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MONITORING & EVALUATION

FOR THIRD SECTOR ORGANIZATIONS

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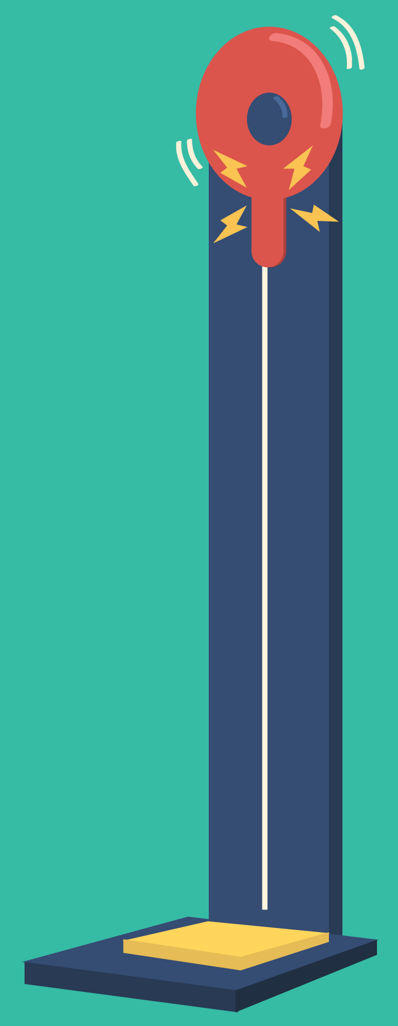


INTRODUCTION

DEFINITIONS

Monitoring

Observing and checking the progress or quality of (something) over a period of time; keeping under systematic review.

Evaluation

Assessing the strengths and weaknesses of programs, policies, personnel, products, and organizations to improve their effectiveness. The primary purpose of evaluation, in addition to gaining insight into prior or existing initiatives, is to enable reflection and assist in the identification of future change.

Types of M&E

Implementation-based

Traditional monitoring focuses on implementation monitoring. This involves tracking inputs (money, resources, strategies), activities (what actually took place) and outputs (the products produced).

Results-based

Results-based monitoring involves the regular collection of information on how effectively the organization is performing. It demonstrates whether a project, program, or policy is achieving its stated goals.

Roles of M&E

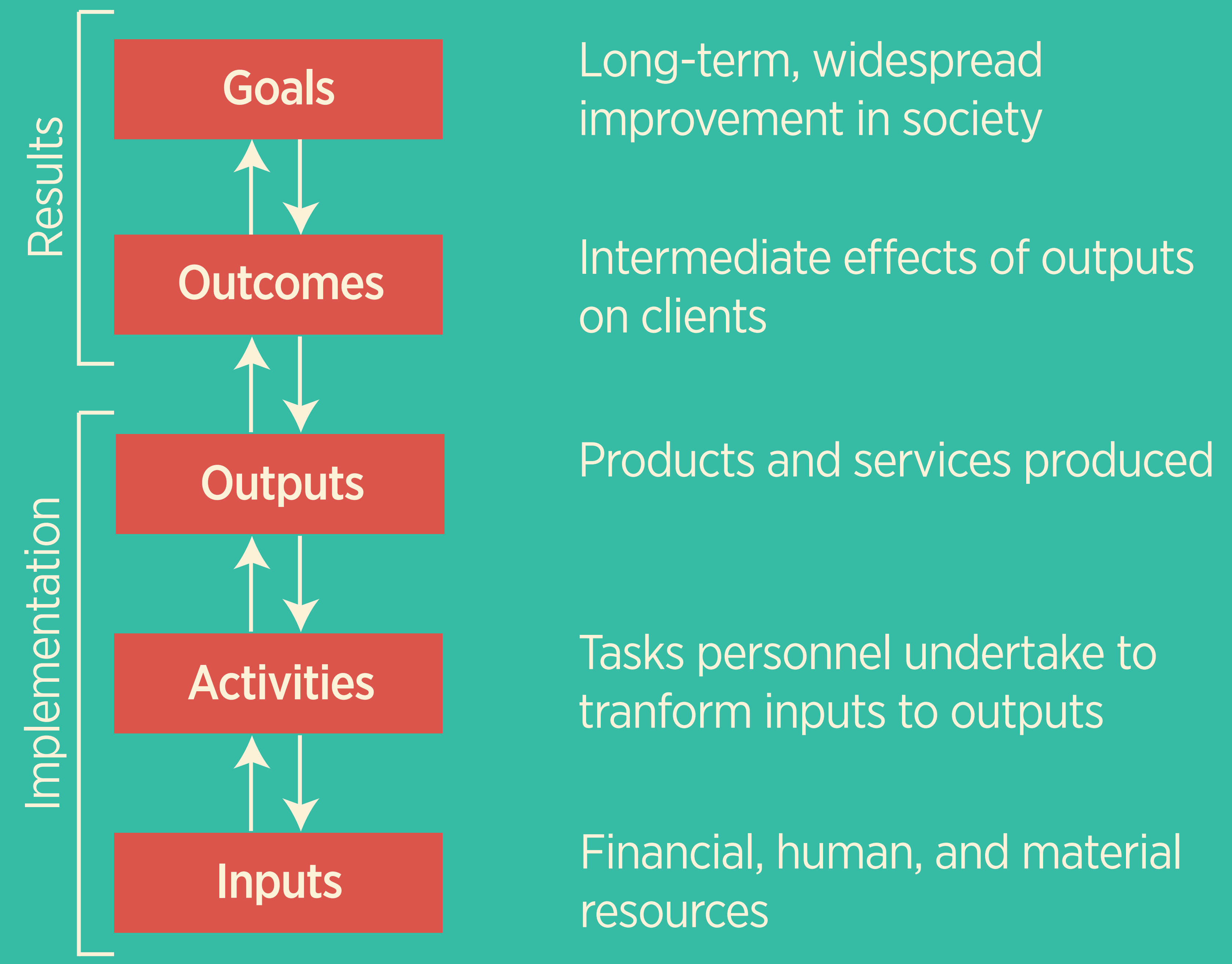
Monitoring and evaluation are complimentary to each other:

