
OUTCOME MEASUREMENT IN LOCAL GOVERNANCE PROGRAMMES

PART I - AN ANALYSIS OF SELECTED SDC CASE STUDIES



Pascal Arnold / Pascal Fendrich / Hilmar Stetter / Jens Engeli

Helvetas Swiss Intercooperation

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List of Abbreviations

ARD	Agriculture and rural development project, Vietnam
BMZ	German Ministry for Cooperation, Berlin
CONCERTAR	Governance Sustainable Regional Development, Bolivia
GSDRC	Governance, Social Development Resource Center, University of Birmingham, UK
INTRAC	Int. NGO Training and Research Centre, Oxford, UK
LG(U)	Local Government (Unit)
LOGOS	Swiss-Kosovo Local Governance and Decentralization Support Programme
MSP	Municipal Support Project, Serbia
OM	Outcome Measurement
PM(C)	Project Management (Cycle)
PS-ARD	Public Service Provision Improvement Programme in Agriculture and Rural Development
SAHA	Sahan’s Asa Hampandrosoana ny Ambanivohitra – Rural Development Programme - Madagascar
Sharique	Local Governance Programme in Rajshahi and Sunamganj
SDC	Swiss Agency for Development and Cooperation

1. Introduction and objective of the learning project

SDC has developed a significant portfolio of programmes to support decentralization and local governance in its partner countries. These programmes have gained diverse and relevant experience in measuring results and outcomes. However, a document on 'good practice' of measuring results in local governance programmes has not yet been developed. Results measurement was partly addressed in the comprehensive evaluation of SDC decentralization programmes of 2006/2007. Nevertheless, considerable new (methodological) experience has been gained in the meantime and the "state of the art" has evolved considerably through research and debates among donor organizations. Dign therefore decided that results measurement in local governance is of high relevance, worth to be addressed through a specific "learning project".

Definition of different levels of results

The PCM cycle along the logical framework has designed a '**results chain**' according to which 'results' are distinguished at different levels along a hierarchical structure. Whereas "outputs" can be directly achieved and attributed to a programme, "outcomes" are partly outside the direct sphere of influence of a programme, to be achieved within an intended mid-term perspective. As third level with a long term perspective, programme results at impact level are mostly linked to sustainable structural changes at partners' level, with an "attribution gap" making it difficult to make a direct link of programme activities with the impact level.

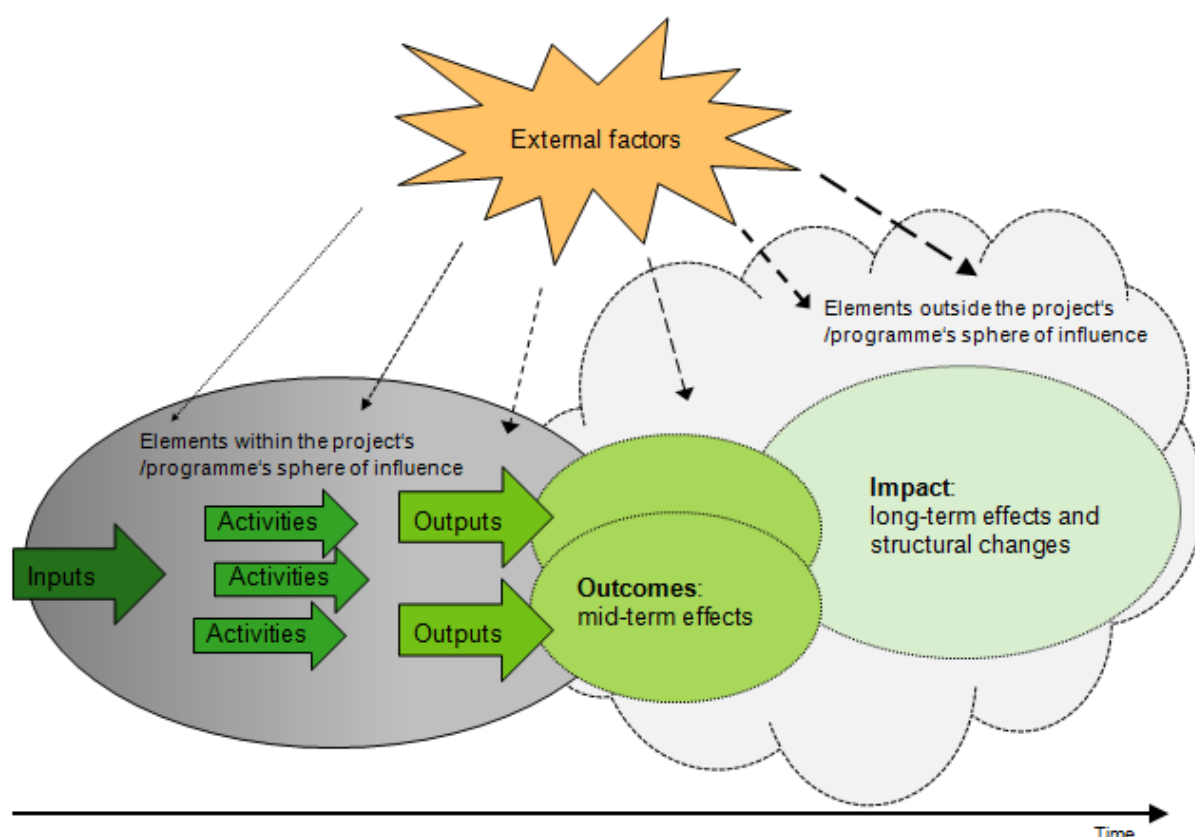


Chart 1: Results chain. Source: SDC (2009), *Wirksamkeit im Fokus*, p.7.

