 - contribution of local factors tend to be downplayed
 - Risk of losing interest of local stakeholders
 - Miss opportunity mutual accountability

- **By focusing on the endogenous process:**
 - opportunity of highlighting a broader range of factors impacting on outcomes, (of which one may be the donor input)
 - But may fail to credit specific donor inputs/ learn what works and why

Observations/ lessons from the MTR

- SNS cannot make change happen. Role is to facilitate a locally managed change process. *Its contribution is only one of several*

- **Local Change Process (Primary focus)**
 - Decentralisation is complex: Despite substantial support provided by SNS, *outcomes are influenced by many variables*; politics and culture as well as by technical rationality and good design.

 - Too early to discern evidence of impact of capacity change on performance improvement: no clear correlation at this stage.

- **Contribution of SNS (Secondary focus)**

- It was possible to draw conclusions about the *outputs* generated from SNS contributions, but too early to evaluate impact on the local process.
- Effectiveness of SNS is as much determined by *local factors* as it is by the quality of TA or overall design considerations: conducive governance environment, good leadership, ownership of change process and reasonable levels of capacity in core areas.

- **It is as important to assess the contribution of GoPNG to CD process as any SNS input - *Outcomes depend on combined effort.***

- This provides a basis for mutual accountability and performance review. Joint learning
- “Performance dialogue” between TA and local agencies.
- Contribution more important than attribution
- Reinforces country M&E system; capacity to monitor CD; Gathering data that aligns and strengthens the local partner’s own goals, priorities and M&E requirements.

Conclusion – Challenges of M&E of CD

- **Being clear on purpose of M&E**
 - Donor and local partner accountability and learning
 - A tool for CD and change
- **Being clear on what to measure**
 - Changes in capacity and changes in output
 - The CD process; inputs of both local and external
 - Challenges of measurement in emergent and complex situations
- **Selecting the right indicators and instruments**
 - Process indicators and output indicators
 - Tangible and intangible dimensions
 - Role of stories and related approaches
- **Involving the right people**
 - local participants as best placed to select indicators and lead the process
 - Mutual performance review to assess joint effort in supporting process