Monitoring	Evaluation
• Clarifies program objectives	• Analyzes why intended results were or were not achieved
• Links activities and their resources to objectives	• Assesses specific causal contributions of activities to results
• Translates objectives into performance indicators and set targets	• Examines implementation process
• Routinely collects data on these indicators, compares actual results with targets	• Explores unintended results
• Reports progress to managers and alerts them to problems	• Provides lessons, highlights significant accomplishments or program potential, and offers recommendations for improvement

Advantages of M&E

- Provides crucial information about non-profit organizations' performance
- Promotes credibility and stakeholders confidence by reporting on the results of programs
- Helps formulate and justify budget requests
- Identifies potentially promising programs or practices
- Focuses attention on achieving outcomes important to the organization and its stakeholders
- Provides timely, frequent information to staff
- Helps establish key goals and objectives
- Permits managers to identify and take action to correct weaknesses
- Supports a development agenda that is shifting towards greater accountability for financial support

The causal logic behind results-based M&E



Steps for Establishing an M&E System

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03 SELECTING KEY INDICATORS TO MONITOR OUTCOMES

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08 REPORTING YOUR FINDINGS

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10 SUSTAINING THE M&E SYSTEM WITHIN YOUR ORGANIZATION

01 CONDUCTING A READINESS ASSEMENT

A readiness assessment is a systematic approach to determine the capacity and willingness of an organization to construct a results-based M&E system. The approach focuses on: presence or absence of champions, incentives, roles and responsibilities, organizational capacity, and barriers to getting started.

Why do a readiness assessment?

a. To understand what incentives (or lack there-of) exist to effectively monitor and evaluate development goals

b. To identify issues related to the capacity (or lack of) to monitor and evaluate programs. Possible barriers include lack of financial resources, lack of leadership will, lack of champions, lack of expertise & knowledge, lack of strategy, lack of prior experience.

02 AGREEING ON OUTCOMES TO MONITOR AND EVALUATE

While considering or discussing an outcome to monitor and evaluate, management must focus on some key issues:

- [x] Are there stated organization / program / project goals?
- [x] Do stakeholders polling data indicate specific concerns?
- [x] Are there any other factors that are closely linked?
- [x] Is financial support linked with specific goals? Management will need to develop a participative approach that includes the views and ideas of key stakeholder groups.