Outputs:

An output is the “tangible product of a programme or project, such as goods and services”, also called the “project deliveries”¹. Measuring outputs addresses the project/programme *efficiency*, i.e. analyzing the relation of inputs/outputs and budget/expenditures, *focusing on the short term effects*.²

Outcomes

An outcome is the likely or achieved medium term effect of an interventions’ output against the logical framework or an equivalent Results Framework. Outcomes are mostly *changes at partners’ level*, at both population and organizational/institutional level (including behavioral changes). Measuring outcomes addresses the project/programme *effectiveness* answering to the question, what are the direct and indirect, positive and negative effects of the project/programme *focusing on the medium term perspective*.³

Impact

Impact refers to the positive and/or negative, primary and *secondary long term changes/effects* produced by a programme/project, directly or indirectly, intended or unintended (influence on the context, societal or physical environment). Changes are mostly linked to sustainable structural changes at partners’ level, making it difficult to make a direct link of programme activities with the impact level.⁴

Scope and objective of the Learning Project

Whereas results at output levels are relatively easy to be measured through mostly quantitative indicators, the measurement of results at outcome and impact level is challenging. Lack of methodological guidance is also being acknowledged by recent research⁵ and reports of international organisations⁶, whereas at the same time the pressure to show results is increasing. This is particularly the case for governance programmes and initiatives, as they mostly aim at changes related to behaviors, processes, attitudes and power relations of their partners.

Local governance projects and initiatives are always designed to induce ***change at partners’ level***. Therefore, “measuring” to what extent national/local development partners have been strengthened and to what extent change has happened is of particular interest. This can only be done by clarifying how results measurement in a multi-stakeholder set-up is currently practiced, what tools are developed for that purpose and what experiences have been made with their application. As the biggest interest and ‘learning field’ is at the outcome level, this learning project thus puts the ***focus on measurement of outcomes*** in local governance programmes.

To get a full picture in the area of decentralisation and local governance, the change at outcome level should be measured – mainly at partners’ level - under different, but clearly focused perspectives, in particular:

- along the 5 good governance principles;
- under the perspective of increased (partner) capacities and the way they are used;
- changes at institutional, structural and procedural level;

¹ SDC (2002) English Glossary; SDC (2012) Guidance for Progress Reporting from Partners.

² SDC (2009) Guidelines for an End of Phase Report.

³ SDC (2009) Guidelines for an End of Phase Report; SDC (2012) Guidance for Progress Reporting from Partner; SDC (2002) English Glossary.

⁴ SDC (2002) English Glossary; SDC (2009), Wirksamkeit im Fokus

⁵ The “big push forward” debate instigated by Rosalind Eyben of IDS and followed by a large number of organizations worldwide highlights that many interventions for change cannot be measured with quantitative output indicators alone and new forms and ways of meaningful measuring that capture social change need to be found.

⁶ OECD (2004), Decentralisation and Poverty in Developing Countries: Exploring the Impact; EC (2007) Supporting Decentralisation and Local Governance in Third Countries

- changes in behaviors and attitudes of local governance actors;
- changes related to effective improvements for the right holders (beneficiaries perspective, demand-side);
- changes in the medium term perspective (and long term/impact perspective elements, where available);
- changes in the reform agenda and implementation (incl. influence on the national system; decentralisation reform agenda and/or specific sector like water/waste etc).

Another important element to consider is the question of attribution, in terms of effective contribution of a programme/initiative to an intended/realized change (attribution gap, GiZ speaks in their results chain of a “Zuordnungslücke”).⁷

A recent scientific publication of GSDRC⁸ presents an overview on the current literature on this topic. A number of other institutions are also working or discussing similar issues in networks, such as the BMZ⁹, the European Centre for Development Policy Management (ECDPM), DeLoG (focus on harmonization, including a background paper used for training purposes on planning of Local Governance and Decentralisation programmes,¹⁰ which highlights various methodological challenges, political risks and statistical weaknesses), INTRAC in the United Kingdom, and SEVAL in Switzerland. This information has been used for designing this learning project.

The two primary objectives of the learning project are

1. Joint learning from experiences of SDC local governance programmes/initiatives with regard to methods/tools and ‘good practices’ of outcome measurement
2. Identification and analysis of good practices and learnings, to provide guidance and orientation for the future

2. Methodology: Analysis of Case Studies

Six SDC supported programmes in the areas of local governance have been selected as case studies, along criteria ensuring a combination of ***diverse outcome monitoring methodologies and their application in different continents and contexts:***

Case Study	Methodology Applied
MSP Serbia	Outcome monitoring system in 6 municipalities (based on Outcome Mapping methodology), focus on project outcome indicators with scoring system
SHARIQUE Bangladesh	Outcome monitoring tool in 150 LGU: quarterly OM sheets for each LGU along 17 indicators and 120 sub-indicators, with a scoring system to measure change
SAHA Madagascar	Outcome monitoring tool, based on Outcome Mapping used within a cycle of two program phases, put into practice with 46 municipalities/associations and approx. 100 indirect partners
LOGOS Kosovo	Citizens-based satisfaction survey organised on a yearly basis in 10 municipalities (9 partner + 1 control). Focus on outcome indicators and changed perceptions along the governance criteria
PS-ARD Vietnam	End-beneficiaries satisfaction survey conducted twice (baseline + end of the programme) in two partner provinces with a representative sample of 400

⁷ SDC (2009), Wirksamkeit im Fokus’

⁸ GSDRC (2011); Claire McLoughlin and Oliver Walton: Topic Guide Measuring Results.

⁹ BMZ (2011), Working Paper, Micro Methods in Evaluating Governance Interventions

¹⁰ TRAIN DEV.NET, Participants Kit: Harmonisation, Decentralisation and Local Governance (2011).

	households). Focus on improved quality of public services in the ARD sector and inclusion in local planning
CONCERTAR Bolivia	M&E system in a larger program, based on cooperation with around 18 'mancomunidades' (intermunicipal associations), extended to dimensions of coordination between different state levels and public policies at national level

The following chapters contain a comparative analysis of the above listed case studies and the methodologies applied, with a particular look at the ***purpose served, the methodologies applied, the dimensions addressed, the indicators used, the degree of harmonization and alignment with other donors/national monitoring systems and the contextual preconditions to use the specific methodology.*** This is followed by a list of learnings, divided in operational learnings and more strategic learnings.

