

The Application of MSC on AIPEG: The Benefit & Its Challenges

By:

Carolina Lasambouw¹ and Lia Marpaung²

ABSTRACT

This paper presents the lessons learnt in the application of the Most Significant Change (MSC) method as part of a broader evaluation plans for the Australia Indonesia Partnership for Economic Governance (AIPEG) Facility. The MSC, a participatory and qualitative data collection and analysis method which is story based, is used in AIPEG because it is an effective way to identify changes at an outcome level, which are often more difficult to identify and attribute to AIPEG's assistance program; capture positive and negative unexpected outcomes; drive and support reform in AIPEG's partners agencies, including contribute to increase awareness on evaluation.

Despite the fact that the implementation of MSC has only just started, it has already proven its contribution in AIPEG's evaluation process, as it has add rich data on impact and outcomes that can be used to help assess the performance of the program as a whole. Stories and their selection is at the heart of MSC which is a good vehicle to open the dialogue in building and sharing understanding, including the complexity of the support program, and encourage reflection which will lead toward on improvement. However, despite the full benefit of applying MSC, the resources and time required to implement MSC on a regular basis may not be practical to maintain for a large and complex program such as AIPEG (\$66 million over 6 years), which has very diverse partner agencies and targeted at a very specific problem. Furthermore, there are challenges in regards to strategic support and lack of feedback from the stakeholders.

In this paper we want to discuss the value of the MSC methodology, how the full depth of data collected can be used, the value in doing this technique, the challenges that we encounter, and how to reduce duplication with other evaluation techniques. We identify the situations in which MSC should not be used and when it shows how, when well applied, MSC can be a valuable part of an evaluation program generally..

¹ AIPEG Most Significant Change Officer (carolina.lasambouw@aipeg.or.id/icarolina04@yahoo.com)

² AIPEG Monitoring & Evaluation Officer (lia.marpaung@aipeg.or.id/lia_rina_marpaung@yahoo.com)

Introduction

The Australia Indonesia Partnership in Economic Governance (AIPEG) Facility is a complex Facility, which supports a number of Government of Indonesia (GoI) agencies to implement reform in the areas of economic and fiscal management and good governance. This reform of the GoI bureaucracy is driven by a Presidential Instruction³, which requires the restructure of Ministries by 2011 with the aim that they will be more effective and efficient and capable of fulfilling their responsibilities on behalf of the Indonesian public.

To support this reform, AIPEG provides a variety of technical assistance, advice and specific support. AIPEG's approach has a capacity development focus and assists the agencies to develop capacity at the individual, organisational and institutional levels.

Based on experience, the challenge of development is to improve quality of work performance and the services provided by the organization (Lipsey, 2009). Therefore, the AIPEG monitoring and evaluation framework was developed to determine whether the support provided does or has developed capacity. If so this increased capacity will be reflected in the application of the outputs supported by AIPEG. This will then lead to changes in the target organisation and ultimately improved service delivery. MSC also provides a basis to assess accountability, enable the outcome of the support to be identified, and to integrate a continuous improvement approach to the support provided.

The Most Significant Change (MSC) story approach is used across AIPEG as part of the monitoring and evaluation approach. MSC is a participatory, qualitative data collection and analysis method which is story based. MSC was developed in 1995 by Davies (footnote how he is) and popularised by Davies and Dart (2005). Considering the complexity of AIPEG's support, we believe that MSC could be used as an effective way to identify changes at an outcome level; to identify positive and negative unexpected outcomes; and provide early identification of emerging issues. Information on changes obtained through the MSC technique can then be used to support the evaluation of program impact.

³ Presidential Instruction No. 1/Year 2010.

MSC of a Central Government Agency

Since January 2011 (one year after AIPEG commenced), MSC has been applied in AIPEG to collect change stories from stakeholders of AIPEG support in central government agencies. Storytellers were asked to identify what had changed as a result of AIPEG support. They then selected which of these changes was the most significant to them. Each storyteller told us what it was like before the change, what caused the change and what it was like now – that is they described the past and the present and what changed and the catalyst for the change. They also told us why this was the most significant change for them. As the AIPEG Facility was a continuation from a previous program, a number of AIPEG activities were carried forward from the previous phase. During MSC story collection, we did not distinguish between those activities commenced in the previous phase and those commenced in AIPEG. We took this approach because storytellers don't distinguish between the two projects, what they see is that AusAID supported their activity. Due to the continuity in support, it would have been an artificial separation.