"If you don't know where you're going, any road will get you there"

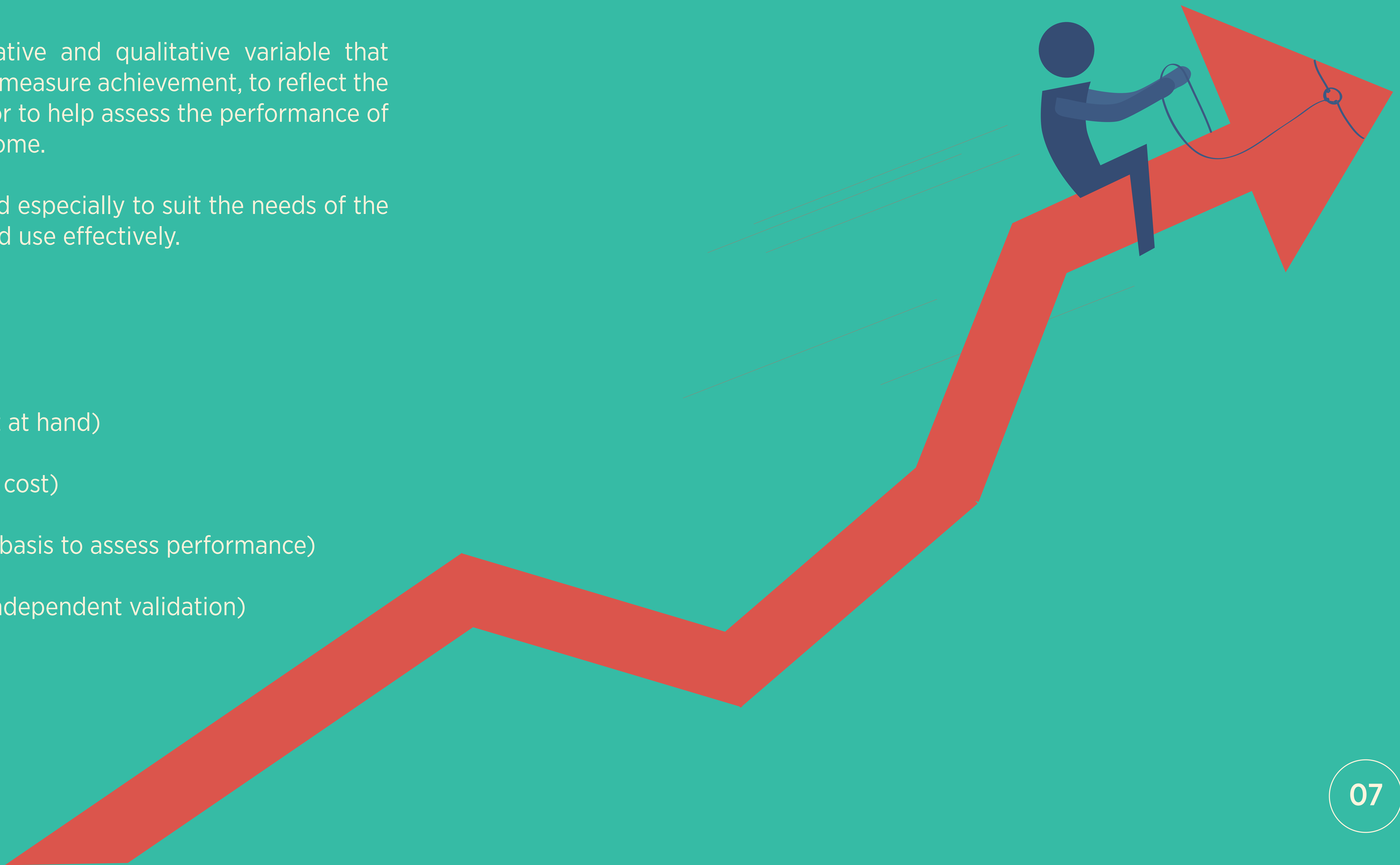
03 SELECTING KEY PERFORMANCE INDICATORS (KPI) TO MONITOR OUTCOMES

A performance indicator is a quantitative and qualitative variable that provides a simple and reliable means to measure achievement, to reflect the changes connected to an intervention, or to help assess the performance of an organization against the stated outcome.

A good performance indicator is tailored especially to suit the needs of the project and will take time to develop and use effectively.