3. Purpose of Outcome Monitoring

All outcome measurement (OM) methodologies applied in the analysed case studies serve ***multiple purposes***. The primary objective is however in most cases to measure the ***direct project results at outcome level***. ***Secondary purposes*** mostly relate to initiate a dialogue with partners (MSP-Serbia, LOGOS-Kosovo, SAHA-Madagascar, CONCERTAR-Bolivia) and/or to serve as source of information for policy dialogue activities. In some cases, the methodology was also used for benchmarking, i.e. to compare "performance" of different local governments (in Sharique-Bangladesh, the benchmarking was used for ranking LGs to qualify for a granting system). Finally, In the case of the PS-ARD in Vietnam, a key objective was to develop an instrument that could be transferred to and replicated by national institutions.

This strong focus on the project - most methodologies were developed by a project for the project - has also as consequence, that highly interesting data and results of the ***OM were often not sufficiently used*** and disseminated for awareness creation and policy dialogue purpose. While results of the monitoring exercises were usually formally shared, there was in general not enough investment into mechanisms to discuss and analyse results jointly with partners. This is also linked to the fact that other potentially interested partners (such as local government associations, national government, other donors, other programmes) were often not directly involved in the design and implementation of the outcome monitoring systems.

- All methodologies serve multiple purposes
- Primary purpose is in most cases to measure project results at outcome level (exception is the "outcome mapping" methodology, which emphasizes measuring changes at partners' level)
- Secondary purposes mostly relate to initiate a dialogue with partners, policy inputs and/or benchmarking
- Due to the project focus, the partners/policy dialogue purpose is not sufficiently explored, which is a missed opportunity
- Purpose should be clarified and communicated from the beginning

4. Methodologies applied

Diverse methodologies are applied in the different case studies; all of them have advantages and disadvantages. Most programmes refer to a specific main methodology (e.g. citizens surveys in PS-ARD Vietnam and LOGOS Kosovo, outcome mapping in SAHA Madagascar and MSP Serbia), which is adjusted to the specific project and context. Depending on the choice of the methodology, the involvement of partners varies greatly. While partners play an active and central role in

methodologies based on outcome mapping, their involvement is limited in OM tools that extract information through opinion surveys. In most cases, however, the OM system combines different tools for data collection to measure outcomes (e.g. focus groups interviews/meetings, surveys, LG reports, statistics). **The choice of the specific methodology is not always based on clear criteria and/or an institutional policy**; it seems rather to depend on personal experience/preference of key persons involved. Most case studies also relate to a 'baseline study', designed and implemented for monitoring and evaluation purpose.

Considerable time and **resources need to be invested for the design of the methodology** in order to ensure its "contextualisation" and a joint understanding and "language" of all actors involved. The involvement of the partners during all main steps (design, implementation, results discussion) is highlighted by all respondents as key success factor. All respondents also stressed the need of external moderation in order to ensure objectivity in information gathering and analysis. Still, in practice the role of the project proved to be in all cases much stronger, the projects were in the "driving seat", which limits national ownership and sustainability.

Repeated application of the methodology is a must to measure change over time. A good balance must be found between the need for adjusting the system and the requirement of comparability. This proved to be a particular challenge for the citizens' surveys (LOGOS-Kosovo, PS-ARD Vietnam).

In different cases, the first round of application served as part of the baseline assessment (e.g. LOGOS-Kosovo, SAHA, CONCEDRTAR). No project made however a direct and structured **link to a local governance assessment tools**. In Bangladesh, a specific local governance self assessment methodology has been developed and applied; this was however not fully integrated in a coherent manner with the OM system.

- Diverse methodologies are applied: all have advantages and disadvantages
- A combination of diverse tools for data/information gathering is used to ensure accuracy (e.g. focus group interviews/meetings, beneficiaries surveys, municipal reports, statistics, individual opinions)
- Partners/beneficiaries act as informants, with external moderation. Their involvement is crucial (design, data gathering, results discussion), but in practice projects are still often in the driving seat
- Repeated application is a must to measure change (dilemma: flexibility vs. comparability)
- Considerable time and resources are needed to develop/contextualize the OM methodology

5. Dimensions addressed

All OM methodologies assessed in the case studies try to put the main emphasis on measuring **changes at partners' level**, which is in line with the outcome definition listed above. Still some methodologies are not fully consistent, as their objective system does not always make a clear distinction between outputs, outcomes and long term impact. The "outcome mapping" methodology applied in SAHA Madagascar proves to be especially appropriate for this purpose, as the system is designed to measure change at partners' level. The emphasis is less on the project but on measuring changes at partners' level, with a particular emphasis on their way of acting and exchanging with their social, institutional and natural environment. Other programmes - mostly applying the logframe methodology - were rather driven by a strict "cause-effect logic" between project activities, outputs and outcomes, which puts a certain limitation as reality proved to be much more complex. A first and important lesson is thus the need **to develop a coherent objective system during the planning stage**, with consistent outputs, outcomes and impact in line with the broadly accepted definitions, where **outcomes must always be defined as changes at partner level**.

In all cases, different elements of change at partners' level are being addressed in the OM system. They can be divided in two main dimensions:

- a) **Change in performance of the governance actors:** This includes primarily the performance of local/regional governments related to the quality of the provided services and other core tasks such as budgeting/financial management and planning (MSP-Serbia, Sharique-Bangladesh, LOGOS-Kosovo, PS-ARD Vietnam). It can however also contain the performance of civil society actors, e.g. their lobbying and advocacy capacity and performance (SAHA-Madagascar). In the specific case of CONCERTAR it is strongly related to intermunicipal associations, extended partners and their respective projects. These performance related dimensions can be measured to a large extent by **quantitative indicators**, measuring the specific products (hard facts). The use of qualitative information is nevertheless possible for assessing changes in performance. The citizens based satisfaction surveys organised by LOGOS-Kosovo and PS-ARD in Vietnam gathered qualitative information on “perceived” changes in LG performance.
- b) **Change in processes, internal functioning, behaviors and attitudes of actors in local governance processes.** This dimension emphasizes the quality of a process/attitude, thus being much more subjective and perception-based. Measuring of this kind of results at outcome level is thus more difficult; often reference is made to “soft” governance criteria such as participation, transparency and inclusion, which can rather be measured by **qualitative indicators**. Often perceptions and ranking/scoring are used to measure these changes. In this respect, both the LOGOS-Kosovo and PS-ARD-Vietnam case studies developed satisfaction surveys to obtain feedbacks from citizens/end-beneficiaries on the extent and quality of changes.