Within a year of MSC implementation on AIPEG, a total of 91 stories had been collected from various agencies and grouped into four key areas of AIPEG support: Tax Reform, Financial Services, Trade in Services, and Other Ad Hoc support. To select the stories, a selection panel was established. The panellists comprised a representative from the related partner agency, AusAID and AIPEG, and in certain cases a representative from an advisory body such as the AIPEG Gender Board.

The stories collected were submitted to the panel for each of the four key areas. The panel discussed and selected one or two stories each that the panellists considered reflected the most significant change as a result of AIPEG facilitation. The panellists discussed the result and identified why they selected the story from all of the collected stories. The selected stories were then validated. So far, AIPEG has facilitated five selection panels to review and select stories from the key areas (including one on gender). Within the coming month of

September 2012 we will conduct a national level panel selection to review and select the MSC from all panels.

Results of the MSC panel selection were then published in a brochure, which was used as a way to provide feedback to all AIPEG stakeholders, especially AIPEG's Sub-Facilities, AIPEG's partner agencies and MSC respondents. Our experience with partner agency shows that the MSC brochure is used to smooth communication between individuals or lower level work units and the upper levels of their organisation about their existing performance. In this context, MSC has been used for the purpose of internal public relations by agencies.

In AIPEG, the collected stories have been stored in a specific database system which enables easy and quick retrieval of data and helps manage the selection panel process. This database supports secondary analysis of data, which provides additional valuable input for AIPEG's monitoring and evaluation.

In addition, introducing MSC as part of our internal monitoring and evaluation methods to our partner government agencies this has built their awareness of the importance and usefulness of monitoring and evaluation. All too often, people see monitoring and evaluation as pointless, time-consuming and most have a tendency to just focus on achieving outputs, utilization of the allocated budget and provision of the activity report. The quality of the output is often neglected and the changes that it leads to are rarely considered. MSC helped to overcome this. However, during the initial implementation of MSC, we experienced difficulties where some AIPEG staff raised their concern that MSC will only bring extra burden to their counterparts. This is based on their thought that it will require long process of data collection and validation that will intensively involve their partners. As the understanding of the technique increased however people, especially AIPEG staff and their partners, have become more supportive to the MSC process.

Lessons Learnt

Despite the fact that the implementation of MSC has only just started, it has already proven its contribution to AIPEG's evaluation process. MSC has added the rich data on impact and outcomes that can be used to assess the performance of the program in the big picture. We found that stories and their selection, the heart of MSC, were a good vehicle to open the dialogue to build and share understanding, including about the complexity of the program, and encourage reflection that will lead toward improvements. MSC also supports data collected by other more familiar evaluation techniques.

- ***The value of the MSC technique***

- The process of data collection was 'respondent friendly', it was not threatening because it mostly done in an informal and flexible approach.
- MSC provided part of the picture on achievements that has not been captured by other tools used.
- The MSC technique helped identify the unexpected changes that have occurred within the beneficiaries because of AIPEG contribution. The achievement of a program is usually measured against the planned outputs and outcomes and often outcomes outside the plan are not identified or considered. In some cases, this omission may lead to the initiative being considered a failure. However, MSC presents a method to identify the 'unexpected' output or outcome and the reason why it happened. Our experience showed that often a 'failed initiative' might really be more appropriately classified as "partly successful".
- MSC technique provided a new insight and enriched the partner agency's understanding of monitoring and evaluation approaches.
- The MSC story is less complex for the reader than other monitoring and evaluation result.
- The brochure as feedback focused on the area of changes. It has been useful for each respective unit and to the broader organization in

identifying their organization's 'lessons learn" and encouraging the organization to move forward with change and reform.

- Stakeholders found the MSC brochure, as the end 'tangible product' of the technique, easy to understand as it communicates more clearly and was more "eye-catching" than other monitoring and evaluation products.
- The publication of the changes occurred, presented through MSC brochures, has given positive impacts on increasing the confidence to the staff and their relevant units. These changes have produced positive progress that are previously not realised by the organisation.

- ***Usefulness of the data collected***

- The MSC brochure can also be used to support internal communications of changes without the change being seen as a threat. If you it can be used as public relations tool to promote upwards, downwards and more broadly the positive things happening in an agency. Or if negative can highlight the causes and the solutions that might be adopted in future, similar situations. In summary it is all about make the partner agency aware of the changes 'its staff are achieving through AIPEG support'. However this is not its primary purpose). The collected data on changes provides information to assist management implement continuous improvement.
- Data on changes to which AIPEG's contribution are acknowledged by the partner agency can be seen as a strong acknowledgement of the success of the AIPEG program.
- The information assists the partner agency communicate qualitative information about their performance to the organisations senior management.
- MSC encouraged inter-office communication, especially between the central office and regional offices. As the changes happened in the central

office and were recognised by the top level management as ‘good changes’ that supported the agency’s goal on bureaucratic reform, the management has expanded the distribution of the MSC brochure to communicate more effectively to their regional offices and encourage them to replicate the changes and achieve similar work outcomes.