A good performance indicator must be:

- Clear (Precise and unambiguous)
- Relevant (Appropriate to the subject at hand)
- Economic (Available at a reasonable cost)
- Adequate (Must provide a sufficient basis to assess performance)
- Monitorable (Must be amenable to independent validation)



04 ESTABLISHING BASELINE DATA ON INDICATORS

A performance baseline is information (quantitative or qualitative) that provides data at the beginning of, or just prior to, the monitoring period. The baseline is used to learn about recent levels and patterns of performance on the indicator, as well as to gauge subsequent policy, program, or project performance.

You will need to identify data sources for your indicators. Data is provided by primary and/or secondary sources:

a. PRIMARY data are collected directly by your organization, for example, through surveys, direct observation, and interviews.

b. SECONDARY data have been collected by someone else, initially for a purpose other than yours. Examples include survey data collected by another agency, a Demographic Health Survey, or data from financial markets.

Answers the question: "Where are we today?"

05 SETTING RESULTS TARGETS

These are the quantifiable levels of the indicators that a country or organization wants to achieve at a given point in time. However, some key points to remember while choosing targets are:

a. Only one target is desirable for each indicator

b. If the indicator is new (not previously used) be careful on setting firm targets (use a range)

c. Most targets are set yearly, but some could be set quarterly; others set for longer periods (not more than 5 years)

d. It takes time to observe the effects of improvements; therefore, be realistic when setting targets.

e. A target does not have to be one single numerical value; it can be a range

f. Consider previous performance

g. Take your baseline seriously

h. Targets should be feasible, given all the resource (input) considerations

i. Targets support public accountability. They give the public a clear benchmark against which they can measure progress.

06 MONITORING FOR RESULTS

A results-based monitoring system tracks both implementation (inputs, activities, outputs) and results (outcomes and goals). Implementation monitoring is supported through the use of management tools – budget, staffing plans, and activity planning.

Key Principles in Building a Monitoring System:

a. There are results information needs at the project, program, and policy levels

b. Results information needs to move both horizontally and vertically in the organization

c. Demand for results information at each level needs to be identified

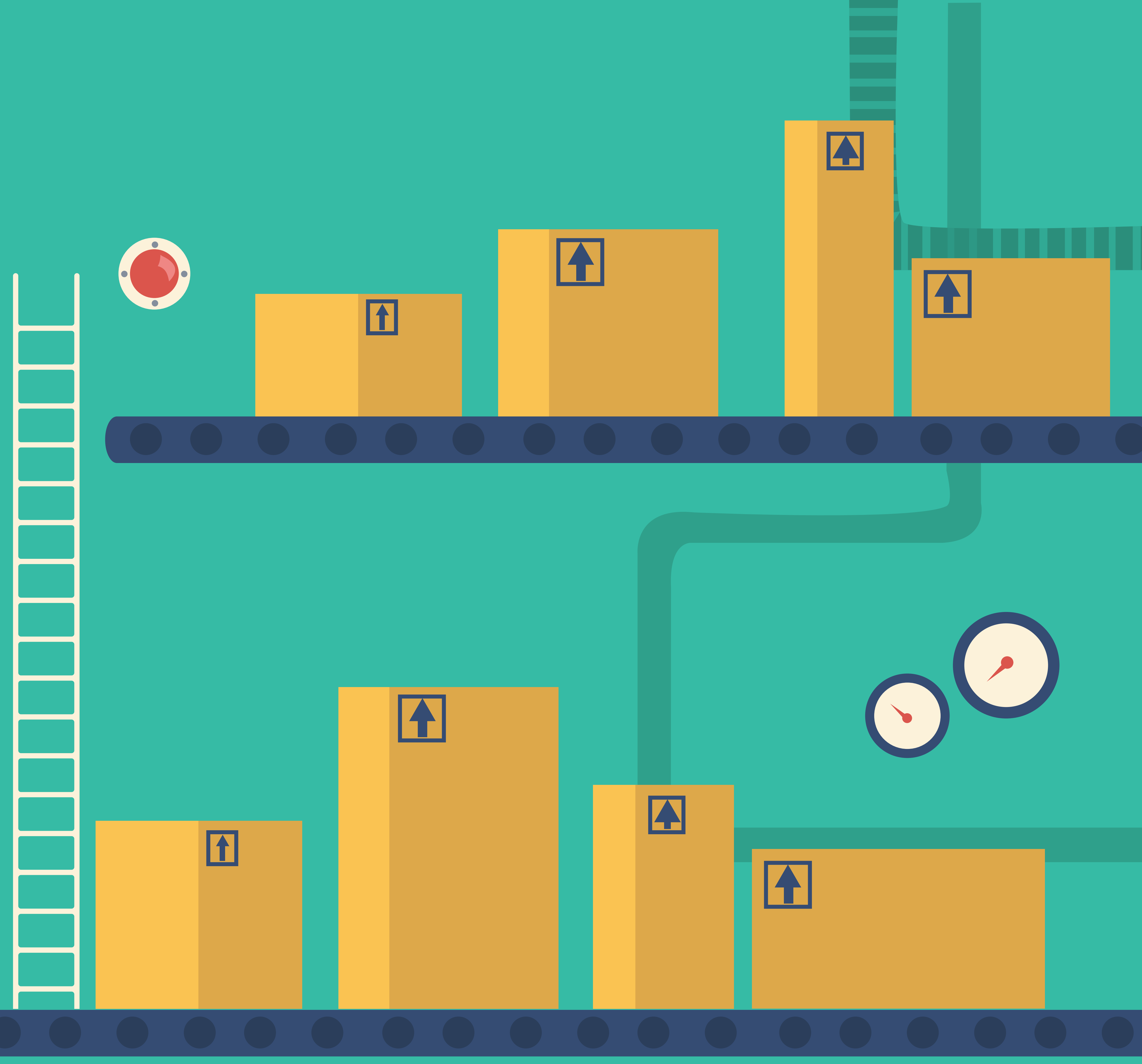
d. Responsibility at each level needs to be clear for:

• What data are collected (source) and when (frequency)

• How data are collected (methodology) and by whom

• Who analyzes the data and who reports it

• For whom? (internal, donor, public)



07 THE ROLE OF EVALUATIONS

Evaluation is an assessment of a planned, ongoing or completed intervention to determine its relevance, efficiency, effectiveness, impact and sustainability. The intent is to incorporate lessons learned into the decision-making process.

STRATEGY

Whether we are doing the right things
- Rationale/justification
- Clear theory of change

OPERATION

Whether we are doing things right
- Effectiveness in achieving expected outcomes
- Efficiency in optimizing resources
- Client satisfaction

LEARNING

Whether there are better ways of doing it
- Alternatives
- Best practices
- Lessons learned

08 REPORTING THE FINDINGS

When reporting your findings, make sure you compare your results data to earlier data and to your baseline. Analyzing and reporting findings:

a. Gives information on the status of projects, programs, and policies

b. Provides clues to problems

c. Creates opportunities to consider improvements in the (projects, programs, or policy) implementation strategies

d. Provides important information over time on trends and directions

09 USING THE FINDINGS

One can use the findings to:

1. Respond to stakeholders' demands for accountability
2. Help formulate and justify budget requests
3. Help in making operational resource allocation decisions
4. Trigger in-depth examinations of what performance problems exist and what corrections are needed
5. Help motivate personnel to continue making program improvements
6. Monitor the performance of contractors and grantees
7. Provide data for special, in-depth program evaluations
8. Help provide services more efficiently
9. Support strategic and other long-term planning efforts (by providing baseline information and later tracking progress)
10. Communicate better with the public to build public trust

10 SUSTAINING THE M&E SYSTEM

There are six critical components to sustaining an effective M&E system:

a. **Demand**

- The results from M&E systems are sought and available for civil society organizations and their partners, and for donors
- Organizations seek better accountability

b. **Clear Roles and Responsibilities**

- Establish formal organizational lines of authority (that are clear) for collecting, analyzing, and reporting of performance information

c. **Trustworthy and Credible Information**

- The system has to be able to produce results information that brings both good and bad news
- The producers of results information need protection from reprisals

d. **Accountability**

- The information produced by the M&E system should be transparent and subject to independent verification

e. **Capacity**

- Sound technical skills in data collection and analysis
- Managerial skills in strategic goal setting and organizational development
- Existing data collection and retrieval systems

f. **Incentives**

- Success is acknowledged and rewarded
- Problems are addressed
- Messengers are not punished
- Organizational learning is valued

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