The 5 good governance principles (participation, accountability, transparency, effectiveness and efficiency, non-discrimination/inclusion) serve in all OM methodologies as framework to define the dimensions and the specific indicators. In most cases, they are “translated” to the specific programme context and focus. Depending on these two elements, some indicators are emphasized more than others (e.g. minority inclusion in LOGOS-Kosovo, service effectiveness in PS-ARD-Vietnam, budget and planning transparency in SHARIQUE-Bangladesh).

Citizen based surveys proved to be an adequate methodology to measure **changes in behaviors and attitudes of local governance actors** and/or change related to **effective improvements of the living situation for the right holders** (e.g. in case of problems of state legitimacy towards certain groups/minorities, such as Kosovo). In citizens’ surveys, the question of **attribution** proved to be a specific challenge. It implies first that qualitative indicators are combined with quantitative ones. Furthermore, attribution can be addressed by different measures such as using control samples outside the programme area¹¹, a close link of the survey results to the context monitoring¹², the use of specific sub-questions in a survey (in Kosovo, specific focus group interviews were introduced at a later stage to discuss, analyze and validate the results of the survey), the use of complementary tools/data and/or external moderation and analysis of results.

If the focus is rather on measuring **changes at institutional and procedural level and/or on the change in capacities of LG actors**, OM methodologies containing self assessment elements (in the sample cases mostly linked to the outcome mapping system such as SAHA Madagascar and MSP Serbia) proved to be more suitable. This allows addressing specific questions and elements, where challenges and problems exist. It is important to define these elements jointly with the main partners - and they need to be involved in the “measurement” of change - in order to ensure learning and a follow up by specific actions.

The dimension of **social inclusion (minorities, poor people etc) and gender equality** have been addressed in all cases. This was however mostly done by collecting disaggregated information and data, which is important but not sufficient. In some cases, ranking and scoring systems were also

¹¹ The use of control group is widely acknowledged as useful technique for dealing with attribution problems and being able to circumscribe the actual impact of one intervention on target group, difficulties however relate to the “comparability” (i.e. the control group needs to display the same characteristics, capabilities and motives as the target group of the project) of these control group and thus on its careful selection. See for instance: Garcia, (BMZ), (2011), pp. 13, available at: http://www.bmz.de/en/what_we_do/approaches/evaluation/Evaluation/methods/index.html

¹² In the case of PS-ARD Vietnam, the citizens’ surveys provided quite a surprisingly high level of satisfaction of citizens with the services provided, which could also be explained with the reluctance to provide direct and open critical feedback in the country.

applied. It is thus recommended to introduce special outcome elements and/or indicators in an OM system to ensure the measurement of the *quantity and the quality* of inclusion (e.g. effective voice of the poor/minorities, budget relevant decisions, expenditure rate to address gaps) are considered.

In programmes that are rather focusing on a specific sector e.g. Natural Resources Management or specific aspects of Governance - like intermunicipal activities – the monitoring system is designed accordingly. By doing so, the programmes do not get a full picture of the governance status of their partners, but only linked to the specific programme objectives.

A specific challenge faced by all analysed OM methodologies is the measurement of **outcomes related to changes of the national policy and legal framework agenda** (e.g. national decentralisation strategy, legal reforms, but also in a specific sector such as water/waste). In an OM system, the question of system-influence is of course crucial for each programme and donor, it is however difficult - and in many cases not possible - for a project/programme to address it on its own. Pre-conditions to measure “system influence” are an excellent understanding of the context, a good context monitoring system, and a thorough data analysis of the OM results closely linked to the context monitoring.¹³ Still the **attribution gap** proved to be a major challenge. Projects tend to often apply a simple cause-effect logic and/or to over-estimate their own contribution. System influence measurement must be coordinated with other programmes and donors, if possible even done jointly with the national government and/or other national actors (e.g. national local government associations, national civil society associations), unless a programme is really the “key player” to directly influencing the national policy actors. It is very important to address these issues during a programme design, while defining main objectives, outcomes and indicators of a programme and the respective monitoring system(s).

Linked to this, it is important to mention, that some programmes define **too vague and/or too ambitious programme goals and outcomes**, which are difficult to achieve by a single programme, taking into account the resources and time frame provided. This has a direct implication on the OM system, as the respective indicators will also be too vague and/or ambitious.

As mentioned above, all OM applied a repeated application to measure change over time (e.g. in Serbia, Kosovo, Madagascar, the system was repeated on an annual basis, in Bangladesh even more frequently). As programmes are normally limited to a short- to mid term perspective, **the changes in a mid- and long term perspective (sustainability of changes at outcome level)** should also be addressed. Again, this can only be achieved, if the main national partners feel ownership in terms of achieving the outcomes, but also in terms of regularly measuring the change/progress. In any case, the limited duration of a project/programme puts certain limitations and the long term perspective can only be addressed by external ex-post impact assessments/evaluations or by the integration/handing over of OM methodologies to national systems. Donors should play a proactive role in ensuring at least continuity for domain level types of indicators.

The **dimension of cost-effectiveness was not addressed** by any of the case studies and all interviewed persons stated, that additional complementary tools/methodologies are required.¹⁴ In addition, the exact meaning of the term cost-effectiveness for governance programmes needs to be further specified.