Challenges

Notwithstanding the many benefits that we found when applying MSC, there are we experienced a number of challenges. Others should anticipate similar experiences.

The challenges identified are:

- **Concept of “change” and “significant” may not be understood.**

Language was often a challenge as the core terminology of MSC is two words: ‘change’ and ‘most significant’. From our experience during data collection, respondents tended to have difficulty in communicating what changes had occurred that AIPEG had contributed too. This seemed due to lack of experience in identifying change, as most of their experience considered only achievement of outputs.

In regards to the word ‘most significant’, MSC respondents tended to interpret it to mean various things including very important, main, major, largest, ‘the highest level achievement’ or ‘the biggest result’. Therefore during the interview the data collector often needed to confirm the respondents understanding of the meaning of ‘most significant’.

- **The resources and time required to implement MSC** on a regular basis may not be practical on a large and complex program such as AIPEG, which has very diverse partner agencies and targets a range of very specific problems. In addition, we sometimes found some challenges to obtain support and commitment from key partner agencies.

- **The implementation of MSC within AIPEG was periodically put on hold.** There was a period where implementation of MSC was stopped for three months, then recommenced. This constrained the effectiveness of raising understanding about MSC within the AIPEG team and its partner agencies, and its ability to contribute in promoting positive changes throughout the cycle of AIPEG support.
- **Ensuring the stakeholders on the importance of MSC.** This includes ensuring AIPEG's management on the importance of recording and acknowledging the changes occurred and lessons learnt drawn from the AIPEG's support provided to the partner agency.
- **Interview technique and writing skills.** Interviewing respondents to collect their story of change is challenging and each experience different. In Indonesia, some respondents may start by telling about each change in detail, or providing a very detailed background before they move to the story about the most significant change that occurred. Most Indonesian's have grown up with the culture of storytelling and usually like to tell a story for a long time and give very comprehensive information. The interviewer may require higher levels of skill to manage this where there are time constraints
- **Appropriate respondent.** Selecting the appropriate respondent to interview was another challenge. Interviewing each respondent required partner agency approval. This involved a bureaucratic process that required high levels of input to enable provision of the information required to obtain approval for the interviews. On some occasions, the delays meant respondents could not be interviewed.

How Has MSC Been Used?

MSC is part of a broader evaluation from support provided by AIPEG to Government of Indonesia's agencies. In addition to contributing to these evaluations, partner agencies have also used the MSC for a range of purposes. One agency used MSC findings primarily for communication and public relations,

whereas another agency used the MSC brochure to encourage lower level management to implement change.

There were several reasons identified as causes of success in using MSC findings by partner agencies. The major reason was because of the level of participation of the senior official at the respondent's agency and the fact that there was an internal need within its related agency to show the evidence of success that have gained. On AIPEG's end, the intense involvement and support from the relevant Activity Managers has also contributed to become one of the causes of success of the usage of MSC.

MSC was used as one of the methods to contribute to evaluation of activities. In developing the plan for monitoring and evaluation, we first identified which method(s) would be most appropriate to answer the evaluation questions posed. MSC was determined to be one of the methods to use for some of the activities, but not for all activities. It is important to remember that MSC may not be appropriate in all circumstances.

Conclusion

We found MSC had many benefits in evaluation of AIPEG. MSC was an effective way to identify changes at an outcome level (it is often difficult to identify and attribute change at this level); capture positive and negative unexpected outcome; and drive and support reform in AIPEG's partner agencies, including its contribution in increasing awareness about evaluation.

Things that we would do differently to maximise the value of MSC include:

- Obtain support from all of the core management team before introducing MSC.
- Obtain similar understanding on the purpose and use of MSC among the stakeholders, especially the core management team.
- Find ways to ensure AIPEG upper level management (including Sub-

Facility Lead Adviser) and AusAID participate in the MSC panel selections.

Acknowledgements

We would like to thank Norton Rose and the Australian Government for their support of this paper. The views in this paper are our own and do not necessarily represent those of AusAID, the Australian Government or Norton Rose.

References

Davies, R. and Dart, J. (2005). The 'Most Significant Change' (MSC) Technique. A Guide to its Use. www.mande.co.uk/docs/MSCGuide.pdf (accessed 26 May 2011).

Lipsey, M. W. (2009). Better evidence for a better world. International Initiative for Impact Evaluation, working paper 2. The Campbell Collaboration.