The dimension of **changes in power relations** has only been partly addressed, mostly in an indirect way. Although all programmes are aware about the power dynamics and the fact that they are influencing them, a consistent and structured measuring of changes in power relations is not done. Some OM methodologies look at particular aspects of power relations (such as increased voice and decision making influence of the poor in SHARIQUE-Bangladesh, increased policy influence of

¹³ e.g. The independence declaration of Kosovo strongly influenced the perception of the citizens on the government performance; The financial crises caused in Serbia serious budget cuts for financial transfers to municipalities; The riots and government change in Madagascar had major influence on the whole governance system.

¹⁴ The limited focus of indicators on cost-benefits and “value for money” aspects is not particular to these case studies. A gap in the use of these types of indicators is being observed in available literature. See for instance: Gareth Williams (2011), p.4

partners in SAHA-Madagascar, gender sensitive budgeting aspects in LOGOS-Kosovo). Selected tools (like the power cube in SHARIQUE-Bangladesh for sensitisation and awareness raising) were tested, it proved however to be difficult to link this in practice to changes in power relations. Still further reflection and conceptual work is needed, in order to equip programmes with adequate and effective tools to measure effectively power relations and respective change of behaviours in practice.

- All tools put emphasis on changes at partners' level, mostly distinguishing between
 - A) Change in performance of governance actors (services, budget), measured mainly by quantitative indicators
 - B) Change in quality of processes, behaviours and attitudes of actors in local governance processes, measured by qualitative indicators (perceptions of groups/citizens)
- The 5 good governance principles (or some of them) serve in all OM methodologies as framework to define the dimensions and the specific indicators; depending on the specific programme orientation, the focus is only on specific aspects
- Social inclusion: need to introduce outcome elements and/or indicators to ensure the measurement of the quantity *and the quality* of inclusion
- Citizens surveys are suitable for measuring changes in behaviors and attitudes of local governance actors and/or change related to effective improvements of the living situation for the right holder
- OM methodologies containing self assessment elements (e.g. Outcome Mapping) are more suitable for measuring changes at institutional and/or on the change in capacities of LG actors'
- Policy influence measurement must be coordinated with other programmes and donors, if possibly jointly with the national government and/or other national actors – projects tend to use simple cause-effect logic and/or to overestimate their contributions: Policy influence should not be measured by a programme on its own
- Power relations are only addressed partly: conceptual work is needed to equip programmes with adequate and effective tools to measure effectively power relations and respective change of behaviours in practice
- Cost-effectiveness / cost-benefit elements are not addressed; new tools and a clarification of the term are needed
- A realistic and coherent objective system with consistent outputs, outcomes and impact is a must; Outcomes must always be defined as changes at partner level

6. Indicators used

As expected, indicators used proved to be **quite diverse and context specific**. As the objective systems were not always fully consistent, outcome indicators were in some cases some cases rather measuring outputs or impact. Still three general findings are important:

1. The **5 good governance principles** (or at least some of them) serve in all cases as broader framework to define the indicators. Depending on the programme focus and context, these principles were specified and “translated” into specific outcome indicators. The annex provides an overview of the main elements and core indicators, which can serve as “source of inspiration” when designing an OM system in the future.
2. **Diverse tools are applied** to gather information and data for measuring change. Whereas quantitative indicators are self-explainable, the **qualitative indicators are in most cases “quantified” by a scoring/ranking system**: The interviewed person/group/beneficiary is asked to score the quality of a certain process according to his/her perception. Relevant change can thus be measured by “measuring” the change of perception of a representative sample in terms of number of persons (e.g. citizens' survey in Kosovo and Vietnam) or in terms of information level of the interviewed persons (e.g. focus group interviews in Serbia and Madagascar). In both cases the exercise needs to be repeated on a regular basis over a certain time period to serve as instrument to measure change.¹⁵ As mentioned above, a **good and regular analysis of the context** is a precondition for using such a methodology. Understanding the context is first a must for understanding respondents'/end-beneficiaries' expectations and thus defining appropriate questions that will allow capturing change. A close link to the context monitoring is

¹⁵ see the need for combining quantitative and qualitative indicators Garbarino/Holland, 2011

furthermore necessary to ***make a good and in depth analysis of these data and their variation over time***. Such analysis is a precondition to be able to draw conclusions regarding the effective progress/results at outcome level and/or to make possible adjustment in a programme strategy.

3. Whereas classical local governance/decentralisation support programmes could refer to the good governance framework and respective experience and literature, sector programmes (SAHA, CONCERTAR, PS-ARD) faced more difficulties to embedding “governance indicators” in their OM system.

Annex 1 proposes “indicators’ clouds” which regroup the main indicators extracted from the case studies. The clouds are structured along the 5 good governance principles.

7. What about harmonization and alignment?

Harmonization of programmes with the SDC monitoring system exists in all cases, although there is certain mismatch in terms of timing (differences in periods covered by the reports) and partly in terms of outreach (geographic focus of programmes vs. country wide outcome indicators for SDC). Particularly the newly introduced SDC standard reporting requirements for projects putting the focus on outcome reporting proved to be important for consistency between projects/programme and the SDC country strategies.

Harmonization with other programmes and/or donors proved to be difficult. Main obstacles faced in practice are differences in the programme focus (and aimed changes targeted), timing (programme periods), target areas/groups, reporting systems or similar. The rather narrow project focus of the assessed monitoring systems puts limits to effective harmonization. A really harmonized monitoring system would need to be defined and agreed at an early programme or even country strategy design stage.

Alignment with national monitoring systems was tested - unsuccessfully - in 2 cases: LOGOS-Kosovo initially “borrowed” some of its indicators from an existing local government performance measurement system developed by the national government with the support of USAID. In practice coordination and consultations with the responsible Ministry and with the officials in charge of the reports have been unsuccessful, and the source of information revealed non-reliable. In the PS-ARD in Vietnam, public opinion surveys were meant to serve as a test to be replicated by the government of Vietnam to monitor performance in public services provision. The government and service providers were thus included in the development of the tool as well as in the data collection (provincial statistical offices). However, at the end the government showed limited interest in replicating this tool. In addition, the choice of PS-ARD to rely on provincial statistical offices had negative consequences on the sincerity of answers and thus on the reliability of the collected data. The examples show, that alignment to work “on-system” in the field of monitoring is very difficult, particularly if single projects try to develop/promote methodologies to be transferred to national/local institutions. A strong demand from national authorities and political leadership are minimum pre-conditions. Furthermore, alignment may enter in conflict with the requirement of obtaining reliable data, thus the involvement of an external actor might be needed. Here the donor community (in support to a national institution such as local government associations) might step in and fill this gap, in case they manage to speak with one voice.

- Harmonization of programme OM methodologies with the SDC country monitoring system is mostly realized
- Harmonization with other programmes and/or donors is difficult. Main obstacles are: different programme focus, timing, target area/group, reporting systems
- Alignment with national systems was not successful; preconditions are 1. Demand from national authorities; 2. Political leadership; 3. Harmonized donor community position.

8. Contextual preconditions

Context matters, particularly in local governance processes, which are often strongly influenced by historical and socio-political factors and as well by the institutional set up. General conclusions are thus rather difficult; still some joint contextual preconditions for an effective outcome monitoring system can be identified:

Minimum contextual preconditions

- Minimum stability regarding the legal and institutional framework, combined with a certain “security of existence” for the main local governance actors (local government institutions and civil society institutions). In a situation where local governments and/or organized civil society organisations are inexistent or under permanent threat (due to conflict situations or political factors), effective measuring of change in local governance processes due to programme initiatives is not possible;
- Minimum political stability; linked to a certain continuity at partners’ level in terms of leadership and core staff of local governance actors (programme partners);
- A minimum level of stability is of particular importance for methodologies based on opinion surveys, as there are many elements that can influence citizens’ perceptions, reliability of collected data will be negatively influenced by political instabilities;
- A certain level of rule of law and law enforcement; this is particularly needed when it comes to (sector or development) planning, new laws and rules & regulations (e.g. In the field of natural resources management) under which the project partners develop their plans and agreements
- Relationship based on basic mutual trust, where local governance actors or other project partners and end-beneficiaries do not feel threatened and issues and problems can be addressed/discussed in a constructive matter;
- “Minimal standards” of good governance are practiced; in situations of non existence of the basic principles of good governance and rule of law, outcome measurement might be very difficult;
- Certain specific contextual background rule out certain methodologies such as citizens surveys (e.g. lack of information, social/political pressures, low awareness (people are used to poor services), as the learnings from the Vietnam and Kosovo cases suggest.

Other preconditions

- Mid- to long term commitment with sufficient resources from project/donor side, as changes must be measured over a certain period (and need a certain time to happen);
- Basic common understanding on the methodology and main indicators (e.g. what means transparency, social inclusion, etc. in a specific context needs to be discussed and agreed with the partners);
- Availability of a group of ‘change agents’ supporting/leading the partners in their endeavour of change and addressing power changes (from top down to participatory decision-making) and power sharing
- Attitude of learning amongst the partners combined with a growing competence of managing the own organisation and its activities
- In case the methodology includes external facilitation, the facilitator must have a very good understanding of the local governance system in the country;
- Excellent analytical capacities to analyse the information and data gathered to draw the right conclusions.

9. Overview of applied methodologies

Strengths	Weaknesses / Question marks
<u>Citizens surveys</u> (LOGOS Kosovo, PS-ARD Vietnam)	
<ul style="list-style-type: none"> ▶ Measure change of behaviours and attitudes of LG actors ▶ Measure effective improvements of the living situation for the right holders ▶ Allows measuring change over time ▶ Allows benchmarking among different LG units ▶ Potential for alignment and harmonization (can be continued without project support) 	<ul style="list-style-type: none"> ▶ Attribution gap (context changes, other factors) ▶ Triangulation with complementary additional tools required to extract right lessons ▶ Close link to context monitoring is needed ▶ Adaptations during the process are difficult
<u>Outcome mapping</u> (SAHA Madagascar, MSP Serbia)	
<ul style="list-style-type: none"> ▶ Measure change at institutional and procedural level ▶ Measure change in capacities of LG actors ▶ Potential for learning and follow up by specific actions ▶ Involvement and ownership of partners 	<ul style="list-style-type: none"> ▶ Resource intensive (sustainability?) ▶ Commitment of partners required ▶ Spirit of being self-critical is required (accuracy of data) ▶ Power relations difficult to address ▶ Should be harmonized with others
<u>Project developed methodology: self-assessment elements, focus on project results</u> (Sharique Bangladesh, Concertar Bolivia)	
<ul style="list-style-type: none"> ▶ Measure direct project contributions, focused on specific working areas (accurate project reporting) ▶ Measure changes at institutional and procedural level ▶ Measure change in capacities of LG actors ▶ Flexibility and adjustments due to context changes 	<ul style="list-style-type: none"> ▶ Risk for “data graveyard” ▶ Limited ownership of partners ▶ Limited potential for learning, policy dialogue and follow up by specific actions ▶ Limited potential for harmonization and alignment

10. Core recommendations for an accurate OM system

- 1) **Role of the donor in selecting the OM methodology:** The donor needs to take the lead and provide guidance on the selection of the methodology. Many methodologies do exist; all of them have advantages and disadvantages. The design of new methodologies for each project and programme should be avoided. Increase involvement of the donor in monitoring would also allow for continuity in the collection of certain data. It is crucial, that the donor community keeps

its commitment from Busan to ensure and enhanced country owned M&E system particularly in the areas of local governance.¹⁶

- 2) **Selection of the OM system:** When selecting, different elements need to be considered such as the main purpose of OM, contextual preconditions (security situation, capacities in the country), duration of a programme, as well as the commitment of partners to get involved and take ownership.
- 3) **Purpose of the OM:** The main purpose of outcome measurement must be defined and agreed from the beginning. Most OM methodologies can serve multiple purposes. Defining the main purpose is crucial to select the appropriate methodology. OM systems should not only focus on the specific narrow project objectives/outcomes and do more than simply collect data. A project/programme should be able to extract its results and learnings, but this should not be the only purpose. Each OM system should also serve the purpose to conduct a dialogue with the partners and contribute to the policy discussions in a country to raise the awareness on change processes. Such mechanisms need to be planned and defined from the beginning.
- 4) **Involvement and ownership of partners:** An OM system must be developed jointly with the main partners. They must take a leading role in the “measurement” of change (data/info gathering, results discussion), in order to ensure learning, ownership and a follow up by specific actions. It is the task of a programme to create and facilitate such spaces, where an open and self-critical discussion is promoted. Depending on the chosen methodology, partners take the lead (self-assessments) or act rather as key informants. External moderation is recommended (e.g. by experts, by a local government association, by a civil society organisation) in order to ensure accuracy. Donors/projects should refrain from taking the driving seat. Inclusion of partners (diverse stakeholders including local governments and civil society) in developing M&E systems has been recognized in Busan by the donor community as key for mutual accountability with important implications “for how development assistance is being and should be defined and delivered”.¹⁷
- 5) **Consideration of different perspectives and diversified sources of information:** As mentioned, diverse methodologies exist; the selection should be done based on clear criteria and in depth reflection. A combination of the perspectives (supply and demand side) as well as the application of diverse tools for data/information gathering proved to be most appropriate to ensure reliability and accuracy (e.g. outcome mapping results, beneficiaries surveys, focus group interviews, local governance assessments, municipal reports, international organisations indicators, official statistics, individual opinions).
- 6) **Need for “Contextualisation”:** Once an OM has been chosen, it needs to be adjusted to the specific programme context. This requires time, close cooperation with main partners (and possibly independent external national experts) and a good knowledge of the specific local governance situation in the area/country.
- 7) **Coherent Programme Planning:** A coherent programme objective system is a precondition for any OM methodology. A clear and realistic definition of a programme goal, outcomes and outputs is therefore of utmost importance for an accurate OM.
- 8) **Definition of outcomes:** The programme outcomes must be defined as *changes at partners’ level*. They must be realistic and agreed with the main partners and specified by measurable indicators; general definitions of all good governance principles can serve as a framework, they should however be specified and contextualized in order to clearly define what kind of change is expected at outcome level.
- 9) **Resources and time horizon:** Outcome Measurement requires considerable time and resources, if OM is also understood as learning process (and not only evaluative). Time required, financial implications and responsible persons/institutions should be agreed from the beginning. OM must be designed for several years, in order to be able to measure change over a certain period.

¹⁶ See details in DeLog (2011), p. 11-12, 34-36.

¹⁷ DeLog (2011), p. 36

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- 10) **Dimensions to be addressed:** The 5 good governance principles should always serve as framework to ensure a comprehensive OM system. Citizen based surveys proved to be an adequate methodology to measure *changes in behaviors and attitudes of local governance actors* (e.g. in case of problems of state legitimacy towards certain groups/minorities) and/or change related to *effective improvements of the living situation for the right holders*. If the main purpose is rather to measuring *changes at institutional and procedural level and/or on the change in capacities of LG actors*, OM methodologies containing self assessment elements proved to be more suitable; this allows addressing specific questions and elements, where challenges and problems exist. The Outcome Mapping methodology proved to be effective for measuring change at partners' level, as it involves strong involvement and commitment from partners.
 - 11) **Social Inclusion:** If an OM aims at measuring changes relating to social inclusion (gender, minorities, marginalized groups, etc), this must be emphasised during the design of the OM methodology. Specific indicators need to be defined to measure the quantity and the *quality* of inclusion. Disaggregated data collection proved not to be sufficient.
 - 12) **Power relations:** Measuring change related to power relations proved to be for most programmes a big challenge. Further conceptual work is needed to equip the donor community/programmes with adequate and effective tools to measure effectively power relations and respective change of behaviours in practice.
 - 13) **Measuring policy influence:** Donors must take a leading role in measuring policy influence. OM related to policy influence should be coordinated with other programmes/donors, optimally integrated into one joint system. In addition, it should be coordinated (in best case aligned) with national government and/or other national actors (e.g. civil society organisations, local government associations) systems. Projects tend to use simple cause-effect logic and/or to overestimate their contributions.
 - 14) **Definition of Indicators:** The good governance principles should always serve as conceptual framework for the detailed definition of indicators. Indicators must be defined in close cooperation with the partners in order to ensure their "contextualization" using a terminology, which is understood by all stakeholders (not only development specialists). Changes in performance of governance actors (services, budget) are easier to be measured by quantitative indicators, whereas change in quality of processes, behaviours and attitudes of actors in local governance processes can rather be measured by qualitative indicators (perceptions of groups/citizens).
 - 15) **Qualitative indicators:** the collection of qualitative information is most often done through opinion/satisfaction surveys with end-beneficiaries or through focus group interviews. Results can be "quantified" by a scoring/ranking system: The interviewed person/group/beneficiary is asked to score the quality of a certain process according to his/her perception. Again, an in-depth analysis of the context is a precondition for organizing these types of surveys. The understanding of the context will first allow to decide on the feasibility of such surveys and will need to be taken into account in the design of the survey methodology. This should lead to results that are reliable (who shall conduct the interviews, use of randomized samples or not, adaptations of the questionnaire to the needs/expectations/understanding of the respondents). Relevant change can thus be analysed by "measuring" the change of perception of a representative sample in terms of number of persons (e.g. citizens' survey) or in terms of information level of the interviewed persons (e.g. focus group interviews).
 - 16) **Data analysis and link to a context monitoring:** An in depth analysis of the OM data/results is crucial to be able to draw right conclusions regarding the effective progress/results at outcome level and/or to make possible adjustment in a programme strategy. OM must thus be closely linked to context monitoring.
 - 17) **Harmonization and attribution:** Harmonization of OM systems with other programmes/donors is an obligation of development cooperation and the donor community confirmed this issue in different international documents such as the Paris Declaration, Accra Agenda for Action, Busan Aid Effectiveness Agreement. Special efforts for harmonization of OM systems must be taken by each donor and programme. Possible obstacles such as different programme focus, target areas/groups, attribution gaps and reporting systems must be addressed. A change of

rules (and the mindset) with regard to reporting is needed, accepting that outcomes are the result of different actions, without being able to identify the exact contribution of project A, B or C. In order to cope with specific reporting requirements, the use of limited project focused complementary OM tools could still be envisaged.

- 18) **Alignment:** Alignment with national monitoring systems is a precondition for sustainability of OM. Its feasibility needs to be reflected from the beginning under the lead of the donor agency. Even if full alignment is not possible, all efforts must be undertaken to ensure at least partial alignment with national systems. Institutional space should be developed allowing the partners to develop capacities in OM. This is an important for any initiative to make partners responsible for change!

11. Need for Action

Based on the learnings and recommendations of the assessed case studies, need for action has been identified in the following areas

Need identified	Comments
<i>Need to provide guidance, what should be the main purpose of outcome measurement in a project/programme</i>	Currently, the primary purpose is in most cases to measure project results (project focus). The opportunity to launch discussions with partners and the use for policy dialogue is not sufficiently explored. The case studies have shown that participatory methods (e.g. outcome mapping) show better results in terms of dialogue and ownership of the partners. If an OM shall serve policy dialogue purpose, the questions of <i>alignment and harmonization</i> need to be addressed and clarified from the beginning.
<i>Need to link of OM systems with local governance assessments</i>	At the moment of choosing and designing the outcome measurement system, a clear link with local governance assessments (and possibly other baseline assessments such as PEA or similar) must be ensured.
<i>Need to provide guidance to ensure coherent objective systems</i>	A coherent programme objective system must clearly distinguish between activities, outputs and outcomes (and related indicators), along broadly accepted definitions of outputs and outcomes. Outcomes are mainly changes at partners' level. Another important element is to ensure the definition of realistic and achievable project/programme goals and outcomes.
<i>Need to address the challenge of attribution gaps</i>	Guidance on how attribution gaps should be addressed is needed (e.g. link to the context monitoring, complementary tools/data, harmonization with other programmes/donors, alignment with national monitoring systems). Possibly certain changes in the reporting system are needed, as outcomes are the results of different actions, without being able to identify the exact project contribution in each case.
<i>Need for guidance on defining outcome indicators</i>	Although each context is specific and a rigid indicator check list would not be appropriate, a clearer framework on "outcome indicators" is needed to ensure more consistency and to avoid too heavy data collection. The 5 good governance principles should serve as overall framework For sector programmes – where (local) governance is addressed as transversal themes – a separate framework should be developed, with a focus on outcomes (based on the existing SDC

	guidelines)
<i>Need for tools and methodologies how to measure change in power relations</i>	Specific and in practice tested validated tools and methodologies are required to a) conduct a baseline assessment of power relations in project and programmes; b) regularly monitor change in power relations and in how far the initiative/project/programme has contributed to it
<i>Need to clarify the term of cost effectiveness</i>	Cost effectiveness is a term not yet clearly defined, particularly for governance programmes. A broader discussion resulting in a certain definition of the concept and the term is needed and specific tools need to be developed, how cost-effectiveness can be measured in an appropriate way to measure change in local governance programmes

12. Concluding Remarks

The scope of this learning project is to look at a selected number of case studies related to outcome measurement in local governance programmes. Lessons are thus drawn from (primarily SDC) practice, comparing them with current international debates and literature.

The learning project thus does not have the ambition to provide a full and comprehensive picture on this vast topic. It is also obvious, that not all aspects could be covered, as outcome measurement is closely linked to other topics such as local governance assessments and political economy analysis, which are being addressed in other similar learning and capitalisation processes.

Still some interesting and relevant learnings could be drawn, coming from the daily practice of SDC experts and partners in different regions. The goal of this learning project is thus to ***serve as basis for reflection and further exchange and learning, at the same time providing strategic and operational guidance and recommendations for the future***, keeping in mind that outcome measurement in local governance processes is a permanent learning field. The learning project has also shown that measuring outcomes goes far beyond tracing project results. Outcome measurement is very important for continued learning, triggering innovation and entering into a continued dialogue with partners to promote change. ***New ways of thinking and new ways of doing things are therefore needed, moving ahead from narrow project perspectives towards more aligned and harmonized systems, if sustainable impact of development initiatives should be achieved.***

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14. Annexe 1 – Indicators’ clouds

The “indicators’ clouds” proposed below compile the main indicators extracted from the case studies that served as a base for this analytical paper on Outcome Measurement.

The **first cloud** proposes a summary of the 5 following clouds and compiles the main fields of observation used by the OM of the case studies.

The **five main clouds** are organised along *the five good governance principles* and rely on the following logic:

- **THE GOOD GOVERNANCE DIMENSION** covered by the cloud is indicated in capital letters and black font.
- “**WHAT**” is being measured/monitored or the **THE FIELD OF OBSERVATION** is given in capital letters and blue font. *The use of lighter blue* refers to sub-categories of the main fields of observation.
- “How” it is being measured or “under which perspective is the field of observation considered” is indicated in lower cases. The size of the font distinguishes between Outcome and Output level, with the former indicated in larger font.

Some words of caution are nevertheless necessary:

- As stated above, the indicators contained in the clouds are extracted from the selected case studies and are therefore not meant to be comprehensive. On the other hand they already provide some indications on what are traditional “fields of observation” and as a basis for further elaboration.
- In the same vein, it is also worth mentioning that the programmes under study have different focuses and it therefore proved difficult to draw a clear “border line” between “output level indicators” and “outcome level indicators”. Their final “categorization” and use therefore depends on the specificities of each project and on the exact focuses and scope of their intervention.





W&V: Women and Vulnerable groups